Public Document Pack

Summons to attend meeting of

Full Council

Reserve Budget Council

Date: Wednesday, 2 March 2022

Time: 2.00 pm

Venue: The Council Chamber - 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: Wednesday, 23 February 2022

Agenda

1. Welcome and Safety Information

(Pages 4 - 6)

2. Apologies for Absence

3. Declarations of Interest

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

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

4. Minutes of the Previous Meeting

To agree the minutes of the previous meeting as a correct record. **(Pages 7 - 26)**

5. Lord Mayor's Business

To note any announcements from the Lord Mayor

6. Public Forum (Petitions and Statements)

Under the Council's constitution, there is no provision for public forum at the Budget Council meeting. However, in consultation with the Mayor and other party group leaders, the Lord Mayor has determined that public petitions and written statements will be accepted for this meeting on the following basis:

1. Petitions and statements for this meeting must be about the budget/reports included on the agenda.

2. The wording of all petitions and all written statements must be submitted by the deadline of **12 noon on Monday 28th February**.

Petition details / written statements should be sent to democratic.services@bristol.gov.uk

3. Questions are not permitted on this occasion.

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

5. At the meeting, the Lord Mayor will permit a brief opportunity for petitions to be presented at the start of the meeting (up to 1 minute for each petition), to allow petitioners to formally present their petitions and to confirm the final number of signatures.

6.The Lord Mayor will ask Full Council to receive and formally note all petitions and written statements received.

7. 2022- 2023 Budget Report

Please see Appendix T for the Mayor's Proposed Budget. **(Pages 27 - 305)**

A detailed note of the procedure for this meeting to follow by Friday 25th February 2022.

Signed

Proper Officer
Wednesday, 23 February 2022

Public Information Sheet
Reserve Budget Council

Public Forum – Reserve Budget Council

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

Members of the public may present a petition or make a written statement to Reserve Budget Council meetings. Please submit it to democratic.services@bristol.gov.uk .

Petitions and Statements can only be about the budget report presented to Council. For further information about procedure rules please refer to our Constitution https://www.bristol.gov.uk/how-council-decisions-are-made/constitution

Petitions from members of the public

- Petitions must relate only to the budget item on the agenda.
- 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 must relate only to the budget item on the agenda.
- Statements should be received no later than **12.00 noon on Monday 28th February**.
- For this meeting statements will not be invited to be read out. They will be circulated to the Lord Mayor, Mayor and Councillors in advance and noted at the meeting.
- There can be one statement per person and 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

- There will be no public forum questions invited for this Reserve Budget Meeting.

By participating in public forum business, we will assume that you have consented to your name and the details of your submission being published. This information will also be made available at the meeting to which it relates and placed in the official minute book as a public record. You may therefore wish to consider if your statement contains information that you would prefer not to be in the public domain.

The information contained within public forum submissions are the views of those individuals and do not reflect the views of Bristol City Council

Fire Safety Information

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

COVID-19 Precautions at City Hall (from July 2021)

When attending a meeting at City Hall, COVID-19 precautions will be taken, and where possible we will:

- Have clear signage inviting you to check in to the venue using the NHS COVID-19 app or record your contact details for track and trace purposes.
- Provide public access that enables social distancing of one metre to be maintained
- Promote and encourage wearing of face coverings when walking to and from the meeting
- Promote good hand hygiene: washing and disinfecting hands frequently
- Maintain an enhanced cleaning regime and continue with good ventilation

COVID-19 Safety Measures for Attendance at Council Meetings (from July 2021)

To manage the risk of catching or passing on COVID-19, it is strongly recommended that any person age 16 or over attending a council meeting should follow the above guidance but also include the following:

- If requested, show certification of a negative NHS COVID-19 lateral flow (rapid) test result: taken in the 48 hours prior to attending. This can be demonstrated via a text message or email from NHS Test and Trace.
- An NHS COVID-19 Pass which confirms double COVID-19 vaccination received at least 2 weeks prior to attending the event via the NHS App. A vaccination card is not sufficient.
- Proof of COVID-19 status through demonstrating natural immunity (a positive NHS PCR test in the last 180 days) via their NHS COVID-19 pass on the NHS App.
- Visitors from outside the UK may need to provide proof of a negative lateral flow (rapid) test taken 48 hours prior to attendance, demonstrated via a text message or email.

Reception staff may ask to see this on the day of the meeting.

No one should attend a Bristol City Council event or venue if they:

- are required to self-isolate from another country
- are suffering from symptoms of COVID-19
- have tested positive for COVID-19 and are requested to self–isolate

Members of the press and public who wish to attend City Hall are advised that you may be asked to watch the meeting on a screen in another room due to the maximum occupancy of the venue.

Other formats and languages and assistance for those with hearing impairment

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

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

Arrangements for Budget Council

As part of the drive to reduce single-use plastics in council-owned buildings, please bring your own water bottle in order to fill up from the water dispenser.

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

The Lord Mayor has determined:

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

Under our security arrangements, all members of the public (and bags) may be searched. This applies to all members of the public attending the meeting in the interests of helping to ensure a safe meeting environment for all attending. Visitors' bags are liable to be searched prior to entry, and entry is conditional upon visitors consenting to be searched. Searches are carried out to ensure that no items which may interrupt proceedings are brought into the building. Small notices may be acceptable if they are not obstructive or offensive (no more than A4 size).

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

Bristol City Council
Minutes of the Full Council

15 February 2022 at 2.00 pm

Members Present:- Lord Mayor Steve Smith, Mayor Marvin Rees
Councillors: Mayor Marvin Rees, Donald Alexander, Jenny Bartle, Nicola Beech, Marley Bennett, Mark Bradshaw, Fabian Breckels, Andrew Brown, Craig Cheney, Jos Clark, Sarah Classick, Asher Craig, Chris Davies, Tony Dyer, Richard Eddy, Emma Edwards, Lily Fitzgibbon, Tessa Fitzjohn, Martin Fodor, Lorraine Francis, John Geater, Paul Goggin, Geoff Gollop, Zoe Goodman, John Goulandris, Katy Grant, Fi Hance, Tom Hathway, Helen Holland, Gary Hopkins, Katja Hornchen, Jonathan Hucker, Philippa Hulme, Farah Hussain, Chris Jackson, Ellie King, Tim Kent, Heather Mack, Mohamed Makawi, Brenda Massey, Henry Michallat, Yassin Mohamud, Graham Morris, Barry Parsons, Steve Pearce, Ed Plowden, Guy Poultney, Kevin Quartley, Tom Renhard, Tim Rippington, James Scott, Sharon Scott, Steve Smith, Ani Stafford-Townsend, Christine Townsend, Andrew Varney, Mark Weston, David Wilcox, Chris Windows and Tim Wye

1 Welcome and Safety Information

The Lord Mayor welcomed all attendees to the meeting and outlined the emergency evacuation process.

2 Apologies for Absence

Apologies for absence were heard from Councillors Lesley Alexander, Ali, Bailes, Denyer, English, Hartley, Jama, O'Rourke and Stone.

3 Declarations of Interest

None received.

4 Minutes of the Previous Meeting

Councillor Brown indicated that his name should be removed from the list of declarations of interest at the January meeting.

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

RESOLVED:

That the minutes of the meeting of the Full Council held on the 11 January 2021 be confirmed as correct record and signed by the Lord Mayor, subject to the removal of Councillor Brown's name.

5 Lord Mayor's Business

The Lord Mayor informed Full Council of the sad death of former Conservative Councillor Alderman Margaret Stamper and former Bristol City Councillor Roderick Davidson. Condolences were sent to their families and friends and a minute's silence was observed.

6 Public Forum (Petitions and Statements)

Public Petitions:
There were no public petitions received.

Public Statements:
The Full Council received and noted the following statements (which were also referred to the Mayor for his consideration and information):

Ref No	Name	Title
PS01	Steve Roser - Global Goals Centre	Twinning Officer Cut
PS02	Bristol International Twinning Association	Bristol International Twinning Association
PS03	Bristol Tbilisi Twinning Association (BTA)	Twinning Officer Cut
PS04	Bristol Oporto Association	Twinning Officer Cut
PS05	Bristol Link with Nicaragua (Blinc)	Twinning Officer Cut
PS06	Dr Ann Kennard Chair - Bristol-Hannover Council	Twinning Officer Cut
PS07	Jen Smith	Equality Impact Assessment E8
PS08	Withheld	Taking away transport for SEND pupils
PS09	Vivien Brown - Bristol Bordeaux Partnership	Twinning Officer Cut
PS10	Nia Evans	Support of amendments for public toilet provision
PS11	Barbara Segal	Amendment Proposal to Revenue Budget 2022/23, Growth and Regeneration
PS12	Diana Swain -Chandos Neighbourhood Association	Student Exemptions from Council Tax
PS13	Jules Laming - Friends of Jubilee Pool (Bristol) Ltd	Support of Agenda Item 7: Amendment proposals to Capital Programme 2022-2023

PS14	Jo Sparks	Support of amendments for public toilet provision
PS15	Suzanne Williams	Support of amendments for public toilet provision
PS16	Rachel Legg	Support of amendments for public toilet provision
PS17	Judith Sluglett	Support of amendments for public toilet provision
PS18	Rose Whitehorn	Support of amendments for public toilet provision
PS19	Hedley Bashforth	Support of amendments for public toilet provision
PS20	Christina Stokes	Support of amendments for public toilet provision
PS21	Helen Wheeler	Support of amendments for public toilet provision
PS22	Arvind Howarth	Support of amendments for public toilet provision
PS23	Robert Ive	Support of amendments for public toilet provision
PS24	Andy Havill	Support of amendments for public toilet provision
PS25	James Clemoes	Support of amendments for public toilet provision
PS26	Edite Kasvanda	Support of amendments for public toilet provision
PS27	Mary Montgomery	Support of amendments for public toilet provision
PS28	Jon Hardy	Support of amendments for public toilet provision
PS29	Caroline Hope	Support of amendments for public toilet provision
PS30	Adrian Andrew	Support of amendments for public toilet provision
PS31	David Cobb	Support of amendments for public toilet provision
PS32	Carol Billinghurst	Support of amendments for public toilet provision
PS33	Jessica Winkler	Support of amendments for public toilet provision
PS34	Esme Roslin-Sprason	Support of amendments for public toilet provision
PS35	Fran Blishen, Emmaus Bristol	Support of amendments for public toilet provision
PS36	Deri Smith	Support of amendments for public toilet provision
PS37	Alexander Croot	Support of amendments for public toilet provision
PS38	Nia Evans	Support of amendments for public toilet provision
PS39	Doug Branch	Support of amendments for public toilet provision
PS40	Michael McNeil	Support of amendments for public toilet provision
PS41	Camden Dixie O'Brien	Support of amendments for public toilet provision
PS42	Chris Evans	Support of amendments for public toilet provision
PS43	Nick Weber	Support of amendments for public toilet provision
PS44	Janis Beavon	Support of amendments for public toilet provision
PS45	Elinor Lower	Support of amendments for public toilet provision
PS46	Teresa Mcilvenna	Support of amendments for public toilet provision
PS47	Bristol Reclaiming Independent Living (BRIL)	Proposed Budget Cuts
PS48	David Redgewell - South West Transport Network and Railfuture Severnside	Budget and Transport
PS49	Louise Delmege	Support of amendments for public toilet provision
PS50	Cate Jackson	Support of amendments for public toilet provision
PS51	Rowena Hayward - GMB Wales and South West Region	Budget Statement
PS52	Catherine Farrington, Westbury On Trym Primary	Westbury On Trym Village Car Park

	Care Centre	
PS53	Edith Cowan-Hughes	Support for amendments for public toilet provision
PS54	Cllr Tessa Fitzjohn	Cuts to the Museum Service
PS55	UNISON	Budget proposals being submitted to Full Council

7 2022- 2023 Budget Report

The Full Council considered a report setting out the Mayor's 2022-2023 budget recommendations.

The Lord Mayor drew Members attention to the budget procedure to be followed.

At this point, on the motion of the Lord Mayor, it was

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

The Mayor introduced the budget report.

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

The leaders of each party group, Cllrs Pearce, Mack, Weston, Clark and Hopkins each responded to the budget proposals.

Councillors Dyer and Gollop presented comments on behalf of the Overview and Scrutiny Management Board and Resources Scrutiny Commission.

The Mayor responded to the points raised.

Full Council then considered and debated each of the proposed budget amendments as follows:

Amendment No.1 - Knowle Community Party Budget Amendment
Capital Loan to Jubilee Pool, reduction in Corporate Contingencies.

Councillor Hopkins moved the amendment, seconded by Councillor Davies.

Following debate, upon being put to the vote on both elements of the amendment, the amendment was CARRIED.
Vote 1 - 33 members voting for, 20 against and 6 abstentions.

Amendment No.2 - Liberal Democrat Group Budget Amendment
Investment in parks, investment in cycling and walking infrastructure, SEND capital investment, capital finance raised through additional borrowing, reduction in funding to the Mayor's Office, reduction in PR

and Consultation, fund Occupational Therapist to speed up assessments for those seeking Disable Facilities Grant, investment in Front Garden Tree Scheme, increase in Capital financing to pay for children's play, parks and transport.

Councillor Brown moved the motion, seconded by Councillor Clark.

Following debate, upon being put to the vote the amendment was LOST with 24 members voting for, 27 against and 8 abstentions.

Amendment No.3 - Green Group Amendment
Establish at least one Residents Parking Scheme, prudential borrowing to finance at least one Residents Parking Scheme, increase number of civil enforcement officers to enforce parking regulations, additional school streets, establish at least one Residents Parking Scheme, cost of servicing capital finance implications of new Residents Parking Scheme.

Councillor Wilcox moved the motion, seconded by Councillor Fitzjohn.

Following debate, upon being put to the vote the amendment was CARRIED unanimously with 59 members voting for.

ADJOURNMENT: The meeting was adjourned for ten minutes.

Amendment No.4 - Green Group Amendment
Return the Twinning Officer to full time, reduce the One City office budget if needed to pay for the cost of maintaining Twinning Officer, reduce Mayor's Office budget, reduce the Comms/PR budget avoiding cuts to staffing if possible, increase public toilet provision in the city.

Councillor Bartle moved the motion, seconded by Councillor Hance.

Following debate, upon being put to the vote the amendment was CARRIED with 38 members voting for, 19 against and 1 abstentions.

Amendment No.5 – Conservative Group Amendment
Reduction in funding to the Mayor's Office, reduction in PR & Consultation, reduce Operational Reserve, remove provision for Mayoral Commission Reserve, remove residual investment in a Brussels Office, exempt disabled drivers from charge for installation of designated parking bays, reduce bulky-item household collection charge, progress Fruit Tree Planting initiative in schools, restore proposed saving to libraries non-staffing budgets, reinstatement of unsold public toilet block.

Councillor Weston moved the motion, seconded by Councillor Gollop.

Following debate, upon being put to the vote the amendment was LOST with 22 members voting for, 32 against and 4 abstentions.

Amendment No.6 - Conservative Group Amendment
Use or repurpose currently unallocated strategic CIL receipts, reduce Corporate Contingencies, (Use of CIL) improvement in the quality and viability of the local centre and surrounding streets, (Use of CIL) additional mitigation measures in respect of the Cribbs/Patchway new neighbourhood development (CPNN), (Use of CIL) Increase spending on provision of outdoor equipment/facilities, restore, repair and reinstate Kingsweston Iron Bridge.

Councillor Geater moved the motion, seconded by Councillor James Scott.

Following debate, upon being put to the vote the amendment was LOST with 22 members voting for, 27 against and 9 abstentions.

Amendment No.7 - Green Group Amendment
Over two years draw reserves held for flood defences, reduce planned reductions in staff to invest in front line provision, reverse proposed charging for disabled parking bays, reduce saving on union facility time, draw from Adult Social Care Innovation fund to develop flexible commissioning, pilot to develop flexible commissioning arrangements with providers of care and support to people with complex needs.

Councillor Mack moved the amendment, seconded by Councillor Wye.

Following debate, upon being put to the vote the amendment was LOST with 18 members voting for, 32 against and 9 abstentions.

Amendment No.8 - Green Group Amendment
Remove saving to retain the first 30 mins of parking in pay and display bays within Resident Parking Schemes, increase fees for pay and display parking bays within Resident Parking Schemes for the period after the first 30 mins.

Councillor Mohamud moved the amendment, seconded by Councillor Hathway.

Following debate, upon being put to the vote the amendment was CARRIED with 55 members voting for, 0 against and 4 abstentions.

Amendment No.9 - Green Group Amendment
Reallocate unspent strategic CIL, allocate unspent CIL to G&R Parks and Green Spaces, allocate unspent CIL to G&R Transport Budget

Councillor Fodor moved the amendment, seconded by Councillor Edwards.

Following debate, upon being put to the vote the amendment was CARRIED with 39 members voting for, 20 against and 0 abstention.

At the conclusion of the Full Council's consideration of, and voting on the individual budget amendments, the Section 151 Officer clarified (under section 7 of the procedure) that Amendments 1, 3, 4, 8 and 9 had been CARRIED.

On the motion of the Lord Mayor, the Full Council noted the Section 151 Officer's statement regarding the robustness of the budget estimates.

ADJOURNMENT: The meeting was adjourned for five minutes.

On the meeting being reconvened, the Lord Mayor indicated that the Mayor, as per the constitution, would take up to five days to consider the amendments passed. Full Council would meet again on the 2 March 2022 at 2pm in order to continue the debate and vote on the budget proposals the Mayor decides to present to Full Council.

Meeting ended at 6.45 pm

CHAIR ____________________

Amendment 1 - Knowle Community Party (Amendment)	
Marvin Rees	Against
Councillor Donald Alexander	Against
Councillor Jenny Bartle	Abstain
Councillor Nicola Beech	Against
Councillor Marley Bennett	Against
Councillor Mark Bradshaw	Against
Councillor Fabian Breckels	Against
Councillor Andrew Brown	For
Councillor Craig Cheney	Against
Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Tony Dyer	Abstain
Councillor Richard Eddy	For
Councillor Emma Edwards	For

Councillor Lily Fitzgibbon	Abstain
Councillor Tessa Fitzjohn	For
Councillor Martin Fodor	For
Councillor Lorraine Francis	Abstain
Councillor John Geater	For
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor Zoe Goodman	Against
Councillor John Goulandris	For
Councillor Katy Grant	Abstain
Councillor Fi Hance	For
Councillor Tom Hathway	For
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Katja Hornchen	Against
Councillor Jonathan Hucker	For
Councillor Philippa Hulme	Against
Councillor Farah Hussain	Against
Councillor Christopher Jackson	Against
Councillor Ellie King	Against
Councillor Tim Kent	For
Councillor Heather Mack	For
Councillor Mohamed Makawi	For
Councillor Brenda Massey	Against
Councillor Henry Michallat	For
Councillor Yassin Mohamud	For
Councillor Graham Morris	For
Councillor Barry Parsons	For
Councillor Steve Pearce	Against
Councillor Ed Plowden	For
Councillor Guy Poultney	For
Councillor Kevin Quartley	For
Councillor Tom Renhard	Against
Councillor Tim Rippington	Against
Councillor James Scott	For
Councillor Sharon Scott	For
Councillor Ani Stafford-Townsend	For
Councillor Christine Townsend	For
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	For
Councillor Chris Windows	For

Councillor Tim Wye	Abstain
Carried	
Amendment 2 - Liberal Democrat Group (Amendment)	
Marvin Rees	Against
Councillor Donald Alexander	Against
Councillor Jenny Bartle	Against
Councillor Nicola Beech	Against
Councillor Marley Bennett	Against
Councillor Mark Bradshaw	Against
Councillor Fabian Breckels	Against
Councillor Andrew Brown	For
Councillor Craig Cheney	Against
Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Tony Dyer	Against
Councillor Richard Eddy	For
Councillor Emma Edwards	Against
Councillor Lily Fitzgibbon	Abstain
Councillor Tessa Fitzjohn	Abstain
Councillor Martin Fodor	Abstain
Councillor Lorraine Francis	Abstain
Councillor John Geater	For
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor Zoe Goodman	Against
Councillor John Goulandris	For
Councillor Katy Grant	Against
Councillor Fi Hance	Abstain
Councillor Tom Hathway	Against
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Katja Hornchen	Against
Councillor Jonathan Hucker	For
Councillor Philippa Hulme	Against
Councillor Farah Hussain	Against
Councillor Christopher Jackson	Against
Councillor Ellie King	Against
Councillor Tim Kent	For
Councillor Heather Mack	Abstain
Councillor Mohamed Makawi	For

Councillor Brenda Massey	Against
Councillor Henry Michallat	For
Councillor Yassin Mohamud	Abstain
Councillor Graham Morris	For
Councillor Barry Parsons	For
Councillor Steve Pearce	Against
Councillor Ed Plowden	Abstain
Councillor Guy Poultney	For
Councillor Kevin Quartley	For
Councillor Tom Renhard	Against
Councillor Tim Rippington	Against
Councillor James Scott	For
Councillor Sharon Scott	For
Councillor Ani Stafford-Townsend	For
Councillor Christine Townsend	For
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	Against
Councillor Chris Windows	For
Councillor Tim Wye	Against
Rejected	
Amendment 3 - Green Group Amendment (Amendment)	
Marvin Rees	For
Councillor Donald Alexander	For
Councillor Jenny Bartle	For
Councillor Nicola Beech	For
Councillor Marley Bennett	For
Councillor Mark Bradshaw	For
Councillor Fabian Breckels	For
Councillor Andrew Brown	For
Councillor Craig Cheney	For
Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	For
Councillor Christopher Davies	For
Councillor Tony Dyer	For
Councillor Richard Eddy	For
Councillor Emma Edwards	For
Councillor Lily Fitzgibbon	For
Councillor Tessa Fitzjohn	For
Councillor Martin Fodor	For
Councillor Lorraine Francis	For

Councillor John Geater	For
Councillor Paul Goggin	For
Councillor Geoff Gollop	For
Councillor Zoe Goodman	For
Councillor John Goulandris	For
Councillor Katy Grant	For
Councillor Fi Hance	For
Councillor Tom Hathway	For
Councillor Helen Holland	For
Councillor Gary Hopkins	For
Councillor Katja Hornchen	For
Councillor Jonathan Hucker	For
Councillor Philippa Hulme	For
Councillor Farah Hussain	For
Councillor Christopher Jackson	For
Councillor Ellie King	For
Councillor Tim Kent	For
Councillor Heather Mack	For
Councillor Mohamed Makawi	For
Councillor Brenda Massey	For
Councillor Henry Michallat	For
Councillor Yassin Mohamud	For
Councillor Graham Morris	For
Councillor Barry Parsons	For
Councillor Steve Pearce	For
Councillor Ed Plowden	For
Councillor Guy Poultney	For
Councillor Kevin Quartley	For
Councillor Tom Renhard	For
Councillor Tim Rippington	For
Councillor James Scott	For
Councillor Sharon Scott	For
Councillor Ani Stafford-Townsend	For
Councillor Christine Townsend	For
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	For
Councillor Chris Windows	For
Councillor Tim Wye	For
Carried	
Amendment 4 - Green Group (Amendment)	
Marvin Rees	Against

Councillor Donald Alexander	Against
Councillor Jenny Bartle	For
Councillor Nicola Beech	Against
Councillor Marley Bennett	Against
Councillor Mark Bradshaw	For
Councillor Fabian Breckels	Against
Councillor Andrew Brown	For
Councillor Craig Cheney	Against
Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Tony Dyer	For
Councillor Richard Eddy	For
Councillor Emma Edwards	For
Councillor Lily Fitzgibbon	For
Councillor Tessa Fitzjohn	For
Councillor Martin Fodor	For
Councillor Lorraine Francis	For
Councillor John Geater	For
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor Zoe Goodman	Against
Councillor John Goulandris	For
Councillor Katy Grant	For
Councillor Fi Hance	For
Councillor Tom Hathway	For
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Katja Hornchen	Against
Councillor Jonathan Hucker	For
Councillor Philippa Hulme	Against
Councillor Farah Hussain	Against
Councillor Christopher Jackson	Against
Councillor Ellie King	Against
Councillor Tim Kent	For
Councillor Heather Mack	For
Councillor Mohamed Makawi	For
Councillor Brenda Massey	Against
Councillor Henry Michallat	For
Councillor Yassin Mohamud	Abstain
Councillor Graham Morris	No vote recorded

Councillor Barry Parsons	For
Councillor Steve Pearce	Against
Councillor Ed Plowden	For
Councillor Guy Poultney	For
Councillor Kevin Quartley	For
Councillor Tom Renhard	Against
Councillor Tim Rippington	Against
Councillor James Scott	For
Councillor Sharon Scott	For
Councillor Ani Stafford-Townsend	For
Councillor Christine Townsend	For
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	For
Councillor Chris Windows	For
Councillor Tim Wye	For
Carried	
Amendment 5 - Conservative Group (Amendment)	
Marvin Rees	Against
Councillor Donald Alexander	Against
Councillor Jenny Bartle	Against
Councillor Nicola Beech	Against
Councillor Marley Bennett	Against
Councillor Mark Bradshaw	Against
Councillor Fabian Breckels	Against
Councillor Andrew Brown	For
Councillor Craig Cheney	Against
Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Tony Dyer	Against
Councillor Richard Eddy	For
Councillor Emma Edwards	Against
Councillor Lily Fitzgibbon	Against
Councillor Tessa Fitzjohn	For
Councillor Martin Fodor	Abstain
Councillor Lorraine Francis	Against
Councillor John Geater	For
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor Zoe Goodman	Against

Councillor John Goulandris	For
Councillor Katy Grant	Against
Councillor Fi Hance	Abstain
Councillor Tom Hathway	Against
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Katja Hornchen	Against
Councillor Jonathan Hucker	For
Councillor Philippa Hulme	Against
Councillor Farah Hussain	Against
Councillor Christopher Jackson	Against
Councillor Ellie King	Against
Councillor Tim Kent	For
Councillor Heather Mack	Abstain
Councillor Mohamed Makawi	For
Councillor Brenda Massey	Against
Councillor Henry Michallat	For
Councillor Yassin Mohamud	No vote recorded
Councillor Graham Morris	For
Councillor Barry Parsons	Abstain
Councillor Steve Pearce	Against
Councillor Ed Plowden	Against
Councillor Guy Poultney	For
Councillor Kevin Quartley	For
Councillor Tom Renhard	Against
Councillor Tim Rippington	Against
Councillor James Scott	For
Councillor Sharon Scott	For
Councillor Ani Stafford-Townsend	Against
Councillor Christine Townsend	Against
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	Against
Councillor Chris Windows	For
Councillor Tim Wye	Against
Rejected	
Amendment 6 - Conservative Group (Amendment)	
Marvin Rees	Against
Councillor Donald Alexander	Against
Councillor Jenny Bartle	Against
Councillor Nicola Beech	Against
Councillor Marley Bennett	Against

Councillor Mark Bradshaw	Against
Councillor Fabian Breckels	Against
Councillor Andrew Brown	For
Councillor Craig Cheney	Against
Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Tony Dyer	Against
Councillor Richard Eddy	For
Councillor Emma Edwards	Against
Councillor Lily Fitzgibbon	Against
Councillor Tessa Fitzjohn	Abstain
Councillor Martin Fodor	Against
Councillor Lorraine Francis	Abstain
Councillor John Geater	For
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor Zoe Goodman	Against
Councillor John Goulandris	For
Councillor Katy Grant	Abstain
Councillor Fi Hance	Abstain
Councillor Tom Hathway	Abstain
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Katja Hornchen	Against
Councillor Jonathan Hucker	For
Councillor Philippa Hulme	Against
Councillor Farah Hussain	Against
Councillor Christopher Jackson	Against
Councillor Ellie King	Against
Councillor Tim Kent	For
Councillor Heather Mack	For
Councillor Mohamed Makawi	No vote recorded
Councillor Brenda Massey	Against
Councillor Henry Michallat	For
Councillor Yassin Mohamud	Abstain
Councillor Graham Morris	For
Councillor Barry Parsons	For
Councillor Steve Pearce	Against
Councillor Ed Plowden	Against
Councillor Guy Poultney	For

Councillor Kevin Quartley	For
Councillor Tom Renhard	Against
Councillor Tim Rippington	Against
Councillor James Scott	For
Councillor Sharon Scott	For
Councillor Ani Stafford-Townsend	Abstain
Councillor Christine Townsend	Abstain
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	Against
Councillor Chris Windows	For
Councillor Tim Wye	Abstain
Rejected	
Amendment 7 - Green Group (Amendment)	
Marvin Rees	Against
Councillor Donald Alexander	Against
Councillor Jenny Bartle	For
Councillor Nicola Beech	Against
Councillor Marley Bennett	Against
Councillor Mark Bradshaw	Against
Councillor Fabian Breckels	Against
Councillor Andrew Brown	Abstain
Councillor Craig Cheney	Against
Councillor Jos Clark	Abstain
Councillor Sarah Classick	Abstain
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Tony Dyer	For
Councillor Richard Eddy	Against
Councillor Emma Edwards	For
Councillor Lily Fitzgibbon	Abstain
Councillor Tessa Fitzjohn	For
Councillor Martin Fodor	For
Councillor Lorraine Francis	Abstain
Councillor John Geater	Against
Councillor Paul Goggin	Against
Councillor Geoff Gollop	Against
Councillor Zoe Goodman	Against
Councillor John Goulandris	Against
Councillor Katy Grant	For
Councillor Fi Hance	For
Councillor Tom Hathway	For

Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Katja Hornchen	Against
Councillor Jonathan Hucker	Against
Councillor Philippa Hulme	Against
Councillor Farah Hussain	Against
Councillor Christopher Jackson	Against
Councillor Ellie King	Against
Councillor Tim Kent	Abstain
Councillor Heather Mack	For
Councillor Mohamed Makawi	For
Councillor Brenda Massey	Against
Councillor Henry Michallat	Against
Councillor Yassin Mohamud	Abstain
Councillor Graham Morris	Against
Councillor Barry Parsons	For
Councillor Steve Pearce	Against
Councillor Ed Plowden	For
Councillor Guy Poultney	For
Councillor Kevin Quartley	Against
Councillor Tom Renhard	Against
Councillor Tim Rippington	Against
Councillor James Scott	Against
Councillor Sharon Scott	Against
Councillor Ani Stafford-Townsend	Abstain
Councillor Christine Townsend	For
Councillor Andrew Varney	Abstain
Councillor Mark Weston	Against
Councillor David Wilcox	For
Councillor Chris Windows	Against
Councillor Tim Wye	For
Rejected	
Amendment 8 - Green Group (Amendment)	
Marvin Rees	For
Councillor Donald Alexander	For
Councillor Jenny Bartle	For
Councillor Nicola Beech	For
Councillor Marley Bennett	For
Councillor Mark Bradshaw	For
Councillor Fabian Breckels	For
Councillor Andrew Brown	For
Councillor Craig Cheney	For

Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	For
Councillor Christopher Davies	For
Councillor Tony Dyer	For
Councillor Richard Eddy	For
Councillor Emma Edwards	For
Councillor Lily Fitzgibbon	For
Councillor Tessa Fitzjohn	For
Councillor Martin Fodor	For
Councillor Lorraine Francis	For
Councillor John Geater	For
Councillor Paul Goggin	For
Councillor Geoff Gollop	For
Councillor Zoe Goodman	For
Councillor John Goulandris	For
Councillor Katy Grant	Abstain
Councillor Fi Hance	For
Councillor Tom Hathway	For
Councillor Helen Holland	For
Councillor Gary Hopkins	For
Councillor Katja Hornchen	For
Councillor Jonathan Hucker	For
Councillor Philippa Hulme	For
Councillor Farah Hussain	For
Councillor Christopher Jackson	For
Councillor Ellie King	For
Councillor Tim Kent	For
Councillor Heather Mack	For
Councillor Mohamed Makawi	For
Councillor Brenda Massey	For
Councillor Henry Michallat	For
Councillor Yassin Mohamud	For
Councillor Graham Morris	For
Councillor Barry Parsons	Abstain
Councillor Steve Pearce	For
Councillor Ed Plowden	Abstain
Councillor Guy Poultney	For
Councillor Kevin Quartley	For
Councillor Tom Renhard	For
Councillor Tim Rippington	For
Councillor James Scott	For

Councillor Sharon Scott	For
Councillor Ani Stafford-Townsend	For
Councillor Christine Townsend	For
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	For
Councillor Chris Windows	For
Councillor Tim Wye	Abstain
Carried	
Amendment 9 - Green Group (Amendment)	
Marvin Rees	Against
Councillor Donald Alexander	Against
Councillor Jenny Bartle	For
Councillor Nicola Beech	Against
Councillor Marley Bennett	Against
Councillor Mark Bradshaw	Against
Councillor Fabian Breckels	Against
Councillor Andrew Brown	For
Councillor Craig Cheney	Against
Councillor Jos Clark	For
Councillor Sarah Classick	For
Councillor Asher Craig	Against
Councillor Christopher Davies	For
Councillor Tony Dyer	For
Councillor Richard Eddy	For
Councillor Emma Edwards	For
Councillor Lily Fitzgibbon	For
Councillor Tessa Fitzjohn	For
Councillor Martin Fodor	For
Councillor Lorraine Francis	For
Councillor John Geater	For
Councillor Paul Goggin	Against
Councillor Geoff Gollop	For
Councillor Zoe Goodman	Against
Councillor John Goulandris	For
Councillor Katy Grant	For
Councillor Fi Hance	For
Councillor Tom Hathway	For
Councillor Helen Holland	Against
Councillor Gary Hopkins	For
Councillor Katja Hornchen	Against
Councillor Jonathan Hucker	For

Councillor Philippa Hulme	Against
Councillor Farah Hussain	Against
Councillor Christopher Jackson	Against
Councillor Ellie King	Against
Councillor Tim Kent	For
Councillor Heather Mack	For
Councillor Mohamed Makawi	For
Councillor Brenda Massey	Against
Councillor Henry Michallat	For
Councillor Yassin Mohamud	For
Councillor Graham Morris	For
Councillor Barry Parsons	For
Councillor Steve Pearce	Against
Councillor Ed Plowden	For
Councillor Guy Poultney	For
Councillor Kevin Quartley	For
Councillor Tom Renhard	Against
Councillor Tim Rippington	Against
Councillor James Scott	For
Councillor Sharon Scott	For
Councillor Steve Smith	No vote recorded
Councillor Ani Stafford-Townsend	For
Councillor Christine Townsend	For
Councillor Andrew Varney	For
Councillor Mark Weston	For
Councillor David Wilcox	For
Councillor Chris Windows	For
Councillor Tim Wye	For
Carried	

Full Council

February 2022

Report of: Denise Murray, Director Finance (Chief Finance Officer & S151 Officer)

Title: 2022/23 Budget Report

Ward: City Wide

Member Presenting Report: The Mayor and the Deputy Mayor / Cabinet Member for Finance, Governance, Property and Culture

Recommendation

For Council to consider and approve the Mayor's 2022/23 Budget recommendations which include the various elements of the Revenue budget, Capital programme, Council Tax and Adult Social Care Precept for 2022/23.

To note under the delegated authority to the Director Finance, after consultation with Deputy Mayor, Cabinet Member for Finance, Governance, Property and Culture and the Mayor, the following changes have been made to the budget report since approved by Cabinet on 18 January 2022:

- All separate but associated reports have been merged into a single report, with additional information transferred expanding the following sections of the report:
    - Dedicated Schools Grant (Section 9)
    - Housing Revenue Account (Section 11)
    - West of England Combined Authority (Section 12)
    - Treasury Management Strategy - Ethical & Equitable Investment Policy Statement – Appendix 4.

- The following additional information received or required to complete the report:
    - Feedback provided by Bristol Schools Forum for Cabinet and Council to consider in making final decisions on the Dedicated Schools Grant Budget.
    - Precept notification received from the Police and Crime Commissioner for Avon and Somerset and draft precept from Avon Fire Authority, to inform the Statutory Calculations in respect of Bristol's Council Tax - Appendix 11
    - Notification from the Education Skills Funding Agency (ESFA) of additional High Needs Block funding for 2022/23 and indicative funding levels for future years. This information and the period 9 forecast are the basis for the refresh of the High Needs elements within the Dedicated Schools Grant (Section 9) and all other reference to the DSG deficit in this report.

- Appendix 1 – Detailed budget summary by directorate, expanded to incorporate Divisional summary with savings and investments.
- Section 8 has been revised to reflect the government announcement of measures to support rising energy bills and Council Tax rebate.

- Adjusted for errors, omissions or to increase transparency:
  - Capital Programme: The Community Infrastructure Levy regulations requires authorities to sets out and approve a list of those projects or types of infrastructure that it intends to fund, or may fund, through new levy allocations approved. Paragraph 13.11 added, and Appendix 2 annotated to reflect this requirement.
  - Appendix 8 – Budget savings and efficiencies
    - saving ref GR028 has been corrected to reflect the full year effect of the proposed savings in 2024/25 and net overall savings and efficiencies figures are adjusted where relevant in the report.
    - Saving ref R19 has been revised to provide greater clarity in relation to this proposal.
  - Appendix 9 - Long Term Investments – as energy assets still remain within the Council, Bristol Heat Network paragraph 5.3 has been expanded to note that, the loan arrangements in place will need to reflect the value of assets being transferred to BHN and or City Leap at the time of transfer.
  - Appendix 10 - Service and corporate pressures have been summarised from the main report to provide greater clarity on growth pressures funded within the budget.
  - Other adjustments relate to minor formatting or transposition errors in previous report.

- The following changes have occurred since the budget report was presented to Full Council on 15 February 2022:
  - Avon Fire Authority has now set its Precept therefore reference to convening of a sub committee is removed (Mayor's Budget Recommendations to Council, paragraph h in original report refers)
  - Delegations no longer required in relation to: Public Health grant; final Local Government Finance Settlement; and ESFA clarification confirming approval of schools' budget, as these have now been received (Mayor's Budget Recommendations to Council, paragraph q in original report refers).
  - Public Health Grant: The 2022/23 Public Health grant was announced, giving a total allocation of £34.588m for Bristol, this represents an increase of 2.8% from 2021/22 allocations.

- Final Local Government Finance Settlement:
  - Lower Tier Service Grant - a total allocation of £0.830 million, an increase of £16k on the provisional allocation following minor changes to the data underpinning the national funding formula. To ensure a balanced budget position the contribution from reserves into the budget is to be reduced by £16k.
  - Compensation for under-indexing the business rates multiplier. A total allocation of £10.425m, a change of £1.954m from the provisional allocation. The change is due to the government using an RPI uplift to calculate the compensation grant in the final settlement, rather than using a CPI uplift in the provisional settlement. The business rates funding assumptions included in the budget had recognised this potential change and, given the risks associated with the volitivity of the business rates taxbase following the pandemic, the business rates funding included in the budget is unchanged at £140.7m. If more money is received through the collection fund than anticipated the surplus will be incorporated into the budget over the medium term.
- ESFA schools’ budget - the ESFA has confirmed acceptance of the formula submission for the schools’ budget, with political compliance agreed on the basis of Schools Forum and Cabinet endorsement and subject to the approval of Full Council.

1. Mayor's Budget Recommendations to Council

The approval of Mayor's budget proposals to Council in respect of 2022/23 as set out in this report, subject to any agreed amendments:

To note:

a) The report from the Scrutiny Budget Task and Finish Group.

b) The budget consultation process that was followed and feedback as outlined in Section 18 and Appendix 6.

c) The categorisation of earmarked reserves and provisions set out in Section 15.

d) That the consultation feedback and equality impact assessments have been taken into consideration and have informed the final budget proposals.

e) The feedback provided by Bristol Schools Forum for Cabinet and Council, consideration in making final decisions on the Dedicated Schools Budget for 2022/23.

f) The comments of the Chief Finance Officer (s151 Officer) on the robustness of the budget and adequacy of reserves as set out in Section 16.

To agree:

g) The Bristol City Council levels of Council Tax increase of 2.99%; which includes 1% precept to support Adult Social Care, noting the precepts of the Police and Crime Commissioner for Avon and Somerset and the Avon Fire Authority.

h) The Council's General Fund net revenue budget for the year 2022/23 as £431.1 million and expenditure allocations as set out in Appendix 1; subject to any budget amendments properly notified to and approved by the Council in line with the Constitution.

i) The Council's capital budget and programme for the years 2022/23 – 2031/32, totalling £1,906.1 million (including the incorporation of £32 million of Strategic Community Infrastructure Levy funding), as set out in paragraph 13 and detailed in Appendix 2; subject to any budget amendments properly notified to and approved by the Council in line with the Constitution.

j) The proposed Treasury Management Strategy for 2022/23 in Appendix 4, incorporating the Minimum Revenue Provision policy and the prudential indicators and limits.

k) To approve the Strategy for the Flexible use of Capital Receipts as set out in Appendix 5.

To agree:

l) The distribution of the 2022/23 Dedicated Schools Grant of £421.5 million as recommended by Cabinet and the Schools Forum, summarised below, and set out in Section 9.

   i. The Schools Block budget set at £304.661 million, after transferring £1.531million of the overall Schools Block to the High Needs Block to support the Education Transformation programme.

   ii. The Growth Fund for established schools expanding in September 2022 be set at £2.0 million (a component of the total Schools Block budget).

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

   iv. The High Needs Block budget be set at £79.745 million, after receiving transfers of £1.531million from Schools Block.

   v. The Early Years Block budget be set at £34.388 million and distributed in line with the arrangements agreed with the Schools Forum, noting income will fluctuate, according to participation levels.

To agree:

m) A rent increase of 4.1% (CPI plus 1%) with effect from 4 April 2022, applicable to Housing Revenue Account (HRA) dwelling and non-dwelling rent.

n) The HRA Revenue budget of £127.1million for 2022/23 as set out in Section 11.

o) Authorise the Executive Director of Growth and Regeneration, in consultation with the Deputy Mayor, Cabinet member for Finance, Governance, Property and Culture, to set service charges in line with the anticipated and actual cost of running each service.

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

Delegation of authority:

q) The delegation of authority to the Director of Finance after consultation with Deputy Mayor, Cabinet Member for Finance, Governance, Property and Culture and the Mayor, to make any necessary technical adjustments that may be required to the budget with transfers to and or from reserves as appropriate.

r) The delegation of authority to Director of Finance after consultation with Deputy Mayor, Cabinet Member for Finance, Governance, Property and Culture and the Mayor to adjust the budget on receipt of the Energy Bill and Council Tax Rebate funding for Bristol and develop and implement the discretionary policy to facilitate the administration of this scheme.

2. List of Appendices

This report should be read alongside a series of appendices:

a) Appendix 1 – Detailed Budget Summary by Directorate & Division with Savings & Investments.

b) Appendix 2 – Capital Programme 2022/23 – 2031/32

c) Appendix 3 – Budget Risk Matrix

d) Appendix 4 – Treasury Management Strategy

e) Appendix 5 – Flexible Use of Capital Receipts Strategy

f) Appendix 6 – Budget Consultation Report

g) Appendix 7 – Cumulative Equalities Impact Assessment

h) Appendix 8 – Budget Savings and Efficiencies

i) Appendix 9 – Long Term Investments & Shareholdings

j) Appendix 10 - Service and Corporate pressures

k) Appendix 11 – Statutory Calculations in respect of Council Tax

3. Executive Summary

3.1 The Council has a legal responsibility to set an annual balanced budget (Local Government Finance Act 1992) presenting how its financial resources are to be allocated and utilised; showing the Council's financial plan for the coming year with regard to statutory services as well as local key priorities and objectives.

3.2 Whilst the Council, like many others across the country, remains subject to financial challenges in its funding, it has prioritised the revenue resources available to fund key services such as social care, sought to protect the most vulnerable, and to invest in our city infrastructure during these uncertain times, to build confidence and to facilitate a sustainable future.

3.3 The Council has been dealing with the Covid-19 pandemic for almost 2 years and the emergency is not yet over. Areas of the Council are still at different stages of responding, restoring or renewing services. To that extent new risks and issues may still emerge in the future. One of the largest risks to the Council continues to be the pressure on financial resources and additional, unbudgeted, expenditure which is still being, incurred to deal with the impact of the pandemic. The Council continues to face a prolonged period of change and uncertainty arising from Covid-19 and the impact on its finances.

3.4 To 2021/22, the additional Government funding has kept pace with the additional expenditure, however this funding is not anticipated to continue into 2022/23.

3.5 In December the Council approved the rolling Medium-Term Financial Plan (MTFP) 2022/23 – 2026/27 which estimated a funding gap of £23.1 million from our core budget in 2022/23 and the need to develop a strategy for efficiencies (doing the same for less money) or by transforming the way we do things. The Council consulted on six main areas which were being considered to save money through working more efficiently and looking for ways to generate more income in balancing the budget.

3.6 The Department for Levelling Up, Housing and Communities (DLUHC) announced the provisional local government finance settlement for 2022/23 in December 2021. It has provided further one-off increase in council core spending for 2022/23 enabling councils in devolution deal areas to remain in the 100% business rates retention pilot for a further year, additional New Homes Bonus funds and included new government grants. This further funding reduced the Council's 2022/23 budget gap to £19.5 million and provides support for vital local services.

3.7 Overall, this report recommends a 2022/23 general fund net expenditure budget of £431.1 million, a net increase of £6.9 million from 2021/22 budget (£424.1 million including one-off grants) and incorporates revenue investment in priority areas of £30.0 million in 2022/23 (and £33.1 million over the MTFP) to mitigate ongoing pressures. The report outlines a balanced revenue budget for the period 2022/23 which has been achieved as a result of additional resources available to the Council (as outlined above); a range of newly proposed service efficiencies and income generating options equating to £17.9 million in 2022/23 and plans to deliver a further £16.4 million in future years (underpinned by a savings contingency of -£5.8 million as outlined in section 6), noting residual savings agreed in previous years and or carried forward are excluded from these figures.

3.8 Achieving the reported position for 2022/23 has required the tough decision to utilise the mechanism made available to councils by the government to levy an Adult Social Care Precept of 1%, as a contribution towards the pressures the City faces in addressing Adult Social Care demands, and in addition increasing the core Council Tax base by 1.99% to support the underlying position. The two combined uplifts equate to an overall 2022/23 Council Tax increase of 2.99%, generating an additional £7.1 million resources from Council Tax for services provided by the Council.

3.9 In addition to the above the position reported relies on £4.0 million of one-off General Fund reserves; (not sustainable long term and increasing the gap in 2023/24) to balance the 2022/23 budget. This will allow the Council to continue to deliver its key priorities, as set out in the Corporate Strategy.

Ringfenced accounts

3.10 **Public Health** - Public Health teams have faced an unprecedented period of funding and demand pressures and continue to face significant pressures and challenges. In the Autumn Budget 2021 the government chose to maintain (rather than increase) the Public Health Grant in real terms over the coming year and the provisional finance settlement included no information about the national total, or individual council allocations, of the grant for 2022/23. If funding remains unchanged the indicative 2022/23 budget for Public Health would be £33.6 million. The current delay to the announcement is making it extremely difficult for councils to plan effectively at a time when public health services are vital to the fight against Covid-19.

3.11 **Dedicated Schools Grant (DSG)** - the final data and allocations from the Education and Skills Funding Agency (ESFA) after taking account of the October 2021 Census were released on 16 December 2021, with an overall DSG allocation for 2022/23 of £418.8 million.

3.12 Further to publication of the papers for the January Cabinet and Schools Forum's meeting, notification has been received from the ESFA confirming additional High Needs Block funding for 2022/23 amounting to £325 million nationally, of which Bristol's element of this additional funding will be £2.7 million. This includes funding in respect of the Health and Social Care Levy, (circa.1% pressure on authorities' high needs budgets) and also takes into account that colleges and other post-school providers offering extra hours of study to 16 to 19 year old students, may require extra high needs top-up funding to support such students with high needs. The notification also recommends future budget funding assumptions of 5% increase in 2023/24 and 3% for subsequent years thereafter.

3.13 The overall DSG allocation for 2022/23 is £421.5 million, an increase of £15.9 million on the 2021/22 final allocations of £405.6 million. Additional £8.9 million is for the Schools Block where the majority of the funding is passported to schools and will be fully spent. The confirmed funding for the High Needs Block is £78.2 million, 14.4% increase on 2021/22 (£68.3m in 2021/22). This High Needs Block continues to be under pressure. Current spending levels in 2021/22 indicate that the increased allocation will not cover spending at the same level as this year and does not provide any additional funding for growth, additional need, or historic shortfalls.

3.14 The current trends indicate that the deficit will increase the end of the year forecast carry forward deficit from £26.7 million in 2021/22 to £40.3 million at the end of 2022/23. Work continues on the Education Transformation Programme which will be focused on the continuing improvement in SEND provision, with particular focus on sustainable school-led programmes, addressing the deficit in the High Needs Block. However, in the absence of government action the DSG deficit forecast is anticipated to rise further until mitigation plans can be fully developed, consulted on, and begin to take effect in the coming years.

3.15 **Housing Revenue Account (HRA)** – the HRA report presents the annual budget, Housing Investment Plan and 30-year HRA Business Plan model that, in addition to building new homes, will redevelop and regenerate existing properties.

3.16 The annual 2022/23 budget is expected to be £127.1 million (an increase of £5 million from 2021/22) and includes a rent increase of 4.1% (CPI (September) plus 1%) for 2022/23. The HRA business plan model is for a period of 30 years with gateway reviews. More focus is on the medium-term as there is more certainty on costs, demands, resources and pressures, which will enable the prioritisation of housing investment, which can be considered in the light of the Corporate Strategy and the impact of government policies on rents, disposals and regeneration. The HRA will play a significant role in the delivery of the Housing Programme and will work with the Council's General Fund and the Council's wholly owned housing company to ensure the aspiration of the housing plan is delivered.

3.17 The Business Plan model demonstrates that the annual budget and investment proposals are fundable, subject to the assumptions within the plan, and that the HRA remains sustainable and viable over the 30-year period.

3.18 In addition to the above, the Council continues to progress the delivery of an ambitious rolling capital programme over the period from 2022/23 to 2031/32, which has a gross value of £1,906.1 million (including the HRA) and is fully funded through the use of HRA revenue and reserves, external funding, capital receipts and prudential borrowing.

3.19 As at 1st April 2022 the Council's General Fund earmarked revenue reserves (which include Public Health) are estimated to amount to circa. £95.3 million. Housing Revenue Account earmarked revenue reserves are estimated to amount to £99.1 million and School Balances £7.3 million. These funds are earmarked for specific purposes as outlined in section 15. In addition, as at 1 April 2022 the general reserve which reflects the other strategic operational and financial risks considered when recommending the minimum level of unallocated General Fund reserve is forecasted to be £32.5 million subject to end of year position.

3.20 The proposals above all form the basis of the Council's final revenue and capital budget for 2022/23.

4. Council Strategy & Financial Planning

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

4.2 The Council's refreshed Corporate Strategy 2022 to 2027 remains the main strategic document and sets out the Council's vision for Bristol, including the key priorities to be delivered over the medium term. It links with other key strategies and contributes to the delivery of the long-term One City Plan and shared vision for the city.

4.3 The Corporate Strategy will lay the foundation for delivery of the vision and consists of 7 high level strategic themes:

- **Children and Young People** - A city where every child belongs and every child gets the best start in life, whatever circumstances they were born in to.
- **Economy and Skills** - Economic growth that builds inclusive and resilient communities, decarbonises the city and offers equity of opportunity.
- **Environment and Sustainability** - Decarbonise the city, support the recovery of nature and lead a just transition to a low carbon future.
- **Health, Care and Wellbeing** - Tackling health inequalities to help people stay healthier and happier throughout their lives.
- **Homes and Communities** - Healthy, resilient and inclusive neighbourhoods with fair access to decent, affordable homes.
- **Transport and Connectivity** - A more efficient, sustainable and inclusive connection of people to people, people to jobs and people to opportunity.
- **A Development Organisation** - From city government to city governance: creating a focussed council that empowers individuals, communities and partners to flourish and lead.

4.4 Our key commitments aligned to each theme, underpinned by 5 building blocks, and the values and behaviours that guide how the Council will work can be viewed in the full document accessed via the link below:

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

4.5 In the current financial climate, a phased approach may need to be adopted to ensure services are sustainable and can plan appropriately for change. Through the service planning process, we will ensure resources are aligned with the Corporate Strategy priorities, transitioning our existing spend towards the priorities outlined in the strategy. We will continue to work internally and externally with our partners locally, regionally and nationally and leverage additional external funding linked to the strategic priorities and objectives of the Council.

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

4.7 The MTFP and Capital Strategy approved by Full Council, December 2021 outlined the national context, new legislative and policy change and the specific service and funding issues over the period. The budget strategy and reserve policy set out the main options for mitigating the financial impacts outlined, ensuring that our reserves are kept at an appropriate level to enable the Council to be resilient to future shocks, stressors and emergency situations that we may encounter in the future, and to plan effectively for our known and potential one-off liabilities.

4.8 The economic uncertainty and ongoing response to the Covid-19 pandemic and Brexit has led to the government only providing a single year financial settlement for local authorities and retaining commitment to return to multi-year spending reviews when appropriate.

4.9 For 2022/23 local authorities have received the fourth one-year settlement in a row, which continues to hamper financial planning and financial sustainability. The one year local government allocation in a multi-year departmental spending plan and the scale of one-off grants allocated in the provisional settlement provides the greatest indication that local government funding reforms such as the Fair Funding (aimed at designing a new system for allocating funding between councils via a renewed methodology) and Business Rates reviews (100% to 75% retention and wider reforms of the business rate system) will be introduced for 2023/24. These reforms will set new funding baselines for every authority and presents a significant risk to future funding for the Council.

4.10 The budget has been prepared considering the strategic documents, outlined above, ensuring that each year's budget is set within the context of the Council's ongoing sustainability over the whole planning period. This has been done using best estimates from available data and based on the announced information in the Local Government Finance Settlement for 2022/23.

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

5. Current Revenue Budget Position for 2021/22

5.1 This report is concerned mainly with the budget estimates for 2022/23, however, it is important to consider the current year financial performance and therefore the starting point for formulating these budgets is the latest 2021/22 (P8) forecast outturn.

5.2 During the year we have been reporting on the financial position for both the impact of the pandemic and the underlying base financial position of the Council.

5.3 The current full year forecast position, based on known information at the end of November 2020 is a net £0.7 million (0.2%) overspend against the approved general fund budget, after taking into consideration the additional funding that has been allocated to the council to deal with the Covid pandemic. The gross position had this additional funding not been applied is a £27.2 million overspend (6.4%). This is predominately attributed to Adult Social Care, increase in service demand and market costs pressures, Home to School Transport services for children with high needs and loss of Council income caused by lockdown restrictions.

5.4 For ring-fenced accounts, in-year forecast reports a £0.65 million underspend for HRA (0.53%), £16.8 million overspend for DSG (9.2%) and a balanced position on the Public Heath grant.

5.5 It is expected that where possible mitigations will continue to be explored across services within the directorates to contain cost pressures within the delegated cash limits.

5.6 The ongoing pressures that have been identified through budget monitoring have been taken into consideration in preparing the Medium Term Financial Plan.

5.7 Further details of the forecast year end position can be found in the Period 8 2021/22 Financial Monitoring Report presented to Cabinet 18 January 2022.

6. General Fund Revenue Budget 2022/23

6.1 The General Fund base budgets are by far the most significant elements of the Council's budget. They are the mainstream budgets for services and are monitored monthly and reported to the Corporate Leadership Board, the Mayor and Cabinet. An incremental budgeting approach has been adopted. Whilst not the most efficient mechanism, it is an approach that can be easily understood publicly and applied consistently which enables the changes applied to year-on-year budgets to be transparent.

6.2 The proposed General Fund revenue budget for 2022/23 totals £431.1 million, a net increase of £6.9 million from the 2021/22 Baseline budget (£424.1 million, part of the total includes £35.3 million of one-off revenue investment). This increase includes £30.0 million in 2022/23 (and £33.1 million over the MTFP) investment in recurrent base budget as well as £6.0 million of one-off costs.

Table 6.1 – Summary of the on-going and one-off net costs and income up to 2026/27

21/22 £m	Description	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m
388.796	Annual Base Budget Requirement	425.033	428.238	436.816	446.746	458.028
388.796	Baseline Funding	416.464	428.237	437.169	447.098	458.381
0	**(Surplus)/Deficit**	**8.570**	**0**	**(0.353)**	**(0.353)**	**(0.353)**
31.414	One-Off Costs	6.017	**0**	**0**	**0**	**0**
35.314	One-off Funding	(10.586)	**0**	**0**	**0**	**0**
(3.900)	**(Surplus)/Deficit**	**(4.569)**	**0**	**0**	**0**	**0**

(3.900)	**(Contribution to)/Drawdown from General Reserve**	**4.000**	**0**	**(0.353)**	**(0.353)**	**(0.353)**

6.3 The total proposed budget (£431.1m) includes £4 million drawdown from General Reserve and use of £4.6 million of one-off funding to meet the £8.6 million baseline pressure in 2022/23 whilst new savings proposals deliver over 2022/23 and 2023/24 and therefore the current budget shows a sustainable medium-term position subject to delivery of savings as outlined in the report.

Table 6.2 – Summary of the proposed General Fund Revenue budget for the 5-year MTFP period

21/22 £m	Item	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m
377.679	Base budget Carried Forward	**388.795**	**425.033**	**428.238**	**436.816**	**446.746**
1.464	Inflation	21.007	12.898	10.164	10.336	10.512
(5.252)	**Savings**	**(14.737)**	**(10.744)**	**(2.113)**	**(0.673)**	**(0.468)**
14.904	Service Investments	29.968	1.050	0.528	0.267	1.239
388.796	**Baseline Costs**	**425.033**	**428.238**	**436,816**	**446,746**	**458,028**
35.314	One-off Costs	6.017	-	-	-	-
424.110	**General Fund Budget**	**431.052**	**428.237**	**436,816**	**446,746**	**458,028**
236.197	Council Tax	243.198	252.743	261.212	269.400	277.100
133.621	Business Rates (NNDR)	140.745	138.896	138.834	140.033	143.058
3.812	New Homes Bonus	3.430	-	-	-	-
30.355	Social Care Grant	37.456	36.598	37.123	37.665	38.223
24.388	Covid-19 Grants	-	-	-	-	-
0.773	Lower Tier Services Grant	0.814	-	-	-	-
-	22/23 Services Grant	7.032	-	-	-	-
	Drawdown from General & Earmarked Reserve	9.231	2.800	(0.353)	(0.353)	(0.353)
(5.037)	Collection Fund Surplus/(Deficit)	(10.854)	(2.800)	-	-	-
424.110	**Funding**	**431.052**	**428.237**	**437.169**	**447.098**	**458.381**
0	**Budget Surplus/(Deficit)**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

6.4 The following specific changes and key assumptions have been made in the development of the 2022/23 budget.

- Council Tax increase of 2.99% (including 1.99% for general purposes and 1% Adult Social Care Precept).
- An increase of £7.1 million in the amount of business rates income receivable.

- A pay rise for all employees of 2.5% noting final pay award to all is subject to agreement with trade unions.
- Additional 1.25% increase in employee national insurance contributions due to the new Health and Social Care levy.
- Centrally held general inflationary provision for supplies and services budgets, eg essential utilities such as gas, electricity and water, external insurance premiums and business rates payable by us.
- General inflationary increase on fees and charges.
- Specific inflationary increases in Private Finance Initiative (PFI) unitary charges based on contractual terms and conditions. Specific inflationary increases as set out in other (non-PFI) long-term contracts.

6.5 It is important that the Council continues to plan and grow our local tax base which provides real additional resource that can assist with managing increases in service demand and changes in government funding.

6.6 The council tax referendum threshold remains in place, for 2022/23 the threshold set by central government is 3% for Bristol, which includes an additional 1% precept for Adult Social Care. If council tax is set below this threshold, it would mean the permanent loss of council tax baseline yield with no opportunity to make up the losses in future years without triggering a costly local referendum exercise.

6.7 During this period of continuous uncertainty, we are conscious of the impact of council tax increases on Bristol residents. Given the growth in demand for our services and the absence of any new permanent funding being made available by government, the Council is required to take action to ensure the sustainability of Social Care and therefore proposes to take up the Social Care Precept of 1%. This proposal seeks approval to increase 2022/23 council tax by 2.99% (£7.1m net of increase in tax base) split between:

- General Council Tax increase of 1.99% (i.e. £4.7m)
- Social Care Precept of 1.00% (i.e. £2.4m)

6.8 In order to support residents that have difficulty with this increase, unlike many other councils Bristol City Council continues to provide a fully funded local Council Tax Reduction Scheme (CTRS) that supports working age people on a similar basis to those who previously received 100% Council Tax benefit prior to this national scheme being abolished in 2013. Pensioners are also protected from any changes under the prescribed national scheme.

Service and corporate pressures

6.9 As part of the budget process each year, we look at unavoidable financial pressures on services that will have an on-going budgetary impact, some of which are outside of the control of services and cannot be immediately mitigated by savings and efficiencies. Examples of these would be non-negotiable contractual changes, which have a direct impact on costs; legislative changes such as new functions / standards; and organisation development. There are other areas where the current budget is not adequate for the level of demand within the service or loss of grants / income is anticipated; whilst these can be addressed, they cannot be addressed immediately due to the need to revise commissioned activity or develop exit strategies.

6.10 The table below provides a summary of expenditure pressures with further detail in Appendix 10.

Table 6.3 – Breakdown of the baseline expenditure pressures and investments

Description	22/23	23/24	24/25	25/26	26/27

	£m	£m	£m	£m	£m
Total Inflationary Pressures	21.007	33.905	44.069	54.405	64.917
Total Service Pressures	29.968	31.018	31.545	31.812	33.051
Total Baseline Pressures	**50.975**	**64.923**	**75.614**	**86.217**	**97.968**

(note that figures in this table are shown cumulative)

6.11 The total proposed budget (£431.1m) above includes £10.6 million of one-off funding which has been incorporated to balance the 2022/23 financial pressures and meet one-off costs including £5.2 million draw down from earmarked reserves have been included to balance the financial pressure as originally planned in 2021/22. Table 6.4 below summarises the one-off funding position, this spend is managed through earmarked reserves and noted in section 15 below.

Table 6.4 – breakdown of the one-off income and expenditure

One-off Spending	22/23 £m	23/24 £m
100% Business Rates Pilot	(3.565)	
Lower Tier Services Grant	(0.814)	
22/23 Services Grant	(7.032)	
New Homes Bonus	(3.430)	
ASC Market Sustainability Grant	(1.369)	
Collection Fund	10.854	2.800
Business Rates Reserve	(5.231)	(2.800)
Total One-off Income	**(10.586)**	**0**
Lost income (Covid) incl. Leisure PFI	1.000	
Educ. Transformation Support for SEND	0.500	
Developing Property Strategy/ Asset Management Plan	0.500	
Project Management Delivery Capacity	0.400	
New Priority Investments	2.000	
ASC Market Sustainability Spend	1.369	
Child Sexual Abuse Inquiry	0.085	
Rent at Bridewell for assessment services	0.163	
Total One-off Expenditure	**6.017**	
One-off Surplus	**(4.569)**	**0**

6.12 Full details of the 2022/23 service cash limit budgets are set out in Appendix 1 with key areas of investment and savings set out below.

People

Adult Social Care

6.13 Adult Social Care (ASC) has continued to deliver care and support throughout the

Covid-19 pandemic, to ensure people who were going through difficult times and faced challenges in their lives continued to get the best opportunities to live their lives well.

6.14 Covid-19 has created significant demand and resource challenges for the service. To give you a flavour of just some of this work during 2021/22 ASC has:

- responded to 34,973 contacts at the service's front door
- undertaken 2,028 new Care Act assessments and 3,286 social care reviews
- triaged 3,190 Safeguarding Adults concerns
- supported 1,734 people with reablement support
- as part of the Integrated Care Bureau with Sirona, supported 5,056 referrals for people to be safely discharged from hospital
- delivered 86,102 meals
- worked with and supported over 450 providers/organisations across 1656 contracts.

6.15 Increased Covid-19 demands, having to provide care differently and at pace to facilitate safe and timely hospital discharges, has inevitably translated into increased cost pressures for the service. Market sustainability issues have also created significant cost pressures for ASC. Care providers have experienced cost pressures in relation to infection control issues and workforce challenges with widespread staff shortages where they have been unable to match pay rates being offered in other sectors.

6.16 Despite Covid-19 government grant funding and financial support via the NHS Hospital Discharge Programme, these cost pressures have been significant with the service forecasting an in year overspend of £8.7 million for 2021/22 having been unable to meet their challenging savings targets because of the pandemic.

6.17 The legacy of Covid-19 on both mental and physical health is still hard to predict, as new strains emerge but will contribute to future demand for health and social care services and is reflected in the services cost pressures and essential budget 2022/23 proposals as set out below.

Table 6.5 – breakdown of the baseline expenditure pressures and investments within Adult Social Care

Description	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m
Adult Purchasing Costs, placement cost pressures	11.191	11.191	11.191	11.191	11.191
Demand/demographic growth	1.014	2.108	3.145	4.030	5.215
Social work and other support staff - Improved Better Care Fund	1.800	1.800	1.800	1.800	1.800
Extra Care Housing recommissioning	1.447	2.047	2.047	2.047	2.047
Home Care Contract recommissioning	0.606	0.606	0.606	0.606	0.606
Total Pressures	**16.058**	**17.752**	**18.789**	**19.674**	**20.859**

(note that figures in this table are shown cumulative)

6.18 In addition, care provider contractual inflation uplifts for 2022/23, for packages of care, will see a significant rise in costs, as a result of increases in the retail price index and living wage assumptions. Inflationary uplifts will be met corporately for 2022/23.

The Settlement - distribution of social care resources

6.19 The Local Government Finance Settlement set out proposals for social care services funding for 2021/22:

- An increased Social Care Grant – Bristol's share increased from £13.8 million to £19.1 million for 2022/23
- Increased funding via the Improved Better Care Fund – Bristol's share increased by £0.5 million to £17 million for 2022/23. This is an inflationary uplift on 2021/22 allocations in line with the September 2020 to September 2021 change in the Consumer Price Index (CPI).
- A new Market Sustainability and Fair Cost of Care Fund from the Department for Health and Social Care to support Local Authorities prepare their markets for reform and move towards paying providers a fair cost of care. Bristol's allocation is £1.4 million for 2022/23.

Market sustainability and Fair Cost of Care Fund

6.20 This new fund has been set up to ensure that local authorities are able to move towards paying a fair cost of care. This forms part of the £3.6 billion confirmed at Spending Review 2021 to implement Charging Reform / price cap on the cost of care. These proposals are funded by the new Health and Care Levy announced in September 2021.

6.21 To secure funding local authorities are required to:

- conduct a cost of care exercise
- engage with local providers to improve data on operational costs and number of self-funders to better understand the impact of reform on the local market
- strengthen capacity to plan for, and execute, greater market oversight and improved market management to ensure markets are well positioned to deliver care
- Provide a provisional market sustainability plan setting out local strategy for the next 3 years (2022 to 2025).

Social Care white paper

6.22 2021/22 also saw the publication of the white paper People at the Heart of Care which set out a 10-year vision for adult social care and provided information on funded proposals that will potentially be implemented over the next 3 years including:

- At least £300 million nationally to integrate housing into local health and care strategies, with a focus on increasing the range of new supported housing options available. This will provide choice of alternative housing and support options and is complimentary to the Bristol Better Lives at Home project.
- At least £150 million nationally of additional funding to drive greater adoption of technology and achieve widespread digitisation across social care. Digital tools and technology can support independent living and improve the quality of care.
- At least £500 million nationally so the social care workforce has the right training and qualifications, and feels recognised and valued for their skills and commitment.
- A new practical support service to make minor repairs and changes in people's homes to help people remain independent and safe, alongside increasing the upper limit of the Disabled Facilities Grant for home adaptations such as stairlifts, wet rooms and home technologies.
- Up to £25 million nationally to work with the sector to kick-start a change in the

services provided to support unpaid carers.

- £30 million nationally to help local areas innovate around the support and care they provide in new and different ways, providing more options that suit people's needs and individual circumstances.
- A new national website to explain the upcoming changes, and at least £5 million to pilot new ways to help people understand and access the care and support available.
- More than £70 million to increase the support offer across adult social care to improve the delivery of care and support services, including assisting local authorities to better plan and develop the support and care options available.
- Proposed care cap to provide a limit to the cost of care for everyone in the adult social care system for the first time, significantly increasing state support.

6.23 Whilst there is much work to be done to deliver social care reform, we do not believe that the funding currently allocated is sufficient (£3.6bn nationally over 3 years). The costs of implementing the care cap, the fair cost of care reforms and the cost associated with setting up the IT systems and processes and staff time needed to deliver the additional assessments, will considerably exceed this. The level of funding needed to support social care reform needs to match the stated ambition.

Children, Families and Safer Communities Teams

6.24 During 2021/22 Children, Families and Safer Communities' Services faced significant impacts and budgetary pressures, as a result of Covid-19 with an overall forecast overspend of £6.7 million (offset by one-off Covid-19 grant funding of £2.8m). Pressures directly attributable to Covid-19 totalled £6.4 million, with significant increases in externally provided children's placement costs presenting the area of most financial concern, having risen by 11%. These underlying cost pressures have been driven by a reduction in the rate of children exiting care to alternative forms of permanency, driving a 5% growth in Bristol's care population. These cost and demand pressures continue into 2022/23 and are reflected in the summary below.

Table 6.6 – breakdown of the baseline expenditure pressures and investments within Children, Families and Safer Communities Teams

Description	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m
Bristol Children's home staffing and maintenance costs	0.600	0.900	1.150	1.150	1.150
Social work and support staff and other accommodation and ICT costs	1.119	1.119	1.119	1.119	1.119
Home carers absence cover - agency staff	0.200	0.200	0.200	0.200	0.200
Children's Placements demand and cost pressures	4.806	3.812	2.617	1.946	1.946
Adoption west - increase in contract price	0.063	0.063	0.063	0.063	0.063
Support to Afghan families and children	0.085	0.085	0.085	0.085	0.085
Support for homeless families	0.120	0.120	0.120	0.120	0.120
Total Pressures	**6.993**	**6.299**	**5.354**	**4.683**	**4.683**

6.25 Bristol continues to prioritise and protect Children's Services and we look forward to the outcome of the national Independent Review of Children's Social Care, which is expected to report in spring 2022, which we hope will make clear the investment needed to give children and families the help they need to thrive. We recognise that how we spend money in the children's social care system matters but understanding the cost of adverse outcomes for children is even more important.

Education

6.26 The Education and Skills service is reporting an in-year pressure of £4 million (partially offset by £1.7 million one-off Covid-19 funding which leaves a net forecast overspend of £2.3 million; of which £2.1 million is Covid-19 related). These cost pressures mainly relate to Home to School Transport due to increased supplier costs, as well as additional SEN assessments, where a proportion of children require transport support, having to travel further due to local capacity issues.

Table 6.7 – breakdown of the baseline expenditure pressures and investments within Education

Description	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m
Special Educational Needs Support	1.666	1.666	2.051	2.051	2.051
Home to School Transport Increased Demand	2.281	2.331	2.382	2.435	2.488
Total	**3.947**	**3.997**	**4.433**	**4.486**	**4.539**

6.27 Following an Ofsted review in 2019, the Education service has developed an action plan and invested significant resources in the Education Health and Care Plan (EHCP) assessment and planning process in order to address some of the concerns reported. This work continues.

Growth and Regeneration

6.28 The Growth and Regeneration (G&R) directorate has several key priorities which this budget is designed to support. They are as follows:

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

6.29 During the pandemic, due to the social distancing measures introduced by the government and the general economic conditions, G&R has seen significant losses on both service income and commercial income. The recovery of these income streams is likely to take some time. Most Covid-19 income losses and additional expenditure were covered by government grants in 2020/21. 2021/22 has seen some level of recovery, however, 2022/23 could still prove challenging as the pandemic remains a significant concern and government funding to mitigate such income losses was withdrawn in 2021/22. Table 6.8 below outlines the emerging pressure as a result of Covid-19 that is now built into the base budget from 22/23 onwards.

6.30 It should be noted that inflationary uplifts for energy price pressures totalling £1.1 million, staff salaries, are held corporately and may be requested in 2022/23.

Table 6.8 – breakdown of the baseline expenditure pressures and investments within Growth & Regeneration

Description	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m

Homelessness Temporary Accommodation	2.300	2.300	2.300	2.300	2.300
Lost parking income due to active travel schemes	0.600	0.600	0.600	0.600	0.600
Regulatory Services - taxi licenses	0.070	0.070	0.070	0.070	0.070
Total	**2.970**	**2.970**	**2.970**	**2.970**	**2.970**

Resources

6.31 The Resources Directorate contains the Council's key resident facing services (such as Citizens Services, registrars, mortuaries, administering council tax, business rates and housing benefits) as well as further professional support services which support the strategic direction of the Council and provide essential support to members and managers to improve outcomes and deliver change. Beyond its core, statutory and regulatory duties, the Directorate also serves some of the most vulnerable in the city.

Corporate expenditure

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

6.33 **Pay awards** - as part of the Spending Review 2020, it was announced that Public Sector staff (excluding the NHS) who earn more than £24,000 pro rata, would have a pay pause in 2021/22. Those that earn below this will receive a pay rise of a minimum of £250. Pay awards for local government workers are agreed in negotiations between employers and trade unions through the National Joint Council for Local Government Services. Subsequently, the national employers, who negotiate pay on behalf of 350 local authorities, have offered a 1.75% pay award for the majority of employees, with those on the lowest salaries receiving 2.75%. This level of potential award has been provided for in the 2021/22 budget, however, is subject to negotiation which is currently not concluded at the time of writing this report. For each year from 2022/23 a 2.5% pay award is included in the budget.

6.34 **Contract Inflation** – to deliver efficiencies through contract management inflation is not applied automatically to all expenditure. A detailed review of contracts identifies key services and contracts where inflation is unavoidable, these include, Social Care placements, ICT contracts, PFI contracts and Waste Contracts. Inflation has been provided for at 4% for 2022/23 and 3% for 2023/24 with 2% from 2024/25 and beyond. With specific allocations where contract inflation is above these levels for example energy prices.

6.35 In addition to the above the increase in the National living wage of average 6.6% and Health and Social Care levy National Insurance Contribution 1.25% applicable to the provider market have further increased the pressures on the inflation related budgets. Due to the significant uncertainty regarding current levels of inflation across a variety of goods and services, additional contract inflation contingency of £2 million has been included to make provision for any unexpected increases over the next financial year.

Table 6.9 – breakdown of the Corporate Expenditure budgets

Corporate Expenditure	22/23 £m

Capital Financing	22.495
Corporate and Democratic Core and Levies	10.866
One off funding held prior to transfer	7.595
Other including Contract Inflation and pay awards	21.246
Total	**62.202**

Savings

6.36 The Council has experienced a period of sustained increase in demand resulting from current global market factors and for some of the key services it provides for the most vulnerable members of the community, particularly within adult and children's social care. Following the announcement of government grant allocations and estimates of the Council's funding, a significant challenge remains in the Council budgets which cannot be balanced, and service levels cannot be sustained in some key areas over the coming years without delivering efficiency savings.

6.37 The Council identified six key areas for consideration and service reviews:

- Property and capital
- Be more business-like and secure more external resource
- Improving efficiencies
- Digital transformation
- Reducing the need for direct services
- Redesigning, reducing, or stopping services.

6.38 The recommendations emanating from these reviews have identified the potential for savings, efficiencies and income generation opportunities in the region of £34.3 million, subject to further due diligence, engagement, impact assessment and consultation: £17.9 million of savings in the 2022/23 financial year, and £16.4 million for future years as shown in Table 6.10 below (full details of the savings recommended for approval are set out in Appendix 8).

Table 6.10: savings breakdown

Saving Category	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m	Total £m
Property and capital investment	1.510	2.050	0.895	0.550	0.468	5.473
Be more business-like and secure more external resource	2.747	1.975	0.415	0	0	5.137
Improve efficiency	6.342	904	0	0.123	0	7.369
Digital transformation	0.310	0	0	0	0	0.310
Reducing the need for direct services	1.450	0.300	0.050	0	0	1.700
Redesigning, reducing or stopping services	5.507	7.960	0.500	0	0	13.967
Total	**17.866**	**13.189**	**2.113**	**0.673**	**0.468**	**34.309**

Note: savings agreed in previous years' budgets and or carried forward are excluded from these figures.

6.39 An optimism bias contingency for the new proposals for 2022/23 of £3.4 million (with a further £2.4m in 2023/24) has been set aside. A savings contingency at this level is deemed appropriate considering the level of savings proposed, stage of due diligence on each and crosscutting nature of a number of the propositions.

6.40 £3 million is also included within the budget for any planned write off or changes to savings as a result of the consultation. This ensures there is contingency if savings are unable to progress due to change in assumptions from initial plans or plans changing as a result of consultation. Any use of this contingency will need to be considered by Cabinet in future decision making. Holding a contingency within the approved budget provides in-year flexibility to respond to any consultation, equality impact or delivery challenges and must also be assessed alongside the level of General Fund reserves.

6.41 During 2021/22, the following historic savings of £0.4 million were written off as no longer able to be delivered. This was funded from the savings contingency initially put aside in the 2021/22 budget.

Table 6.11 – list of savings written off during 2021/22

Description	Amount £m
FP01 - Alternative to expensive nightly accommodation	0.190
FP35 - Identify alternative funding to continue to support people in Council Housing	0.210
Total	**0.400**

Long Term Shareholdings and Other Investments

Shareholdings

6.42 The Council has a range of long-term investments and shareholdings some of which are wholly owned or to which it has a material interest. In relation to the wholly owned companies, these are complex businesses and when entering into any long-term investments such as these it is important to assess the market conditions and to acknowledge that the industries are ever-changing, and as such will always be subject to external influences, volatilities and risks. The financial performance of these companies and their assets and liabilities are regularly reviewed to ensure that there is no financial implication for the Council in future years.

6.43 The Council continues to assess the effectiveness of the governance, monitoring and quality performance parameters, regularly reporting to the Shareholder Group and members for informed decision making.

6.44 To ensure the Council's investment is protected, commercial information that could impact on an individual company's value will be managed sensitively, with due consideration given to the sensitivity of the information being requested at the time of the request in case any resulting harm would be caused due to its disclosure. However, as a public authority the Council should remain open and transparent as far as possible.

6.45 The Council budget reflects the Council's financial commitment associated reserves and establishes the capital and revenue cash limits that we consider sufficient to meet the business needs. The companies will operate within these council funding parameters for 2022/23 and business plans will be developed within these thresholds as well as utilisation, where appropriate, of our companies own reserves and contingencies. For further detail please see Appendix 9.

Other investments

6.46 The Council's other investment activities are outlined in table 6.12 below:

Table 6.12 – breakdown of all the Council's non- Treasury investments

Investment	Type	Total Investment Agreed £m	Current Investments £m
Port Company	Initial Retained Capital	2.500	2.500
City Funds	Loan Capital	5.000	2.477
Bristol Credit Union	Loan Capital	0.500	0.500
Homelessness Property Fund	Loan & Share Capital	10.000	9.288
Avon Mutual Community Bank	Share Capital	0.300	0.200
Bristol & Bath Regional Capital	Loan Capital	0.250	0.250
Bristol Old Vic	Loan Capital	0.948	0.108
Total		**19.498**	**15.323**

6.47 It is anticipated that from this investment the Council will benefit socially, economically, environmentally and financially. Following the pay-back period, any surplus can be used as appropriate to support the Council's revenue budget position or deliver key priorities.

7 Collection Fund Surplus / Deficit

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

7.2 As reported to the Council on 11 January 2022, overall there is an estimated deficit on the Collection Fund for the year ending 31 March 2021 of £13.4 million of which the Council's share is £10.9 million.

8 Council Tax 2022/23

8.1 The threshold for increasing the council tax for 2022/23 is 3% which includes 1.00% Social Care Precept and core council tax increase of 1.99%. The precept will need to be identified separately and the s151 Officer will be expected to notify the Secretary of State of the amount intended to be raised and verify that the funding has been used for adult social care.

8.2 The full statutory calculation in respect of Bristol council tax including precepts for Police & Crime Commissioner and Avon Fire Authority can be found in Appendix 11.

Calculation of the Council's Tax Base

8.3 On 11 January 2022 Full Council approved the tax base for the year 2022/23 as 127,917. This represents a decrease of 0.02% on the previous year's tax base (127,950).

Council Tax by band

8.4 It is recommended that the following amounts be submitted for agreement by Full

Council for the year 2022/23:

- £243,198,359 being the sum to be met from Council tax in 2022/23 for services provision (£236,197,106 in 2020/21)

Bristol City Council's share of council tax for the year 2022/23 for the services it provides for each category of dwelling is shown as follows:

Table 8.1 – Council Tax charges for Bristol City Council element by Dwelling Band

	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
2022/23 Council Tax	1,267.48	1,478.72	1,689.96	1,901.22	2,323.70	2,746.20	3,168.69	3,802.43
2021/22 Council Tax	1,230.68	1,435.79	1,640.90	1,846.02	2,256.24	2,666.47	3,076.70	3,692.04
Percentage Increase	**2.99%**	**2.99%**	**2.99%**	**2.99%**	**2.99%**	**2.99%**	**2.99%**	**2.99%**
Annual Increase	**36.80**	**42.93**	**49.06**	**55.20**	**67.46**	**79.73**	**91.99**	**110.39**

Energy Bills and Council Tax Rebate

8.5 The government recognises many households will need support to deal with rising energy costs, which are being affected by global factors. From 1 April, the energy price cap will rise from £1,277 to £1,971 – an almost £700 increase in energy bills for the average household. Wholesale gas prices have quadrupled in the last year. Because gas is used for electricity generation this pushes up retail electricity bills as well as retail gas bills.

8.6 The government has announced a package of support to help households with rising energy bills in 2022/23. This includes:

- A £200 discount on their energy bill this Autumn for domestic electricity customers. This will be paid back automatically over the next 5 years.
- A £150 non-repayable rebate in Council Tax bills for all households in Bands A-D in England.
- £144 million of discretionary funding for Local Authorities to support households who need support but are not eligible for the Council Tax rebate.

The Council Tax rebate

8.7 Households in England residing in Council Tax Bands A-D will be eligible for a £150 rebate in their council tax bill from April this year. The rebate to bills will be made directly by local authorities and this will not have to be repaid. This would indicate that at least 90% of households in Bristol (applied to primary residence only) are in Council Tax Bands A-D, therefore should benefit from this rebate, noting that the rebate will not be paid for second homes or empty properties. This payment will operate outside of the council tax system, using council tax lists only to identify eligible households.

8.8 New funding will be provided to local authorities for these rebates, as well as extra funding to help with increased administrative costs. For those who need help with their energy bills but are not eligible – such as households on income support in higher bands (E-H) or with properties in bands A-D that are exempt from council tax – local authorities will receive discretionary funding to provide assistance. Further details will be set out by the DLUHC in due course along with the funding to be awarded to each authority. Delegation will be sought to adjust the relevant budgets on receipt of the funds, and develop and implement the discretionary policy to facilitate the administration of the scheme at the earliest possible opportunity.

9 Dedicated Schools Grant

9.1 A summary of the planned use and distribution of the Dedicated Schools Grant (DSG) is incorporated within this report and the full report and associated appendices including the equality impact assessment can be accessed here:

[DSG published papers]

9.2 The DSG is calculated based on the following 4 funding blocks: Schools Block, High Needs Block, Central Services Block and Early Years. The overall headline increase in the 2022/23 DSG is £15.9 million (3.9%) giving a total DSG of £421.5 million.

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

Table 9.1 - DSG Funding Allocation by Block

Block	Purpose	21/22 Allocation £m	22/23 Allocation @ January 2022 £m	Increase £m	Increase %
Schools Block	**For distribution through the formula for mainstream schools and academies and for growth in schools**	297.264	**306.192**	8.928	3.0%
Central School Services Block	**For local authority core functions, admissions, and historic commitments**	2.774	**2.742**	0.032	-1.2%
High Needs Block	**Funding for pupils with special educational needs in mainstream, special and out-borough schools, for pupils in alternative provision and local authority or commissioned services for high needs pupils**	68.366	**78.214**	9.848	14.4%
Early Years Block	**Funding for distribution to Early Years settings for 2-3 and 4 year old early years provision, with some provision for central oversight and co-ordination**	37.185	**34.388**	2.797	-7.5%
Total DSG Allocation		**405.589**	**421.536**	**15.947**	**3.9%**

Schools Block

9.4 The Schools Block total is £306.2 million and made up of the following:

- Pupil led DSG funding £294.3 million - this is the sum allocated to the LA based on the number of pupils recorded in the October 2021 census.
- Premises led funding £10.0 million - element of the Schools Block DSG that recognises costs not defined by NFF values.
- Growth Funding £1.9 million - allocation intended to meet the cost of both the growth fund and the additional cost of those pupils in growing schools not yet present in the school census.

9.5 The DSG allocation as advised by the Education and Skills Funding Agency, takes into account the increase in minimum funding per pupil and the National Funding Formula (NFF). Included in this allocation is funding for teachers pay and pensions increases that was previously made via grant funding.

9.6 The October 2020 census had 35,360 primary pupils, a decrease of 508 (1.4%) from October 2019, with secondary pupil numbers increasing by 641 (3.2%) to 20,579. Of the 126 Bristol schools, 74 schools have a reduction in pupil numbers on roll (NOR) in 2022-23, whilst four are static and 48 have increased NOR. The Minimum per Pupil funding levels were made a mandatory item in the formula and the rates are dictated by the NFF. For 2022/23 the primary rate is £4,265, and £5,525 for secondary school pupils.

9.7 In developing the formula for 2022/23, following consultation with Schools, the Schools Forum agreed the following principles:

- The transfer of 0.5% of the Schools Block to the High Needs Block.
- £2.0 million top-slice of Schools Block to create the Growth Fund for 2022/23.
- The Minimum Funding Guarantee (MFG) to be set at +0.5%.
- The lump sum to be preserved at £125,000 for both Primary and Secondary.
- Any remaining funding directed to the Additional Education Needs (AEN) factors.

9.8 Transfer 0.5% of Schools Block to High Needs Block £1.5 million - Schools Forum agreed to the transfer of 0.5% of the Schools Block to the High Needs Block at its meeting in November 2021 and the funding is to be earmarked to support the Education Transformation programme. Please note that this is the maximum threshold and any amount beyond 0.5% would require Secretary of State approval.

9.9 Growth Fund allocation £2.0 million - this funding is the top-slice of the Schools Block taken in order to fund growth expansions in existing schools for the following academic year, separate to the growth commitment in “new and growing” schools” which is funded within the formula mechanism. The commitment for 2022/23 is estimated at £1.9 million, leaving £0.1 million for new commitments that may arise during the admissions round.

9.10 Following the deduction of the two areas above the balance remaining for Mainstream Schools formula is £302.7 million, including the mandated elements of the formula.

9.11 The Minimum Funding Guarantee was set at +0.5% in line with prior year, and within the average overall increase, individual schools will receive more or less funding, depending on the impact of the changes in the formula and pupil numbers.

9.12 Subject to approval of the draft formula by the ESFA, overall, 91 of the 126 schools are set to receive an increase in cash funding in 2022/23, whilst 35 out of the126 schools will receive less funding than in 2021/22. In all 35 schools receiving a reduction in funding this is being driven by a reduction in pupil numbers on roll that more than offsets per-pupil funding gains in the formula.

9.13 Full details of the Schools Block allocation and funding formula can be viewed by the hyper link in paragraph 9.1 above.

High Needs Block

9.14 The DSG is forecasted to start the year with a brought forward deficit and the key financial pressure within the DSG is in the High Needs Block. The High Needs year end deficit is currently forecasted to be £29.3 million, which includes surpluses held for the Education Transformation programme. The outcome of the DFE’s SEND review is still awaited, in its absence it is anticipated that the High Needs block will continue to experience significant pressures as the Council delivers SEND improvement activities, responds to the Written Statement of Action and supports children and young people with increasing need and complexity of support.

9.15 In recognition of the broader national issues in Higher Needs funding, the funding announced in December allocated £75.5 million in 2022/23 to the High Need Block, representing an increase in funding of £7.2 million (10.5%) including Teachers Pay and Pensions Grant.

9.16 Further to publication of the papers for Cabinet and the Schools Forum, notification has been received from the ESFA of £325 million of additional High Needs Block funding nationally for 2022/23. Bristol's element of this additional funding will be £2.7 million, taking the total additional funding for 2022/23 to £9.8 million (14.4%). This includes funding in respect of the Health and Social Care Levy, (circa.1% pressure on authorities' high needs budgets) and also takes into account that colleges and other post-school providers offering extra hours of study to 16 to 19 year old students, may require extra high needs top-up funding to support such students with high needs. The notification also recommends future budget funding assumptions of 5% increase in 2023/24 and 3% for subsequent years thereafter.

9.17 With agreement from the Schools Forum, £1.5 million (0.5%) is proposed for transfer from the Schools Block to the High Needs Block to support the Education Transformation Programme, with clear and transparent reporting to Schools Forum. This funding will not be used to support general High Needs activities or deficit but as agreed will be used to support the continuing work and aims of the Transformation Programme, focused on the continuing improvement in SEND provision, sustainable school-led programmes and addressing the deficit in the High Needs Block. It is noteworthy that 2022/23 may be the last year that this flexibility will be allowed as the DfE has already consulted on the introduction of the Hard National Funding Formula from 2023/24 which would remove local flexibility.

9.18 After taken account of the revised funding allocation for 2022/23 and indicative % increases outlined for subsequent years (previously assumed at 6% each year), Health and Social Care Levy (not previously accounted for in this area), and latest forecast position reported for Period 9, the funding for the High Needs Block is £79.7 million in 2022/23 increasing to £87.1 million by 2025/26. With the estimated spend for 2022/23 a deficit of £42.1 million is forecasted by the end of 2022/23.

Table 9.2 - High Needs Block Forecast

High Needs Block	Prior Years £m	21/22 £m	22/23 £m
Total Annual Funding (Incl. Block Transfers)		69.913	79.745
Estimated Budget Requirement		- 87.476	- 92.530
Net Annual HNB Deficit		- 17.563	- 12.785
Accumulated HNB Deficit	**-11.797**	**-29.360**	**-42.145**

Early Years Block

9.19 The allocation for Early Years for 2022/23 is £34.4 million (7.5%, £2.8m lower than prior year). This allocation is still indicative at this stage as the majority of the funding in this block is based on census data in January 2021 and January 2022, and the actual amount will be updated by ESFA once these census figures are known.

The funding allocation for the early years section is as below:

- The funding for 3 & 4 year olds remains unchanged at a rate £5.69 and as a result the base rate to providers will see no increase in 2022/23 and remain at £4.88. This is in effect a real terms cut for the sector which has experienced minimal support through the pandemic.
- For 2 year olds, the rate has increased by £0.26 to £5.80, this increase will be passed on in full to providers (increase from £5.56 to £5.80). In line with prior year, £0.03 will be retained for central administration.

- The indicative Maintained Nursery School supplementary funding reduced to £0.5 million in 2022/23, equivalent to 24.4% reduction from £0.7 million in 2021/22.

9.20 The Council will continue to support nursery schools in seeking to seek via the government a fair settlement for Early Years providers.

Central Services Block

9.21 The Central Services Block (CSSB) provides funding for the statutory duties the Council hold for both maintained schools and academies. The CSSB brings together:

- Funding previously allocated through the retained duties element of the Education Services Grant (ESG).
- Funding for ongoing central functions, such as admissions, previously top-sliced from the Schools block.
- Residual funding for historic commitments, previously top-sliced from the Schools block.

9.22 The Council has proposed a CSSB allocation for 2022/23 of £2.7 million which has been agreed by the Schools Forum, who are the decision maker in this regard. This total is composed of two distinct components:

- on-going functions £2.1 million which has increased by 5.8% from 2021/22 (£2.028m); and
- historic commitments £0.6 million, decrease of 20% (£0.7m of which £0.1m was transferred to the HNB and £0.6m retained for combined services).

9.23 The ESFA proposes to withdraw the historic element over time and this funding is insufficient to support the contribution to combined services at the previous level and a small decrease has been made to the Director of Education and Skills element. All other elements remain unchanged. The overall CSSB allocation for 2022/23 has reduced by 1.1% or £0.03 million and as a result there will be no spare funding available for transfer into the High Needs Budget in 2022/23.

Overall DSG

9.24 The DSG is forecasted (Period 9) to start the year with a brought forward deficit of £26.7 million and the key financial pressure within the DSG is in the High Needs Block. However, this is a net figure and surpluses within the fund are attributed to Schools and Early Years blocks with proposed utilisation and timing of usage not yet specified. The. overall DSG for 2022/23 is £421.5 million, with estimated 2022/23 spend of £435.2 million. The DSG deficits after taking account of short-term underspend within other funding Blocks is forecasted to be £40.3 million by the end of 2022/23. Under DSG regulations this will need to be "made good" in future years from the DSG allocations.

9.25 Table 9.3 below outlines the revised allocations following the proposed movement between the blocks.

Table 9.3: forecast block budgets after movements between blocks and carry forward amounts

DSG Block	Balance brought forward from 21/22 (forecast) £m	22/23 allocation @ January 22 £m	Movement Between Blocks £m	Final DSG 22/23 Allocation £m	Estimated Spend 22/23 £m	C/Fwd Balance £m
Schools Block	(1.626)	(306.192)	**1.531**	(304.661)	**304.661**	(1.626)

Delegation	(0.553)			-	**0.553**	-
Central School Services Block		(2.742)		(2.742)	**2.742**	-
High Needs Block & Transformation	29.360	(78.214)	**(1.531)**	(79.745)	**92.530**	42.145
Early Years Block	(0.524)	(34.388)		(34.388)	**34.707**	(0.205)
Total DSG Allocation	**26.657**	**(421.536)**	**0**	**(421.536)**	**435.193**	**40.314**

9.26 Although the additional funding is clearly welcome it is significantly below the expenditure currently being incurred and leaves no growth or additional funding to address the deficit. No clarity has been provided by the DfE how, when and if, this will be funded in the longer term. Whilst the Council “carries” this deficit by means of a negative reserve it is a significant risk to both the Council and to schools.

The DSG Deficit Management Plan is an iterative document which will set out how the deficit will be managed and reduced in the longer term. The plan will continue to be updated throughout 2022/23 and beyond, presented to Schools Forum on a termly basis. Work is underway to further develop the DSG Deficit Management Plan. This is a comprehensive tool that has been produced by the Department for Education to enable LAs to:

- Monitor how DSG funding is being spent
- Compare data on high needs spend between LA’s
- Form evidence-based and strategic future plans for the provision of services for children and young people with SEND.

9.27 In order to deliver the service need on a sustainable footing, work and collaboration continue with the Transformation Programme working group to finalise early mitigation proposals for consideration by the Schools Forum in March 2022. Further work and engagement will be required thereafter, and where appropriate consultation on the co-design of these potential mitigations for development and implementation in subsequent years. The DSG management plan submitted to November 2021 Schools Forum can be accessed via the following link:

DSG Management Plan Agenda Supplement for Bristol Schools Forum, 30/11/2021

9.28 Schools Forum considered the proposals on the use and distribution of the available funding at its meeting on 13 January 2022, with final comments noted with this report.

10 Public Health Grant

10.1 The annual Public Health grant is currently provided to the local authority by the Department of Health and Social Care. The grant is ring-fenced for use on public health functions as specified in the National Health Service Act 2006. This may include public health challenges arising directly or indirectly from coronavirus (Covid-19).

10.2 Public health teams have faced an unprecedented period of prolonged uncertainty and demand pressures and the public health emergency is not over, as the Council continues to provide emergency and recovery response from the impact of new variants of the virus and the roll out of the vaccination programme which has brought a measure of relief to many people. The Council’s governance processes continue to work well, in collaboration with other partners, to ensure a managed and proportionate response is being made.

10.3 In addition to the pandemic, the public health grant has a key role to play in improving health by funding vital services, such as smoking cessation, drug and alcohol services, children's health services, as well as broader public health support across local authorities and the NHS.

10.4 The grant allocation for 2021/22 was £33.6 million. The allocations for 2022/23 are yet to be announced, however the Spending Review / Autumn Budget 2021 committed to maintaining the public health grant in real terms until 2024/25 and this is the principle upon which the budget in the table below has been developed.

Table 10.1 – Public Health budget 22/23

Public Health Budget 2022/23	Total expenditure £m	Total Income £m	Net Current expenditure £m
Sexual health services - STI testing and treatment (prescribed functions)	5.05	(1.70)	3.35
Sexual health services - Contraception (prescribed functions)	3.60	(2.69)	0.91
Sexual health services - Promotion, prevention and advice (non-prescribed functions)	0.57	(0.13)	0.44
NHS health check programme (prescribed functions)	0.46		0.46
Health protection - Local authority role in health protection (prescribed functions)	0.41		0.41
National child measurement programme (prescribed functions)	0.22	(0.04)	0.19
Public health advice to NHS commissioners (prescribed functions)	0.16		0.16
Obesity - adults	0.10		0.10
Obesity - children	0.10		0.10
Physical activity - adults	0.57	(0.07)	0.50
Physical activity - children	0.57	(0.07)	0.50
Substance misuse - Treatment for drug misuse in adults	6.94	(0.03)	6.91
Substance misuse - Treatment for alcohol misuse in adults	2.51	(0.01)	2.50
Substance misuse - Preventing and reducing harm from drug misuse in adults	0.04		0.04
Substance misuse - Preventing and reducing harm from alcohol misuse in adults	0.10		0.10
Substance misuse - Specialist drug and alcohol misuse services for children and young people	0.26		0.26
Smoking and tobacco - Stop smoking services and interventions	0.44		0.44
Smoking and tobacco - Wider tobacco control	0.05		0.05
Children 5–19 public health programmes	1.87	(0.27)	1.59
Mandated 0-5 children's services (prescribed functions)	9.27	(1.52)	7.75
All Other 0-5 children's services (non-prescribed functions)	1.46		1.46

Public mental health	0.18		0.18
Miscellaneous public health services - other	5.25		5.25
TOTAL PUBLIC HEALTH BUDGET	**40.19**	**(6.54)**	**33.64**

10.5 The delay in funding announcements including Covid-19 related funding, makes it extremely difficult to plan at a time when public health services are at the forefront of challenges and demand pressures relating to Covid-19.

10.6 The Public Health grant is ringfenced and operates on a principal of self-funding, as such Public Health will seek to contain the additional costs and any new burdens directly associated with the funding. Within the Council's earmarked reserve is a Public Health ring-fenced reserve of £4.0 million as at 1 April 2021. The following Public Health commitments have been identified for draw downs over the medium term, leaving a small buffer for unexpected adverse grant allocations should any technical adjustments be required following an announcement or other in year variations.

Table 10.2 – Public Health Reserve committed spend

PH Reserve - Committed Spend	2022/23 Budget £m
Physical Activity and Sport	0.47
Covid Response	1.03
Health and Wellbeing Innovation and Transformation	1.00
Total	**2.50**

10.7 The long term future of public health funding is uncertain and will be subject to the government's delayed fair funding review and may include moving from a grant to a baseline formula with attached conditions.

11 Housing Revenue Account

11.1 A summary of the Housing Revenue Account (HRA) budget proposals is incorporated within this report and the full report, associated appendices including the specific equality impact assessment and consultation report can be accessed here: HRA Cabinet and appendices.

11.2 Housing Revenue Account (HRA) covers all activities of the Council as landlord. It is a ring-fenced self-financing account, where the Council retains all rental income but must finance all capital and revenue costs associated with its existing and new housing stock. The HRA must be balanced annually with no cross-subsidy between the revenue cost of services provided through the General Fund and the HRA, although there are many services provided to both, paid for through recharges.

11.3 The HRA has a housing stock of circa 28,500 (27,000 rented and 1,500 leasehold properties in blocks where the Council continues to maintain the common areas and the fabric of the building). In addition, it manages approximately 1,600 garages and owns a small number of other assets, such as commercial units.

11.4 The Council has set a budget for the next financial year to ensure that the HRA can deliver its essential repairs, maintenance, and improvements to the housing stock, as well as being able to meet current and forthcoming legislative requirements and a sustainable long-term business plan model, which takes account of capital investment needs over the next 30 years.

11.5 The main source of funding for the HRA is rents and service charges. The current average rent for a council home in Bristol is £81.50, whereas the average social rent in England is £85.43. The 2022/23 budget proposes a rent increase of 4.1% which is CPI plus 1% in line with the guidance provided in The Rent Policy and Rent Standard, effective from April 2022. This means average rents will rise to £84.84.

11.6 A Service Charge is a payment made for services received in connection with the occupation of their home. The charge should aim to recover all reasonable costs in delivering the services. Service charge recovery is covered by legislation, contractual obligations and case law. Cabinet has authorised the Executive Director of Growth and Regeneration, in consultation with the Cabinet Member for Housing Delivery and Homes, to increase and set service charges in line with the anticipated and actual cost of delivery.

11.7 The HRA revenue budget is based on forecast revenue income and for 2022/23 the budget is £127.1 million (£5.0m increase 2021/22), compromising of £117 million rental income (net, after allowing for rent loss for empty properties), £8.9 million service charges (based on actual costs, plus an inflationary uplift) and £1.2 million charges for other assets, including garages, shops, and interest on balances.

11.8 The HRA Revenue expenditure includes estates and housing services, repairs, maintenance and improvements to council housing, including compliance safety programmes and supervision and management functions. There is significant inflationary uplift in costs, particularly for materials, utilities (gas and electricity) and for new contracts. This has particularly impacted budget requirements for repairing, maintaining and improving homes and blocks. However, significant efficiency savings have been identified to offset the new budget pressures.

11.9 The 2022/23 budget is outlined in the table below with a prior year comparator.

Table 11.1 – HRA 2022/23 Revenue budget summary and comparison to 2021/22

HRA Income and Expenditure	Budget 2021/22 £m	Budget 2022/23 £m	Movement £m
Dwelling rents	(113.495)	(118.248)	(4.753)
Voids	1.200	1.253	0.053
Non-dwelling rents	(1.171)	(1.205)	(0.034)
Charges for services and facilities	(8.621)	(8.927)	(0.306)
Contributions towards expenditure	(0.030)	0	(0.030)
TOTAL INCOME	**(122.117)**	**(127.127)**	**(5.010)**
Repairs & maintenance	33.854	37.288	3.434
Supervision & management	32.219	31.661	0.558
Special services	9.771	10.602	0.831
Rents, rates, taxes and other charges	0.755	0.754	0.001
Depreciation & impairment of non-current assets	29.444	30.357	0.913
Debt management	0.041	0.041	0.000
Movement in the allowance for bad debts	1.362	1.362	0.000

Movement on impairment provision	0.421	0.412	0.009
TOTAL EXPENDITURE	**107.867**	**112.477**	**4.610**
NET COST OF HRA SERVICES	**(14.25)**	**(14.65)**	**(0.40)**
Net interest payable, pension costs and other non-operational charges	11.043	11.043	0
Capital expenditure funded from HRA	3.206	3.606	0.40
SURPLUS FOR THE YEAR ON HRA SERVICES	**0**	**0**	**0**

11.10 The reasons for movement on the HRA budget between 2021/22 and 2022/23 are:

- Rents - the proposed budget assumes that rents are increased by CPI plus 1%, generating an additional £5 million in income in 2022/23.
- Net cost of HRA services – the budget is based on the planned expenditure on the properties. The increase in the budget for 2022/23 is due to the additional planned programmes in the Housing Investment Plan (HIP) which is funded via the revenue income generated.
- Depreciation - is the calculated level of basic re-investment needed to keep homes in reasonable repair (calculated using lifecycles / element costs as per our investment planning approach). This sets the minimum level of revenue funding to capital investment in homes to be applied in that year (or set aside in a separate reserve account to be invested in homes in the future). Depreciation is shown as an expenditure item in revenue, and an income item in capital.

Capital Programme Expenditure

11.11 The overall HRA capital programme for 2022/23 to 2031/32 is £1,344.6 million. The full details can be accessed via the hyperlink to the Cabinet reports in section 11.1, the overview is provided in section 9 and Appendix 2 to this report and in relation to the 30 year business plan model is covered in the section below.

The 30 Year Business Plan model

11.12 The 30 year business plan model communicates a vision for the future of council housing; setting out a long term pathway which builds on the past legislative changes such as the abolition of the HRA debt cap, and the introduction of greater flexibilities around the reinvestment of Right to Buy receipts. The model has been developed to provide agility and flexibility within the context of a longer term strategic and resource planning process and against a backdrop of increasing demand and major national policy change.

11.13 An extensive consultation was undertaken with stakeholders to identify the city's ambitions for council housing, which has influenced the development of the budget, Housing Investment Plan and 30 year business plan model.

11.14 The consultation demonstrated that:

- All key groups considered building new homes and energy efficiency & carbon retrofitting to be the two highest priorities
- There is support to increase rents and to borrow to deliver more, though key groups had differing views regarding the level of increase
- There is support to increase standards in existing homes, though key groups had differing views regarding the level of investment.

11.15 It is proposed that the HRA will increase its investment in new council homes, delivering 1720 new council homes to support city aspirations in delivering more affordable housing, bringing this total to 2,069 council homes by 2028/29 and to then develop or acquire 300 council homes a year over the lifetime of the business plan model.

11.16 The proposed levels of investment in existing stock will rely on subsequent decisions, taken annually, regarding rent increases for council tenants. Government policy regarding rents is unknown beyond April 2024. Should the existing policy of allowing above inflationary increases continue, and the Council chooses to apply this, any funding generated would be used to improve the condition of the existing stock. This would include extending the bathroom replacement programme and increased investment in communal areas, blocks and estates beyond 2027.

11.17 The plan provides a robust base upon which to analyse future debt capacity levels and the Council can affect future operating surpluses through effective cost management and this would increase borrowing capacity. Similarly, increases in inflation and in particular in rent inflation would add significantly to future capacity to enable investment in the existing stock.

11.18 The Business Plan model should provide a sound basis for the Council to inform its future approach to establishing a decision making framework for its HRA investment and development strategies.

11.19 The 30 year business plan model is based on the following overarching principles and key assumptions:

- Core inflation projected at 3.4% for April 2023, 2.2% for April 2024 and then 2.0% thereafter
- Rents increasing at CPI plus 1% per annum up to and including April 2024 in line with the current social policy and then CPI thereafter
- The forecasts include a provision for re-lets at formula rent levels based on a reducing balance of 3% per year
- Depreciation provision increasing at CPI throughout and adjusted based on stock numbers
- Maintenance of the existing tenanted stock (subject to Right to Buy sales and inflation) is modelled at a total of £1,250 million over the 30 years using the latest HIP figures equating to c £46,750 per unit
- £80 million of investment in energy efficiency over 9 years to bring properties up to EPC rating C
- £8.7 million of investment over 5 years for improvements to communal blocks and estates
- £12.5 million 5 years bathroom replacement programme that will deliver 5,500 new modern bathrooms in council homes by 2027
- £424.3 million from 2021.22 over 8 years - a range of new development schemes delivering a total of 2,069 of affordable properties
- £1.8 billion invested into delivering new council homes over the lifetime of the plan
- The inclusion of loans directly attributable to the HRA totalling £244.6 million.

11.20 The HRA will require projected borrowing totalling £346.6 million over years 1 to 9 of the plan to deliver the new developments and additional investment in the existing stock. The prudential borrowing limits for the HRA is based on a maximum Interest Cover Ratio of 1.25, whilst ensuring that minimum balances are held within both the HRA, Major Repairs (£10m) and General Reserve (£21m; being the equivalent of 3 months cashflow) and that newly arising debt has a provision modelled to repay over a timeframe and that this new borrowing is not refinanced.

HRA Reserves

11.21 As at the beginning of 2021/22 the HRA General Reserve balance was £97.8 million (estimated £99.1m, 1 April 2022) and the Unapplied Capital Reserves balance was £53.7 million. The 2022/23 budget proposal assumes that £32.4 million of the General HRA reserve and £53 million of the Unapplied Capital Receipts Reserve will be utilised in the year in order to fund the Capital Programme.

11.22 This would leave a balance on the General Reserve of £61.1 million as at 31 March 2023 while the Capital Receipts reserve will have been fully utilised. The HRA will maintain a minimum level of reserves on the General Reserve at £21 million and a further £10 million on the Major Repairs Reserve. The application and use of reserves supports the achievement of service delivery and improvements to housing stock.

12 West of England Combined Authority (WECA)

12.1 The West of England Combined Authority was formed in 2017 by Bath and North East Somerset, Bristol and South Gloucestershire councils. Initial financial benefits were part of a devolution deal initially bringing £900 million of new investment funding and significant powers into the region. Since its formation, over £1.6 billion of new funding has been secured for the region.

12.2 The additional funding secured is providing added value and bringing forward investments and programmes to help support people and businesses across the West of England. The Combined Authority is working with its constituent councils to improve public transport with £540 million secured from government through a successful City Region Sustainable Transport Settlement. This was the highest amount per head awarded anywhere in England.

12.3 The West of England will be important in the UK's recovery from the impact of Covid-19, supporting our region's residents and businesses and in taking action to help people and businesses affected. The West of England Combined Authority is working with its constituent councils, other regional partners and government, to ensure people and businesses across the region are getting the support they need. The West of England Combined Authority Committee has committed over £10 million additional funding for regional recovery, which includes business support, skills and employment initiatives – this is in addition to the £125 million investment already committed to businesses and skills over the next four years.

12.4 The budget for the Combined Authority was set on 28 January 2022 by the West of England Combined Authority Committee. The following elements of the budget and medium-term financial plan have therefore been incorporated within the Council budget proposal:

- An annual revenue transport levy to reflect the cost of the core regional integrated transport services of:
    - Concessionary Travel
    - Real time information for bus services
    - Community transport
    - Bus service information
    - Supported bus services (whilst remaining a joint function with the constituent councils)
    - TravelWest and
    - Metrobus operations.

12.5 The levy charge for Bristol in 2022/23 is £10.2 million. Unitary Authority levies are pooled by the Combined Authority's Transport Integration Team and managed on a regional basis. Projected surpluses or deficits are managed on a regional basis and a transport smoothing reserve has been created to help manage financial risk.

12.6 Due to the current Covid situation, in line with government guidance, the West of England Combined Authority has maintained payments to bus operators in line with budgeted profile levels which has helped to stabilise the provider base through extended periods of significantly reduced patronage. This arrangement will roll forward into 2022/23.

12.7 As part of the City Region Sustainable Transport Programme of £540 million outlined above, the element for Bristol is £191 million and requires match funding from the Council of £38 million. Further detail is in section 13 on the capital programme.

12.8 Within the City Region Sustainable Transport Programme, the Combined Authority will passport £25 million per annum of capital funding to the West of England Unitary Authorities to provide highways maintenance and transport improvement grants. This represents an increase in comparison with the previous £17.5 million baseline as funded through the 100% Business Rates Retention Pilot. Bristol's element of this funding will be £8.8 million (£6.5m 2021/22).

12.9 The published West of England Combined Authority investment programme will continue to support a number of projects and initiatives for our Unitary Authority throughout 2022/23 including:

- Bristol City Centre & High Streets
- WE Work for Everyone
- Bottleyard Studios / Hawkfield Business Park
- Reboot West
- Bristol High Streets - Bedminster
- Temple Meads Masterplan
- South Bristol Enterprise Support
- Realising Talent [NEET]
- Local CEIAG Action Research
- High Street regeneration.

12.10 These are funded from the additional investment funds received by the West of England Combined Authority as part of the devolution arrangements and reflected accordingly with the Councils' revenue and capital budget proposals. Further bids for infrastructure funding may be made in line with the Combined Authority's Strategy and Local Growth Assurance Framework and may come forward for inclusion in the capital programme in line with future delivery arrangements.

12.11 Alongside specific projects, West of England Combined Authority will continue to develop, and progress, key longer term strategic initiatives including mass transit options, strategic rail investment and spatial planning to enable clean and green sustainable growth.

12.12 The Combined Authority is not permitted to raise a Council Tax to fund any of its activity and therefore no precept will be requested.

12.13 Full details of the West of England Combined Authority Budget proposals are available at www.westofengland-ca.gov.uk

13 Capital Programme 2022/23 to 2031/32

13.1 The Council plays a key role in investing in the infrastructure of the city and its communities; providing facilities for local people to use as well as stimulating investment to support growth in housing and business premises that provide jobs and opportunities. This role becomes even more essential considering the Covid-19 pandemic and its effect on employment and the economy.

13.2 The Council's capital strategy which was approved in December 2021 is aligned to the financing principles set out in the MTFP, ensuring that the development of all prospective schemes is based on a clear evidence base and whole-life costing with, where appropriate, anticipated pay-back of the investment. The capital strategy is reviewed annually and particularly in line with the development of an asset management strategy, which will outline the approach to capital investment, ensuring that it is affordable, sustainable and prudent as well as aligned to the Council's corporate priorities. It will support the provision of the right blend of investment in key priority areas to do the following:

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

13.3 The latest update to the Council's capital strategy included significant updates which have been adhered to in developing the draft capital programme. These include:

- Enhanced governance and a more rigorous approach to managing schemes through their lifecycle which is aligned to HM Treasury Green Book principles
- Working within agreed affordability principles for the General Fund (capital financing costs no more than 10% of net revenue budget), HRA (an interest cover ratio of at least 1.25) and loan exposure to the Council's subsidiaries.
- Creation of a new Feasibility Fund to undertake a more indepth assessment of schemes (in terms of cost, scope and risk) before they enter the capital programme to mitigate the risk of scope creep and cost escalation over the project lifecycle.

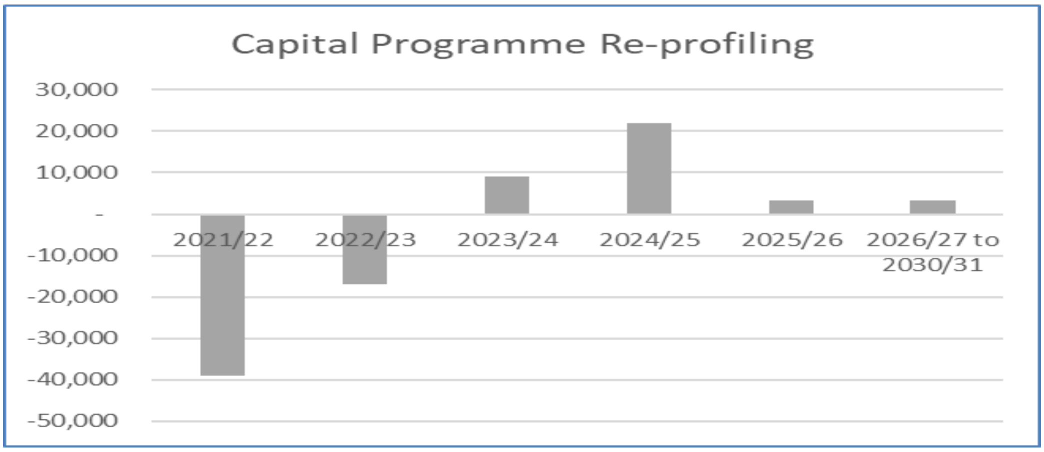
13.4 The Council has an ambitious capital programme over the next ten years. A significant proportion of this programme is aligned to large infrastructure investments that will support long term regeneration across the city, such as programmes of new housing building and developing the Temple Quarter area. This is balanced against areas which will support improvements in on-going Council services such as investing in infrastructure to support delivery of Social Care and Education services. In addition, the Council has identified investment for decarbonisation initiatives, enablers for transformation and invest to save opportunities.

13.5 The development of the capital programme for 2022/23 to 2031/32 has been within the parameters of the capital strategy and guided by the following approach set out in the approval of the MTFP by Council in December 2021:

- No additional revenue resources are available to finance new borrowing
- A re-profiling of the existing capital programme would be undertaken to free up revenue resource to finance the new Feasibility Fund
- To create headroom in the existing programme to fund transformation and invest to save projects.

A robust and rigorous review was undertaken to re-profile the capital spending across financial years on all schemes in the capital programme based on a realistic assessment of expected project delivery/implementation timescales taking into account known risks. This review resulted in £56 million of spend in financial years 2021/22 and 2022/23 being re-profiled to 2023/24 and beyond. This resulted in revenue savings of £1.9 million (of which £0.5m is in 2022/23) over the medium term period to finance the Feasibility Fund. To ensure the Feasibility Fund is at a sufficient level an additional £2 million has been identified from the review of earmarked reserves to create a total Feasibility Fund of £2.5 million for 2022/23.

Figure 13.1: Capital Re-Profiling



13.6 A thorough review of the existing capital programme has been undertaken to identify headroom for re-direction of Council funding into decarbonisation initiatives, enabling transformation, invest to save opportunities and managing risk in the capital programme. The review consisted of four workshops, and subsequent follow up sessions with capital scheme managers and was led jointly by the Executive Director Growth & Regeneration and Finance. The outcome of the review identified sufficient headroom from existing Council funded schemes for the following investment:

- De-carbonisation Fund of £19 million for investment in the Council property estate and vehicle fleet to reduce the Council’s carbon footprint. It is recognised further resource will be required for the Council to be fully carbon neutral and this fund will be utilised to leverage in further external investment to achieve this.
- Transformation and Invest to Save Fund of £30 million. This investment provides the fund for the Council to invest in its Digital Transformation programme, which is a key enabler to improving services to customers and being a more efficient organisation, and invest to save schemes to offset the pressures being faced on the Council's revenue budget. An example of the invest to save monies could be the acceleration of the conversion of street lights to LED scheme (£7m) which could deliver revenue savings over the medium term and contribute towards the Council’s decarbonisation aims.
- Managing risk in the capital programme. The Council’s capital programme includes a contingency to manage cost pressures that arise during the development of schemes as they progress through their lifecycle. A contingency is an important element of a capital programme the size and complexity the Council has, and it is considered best practice to hold a contingency for unexpected events. During recent years the contingency level has been used to finance cost pressures that have arisen. It is therefore proposed to increase the contingency to £10 million per annum to restore it to previous levels.

13.7 In accordance with the capital strategy governance process for managing schemes through their lifecycle these new schemes identified in paragraph 13.7 have been classified as Pending Schemes, along with similar schemes identified in previous years, and do not form part of the formal capital programme until a full mandate has been completed. In the meantime, funding allocations and their timing are illustrative. Schemes may use the Feasibility Fund to develop their mandate in greater depth.

13.8 The most significant investment schemes in the capital programme 2022/23 to 2031/32 are:

- Investment in the Council's housing stock through the Housing Revenue Account (HRA) (£1,3m)
- Highways and Traffic Infrastructure (£54.6m)
- Housing delivery programme delivered through Goram Homes (£45.3m)
- Temple Meads Development (£44.1m)
- Bristol Beacon (£39.8m)

13.9 The Council has been successful in its bid for resources from the City Region Sustainable Transport Settlement (CRSTS) from government. The CRSTS aims to drive growth and productivity through infrastructure investment, level-up services towards the standards of the best, and decarbonise transport, especially promoting modal shift from cars to public transport, walking and cycling. The grant from government for Bristol is £191 million and requires match funding from the Council of £38 million. The Council's contribution in the 2022-27 period is planned to come from resources arising from Clear Air Zone (CAZ), developer contributions and strategic transport funding in the capital programme.

13.10 The thorough review of the capital programme included an assessment of existing council funded (prudential borrowing and capital receipts) schemes which could utilise strategic Community Infrastructure Levy (CIL). The review identified two schemes previously funded by council resources (Cumberland Road Stabilisation Works and Youth Zones) that could legitimately be funded by strategic CIL. To ensure compliance with the strategic CIL governance regulations, which require allocations to be approved against named schemes, the proposed Capital Programme includes approval of strategic CIL funding of £8 million for Cumberland Road Stabilisation and £3.6 million for Youth Zone. The total amount of strategic CIL in the programme 2022-32 is £32 million, including £12.1 million in the Areas for Growth and Regeneration (GR07) scheme for which an illustrative list of schemes has been identified and is shown in Appendix 2. However, these illustrative schemes will require a mandate and business case to be developed before they enter the capital programme.

HRA Capital Programme

13.11 The 10-year capital programme includes: Housing Investment Programme to maintain and improve existing stock; a baseline development programme; and a small amount for HRA IT infrastructure and disposal costs.

Table 13.1 – HRA Capital Budget Summary and Comparison to 2021/22

21/22 P8 £m	Housing Revenue Account DRAFT Capital Programme	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 £m	2027 to 2032 £m	TOTAL £m
33.300	Housing Investment Programme	53.473	80.751	75.447	66.684	62.394	245.200	583.949
18.954	New Build & Land Enabling	68.657	113.110	89.132	42.472	31.000	410.158	754.529

0.358	HRA Infrastructure & Disposal Costs	0.550	0.569	0.581	0.593	0.605	3.210	6.107
52.612	**GROSS HRA Capital Programme**	**122.681**	**194.430**	**165.160**	**109.749**	**93.999**	**658.568**	**1344.585**
	Capital Financing							
24.180	Capital Receipts & Grant Funding	56.424	15.181	20.225	6.752	5.218	144.000	247.800
28.432	Revenue and Reserves	62.796	71.882	33.061	33.968	34.723	190.729	427.156
0	Prudential Borrowing	3.461	107.367	111.874	69.029	54.058	323.839	669.629
0	**NET HRA Capital Programme**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

13.12 The HRA development programme (2022/23 to 2026/27) aims to deliver 1,720 council homes, requiring £344.4 million investment. This rolling programme will see:

- Approximately 685 new homes delivered by 2,024 (including the 49 developed in 2021/22)
- A further 1,084 are anticipated to 2027.

13.13 The 2022/23 capital programme will be financed by a combination of contributions from major repairs and revenue reserves, capital receipts unapplied, external income (Homes England grant, income from sale of shared ownership and pooled Right to Buy receipts) and prudential borrowing.

13.14 Capital receipts are from the sale of council homes under the Right to Buy (RTB) to sitting tenants at a discount. Sales for 2022/23 are forecast to be 130, with an average sale price after discount of £103,000. The receipts will be reinvested to build new council homes, enabling a greater percentage to be retained.

General Fund Capital Programme

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

13.16 As noted above the Council has significant capital investment requirements in its HRA Housing stock, which includes regular planned maintenance and refurbishments to existing assets as well as programmes to deliver new housing stock. The capital programme includes the relevant aspects of the first 10 years of the 30 year HRA Business Plan model.

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

13.18 The table and graphs below summarise our current capital spending plans for the next ten years that total £1,906 million. The detailed draft programme and its financing are set out in Appendix 2.

Table 13.2 – Capital Programme Summary

21/22 £m	Description	22/23 £m	23/24 £m	24/25 £m	25/26 £m	26/27 to 30/31 £m	Total £m
18.401	People	24.066	12.184	5.893	0.000	0.000	**42.143**
121.012	Growth & Regeneration	125.824	116.634	68.619	30.298	22.907	**364.282**
6.086	Resources	9.793	5.094	2.500	2.500	2.000	**21.887**
1.342	Corporate	10.624	10.000	10.000	10.000	6.000	**46.624**
0.395	Pending Schemes	16.250	21.810	20.485	17.420	10.600	**86.565**
52.612	Housing Revenue Account	122.681	194.429	165.160	109.749	752.566	**1,344.585**
199.848	**Total**	**309.238**	**360.151**	**272.657**	**169.967**	**794.073**	**1,906.086**
	Financed by:						
54.923	Prudential Borrowing	53.808	38.516	27.368	21.863	18.805	**160.360**
36.931	Grant	55.096	31.118	18.858	5.011	3.500	**113.583**
24.134	Capital Receipts (GF)	29.253	56.339	28.440	17.694	6.000	**137.726**
11.741	Developer Contributions	10.599	5.997	7.580	5.400	4.430	**34.006**
2.609	Revenue/Reserves (GF)	0.968	0.000	0.500	1.000	0.000	**2.468**
16.898	WECA/Economic Development Fund	36.833	33.752	24.751	9.250	8.772	**113.358**
52.612	Housing Revenue Account	122.681	194.429	165.160	109.749	752.566	**1,344.585**
199.848	**Total**	**309.238**	**360.151**	**272.657**	**169.967**	**794.073**	**1,906.086**

Figure 13.2: Analysis of the Capital Programme by Investment Principle

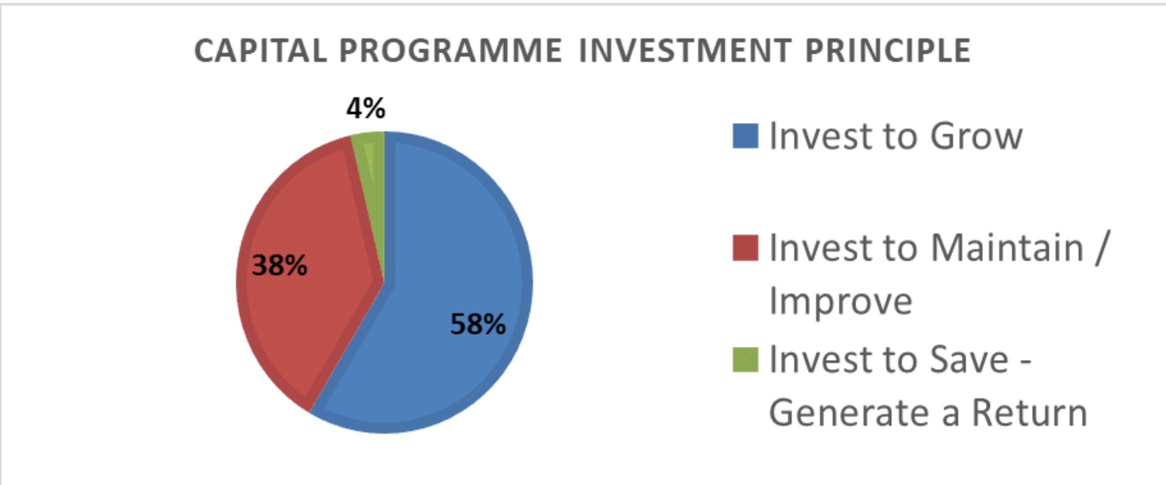
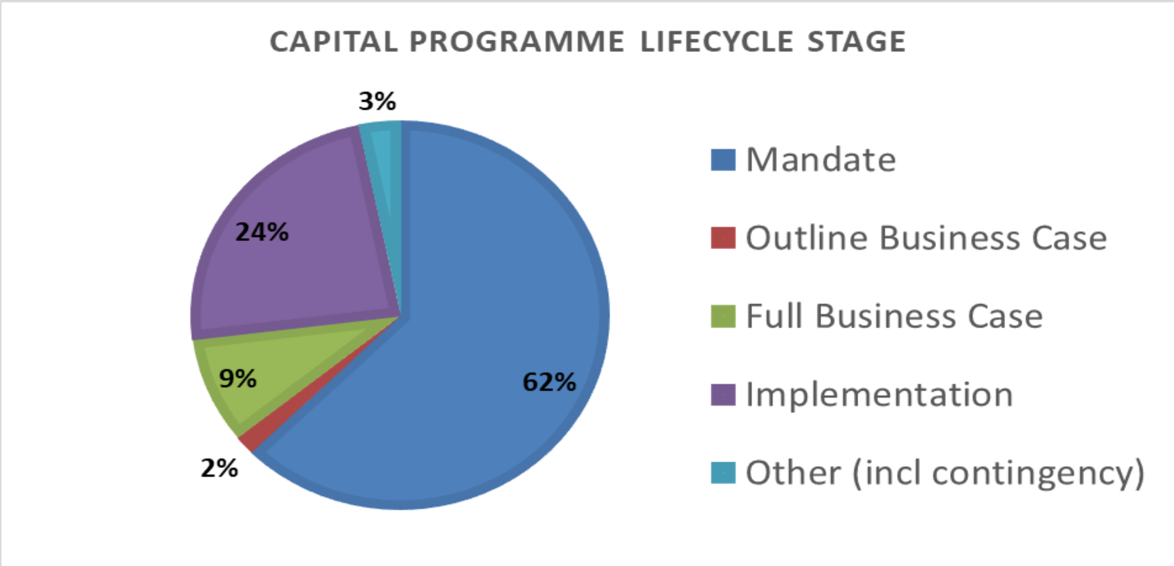


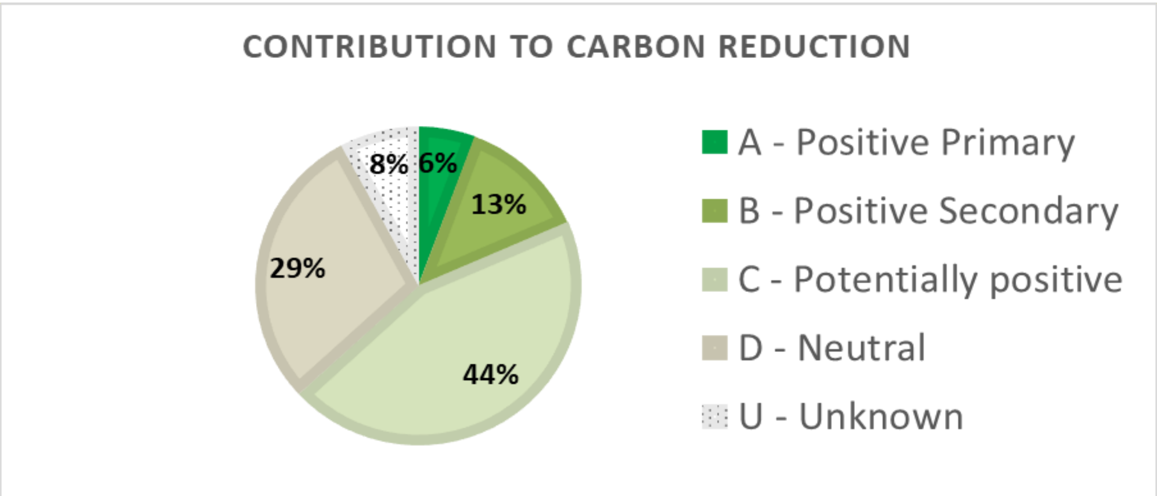
Figure 13.3: Analysis of the Capital Programme by project lifecycle stage



13.19 The Council is committed to reducing its carbon footprint. The chart below analyses the schemes in the Capital Programme according to their level of contribution to carbon reduction (analysis based on existing approved Capital Programme plus proposed De-carbonisation Fund).

The analysis shows that 63% of the capital programme, by cost of scheme, is making a positive contribution towards carbon reduction. The 63% is broken down as schemes where the primary objective has a positive carbon impact (6%), schemes where the key objective is service delivery but has a positive carbon impact as a secondary objective (13%) and schemes where the primary objectives is service delivery but also have a potentially positive carbon impact (44%). It is anticipated in future years' capital programmes an even greater proportion of the Council's capital investment is likely to have a positive impact towards reducing the Council's carbon footprint in the city.

Figure 13.4: Contribution to Carbon Reduction



14 Treasury Management Strategy

14.1 The Council's Treasury Management Strategy, Minimum Revenue Provision Policy, Investment Strategy and Prudential Indicators are set out in Appendix 4. The Treasury Management Strategy incorporates the Council's new Ethical & Equitable Investment Policy approved by Cabinet on 18 January 2022.

15 Reserves and Balances

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

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

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

General Reserve

15.4 The purpose of the Council’s General Reserve will be to meet costs arising from any unplanned or emergency events such as unforeseen financial liabilities or natural disasters. It also acts as a financial buffer to help mitigate against the financial risks the Council faces and can be used to a limited degree to ‘smooth’ expenditure on a one-off basis across years.

15.5 Our General Reserve Policy is that an unallocated general reserve will be retained of at least 5-6% of the net revenue budget, however as approved in the MTFP, given the uncertain financial climate, sensitivity and risks in the financial plan, it is planned that if required this reserve will on a temporary basis be up to 10% of the net revenue budget and released to either earmarked reserve or revenue as greater certainty is achieved over the period of the MTFP.

15.6 The balance of the General Fund Reserve at 31 March 2022 is anticipated to be £35.7 million (8% of net revenue budget). The will reduced as of 1 April 2022 to £32.5 million (7.6%)

Earmarked Reserves

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

15.8 The opening balance in earmarked reserves on 1 April 2021 was £246.6 million. Drawdown in 2021/22 is expected to be £132.6 million, this is predominantly due to draw down related to Covid-19 grants received in the previous year related to this year's spend and accounting treatment of Covid-19 business grants.

15.9 The Council is an extremely complex organisation with a wide range and diversity of activities and assets, interests and liabilities. By their nature many of the risks cannot be quantified and in this current challenging financial climate it is essential that the Council maintains adequate levels of reserves.

Table 15.1 – summary of budgeted movement in reserves

Reserve Type	Opening Balance 01.04.2021 £m	Net Movement £m	Closing Balance at 31.03.2022 £m	Forecast Movement £m	Closing Balance at 31.03.2023 £m
Statutory/Ring-	(41.589)	19.606	(21.983)	0.100	(21.883)

Fenced					
Capital Investment	(38.572)	11.125	(27.447)	(4.076)	(31.523)
Financing	(3.928)	1.102	(2.826)	(0.327)	(3.153)
Risk and Legal	(106.955)	82.775	(24.180)	6.759	(17.421)
Service	(55.603)	36.772	(18.831)	7.013	(11.818)
Earmarked Reserve Total	**(246.648)**	**151.380**	**(95.267)**	**9.469**	**(85.798)**
General Reserves	**(35.666)**	0.000	**(35.666)**	3.175	**(32.491)**

Table 15.2 – description of Reserve Types

Reserve type	Description
Capital Investment	The capital reserve is maintained to provide funding for the Council's capital and commercial investments.
Risk and Legal	Risk Reserves Funds set aside to mitigate risks not otherwise provided for as well as commission advice and mitigate risks of potential litigation/claims.
Statutory/Ring-Fenced	Amounts required by statute or accounting code of practice to be set aside and ring-fenced for specific purposes, e.g. Public Health Reserve, City Deal Business Rate Pooling.
Financing	Includes PFI sinking fund, grant income carried forward in accordance with accounting regulations, including troubled families grant and resources set aside to match known contract liabilities.
Service	Amounts set aside to finance specific projects or to meet known expenditure plans, for example election reserve for local elections.

15.10 In accordance with the policy on reserves, all forecasted balances to 31 March 2022 have been reviewed for their continuing need, alignment with Council priorities and a risk assessment considering internal and external factors has been undertaken. The following reserves have been reviewed and no longer required as related projects have been completed without utilising these funds and have been released for redirection to other priorities within the budget.

Table 15.3 – current Earmarked Reserves identified to be redirected

Name	Amount £m
Goram Homes Investment	1.700
Waste Contract Payment Mechanism	1.500
Housing Support	0.400
Planning	0.085
Public toilets	0.053
Adult Social Care Innovation Fund	1.500

Counter Fraud Hub Development	0.087
Operational Reserve – Resources	0.500
Total Released	**5.825**

15.11 As outlined in the MTFP new reserves have been identified as necessary to meet the strategic aims of the Council which have been revised within the funding envelope available.

Table 15.4 – new Reserves to be established and source of funding

Name	Amount £m
Capital Programme Feasibility Fund (Revenue)	2.000
Transformation / Change Projects (Delivery & Capacity Reserve)	3.000
Property Asset Management Plan	0.500
Project Management Office	0.400
Education Transformation Support for SEND	0.500
New Priority Investments (such as City Leap implementation)	2.000
General Reserve	0.825
Capital Investment	4.076
Total	**13.301**
Financed by:	
Release of reserves (as per table above)	5.825
MRP clawback	4.076
New Homes Bonus	3.400
Total New Reserves	**13.301**

15.12 In line with the Council's reserve policy as set out in the MTFP, as part of setting the annual budget we will also identify any earmarked reserves which could be redirected to revenue if required during the year. For 2022/23, due to the timing of when the funding will be required, the following reserve has been identified to be drawn down if required – any use of this would need plans to re-establish before being required.

Table 15.5 – reserves to be redirected during the year if required if required

Reserve	Amount £m
Flood Strategy	10.000

15.13 The levels of General and Earmarked reserves recommended in this report for the financial year 2022/23 are believed to be sufficient to meet all the Council's obligations and have been based on a detailed risk assessment. The reserve limits will be reviewed on an annual basis against prevailing risk assessments which consider both internal and external factors.

16 Financial Health Indicators

16.1 In setting the budget for 2022/23 the Council has been reflective of the outcomes of the CIPFA Financial Resilience Index and other financial benchmarking. In the MTFP the following areas were identified as particularly pertinent:

- Adult Social Care ratio;
- Level of Reserves; and
- Gross External Debt.

16.2 The highest area of risk to the financial resilience of the Council is the proportion of budget spent on adult social care services as this is seen as an inflexible cost which is difficult to reduce over short term and impacts on the Council's ability to respond with agility to changing demands. The level of increased investment in adult social care set out in the budget increases this risk and will need addressing over the medium term to manage this.

16.3 Similarly the planned use of reserves in the 2022/23 budget reduces the resilience of the Council to respond to unexpected shocks and whilst the current levels are sufficient to manage the current level of risk, increasing these over the medium term would increase the resilience of the Council to respond to shocks.

17 Risk Management and Financial Assurance Statement

17.1 Section 25 of the Local Government Act 2003 requires that when a local authority is making its budget calculations, the Chief Finance Officer of the authority must report to the Council on the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. The Council has a statutory duty to have regard to the Chief Finance Officer's report when making decisions about the calculations.

17.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management Code reinforces this requirement stating that the statement in relation to the proposed financial reserves should consider whether the level of general reserves are appropriate for the risks (both internal and external) to which the Council is exposed and give reassurance that the authority's financial management processes and procedures are able to manage those risks.

17.3 While the statutory local authority budget setting process continues to be on an annual basis, a longer-term perspective is essential if local authorities are to demonstrate their financial sustainability.

17.4 The uncertainty regarding future funding for local authorities makes a robust and evidenced assessment of financial governance and future resilience critical and in considering the robustness of any estimates, the following criteria has been assessed:

- Is performance against the current year's budget on track and where variances are evident, ongoing and unavoidable, are they appropriately reflected in the plans?

- Are arrangements for monitoring and reporting performance against the savings plans robust?
- The reasonableness of the underlying budget assumptions based on information available.
- The alignment of resources with the Council's service and organisational priorities.
- A review of the major risks associated with the budget.
- The availability of un-earmarked reserves to meet unforeseen cost pressures.
- Have realistic income targets been set and 'at risk' external funding been identified?
- Has a reasonable estimate of cost pressures been made?
- Are arrangements for monitoring and reporting performance against the budget robust?
- Is there a reasonable contingency available to cover the financial risks faced by the Council?
- Is there a reasonable level of reserves which could be used to mitigate any issues arising and are they reducing as the risks decrease?
- The strength of the financial management function and reporting arrangements.
- Has there been quality of engagement with colleagues and councillors in the process to develop and construct the budget?

17.5 Responses to the above are outlined in section 17.21 below. In addition, sensitivity analysis has been carried out in relation to the major assumptions used within the budget to ascertain the levels of potential financial risk in the assumptions being used.

17.6 As a result of unprecedented economic and financial uncertainty there will undoubtedly be risks inherent in the budget process and it is important that these are identified, mitigated and managed effectively. These are outlined in depth within the MTFP and the key financial planning risks that may affect the projections over the medium term and delivery of a balanced budget are summarised below:

General Fund revenue

The table below illustrates the impact of any changes in standard key planning assumptions for any given year and potential impact on General Fund reserves should they come to fruition.

Table 17.1 – sensitivity analysis of key budget assumptions

Description	£m
Income	
Change in Council Tax Collection Rates by 1%	5.0
Change in Business Rates Collection by 1%	2.3
Change in Council Tax Growth by 1%	2.5
Changes in Government Funding Settlement by 5%	6.1
Expenditure	
Change in Pay Award by 1%	1.9
Change in General Contract Inflation by 1%	1.9

- Other considerations include uncertainty in relation to the prolonged pandemic, its severity and the impact on economic recovery.
- Future local government finance framework including business rates retention and lower core funding.
- Ongoing demand and cost of social care for both adults and children.
- 2023 Pension Actuarial Review.
- Achievement of the Council's current and future year's budget savings in both their timing and income target.
- Income projections built into the budget may not be achievable due to factors outside of the Council's control, for example a worsening economic outlook and or reduction in investment yields.

DSG deficit

17.7 The challenges in the SEND system within Bristol are significant. Demand to meet SEND requirements continues to increase at a faster rate than change can be implemented. Delivering statutory duties within the allocated budget from the Department for Education is not considered viable or sustainable and the DSG Deficit management Plan (DMP) will only reduce the deficit, and not resolve it.

17.8 Fundamental transformation is needed within the SEND system to deliver the scale of change required. The DSG DMP, which is being developed, does not currently lead to full financial recovery against the in-year or cumulative overspend. The Council could make meaningful inroads to the overspend alongside addressing increasing demand, adhering to statutory duties however given the scale of the financial challenge this will likely fall short of closing the annual gap over the five year period, meaning cumulative deficits being carried forward into future years unless alternative funding is received.

17.9 DfE conditions of grant includes a statutory requirement that DSG reserves in deficit cannot be funded from the general fund without explicit permission from the Secretary of State, and as such permits LAs to continue to carry deficits forward from year to year. The Ministry of Housing Communities and Local Government (MHCLG now DLUHC) laid before Parliament a Statutory Instrument (SI) establishing new accounting practices in relation to the treatment of local authorities' DSG budget deficits to facilitate this arrangement for a period of 3 years, which expires March 2023. There is no statutory undertaking to underwrite this deficit and currently no arrangements in place to extend the SI beyond 2022/23

17.10 To comply with DfE guidance, the accounting code under which we will operate, on the expiry of the SI and the CIPFA FM Code, whilst not earmarking funds, means the Council will need to have in place a positive reserve equal and opposite to the negative DSG reserve until such time as a permanent resolution is in place for the deficit. The current level of general reserves as of 1 April 2022 will be £32.5 million and the level of the deficit now being forecast for April 2022 is £26.7 million and forecast to April 2023 is £40.3 million.

17.11 The Council's reserve policy identifies a further earmarked reserve of £10 million which, in the absence of Government implementing a sustainable, systemic resolution of the fundamental problems with the legislation, policy framework and funding to deliver it, could be temporarily redirected to general reserve and subsequently replenished.

17.12 We will continue to work with government departments and other stakeholders on the DSG Management Plan and mitigations and solutions to this pressing issue, whilst simultaneously keeping the level of Council general reserves under close review during 2022/23.

Capital

- Delays in the delivery of the Capital Programme.
- Potential risk of overspends on major capital projects due to delays and/or impact of global material, labour shortages and supply chain issues.
- Risk of achievement of income targets on major capital investment projects, in particular those funded from prudential borrowing where there is a known additional MRP and interest cost or anticipated surpluses have been underwritten.

Investment

- Impact from Bristol Holding and its related companies' expansion into new trading areas. This includes Bristol Heat Network which could be impacted by the current volatility in gas and electricity market prices which have been widely publicised. Overruns or overspends in capital investment and delays to the timing of customer connections could potentially have a material impact on the company's financial performance.
- Failure of Bristol Holding and its related companies to deliver growth and profit targets in line with agreed business plans.
- Risk that non treasury Impact Investments do not achieve the desired outcomes and that the investment may not necessarily be returned to the Council.

General

- Collection fund balances and collection of Council Tax, Business Rates and impact of appeals.
- Risk of exposure of any major legal claims against the Council.
- Reserve levels "resilience" to future financial pressures.

17.13 The significant budget risks have been identified above and suitable proposals are being put in place to mitigate against these risks where possible. The Corporate Risk Register (CRR) is a live document which seeks to provide assurance to senior management and members that the Council's main risks have been identified and that arrangements are in place to manage those risks within agreed tolerance. The Council's wholly owned companies carry out their own individual risk assessments which are incorporated into the risk registers contained within the business plans, with the key significant strategic risks summarised in the Council's CRR.

17.14 Appendix 3 – Budget Risk Matrix contains a summary of selected key strategic risks, causes, impacts, and mitigating actions and provides an indicative assessment of how the risks identified in the CRR could be managed should they be realised during this medium term.

17.15 The Chief Finance Officer considers that the assumptions on which the budget has been proposed, whilst challenging, are manageable within the flexibility allowed by the contingencies and general and risk reserves. The fact that the Council holds other reserves earmarked for alternative purposes that could be called on if necessary means that the Chief Finance Officer is confident that overall the budget position of the Council can be sustained within the overall level of resources available.

17.16 The Council's financial controls are set out in the Council's financial regulations and scheme of delegations. The Council has a well-established framework for financial reporting at Executive Director Meetings, Corporate Leadership Board, Scrutiny Commissions and Cabinet with a separate dashboard for each directorate. Regular budget monitoring reports will be provided throughout the period to enable the Council to actively monitor the position during the year and take the necessary action to reduce activity or increase the provision.

17.17 The Council needs to be satisfied that it can continue to meet its statutory duties and meet the needs of vulnerable young people and adults. Proposals have been drawn up on the basis that Executive Directors and Directors are satisfied that this will enable them to continue to meet their statutory duties and the needs of the most vulnerable.

17.18 Where unavoidable pressures are identified that cannot be mitigated, collective ownership is taken and where appropriate, funds are held in abeyance, subject to mitigations or a supplementary estimate being agreed, to minimise significant variations to net approved budgets. To the degree that the budget savings are not achieved in a timely manner and reserves are called on to achieve a balanced position, further savings will need to be identified and implemented in order to ensure the Council's future financial stability is maintained.

17.19 The collection of council tax and the generation of business rate yields are two key risks which need to be closely monitored. As the Council becomes more reliant on locally raised resources and commercial income it is more susceptible to any downturn in the economy and prolonged implications of the pandemic on these funding streams.

- Council tax collection rates and level of arrears will be subject to regular reviews.
- Provisions for the impact of business rates appeals have been reviewed for sufficiency and activity in this regard will be proactively monitored.
- Volatility of business rates income continues to be a significant risk, exacerbated by the pandemic, channel shift and expected slow recovery.

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

- General Fund un-earmarked reserve of £32.5 million on 1 April 2022 (7.6% of net baseline revenue budget of £425m) and a financial risk resilience reserve totalling £6 million as at 1 April 2022, which when combined equals 9.1% of the 2022/23 net revenue budget.
- Earmarked reserves totalling £95.3 million on 1 April 2022 (excluding, HRA and school balances), which in an emergency can be utilised on a short-term temporary basis, provided the funding is replaced in future year. In a worst case scenario the combined earmark and general reserve represent 30% of the 2022/23 net revenue budget.

17.21 In the context of the above, the Chief Finance Officer considers the proposed budget for 2022/23 is robust and that the level of reserves is adequate, given a clear understanding by members and senior management of the following:

- Directors and other budget holders should accept their budget responsibilities and subsequent accountability for all savings associated or inherited within the budget.
- The level of reserves is in line with the risk matrix, but their enhancement will be a prime consideration for the use of any fortuitous in-year saving.
- Risk based budget monitoring and scrutiny arrangements need to be in place and must include arrangements for the identification of remedial action.
- Budget risks are identified and recorded at the earliest opportunity and will be subject to focused control and management.

- To prevent the realising of operational earmarked reserves, directorates are required to have in place a clear plan for the draw down of the reserves in line with the profile.
- Effective governance arrangements at a service and corporate level, to monitor the overall delivery of the 2022/23 budget, plus regular finance monitoring reports to Cabinet and Scrutiny Commissions.
- Organisation wide buy-in and strong leadership support to deliver a robust DSG Deficit recovery plan, which can place the High Needs budget on a sustainable footing.
- There is a clear understanding of the duties of the Council's statutory finance officer and that the service implications of them being exercised are fully understood.

Table 17.2 – assessment of robustness of any estimates

Area	Y/N	Response
Is performance against the current year's budget on track and where variances are evident, ongoing and unavoidable, are they appropriately reflected in the plans?	N / Y	Covid-19 has had a significant impact, increasing the demand for many council services, particularly social care, homelessness and welfare support and coupled with a loss of income has led to higher than budget assumptions across the council. The uncertainty and volatility have made in year mitigation plans a challenge for some service areas. Detailed monitoring and report have ensued, and ongoing or unavoidable pressures have been considered by EDM's CLB Scrutiny and members and are included in the plan.
Are arrangements for monitoring and reporting performance against the savings plans robust?	Y	Monthly Budget Monitoring, including Savings tracker. Governance via EDM, CLB, Delivery Executive, Cabinet and Scrutiny Commissions.
The reasonableness of the underlying budget assumptions	Y	The major assumptions used in the budget calculation have been examined, where practical benchmarked, associated risks assessed, and impact of sensitivity assessment reported in Table 17.1
The alignment of resources with the Council's service and organisational priorities	Y	The corporate strategy has been refreshed and service planning exercise undertaken for 2022/23 budget has aligned plans and available resources to the corporate strategy priorities.
A review of the major risks associated with the budget	Y	The Council and its subsidiary companies corporate and other risk have been reviewed, likelihood and impact assessed.
The availability of un-earmarked reserves to meet unforeseen cost pressures	Y	Unallocated general reserve is currently above the minimum policy level of 5-6% net revenue budget; to reflect the medium term risk exposure; however should this be insufficient; as a short-term emergency measure longer term earmarked reserve have been identified that could be temporarily redirected and replenished.
Have realistic income targets been set and 'at risk' external funding	Y	The income aspects of the overall budget are

been identified?		calculated based on previous and current trends, taking into account known external factors and external funding changes extrapolated over the medium term. The one off and core revenue estimates including demand pressures and anticipated income lead to the calculation of the council tax requirement and the setting of the overall budget and council tax.
Has a reasonable estimate of demand cost pressures been made?	Y	
Have one-off cost pressures been identified?	Y	Yes see above. In addition, risks and pressures are identified, provisions made where evidence and or mitigating opportunities explored.
Has a reasonable estimate of future income been made?	Y	Yes, for income streams material to the council's financial position, subject to significant volatility and a small change could have a material impact. E.g. Business rates and council tax. Trends have been obtained, analysed and extrapolated based on a range of, scenarios, realistic scenario determined, and sensitivity tested.
Are arrangements for monitoring and reporting performance against the budget and savings plans robust?	Y / N	A detailed review of social care related and other savings which were not delivered in 2021/22 and the impact for 2022/23 has been carried out, where necessary revisions have been made to the approach and additional delivery capacity to support the transformation programmes. Arrangements for monitoring revenue are robust to enable early corrective action to be taken. The governance and monitoring of the delivery of the schemes in the capital programme have been revised as outlined in the Capital Strategy and feasibility fund established for proposition at early development stage prior to full entry to the capital programme.
Is there a reasonable contingency available to cover the financial risks faced by the council?	Y	Risk reserves are outlined in Sections 15 & 17, in addition a rolling capital contingency is established to reflect the major project risks and small revenue contingency set aside for non-delivery of savings which are in their infancy, requiring further due diligence or subject to consultation.
Is there a reasonable level of reserves, which could be used to mitigate any issues arising and are they reducing as the risks decrease?	Y	The adequacy of the level of reserves is fully assessed and set annually. It is reviewed periodically throughout the course of the year to check appropriate direction or release where no longer required or increased as necessary. Request for new reserves ae outlined in the budget report.
The strength of the financial management function and reporting arrangements?	Y / N	The Council is making good progress on the implementation of the principles outlined in the FM Code. Key elements of the Code are a long-term approach to financial planning (which has been hampered by the short-term nature and uncertainty of funding) and sound governance throughout the

		organisation. The Annual Governance statement and audits have identified some areas such as greater transparency in public reporting and business case financial modelling which we will continue to strengthen.
Has there been a degree and quality of engagement with colleagues and councillors in the process to develop and construct the budget?	Y	There has been widespread and practical engagement throughout the budget development and construction process with senior colleagues, Executive, Councillors, Mayor and Scrutiny MTFP task and Budget Task and finish group.

18 Consultation and scrutiny input

Internal consultation

18.1 Development of the MTFP and budget has been reviewed and challenged by a Task and Finish Group of the Council's Resources Scrutiny from September to December 2021. The Resources Scrutiny commission considered the budget proposals at 25 January 2022 and 1 February 2022 meetings.

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

External consultation

18.3 The consultation on the Council's 2022/23 budget was open for six weeks from 5 November 2021 until 17 December 2021. The consultation sought views about alternative options for the level of Council Tax increase and Social Care Precept in 2022/23, before decisions on the 2022/23 budget are made by Full Council in February 2022.

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

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

18.6 The Council consulted separately on the HRA, which ran from the 20 October to 3 December 2021. The aim of the consultation was to seek the views of residents across the city regarding their priorities for investment and how they should be paid for. The results informed the development of a 30 year business plan for the Housing Revenue Account. A full report can be found here: HRA consultation paper

18.7 The Council consulted separately with schools and the Schools Forum in relation to the DSG budget. A full report can be found here: Bristol Schools Forum

Consultation principles for new proposals

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

18.9 Principles:

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

19 Other options considered

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

20 Public sector equality duties

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

20.2 This report sets out the Mayor's budget proposals for Full Council to set the budget. Some proposals will need further development to make a specific decision. The process for this is set out in the section on consultation on new proposals (Para 18.9). For these proposals an Equalities Impact Assessment will be undertaken to inform Cabinet when making that decision.

Proposed Budget 2022/23 - Full Council Summary by Division (General Fund)

	Division	Base Budget 2022 / 23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022 / 23 Budget
		2022/23 Budget - Proposed					
		£000					
People							
14	Adult Social Care	151,448	316	(269)	15,044	(1,150)	165,389
15	Children and Families Services	65,031	288	(213)	6,993	(25)	72,073
16	Educational Improvement	11,473	91	(15)	3,947	(42)	15,454
18	Management - People	0	0	0	0	(5,431)	(5,431)
34	Public Health	0	0	0	0	0	0
36	Public Health - General Fund	4,777	12	(2)	0	0	4,787
People		**232,728**	**707**	**(498)**	**25,983**	**(6,648)**	**252,272**
Resources							
21	Digital Transformation	14,721	111	(207)	0	(165)	14,460
22	Legal and Democratic Services	8,275	74	(61)	0	(308)	7,980
24	Finance	8,923	131	34	0	(670)	8,418
25	HR, Workplace & Organisational Design	16,601	160	1,078	0	(240)	17,600
26	Management - Resources	0	0	0	0	(2,250)	(2,250)
28	Policy, Strategy & Partnerships	3,828	43	(17)	0	(125)	3,729
Resources		**52,349**	**519**	**826**	**0**	**(3,758)**	**49,936**
Growth & Regeneration							
37	Housing & Landlord Services	14,802	87	332	2,300	(725)	16,795
42	Development of Place	1,530	88	(3)	0	(105)	1,510
46	Economy of Place	12,908	157	(128)	0	(21)	12,917
47	Management of Place	33,735	222	(235)	670	(1,300)	33,092
49	Property and Asset Strategy	(7,122)	21	(14)	0	(120)	(7,235)
4A	Management - G&R	0	0	0	0	(2,540)	(2,540)
Growth & Regeneration		**55,852**	**575**	**(48)**	**2,970**	**(4,811)**	**54,539**
Corporate Funding & Expenditure							
X2	Levies	10,118	0	748	0	0	10,866
X3	Corporate Expenditure	24,128	(1,801)	(7,037)	(11,961)	17,917	21,246
X4	Capital Financing	22,495	0	0	0	0	22,495
X8	Corporate Revenue Funding	(399,495)	0	(200)	(19,254)	0	(418,950)
X9	Corporate Allowances	1,824	0	6,209	2,262	(2,700)	7,595
Corporate Funding & Expenditure		**(340,930)**	**(1,801)**	**(280)**	**(28,953)**	**15,217**	**(356,747)**
General Fund Total		**(0)**	**0**	**(0)**	**0**	**0**	**(0)**

Proposed Budget 2022/23 - Directorate summary with savings
Directorate: People

Summary by Division		2022/23 Budget					
Division		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000s					
14	Adult Social Care	151,448	316	(269)	15,044	(1,150)	165,389
15	Children and Families Services	65,031	288	(213)	6,993	(25)	72,073
16	Educational Improvement	11,473	91	(15)	3,947	(42)	15,454
18	Management - People	0	0	0	0	(5,431)	(5,431)
36	Public Health - General Fund	4,777	12	(2)	0	0	4,787
Total People		**232,728**	**707**	**(498)**	**25,983**	**(6,648)**	**252,272**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000s					
1	Employees	82,365	707	790	0	0	83,862
2	Premises-Related Expenditure	1,121	0	(9)	0	0	1,113
3	Transport-Related Expenditure	5,596	0	(291)	0	0	5,305
4	Supplies & Services	11,200	0	1,230	0	(835)	11,595
5	Third Party Payments	236,019	0	3,624	22,036	0	261,680
6	Transfer Payments	18,390	0	(1)	0	0	18,389
7	Support Services	10,441	0	(212)	0	0	10,228
Expenditure		**365,133**	**707**	**5,130**	**22,036**	**(835)**	**392,172**
9A	Income - Government Grants	(44,560)	0	(1,275)	0	0	(45,836)
9B	Income - Other Grants/Reimbursements and Contributions	(50,439)	0	(1,723)	0	(350)	(52,512)
9C	Income - Customer and Client Receipts	(1,821)	0	64	0	(32)	(1,788)
9E	Income - Recharges	(35,581)	0	(2,695)	3,947	0	(34,329)
Income		**(132,401)**	**0**	**(5,629)**	**3,947**	**(382)**	**(134,465)**
N	Income & Expenditure outside of Net Cost of Service	(4)	0	0	0	(5,431)	(5,435)
Other items outside of the Net Cost of Service		**(4)**	**0**	**0**	**0**	**(5,431)**	**(5,435)**
NET Expenditure		**232,728**	**707**	**(498)**	**25,983**	**(6,648)**	**252,272**

Savings proposals within People

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Be more business-like and secure more external resource			
Increase return of unused direct payment funds.	Support people who receive a Direct Payment to return any unused contingency funds.	(500)	ASC2
Reduce spend on commissioning of external safeguarding reviewers	Since the implementation of Working Together 2018 and the introduction of rapid reviews prior to child safeguarding practice reviews, there has been a reducing demand for external reviewers as more review work is undertaken in-house. Therefore, the council, as largest contributor, is reducing its proposed contribution to the Keep Bristol Safe Partnership to reflect this change.	(25)	CF3
Introduce nominal charge for first referrals for attendance penalty notices	Bring local authority-maintained schools in line with academies through introducing a nominal charge for first referral into Education Welfare for attendance penalty notices.	(20)	E2
Raise funds for adult learning through traded services	Focus on management of external funding for example fundraising for enhancing non-statutory services across Employment, Skills and Learning.	(12)	E7
Review funding allocations for priority areas of domestic abuse and sexual violence	Communities and Public Health department to take additional responsibility for priority areas of domestic abuse and sexual violence. Public Health is the lead commissioner for domestic abuse which is a key public health priority for Bristol.	(204)	P1
Review funding allocations for priority areas of children and young people substance use	Communities and Public Health to take on additional responsibility for priority area of children and young people substance use – this brings all substance use contracts into alignment creating better efficiencies and oversight. Reducing harms from drugs and alcohol is a key public health priority for Bristol.	(91)	P2

Review funding for parks and health community engagement	To bring parks and health community engagement work into the Communities and Neighbourhoods team ensuring alignment with wider community engagement programmes and gaining efficiencies.	(25)	P3
Improve efficiency			
Review local Section 117 funding arrangements for care and support services under the Mental Health Act 1983	This proposal involves reviewing after care arrangements for people who have been detained under the Mental Health Act, where their care is jointly funded by the local authority and the clinical commissioning group. A saving should come from more efficient commissioning and better use of resources.	(200)	ASC10
Review the Bristol Community Meals	Review how the Bristol Community Meals service is run and identify how to transition this into a self-funded service by attracting new service users.	(100)	ASC11
Manage and control cost of care for people with care and support needs	Work with care providers to implement agreed pricing tools to ensure consistent costings for care services for both adults with complex needs and older people who use social care services. Develop joint commissioning arrangements with NHS partners to deliver better value and outcomes for people who are eligible for social care services.	(800)	ASC3
Undertake Care Act reviews	Undertake planned Care Act reviews for people who are receiving care services to ensure we are helping people to maximise independence, access the right support, make best use of community resources and technology-enabled care. This will help ensure people get the best value for money from care services.	(1,000)	ASC4
Increase access to Continuing Health Care Funding	Implement a dedicated Continuing Health Care (CHC) team to ensure packages that are CHC eligible are appropriately funded.	(350)	ASC9
Review special guardianship order arrangements	Improve special guardianship arrangements to ensure payments are aligned with national guidance.	(123)	CF6
Improve Home to School Transport commissioning arrangements	Drive five per cent efficiencies from third party supply contract within Home to School Transport.	(284)	E8
Digital transformation			
Increase use of Technology Enabled Care	Invest in the use of Technology Enabled Care (TEC) as alternative to traditional care and support through continued development of the TEC team and innovation work.	(300)	ASC5
Create maintenance efficiencies for the Learning City website	Change the platform of the Learning City website to reduce annual website maintenance charges.	(10)	E3
Redesign, reduce or stop services			
Review Concord Lodge service delivery and consider alternative model	Review of service model delivered at Concord Lodge and consider transfer to alternate provider. Concord Lodge is a facility with self-contained flats for adults who have learning difficulties and complex needs.	(350)	ASC12
Review Shared Lives Services delivery and consider alternative model	Review of alternative commissioning models to deliver the Shared Lives service.	(50)	ASC13
Review Home Choice processes and criteria	Review process and criteria for the Home Choice register (our housing waiting list) to enable people with adult social care needs to be prioritised and access appropriate housing more quickly.	(800)	ASC14
Transfer rehabilitation services to external partner	Transfer rehabilitation service delivery to the community health partner Sirona and close the South Bristol Rehabilitation Centre, subject to cabinet agreement, consultation with staff, trade unions and partners.	(500)	ASC6
Reduce spend by securing better value from services	Improve commissioning arrangements for a range of high value contracts for children and young people to deliver improved outcomes and value for money.	(400)	CF1
Reduce contractual value of the council's commissioned youth services	We aim to make sure we maximise other sources of funding so that youth services can continue for children and young people in the city. This includes statutory parts of the service such as the post-16 education and training guarantee and young carer assessments.	(200)	CF10
Review Early Help and Family Hub offer	Undertake a review of Early Help funding to support our development of a Family Hub approach and integrated working in localities. This will include an assessment of other areas of funding and community capacity that can contribute in future to an integrated 'place based' approach, developing a service profile that makes best use of available assets across partner agencies.	(100)	CF2
Find potential alternative use or new provider for Exmouth Camp	Move away from direct responsibility of the annual lease of Exmouth Camp. Engage in discussion with the National Trust (leaseholder) to support potential alternative use or the introduction of a new provider.	(30)	E1
Reduce non-statutory early-years service	Reduction of budget for non-statutory services that provide extra childcare for children aged 0-2. This is removing an underspent budget, so no child who currently receives this service will lose it.	(41)	E4

Development of the Employment, Skills and Learning service	We intend to streamline services and introduce more cost-effective delivery through new approaches and by reducing the non-statutory work, which can be offset with new grant funding.	(117)	E5
Amend funding split for in-house and commissioned provision of Post-16 statutory duties	Post-16 statutory duties - ensure recommissioning of external services bring best value with consideration of amending funding split for in-house and commissioned provision.	(16)	E6
Total savings proposals		**(6,648)**	

Investment within People Directorate

Service Pressures	Investment
Adult Purchasing Costs, placement cost pressures	11,191
Demand/demographic growth	1,800
Social work and other support staff - Improved Better Care Fund	1,447
Extra Care Housing recommissioning	606
Bristol Children's home staffing and maintenance costs	600
Social work and support staff and other accommodation and ICT costs	1,119
Home carers absence cover - agency staff	200
Children's Placements demand and cost pressures	4,806
Adoption west - increase in contract price	63
Support to Afghan families and children	85
Support for homeless families	120
Special Educational Needs Support	1,666
Home to School Transport Increased Demand	2,281
Total Investment	**25,984**

Proposed Budget 2022/23 - Divisional summary with savings
Division: Adult Social Care

Services provided by Adult Social Care

The service's key function is the provision of support services for adults aged 18 plus including care, support and safeguarding for those people in our communities who have the highest level of need and for their carers.

Summary by Service

Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
111	Joint Commissioning (Adults)	1,127	9	(1)	0	0	1,136
141	Maximising Independence and Specialist Teams	110,319	88	1,976	15,044	(1,150)	126,277
142	Hospitals and Front Door	4,718	26	(2,758)	0	0	1,986
143	Safeguarding/Deprivation of Liberty	3,017	20	(49)	0	0	2,988
145	Reablement, Intermediate Care & Regulated Services	12,995	122	(216)	0	0	12,901
146	Technical Specialist Mental Health/PSW	1,168	7	(83)	0	0	1,092
147	Head of Service – Senior Professional Lead	315	11	791	0	0	1,118
148	Contracts & Quality Assurance	8,517	25	(1)	0	0	8,541
152	0-25 Integrated Service	9,272	8	70	0	0	9,350
Total Adult Social Care		**151,448**	**316**	**(269)**	**15,044**	**(1,150)**	**165,389**

Summary by CIPFA group (Account Type)

CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
1	Employees	33,849	316	260	0	0	34,426
2	Premises-Related Expenditure	383	0	(8)	0	0	375
3	Transport-Related Expenditure	288	0	(167)	0	0	122
4	Supplies & Services	3,263	0	1,427	0	(800)	3,891
5	Third Party Payments	154,502	0	1,274	15,044	0	170,820
6	Transfer Payments	17,840	0	(1)	0	0	17,839
7	Support Services	623	0	(175)	0	0	448
Expenditure		**210,749**	**316**	**2,611**	**15,044**	**(800)**	**227,920**
9A	Income - Government Grants	(2,578)	0	(1,275)	0	0	(3,854)
9B	Income - Other Grants/Reimbursements and Contributions	(42,308)	0	(1,604)	0	(350)	(44,262)
9C	Income - Customer and Client Receipts	(999)	0	28	0	0	(971)
9E	Income - Recharges	(13,411)	0	(28)	0	0	(13,439)
Income		**(59,297)**	**0**	**(2,880)**	**0**	**(350)**	**(62,526)**
N	Income & Expenditure outside of Net Cost of Service	(4)	0	0	0	0	(4)
Other items outside of the Net Cost of Service		**(4)**	**0**	**0**	**0**	**0**	**(4)**
NET Expenditure		**151,448**	**316**	**(269)**	**15,044**	**(1,150)**	**165,389**

Savings proposals within Adult Social Care

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Be more business-like and secure more external resource			
Increase return of unused direct payment funds.	Support people who receive a Direct Payment to return any unused contingency funds.	(500)	ASC2
Improve efficiency			
Increase access to Continuing Health Care Funding	Implement a dedicated Continuing Health Care (CHC) team to ensure packages that are CHC eligible are appropriately funded.	(350)	ASC9
Digital transformation			
Increase use of Technology Enabled Care	Invest in the use of Technology Enabled Care (TEC) as alternative to traditional care and support through continued development of the TEC team and innovation work.	(300)	ASC5
Total savings proposals		**(1,150)**	

Investment within Adult Social Care

Service Pressures	Investment
Adult Purchasing Costs, placement cost pressures	11,191
Demand/demographic growth	1,800
Social work and other support staff - Improved Better Care Fund	1,447
Extra Care Housing recommissioning	606
Total Investment	**15,044**

Proposed Budget 2022/23 - Divisional summary with savings
Division: Children and Families Services

Services provided by Children and Families Services

This service provides and commissions targeted and specialist services to children, young adults, and families in Bristol. These services aim to meet the needs of children where universal services alone will not ensure their well-being.

Summary by Service

		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
112	Joint Commissioning (Children)	4,677	9	0	0	0	4,686
113	Targeted Support	8,967	54	1	0	0	9,022
153	Quality Assurance, BSCB	1,829	17	(5)	0	(25)	1,816
154	Area Social Work (North)	2,438	21	(56)	0	0	2,404
155	Area Social Work (East/Central)	3,794	26	(24)	0	0	3,796
156	Area Social Work (South)	2,655	24	(40)	0	0	2,639
157	Children & Aftercare teams	7,748	57	(49)	0	0	7,755
158	Internal & External Placements	26,547	21	(17)	0	0	26,550
159	Children & Family Support - Management	2,281	8	0	6,993	0	9,282
15A	Safeguarding and Area Services	1,630	16	(9)	0	0	1,637
15B	Specialist Services	2,169	30	(14)	0	0	2,185
15C	Community Safety	297	5	(1)	0	0	300
Total Children and Families Services		**65,031**	**288**	**(213)**	**6,993**	**(25)**	**72,073**

Summary by CIPFA group (Account Type)

		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	30,442	288	0	0	0	30,729
2	Premises-Related Expenditure	323	0	(10)	0	0	313
3	Transport-Related Expenditure	501	0	(105)	0	0	396
4	Supplies & Services	2,466	0	(41)	0	(25)	2,400
5	Third Party Payments	38,845	0	(2)	6,993	0	45,836
6	Transfer Payments	550	0	0	0	0	550
7	Support Services	4,947	0	(54)	0	0	4,893
Expenditure		**78,075**	**288**	**(213)**	**6,993**	**(25)**	**85,117**
9A	Income - Government Grants	(2,908)	0	0	0	0	(2,908)
9B	Income - Other Grants/Reimbursements and Contributions	(1,421)	0	0	0	0	(1,421)
9C	Income - Customer and Client Receipts	(14)	0	0	0	0	(14)
9E	Income - Recharges	(8,702)	0	0	0	0	(8,702)
Income		**(13,044)**	**0**	**0**	**0**	**0**	**(13,044)**
NET Expenditure		**65,031**	**288**	**(213)**	**6,993**	**(25)**	**72,073**

Savings proposals within Children and Families Services

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Be more business-like and secure more external resource			
Reduce spend on commissioning of external safeguarding reviewers	Since the implementation of Working Together 2018 and the introduction of rapid reviews prior to child safeguarding practice reviews, there has been a reducing demand for external reviewers as more review work is undertaken in-house. Therefore, the council, as largest contributor, is reducing its proposed contribution to the Keep Bristol Safe Partnership to reflect this change.	(25)	CF3
Total savings proposals		**(25)**	

Investment within Children and Families Services

Service Pressures	Investment
Bristol Children's home staffing and maintenance costs	600
Social work and support staff and other accommodation and ICT costs	1,119
Home carers absence cover - agency staff	200
Children's Placements demand and cost pressures	4,806
Adoption west - increase in contract price	63
Support to Afghan families and children	85
Support for homeless families	120
Total Investment	**6,993**

Proposed Budget 2022/23 - Divisional summary with savings
Division: Educational Improvement

Services provided by Educational Improvement

This service has statutory duties for Early Years including providing a Children's Centre offer, Specialist Education & Access, School Partnerships and provide Trading with Schools and Employment, Learning & Skills

Summary by Service

Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
162	Learning City for All	623	5	(0)	0	(10)	618
163	Education Management	3,579	1	(3)	3,947	0	7,525
164	Additional Learning Needs	5,677	18	(10)	0	0	5,685
165	Employment, Skills & Learning	734	4	(1)	0	(12)	725
166	Trading with Schools	(441)	22	(0)	0	0	(419)
168	Inclusive City	290	4	0	0	(20)	274
169	Accessible City	1,010	37	(1)	0	0	1,046
Total Educational Improvement		**11,473**	**91**	**(15)**	**3,947**	**(42)**	**15,454**

Summary by CIPFA group (Account Type)

CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	14,283	91	(77)	0	0	14,297
2	Premises-Related Expenditure	391	0	9	0	0	400
3	Transport-Related Expenditure	4,784	0	(7)	0	0	4,777
4	Supplies & Services	2,186	0	(82)	0	(10)	2,093
5	Third Party Payments	3,503	0	8	0	0	3,511
7	Support Services	3,031	0	(43)	0	0	2,988
Expenditure		**28,178**	**91**	**(192)**	**0**	**(10)**	**28,067**
9A	Income - Government Grants	(2,646)	0	0	0	0	(2,646)
9B	Income - Other Grants/Reimbursements and Contributions	(2,241)	0	0	0	0	(2,241)
9C	Income - Customer and Client Receipts	(653)	0	(113)	0	(32)	(797)
9E	Income - Recharges	(11,165)	0	290	3,947	0	(6,928)
Income		**(16,705)**	**0**	**177**	**3,947**	**(32)**	**(12,613)**
NET Expenditure		**11,473**	**91**	**(15)**	**3,947**	**(42)**	**15,454**

Savings proposals within Educational Improvement

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Be more business-like and secure more external resource			
Introduce nominal charge for first referrals for attendance penalty notices	Bring local authority-maintained schools in line with academies through introducing a nominal charge for first referral into Education Welfare for attendance penalty notices.	(20)	E2
Raise funds for adult learning through traded services	Focus on management of external funding for example fundraising for enhancing non-statutory services across Employment, Skills and Learning.	(12)	E7
Digital transformation			
Create maintenance efficiencies for the Learning City website	Change the platform of the Learning City website to reduce annual website maintenance charges.	(10)	E3
Total savings proposals		**(42)**	

Investment within Educational Improvement

Service Pressures	Investment
Special Educational Needs Support	1,666
Home to School Transport Increased Demand	2,281
Total Investment	**3,947**

Proposed Budget 2022/23 - Divisional summary with savings
Division: Management - People

Services provided by Management - People
NA

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
181	Management - People	0	0	0	0	(5,431)	(5,431)
Total Management - People		**0**	**0**	**0**	**0**	**(5,431)**	**(5,431)**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
N	Income & Expenditure outside of Net Cost of Service	0	0	0	0	(5,431)	(5,431)
Other items outside of the Net Cost of Service		**0**	**0**	**0**	**0**	**(5,431)**	**(5,431)**
NET Expenditure		**0**	**0**	**0**	**0**	**(5,431)**	**(5,431)**

Savings proposals within Management - People			
Saving Name	**Description**	**Savings £000**	**Savings Reference**
Proposed Savings			
Be more business-like and secure more external resource			
Review funding allocations for priority areas of domestic abuse and sexual violence	Communities and Public Health department to take additional responsibility for priority areas of domestic abuse and sexual violence. Public Health is the lead commissioner for domestic abuse which is a key public health priority for Bristol.	(204)	P1
Review funding allocations for priority areas of children and young people substance use	Communities and Public Health to take on additional responsibility for priority area of children and young people substance use – this brings all substance use contracts into alignment creating better efficiencies and oversight. Reducing harms from drugs and alcohol is a key public health priority for Bristol.	(91)	P2
Review funding for parks and health community engagement work	To bring parks and health community engagement work into the Communities and Neighbourhoods team ensuring alignment with wider community engagement programmes and gaining efficiencies.	(25)	P3
Improve efficiency			
Review local Section 117 funding arrangements for care and support services under the Mental Health Act 1983	This proposal involves reviewing after care arrangements for people who have been detained under the Mental Health Act, where their care is jointly funded by the local authority and the clinical commissioning group. A saving should come from more efficient commissioning and better use of resources.	(200)	ASC10
Review the Bristol Community Meals service delivery	Review how the Bristol Community Meals service is run and identify how to transition this into a self-funded service by attracting new service users.	(100)	ASC11
Manage and control cost of care for people with care and support needs	Work with care providers to implement agreed pricing tools to ensure consistent costings for care services for both adults with complex needs and older people who use social care services. Develop joint commissioning arrangements with NHS partners to deliver better value and outcomes for people who are eligible for social care services.	(800)	ASC3
Undertake Care Act reviews	Undertake planned Care Act reviews for people who are receiving care services to ensure we are helping people to maximise independence, access the right support, make best use of community resources and technology-enabled care. This will help ensure people get the best value for money from care services.	(1,000)	ASC4
Review special guardianship order arrangements	Improve special guardianship arrangements to ensure payments are aligned with national guidance.	(123)	CF6

Improve Home to School Transport commissioning arrangements	Drive five per cent efficiencies from third party supply contract within Home to School Transport.	(284)	E8
Redesign, reduce or stop services			
Review Concord Lodge service delivery and consider alternative model	Review of service model delivered at Concord Lodge and consider transfer to alternate provider. Concord Lodge is a facility with self-contained flats for adults who have learning difficulties and complex needs.	(350)	ASC12
Review Shared Lives Services delivery and consider alternative model	Review of alternative commissioning models to deliver the Shared Lives service.	(50)	ASC13
Review Home Choice processes and criteria	Review process and criteria for the Home Choice register (our housing waiting list) to enable people with adult social care needs to be prioritised and access appropriate housing more quickly.	(800)	ASC14
Transfer rehabilitation services to external partner	Transfer rehabilitation service delivery to the community health partner Sirona and close the South Bristol Rehabilitation Centre, subject to cabinet agreement, consultation with staff, trade unions and partners.	(500)	ASC6
Reduce spend by securing better value from services commissioned for Children and Young People	Improve commissioning arrangements for a range of high value contracts for children and young people to deliver improved outcomes and value for money.	(400)	CF1
Reduce contractual value of the council's commissioned youth services	We aim to make sure we maximise other sources of funding so that youth services can continue for children and young people in the city. This includes statutory parts of the service such as the post-16 education and training guarantee and young carer assessments.	(200)	CF10
Review Early Help and Family Hub offer	Undertake a review of Early Help funding to support our development of a Family Hub approach and integrated working in localities. This will include an assessment of other areas of funding and community capacity that can contribute in future to an integrated 'place based' approach, developing a service profile that makes best use of available assets across partner agencies.	(100)	CF2
Find potential alternative use or new provider for Exmouth Camp	Move away from direct responsibility of the annual lease of Exmouth Camp. Engage in discussion with the National Trust (leaseholder) to support potential alternative use or the introduction of a new provider.	(30)	E1
Reduce non-statutory early-years service	Reduction of budget for non-statutory services that provide extra childcare for children aged 0-2. This is removing an underspent budget, so no child who currently receives this service will lose it.	(41)	E4
Development of the Employment, Skills and Learning service	We intend to streamline services and introduce more cost-effective delivery through new approaches and by reducing the non-statutory work, which can be offset with new grant funding.	(117)	E5
Amend funding split for in-house and commissioned provision of Post-16 statutory duties	Post-16 statutory duties - ensure recommissioning of external services bring best value with consideration of amending funding split for in-house and commissioned provision.	(16)	E6
Total savings proposals		**(5,431)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Public Health

Services provided by Public Health

Public Health comprises health protection and sexual health protection, mental health and social inclusion, services for adults and older people, children and young people and core support provided to the CCG.

Summary by Service

Service	2022/23 Budget					
	Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
	£000					

Summary by CIPFA group (Account Type)

	CIPFA description	2022/23 Budget					
		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	2,702	0	420	0	0	3,123
3	Transport-Related Expenditure	12	0	(10)	0	0	2
4	Supplies & Services	3,023	0	(142)	0	0	2,881
5	Third Party Payments	31,020	0	1,398	0	0	32,418
7	Support Services	1,693	0	43	0	0	1,737
Expenditure		**38,451**	**0**	**1,709**	**0**	**0**	**40,160**
9A	Income - Government Grants	(33,643)	0	0	0	0	(33,643)
9B	Income - Other Grants/Reimbursements and Contributions	(4,469)	0	(101)	0	0	(4,570)
9C	Income - Customer and Client Receipts	(155)	0	149	0	0	(6)
9E	Income - Recharges	(185)	0	(1,757)	0	0	(1,942)
Income		**(38,451)**	**0**	**(1,709)**	**0**	**0**	**(40,160)**
NET Expenditure		**(0)**	**0**	**0**	**0**	**0**	**0**

Savings proposals within Public Health

Saving Name	Description	Savings £000	Savings Reference

Proposed Budget 2022/23 - Divisional summary with savings
Division: Public Health - General Fund

Services provided by Public Health - General Fund

Public Health activity enabled by the general fund includes the management of our sports strategy, city-wide leisure contracts and sports and physical activity development

Summary by Service

Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget					
		£000					
331	Neighbourhood and Communities	292	12	(2)	0	0	303
336	Bristol Impact Fund	3,118	0	(0)	0	0	3,118
342	Public Health - Non PHE Funded	1,367	0	0	0	0	1,367
Total Public Health - General Fund		**4,777**	**12**	**(2)**	**0**	**0**	**4,787**

Summary by CIPFA group (Account Type)

CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget					
		£000					
1	Employees	1,089	12	186	0	0	1,287
2	Premises-Related Expenditure	25	0	0	0	0	25
3	Transport-Related Expenditure	10	0	(1)	0	0	9
4	Supplies & Services	262	0	69	0	0	330
5	Third Party Payments	8,149	0	946	0	0	9,095
7	Support Services	146	0	16	0	0	162
Expenditure		**9,681**	**12**	**1,216**	**0**	**0**	**10,908**
9A	Income - Government Grants	(2,786)	0	0	0	0	(2,786)
9B	Income - Other Grants/Reimbursements and Contributions	0	0	(18)	0	0	(18)
9E	Income - Recharges	(2,118)	0	(1,199)	0	0	(3,317)
Income		**(4,904)**	**0**	**(1,217)**	**0**	**0**	**(6,121)**
NET Expenditure		**4,777**	**12**	**(2)**	**0**	**0**	**4,787**

Savings proposals within Public Health - General Fund

Saving Name	Description	Savings £000	Savings Reference

Proposed Budget 2022/23 - Directorate summary with savings

Directorate: Resources

Summary by Division		2022/23 Budget					
Division		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000s					
21	Digital Transformation	14,721	111	(207)	0	(165)	14,460
22	Legal and Democratic Services	8,275	74	(61)	0	(308)	7,980
24	Finance	8,923	131	34	0	(670)	8,418
25	HR, Workplace & Organisational Design	16,601	160	1,078	0	(240)	17,600
26	Management - Resources	0	0	0	0	(2,250)	(2,250)
28	Policy, Strategy & Partnerships	3,828	43	(17)	0	(125)	3,729
Total Resources		**52,349**	**519**	**826**	**0**	**(3,758)**	**49,936**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000s					
1	Employees	60,756	519	(3,947)	0	(313)	57,015
2	Premises-Related Expenditure	1,666	0	(149)	0	0	1,518
3	Transport-Related Expenditure	2,652	0	(43)	0	0	2,610
4	Supplies & Services	20,370	0	(346)	0	(553)	19,471
5	Third Party Payments	179	0	5,574	0	0	5,753
6	Transfer Payments	133,114	0	0	0	0	133,114
7	Support Services	2,230	0	(999)	0	(105)	1,125
Expenditure		**220,967**	**519**	**91**	**0**	**(971)**	**220,606**
9A	Income - Government Grants	(135,957)	0	1,175	0	0	(134,782)
9B	Income - Other Grants/Reimbursements and Contributions	(5,557)	0	82	0	(30)	(5,505)
9C	Income - Customer and Client Receipts	(5,513)	0	84	0	(115)	(5,544)
9E	Income - Recharges	(20,641)	0	1,111	0	(232)	(19,762)
Income		**(167,668)**	**0**	**2,452**	**0**	**(377)**	**(165,593)**
N	Income & Expenditure outside of Net Cost of Service	(148)	0	(1,717)	0	(2,310)	(4,174)
Other items outside of the Net Cost of Service		**(148)**	**0**	**(1,717)**	**0**	**(2,310)**	**(4,174)**
R	Transfer to \ from Reserves	(802)	0	0	0	(100)	(902)
Transfer to \ from reserves		**(802)**	**0**	**0**	**0**	**(100)**	**(902)**
NET Expenditure		**52,349**	**519**	**826**	**0**	**(3,758)**	**49,936**

Savings proposals within Resources

Saving Name	Description	Savings £000	Savings Reference
Previously Approved Savings			
Savings from Previously Approved Savings			
Improved debt management	Improving debt collection processes to ensure we are using the most effective measures and to reduce the amount that is currently not collected efficiently.	(50)	BE43
Proposed Savings			
Be more business-like and secure more external resource			
Strategic Business Review of Fees and Charges	A strategic review of fees and charges to identify new charging areas, ensure charging opportunities for all relevant goods or services are levied and reflect market rates. This would mean the removal of some subsidies and will include the development and testing of a full cost recovery model and calculator.	(250)	CEN05
Review insurance administration charges	We administer the historic Avon County Council insurance claims on behalf of the West of England. By reviewing annual administrative charges, we could be increasing our income.	(25)	R12
Increase income generation and charging rates	Increase income generated, primarily through audits of external grants or anti-fraud work and audit provision to academy schools and the council's companies.	(20)	R15
Review private finance initiative management charges	To charge a management fee for effective management of the Private Finance Initiative (PFI) group of contracts, where effective management will ensure ongoing efficiency and quality of the private finance initiative service and fund.	(25)	R16

Allocate Public Health funding to City Office	A contribution from the dedicated Public Health grant to Bristol's City Office, which is hosted and part-funded by the council. The One City Plan is based upon delivering health and wellbeing outcomes, in particular addresses wider social and economic determinants of health, such as employment, housing, education, and environment. The full value of the saving relies on external funding targets for the City Office being achieved.	(30)	R28
Seek additional income from external partners to fund City Office	Seek a small amount of additional income from external partners towards the running cost of Bristol's City Office, which is hosted and part-funded by the council. This amount represents five per cent of the annual budget for the office and would be an income target over and above existing plans for a 50/50 split between the council (50 per cent) and many different partners (50 per cent collectively).	(5)	R29
Improve efficiency			
Reduce Customer Service Point budget	Work more efficiently and making better use of technology, whilst making sure those who need phone or face-to-face support can access it.	(165)	R1
Review insurance administration processes and required insurance provision	Improve insurance claims processing and reduce level of provision required (one-off) as calculated by Actuary.	(100)	R13
Review static debt management and duplicate payment processes	Trace and collect money owed from hard-to-reach debtors who have left the area with no forwarding contact information, identify, overpayments, duplicate invoices, unclaimed credits and then manage the recovery process.	(100)	R17
Modernise Trade Union facility time arrangements	Reduce the corporate HR budget from £195,000 to £50,000 and ensure trade union costs are absorbed by departments. Agree a new modernised Industrial Relations agreement that supports workplace representation. The remaining budget will be used as a contingency to cover elected national or regional duties.	(145)	R19
Release of surplus consultancy allocation for shareholder service	The need for external consultancy in relation to the council's companies has reduced and therefore a saving can be made against this budget line.	(30)	R2
Reduce spending on policy and strategy consultancy	The council's central policy function currently has a £50,000 annual budget to pay for occasional external support: for example, if specific expertise on pieces of specialised policy or strategy work. This proposal reduces this budget from £50,000 to £10,000. We are also exploring options for Public Health to make a contribution to the team in recognition of its role making sure that the council considers health in all of its policy work.	(40)	R26
Redesign, reduce or stop services			
Management and capacity review	Reduce workforce costs and ensure we prioritise our organisational capacity on Corporate Strategy goals. Measures include: a review of the senior leadership structure; offering a succession planning scheme for managers to apply to leave the council; a review of some council teams; and deleting budgeted vacancies, to ensure we retain capacity in priority areas and reduce the impact on employees. These measures will reduce our overall capacity and mean we will focus on our core priorities. Where any jobs are subject to change appropriate staff consultation will take place, and where any roles are at risk, we will make use of our redeployment scheme, which matches employees to other opportunities in the council.	(2,000)	CEN01
Target Local Crisis Prevention support to households in the most need	Earmark up to 50 per cent of the discretionary Local Crisis Prevention Fund to support eligible new and existing council tenants with emergency living expenses and household goods. The associated funding of up to £350,000 will move from the General Fund to the Housing Revenue Account.	(350)	R10
Reduce spend on learning and development	Reduce discretionary spend on learning and development. Prioritise funding for statutory or mandatory training and learning and development that is in direct support of organisational priorities – such as equality and inclusion, leadership development, health and wellbeing and performance and talent development.	(95)	R18
Reduce work on international twinning	Reduce our international twinning work and limit coordination with volunteer citizens across the city involved in twinning. Work closely with partners to try and find alternative ways to support and encourage twinning-related activities without needing as much coordination from the council, whilst keeping some dedicated part-time staff capacity available so that it is not left completely unsupported.	(23)	R23
Reduce investment in Bristol Brussels Office and seek contributions from national partners	Significantly reduce the council's investment in a dedicated Bristol-Brussels Office, which currently helps support the council's policy development and its relationships with key European networks, partners, and potential funders. Instead, work with the UK's major cities as part of the Core Cities network to share this function and focus it on areas which are of mutual interest to cities. This would reduce the council's investment from £30,000 to £3,000 each year. If other cities do not wish to take part, we would be required to close the office.	(27)	R24
Reduce expenditure on furniture	A reduction in maintenance of furniture budgets can be achieved whilst continuing to maintain the Old Council House as an historic venue for ceremonies.	(11)	R4
Reduce expenditure on postage	Reduced expenditure on postage in the Register Office due to increased efficiencies from centralisation of services which have no service impact on the public.	(10)	R5

Change electoral registration processes	There has been a high level of citizen engagement with electoral registration processes through a channel shift to electronic communications rather than paper-based communication. This has reduced the reliance on ICT and printing and generates a saving against this budget line.	(50)	R6
General Elections	General efficiencies in electoral services.	(15)	R7
Review democratic engagement to modernise service delivery	Conduct a review of Democratic Engagement to modernise ways of working and improve efficiencies. This may require some outlay in year one for new technology (to be met from underspend elsewhere) but should be a recurring saving thereafter.	(35)	R8
Review of chargeable services and income generation targets within the council's legal services	Set ourselves a higher income target for legal services, following a review of chargeable services and income targets.	(157)	R9
Total savings proposals		**(3,758)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Digital Transformation

Services provided by Digital Transformation

ICT provide high quality Information and Communications Technology (ICT) needed to enable the council to safely deliver efficient and effective business services.

Summary by Service

Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
212	Service Operations	9,608	22	1,399	0	0	11,029
213	Applications & Digital	3,314	25	0	0	0	3,340
21A	Digital Transformation	(1,652)	5	0	0	0	(1,648)
21D	Enterprise Architecture	67	1	(0)	0	0	67
21E	Service Improvement & Performance	(42)	3	57	0	0	18
21G	City Innovation Team	126	3	(53)	0	0	76
232	Citizen Services	3,300	54	(1,610)	0	(165)	1,578
Total Digital Transformation		**14,721**	**111**	**(207)**	**0**	**(165)**	**14,460**

Summary by CIPFA group (Account Type)

CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
1	Employees	11,935	111	(145)	0	0	11,901
2	Premises-Related Expenditure	35	0	(4)	0	0	30
3	Transport-Related Expenditure	23	0	(15)	0	0	7
4	Supplies & Services	10,019	0	302	0	0	10,321
7	Support Services	476	0	(301)	0	(105)	69
Expenditure		**22,487**	**111**	**(164)**	**0**	**(105)**	**22,329**
9A	Income - Government Grants	(1,899)	0	1,175	0	0	(724)
9B	Income - Other Grants/Reimbursements and Contributions	0	0	300	0	0	300
9C	Income - Customer and Client Receipts	(391)	0	0	0	0	(391)
9E	Income - Recharges	(5,104)	0	74	0	0	(5,029)
Income		**(7,394)**	**0**	**1,549**	**0**	**0**	**(5,845)**
N	Income & Expenditure outside of Net Cost of Service	(148)	0	(1,592)	0	(60)	(1,799)
Other items outside of the Net Cost of Service		**(148)**	**0**	**(1,592)**	**0**	**(60)**	**(1,799)**
R	Transfer to \ from Reserves	(225)	0	0	0	0	(225)
Transfer to \ from reserves		**(225)**	**0**	**0**	**0**	**0**	**(225)**
NET Expenditure		**14,721**	**111**	**(207)**	**0**	**(165)**	**14,460**

Savings proposals within Digital Transformation

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Improve efficiency			
Reduce Customer Service Point budget	Work more efficiently and making better use of technology, whilst making sure those who need phone or face-to-face support can access it.	(165)	R1
Total savings proposals		**(165)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Legal and Democratic Services

Services provided by Legal and Democratic Services

Legal Services includes the child protection team, community and litigation team, property team, planning transport and the regulatory team. The division also includes statutory registration services and democratic services.

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
221	Legal Services	2,793	34	(11)	0	(157)	2,658
222	Democratic Services	2,765	10	(26)	0	(35)	2,714
225	Statutory Registration	237	14	(24)	0	(21)	206
226	Information Governance Service	902	10	0	0	0	912
245	Companies Lead	329	1	(0)	0	(30)	300
291	Electoral Services	1,250	5	(0)	0	(65)	1,189
Total Legal and Democratic Services		**8,275**	**74**	**(61)**	**0**	**(308)**	**7,980**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	8,830	74	188	0	0	9,091
2	Premises-Related Expenditure	73	0	65	0	0	138
3	Transport-Related Expenditure	218	0	(24)	0	0	195
4	Supplies & Services	3,923	0	21	0	(136)	3,808
5	Third Party Payments	1	0	6	0	0	7
7	Support Services	351	0	(53)	0	0	298
Expenditure		**13,396**	**74**	**202**	**0**	**(136)**	**13,536**
9A	Income - Government Grants	(95)	0	0	0	0	(95)
9B	Income - Other Grants/Reimbursements and Contributions	(1,673)	0	(133)	0	0	(1,806)
9C	Income - Customer and Client Receipts	(1,811)	0	4	0	(15)	(1,822)
9E	Income - Recharges	(1,464)	0	(10)	0	(157)	(1,631)
Income		**(5,044)**	**0**	**(138)**	**0**	**(172)**	**(5,354)**
N	Income & Expenditure outside of Net Cost of Service	0	0	(125)	0	0	(125)
Other items outside of the Net Cost of Service		**0**	**0**	**(125)**	**0**	**0**	**(125)**
R	Transfer to \ from Reserves	(77)	0	0	0	0	(77)
Transfer to \ from reserves		**(77)**	**0**	**0**	**0**	**0**	**(77)**
NET Expenditure		**8,275**	**74**	**(61)**	**0**	**(308)**	**7,980**

Savings proposals within Legal and Democratic Services

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Improve efficiency			
Release of surplus consultancy allocation for shareholder service	The need for external consultancy in relation to the council's companies has reduced and therefore a saving can be made against this budget line.	(30)	R2
Redesign, reduce or stop services			
Reduce expenditure on furniture	A reduction in maintenance of furniture budgets can be achieved whilst continuing to maintain the Old Council House as an historic venue for ceremonies.	(11)	R4
Reduce expenditure on postage	Reduced expenditure on postage in the Register Office due to increased efficiencies from centralisation of services which have no service impact on the public.	(10)	R5
Change electoral registration processes	There has been a high level of citizen engagement with electoral registration processes through a channel shift to electronic communications rather than paper-based communication. This has reduced the reliance on ICT and printing and generates a saving against this budget line.	(50)	R6
General Elections	General efficiencies in electoral services.	(15)	R7
Review democratic engagement to modernise service delivery	Conduct a review of Democratic Engagement to modernise ways of working and improve efficiencies. This may require some outlay in year one for new technology (to be met from underspend elsewhere) but should be a recurring saving thereafter.	(35)	R8
Review of chargeable services and income generation targets within the council’s legal services	Set ourselves a higher income target for legal services, following a review of chargeable services and income targets.	(157)	R9
Total savings proposals		**(308)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Finance

Services provided by Finance

Finance comprises our financial planning function, financial management budget support services, internal and external reporting, finance operations and finance business parterning. Finance also includes the management of our internal audit services.

Summary by Service

Service		2022/23 Budget: Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
231	Benefits	3,412	36	(3)	0	(350)	3,095
242	Corporate Finance	3,436	36	(0)	0	(125)	3,347
243	Chief Internal Auditor	963	12	39	0	(20)	994
244	Procurement & Sourcing	1,454	16	(0)	0	(25)	1,445
246	Revenue – (Local Tax)	(342)	30	(2)	0	(150)	(464)
Total Finance		**8,923**	**131**	**34**	**0**	**(670)**	**8,418**

Summary by CIPFA group (Account Type)

CIPFA description		2022/23 Budget: Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	13,992	131	0	0	(50)	14,073
2	Premises-Related Expenditure	368	0	0	0	0	368
3	Transport-Related Expenditure	369	0	(2)	0	0	367
4	Supplies & Services	2,061	0	58	0	(350)	1,769
6	Transfer Payments	133,114	0	0	0	0	133,114
7	Support Services	416	0	(1)	0	0	415
Expenditure		**150,319**	**131**	**55**	**0**	**(400)**	**150,105**
9A	Income - Government Grants	(133,943)	0	0	0	0	(133,943)
9B	Income - Other Grants/Reimbursements and Contributions	(3,187)	0	(85)	0	(25)	(3,297)
9C	Income - Customer and Client Receipts	(1,548)	0	(50)	0	(100)	(1,698)
9E	Income - Recharges	(2,618)	0	114	0	(45)	(2,549)
Income		**(141,296)**	**0**	**(21)**	**0**	**(170)**	**(141,487)**
R	Transfer to \ from Reserves	(100)	0	0	0	(100)	(200)
Transfer to \ from reserves		**(100)**	**0**	**0**	**0**	**(100)**	**(200)**
NET Expenditure		**8,923**	**131**	**34**	**0**	**(670)**	**8,418**

Savings proposals within Finance

Saving Name	Description	Savings £000	Savings Reference
Previously Approved Savings			
Savings from Previously Approved Savings			
Improved debt management	Improving debt collection processes to ensure we are using the most effective measures and to reduce the amount that is currently not collected efficiently.	(50)	BE43
Proposed Savings			
Be more business-like and secure more external resource			
Review insurance administration charges	We administer the historic Avon County Council insurance claims on behalf of the West of England. By reviewing annual administrative charges, we could be increasing our income.	(25)	R12
Increase income generation and charging rates	Increase income generated, primarily through audits of external grants or anti-fraud work and audit provision to academy schools and the council's companies.	(20)	R15
Review private finance initiative management charges	To charge a management fee for effective management of the Private Finance Initiative (PFI) group of contracts, where effective management will ensure ongoing efficiency and quality of the private finance initiative service and fund.	(25)	R16
Improve efficiency			
Review insurance administration processes and required insurance provision	Improve insurance claims processing and reduce level of provision required (one-off) as calculated by Actuary.	(100)	R13
Review static debt management and duplicate payment processes	Trace and collect money owed from hard-to-reach debtors who have left the area with no forwarding contact information, identify, overpayments, duplicate invoices, unclaimed credits and then manage the recovery process.	(100)	R17
Redesign, reduce or stop services			
Target Local Crisis Prevention support to households in the most need	Earmark up to 50 per cent of the discretionary Local Crisis Prevention Fund to support eligible new and existing council tenants with emergency living expenses and household goods. The associated funding of up to £350,000 will move from the General Fund to the Housing Revenue Account.	(350)	R10
Total savings proposals		**(670)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: HR, Workplace & Organisational Design

Services provided by HR, Workplace & Organisational Design

HR provides both a strategic and advisory role for the attraction, delivery and continuous development of a strong, capable, agile and effective workforce.

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
251	People Operations	1,214	36	119	0	(145)	1,224
252	Learning & Organisational Development	1,903	8	(0)	0	(95)	1,816
253	Admin Business Support	3,680	50	(26)	0	0	3,704
271	Change Services	1,089	14	(0)	0	0	1,103
2B1	FM Services	6,157	31	996	0	0	7,184
381	Commercialisation	122	1	0	0	0	123
541	Executive Office	870	6	(3)	0	0	873
542	Senior Leadership Team	1,565	14	(8)	0	0	1,572
Total HR, Workplace & Organisational Design		**16,601**	**160**	**1,078**	**0**	**(240)**	**17,600**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	21,424	160	(3,990)	0	(240)	17,355
2	Premises-Related Expenditure	1,175	0	(209)	0	0	966
3	Transport-Related Expenditure	2,034	0	(1)	0	0	2,033
4	Supplies & Services	3,537	0	(726)	0	0	2,811
5	Third Party Payments	68	0	5,568	0	0	5,636
7	Support Services	953	0	(626)	0	0	327
Expenditure		**29,191**	**160**	**16**	**0**	**(240)**	**29,127**
9A	Income - Government Grants	(20)	0	0	0	0	(20)
9B	Income - Other Grants/Reimbursements and Contributions	(577)	0	0	0	0	(577)
9C	Income - Customer and Client Receipts	(1,743)	0	130	0	0	(1,613)
9E	Income - Recharges	(9,850)	0	933	0	0	(8,918)
Income		**(12,190)**	**0**	**1,063**	**0**	**0**	**(11,127)**
R	Transfer to \ from Reserves	(400)	0	0	0	0	(400)
Transfer to \ from reserves		**(400)**	**0**	**0**	**0**	**0**	**(400)**
NET Expenditure		**16,601**	**160**	**1,078**	**0**	**(240)**	**17,600**

Savings proposals within HR, Workplace & Organisational Design

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Improve efficiency			
Modernise Trade Union facility time arrangements	Reduce the corporate HR budget from £195,000 to £50,000 and ensure trade union costs are absorbed by departments. Agree a new modernised Industrial Relations agreement that supports workplace representation. The remaining budget will be used as a contingency to cover elected national or regional duties.	(145)	R19
Redesign, reduce or stop services			
Reduce spend on learning and development	Reduce discretionary spend on learning and development. Prioritise funding for statutory or mandatory training and learning and development that is in direct support of organisational priorities – such as equality and inclusion, leadership development, health and wellbeing and performance and talent development.	(95)	R18
Total savings proposals		**(240)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Management - Resources

Services provided by Management - Resources

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
261	Management - Resources	0	0	0	0	(2,250)	(2,250)
Total Management - Resources		**0**	**0**	**0**	**0**	**(2,250)**	**(2,250)**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
N	Income & Expenditure outside of Net Cost of Service	0	0	0	0	(2,250)	(2,250)
Other items outside of the Net Cost of Service		**0**	**0**	**0**	**0**	**(2,250)**	**(2,250)**
NET Expenditure		**0**	**0**	**0**	**0**	**(2,250)**	**(2,250)**

Savings proposals within Management - Resources

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Be more business-like and secure more external resource			
Strategic Business Review of Fees and Charges	A strategic review of fees and charges to identify new charging areas, ensure charging opportunities for all relevant goods or services are levied and reflect market rates. This would mean the removal of some subsidies and will include the development and testing of a full cost recovery model and calculator.	(250)	CEN05
Redesign, reduce or stop services			
Management and capacity review	Reduce workforce costs and ensure we prioritise our organisational capacity on Corporate Strategy goals. Measures include: a review of the senior leadership structure; offering a succession planning scheme for managers to apply to leave the council; a review of some council teams; and deleting budgeted vacancies, to ensure we retain capacity in priority areas and reduce the impact on employees. These measures will reduce our overall capacity and mean we will focus on our core priorities. Where any jobs are subject to change appropriate staff consultation will take place, and where any roles are at risk, we will make use of our redeployment scheme, which matches employees to other opportunities in the council.	(2,000)	CEN01
Total savings proposals		**(2,250)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Policy, Strategy & Partnerships

Services provided by Policy, Strategy & Partnerships

The services included are: Equality and Inclusion; External Communications and Consultation; Insight, Performance and Intelligence; International Affairs; Policy and Public Affairs; Bristol City Office.

Summary by Service

	Service	Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
282	External Communications and Consultation	1,189	19	(0)	0	0	1,207
284	Insight, Performance & Intelligence	959	11	(17)	0	0	953
285	Policy and Public Affairs	803	5	(0)	0	(40)	768
288	Equality and Inclusion	463	4	0	0	0	467
512	International Affairs	317	2	0	0	(50)	269
543	City Office	98	1	0	0	(35)	65
Total Policy, Strategy & Partnerships		**3,828**	**43**	**(17)**	**0**	**(125)**	**3,729**

Summary by CIPFA group (Account Type)

	CIPFA description	Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
1	Employees	4,575	43	0	0	(23)	4,595
2	Premises-Related Expenditure	16	0	0	0	0	16
3	Transport-Related Expenditure	9	0	(0)	0	0	8
4	Supplies & Services	829	0	0	0	(67)	762
5	Third Party Payments	110	0	0	0	0	110
7	Support Services	34	0	(17)	0	0	17
Expenditure		**5,573**	**43**	**(17)**	**0**	**(90)**	**5,509**
9B	Income - Other Grants/Reimbursements and Contributions	(119)	0	0	0	(5)	(124)
9C	Income - Customer and Client Receipts	(20)	0	0	0	0	(20)
9E	Income - Recharges	(1,605)	0	0	0	(30)	(1,635)
Income		**(1,745)**	**0**	**0**	**0**	**(35)**	**(1,780)**
NET Expenditure		**3,828**	**43**	**(17)**	**0**	**(125)**	**3,729**

Savings proposals within Policy, Strategy & Partnerships

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Be more business-like and secure more external resource			
Allocate Public Health funding to City Office	A contribution from the dedicated Public Health grant to Bristol's City Office, which is hosted and part-funded by the council. The One City Plan is based upon delivering health and wellbeing outcomes, in particular addresses wider social and economic determinants of health, such as employment, housing, education, and environment. The full value of the saving relies on external funding targets for the City Office being achieved.	(30)	R28
Seek additional income from external partners to fund City Office	Seek a small amount of additional income from external partners towards the running cost of Bristol's City Office, which is hosted and part-funded by the council. This amount represents five per cent of the annual budget for the office and would be an income target over and above existing plans for a 50/50 split between the council (50 per cent) and many different partners (50 per cent collectively).	(5)	R29
Improve efficiency			
Reduce spending on policy and strategy consultancy	The council's central policy function currently has a £50,000 annual budget to pay for occasional external support: for example, if specific expertise on pieces of specialised policy or strategy work. This proposal reduces this budget from £50,000 to £10,000. We are also exploring options for Public Health to make a contribution to the team in recognition of its role making sure that the council considers health in all of its policy work.	(40)	R26
Redesign, reduce or stop services			
Reduce work on international twinning	Reduce our international twinning work and limit coordination with volunteer citizens across the city involved in twinning. Work closely with partners to try and find alternative ways to support and encourage twinning-related activities without needing as much coordination from the council, whilst keeping some dedicated part-time staff capacity available so that it is not left completely unsupported.	(23)	R23
Reduce investment in Bristol Brussels Office and seek contributions from national partners	Significantly reduce the council's investment in a dedicated Bristol-Brussels Office, which currently helps support the council's policy development and its relationships with key European networks, partners, and potential funders. Instead, work with the UK's major cities as part of the Core Cities network to share this function and focus it on areas which are of mutual interest to cities. This would reduce the council's investment from £30,000 to £3,000 each year. If other cities do not wish to take part, we would be required to close the office.	(27)	R24
Total savings proposals		**(125)**	

Proposed Budget 2022/23 - Directorate summary with savings
Directorate: Growth & Regeneration

Summary by Division		2022/23 Budget					
Division		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000s					
37	Housing & Landlord Services	14,802	87	332	2,300	(725)	16,795
42	Development of Place	1,530	88	(3)	0	(105)	1,510
46	Economy of Place	12,908	157	(128)	0	(21)	12,917
47	Management of Place	33,735	222	(235)	670	(1,300)	33,092
49	Property and Asset Strategy	(7,122)	21	(14)	0	(120)	(7,235)
4A	Management - G&R	0	0	0	0	(2,540)	(2,540)
Total Growth & Regeneration		**55,852**	**575**	**(48)**	**2,970**	**(4,811)**	**54,539**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000s					
1	Employees	63,153	861	519	0	0	64,533
2	Premises-Related Expenditure	17,432	0	298	0	0	17,730
3	Transport-Related Expenditure	472	0	(318)	0	0	154
4	Supplies & Services	11,503	75	2,026	0	(40)	13,564
5	Third Party Payments	71,004	323	(460)	0	0	70,867
6	Transfer Payments	2,849	0	(11)	2,300	(725)	4,413
7	Support Services	9,815	255	667	0	0	10,737
8	Depreciation and Impairment Losses	(206)	0	0	0	0	(206)
X	Capital Financing Costs	744	0	0	0	0	744
Expenditure		**176,765**	**1,514**	**2,721**	**2,300**	**(765)**	**182,536**
9A	Income - Government Grants	(11,579)	0	(2,568)	0	0	(14,147)
9B	Income - Other Grants/Reimbursements and Contributions	(3,317)	0	(378)	0	(25)	(3,720)
9C	Income - Customer and Client Receipts	(72,291)	0	(1,452)	670	(1,461)	(74,534)
9E	Income - Recharges	(33,490)	0	1,675	0	(20)	(31,836)
Income		**(120,677)**	**0**	**(2,723)**	**670**	**(1,506)**	**(124,236)**
N	Income & Expenditure outside of Net Cost of Service	100	0	0	0	(2,540)	(2,440)
Other items outside of the Net Cost of Service		**100**	**0**	**0**	**0**	**(2,540)**	**(2,440)**
R	Transfer to \ from Reserves	(337)	(939)	(46)	0	0	(1,321)
Transfer to \ from reserves		**(337)**	**(939)**	**(46)**	**0**	**0**	**(1,321)**
NET Expenditure		**55,852**	**575**	**(48)**	**2,970**	**(4,811)**	**54,539**

Savings proposals within Growth & Regeneration

Saving Name	Description	Savings £000	Savings Reference
Previously Approved Savings			
Savings from Previously Approved Savings			
Improving the performance of the council's Commercial/Investment Property portfolio	Review our commercial property portfolio and where appropriate rationalise and redirect to those that generate better rates of return and/or support wider economic objectives. Also increase income through a programme of rents/lease reviews introducing more commerical arrangements for the use of council commercial assets.	(120)	BE57
Increase income generation and efficiency across culture services	Proposals include increasing major event income through sponsorship, ticketed events, and making the Bristol Film Office and Site Permissions services self-financing. This could be achieved by working to increase the number of events held in the city and productions filmed here	(21)	IN25
Generating and saving money through energy generation and efficiency	Bristol City Council's Energy Service is committed to making Bristol a carbon neutral city by 2030. The team will manage and support a range of projects such as heat networks, energy efficiency and energy generation available to residents and businesses across the city. Taking a more entrepreneurial approach to these projects, the team will raise an income to fund their activity whilst saving the council money by improving its energy usage.	(50)	IN27
Reduce the scope of upgrading the city's advertising and signage	We are currently updating 'wayfinding' signage across the city; distinctive blue displays with maps and directions on them. Plans to extend the system in to new areas have been reduced.	(30)	RS32
Proposed Savings			
Property and capital investment			

Raise additional income at M Shed	Introduce roof top bar at M Shed.	(10)	GR038
Be more business-like and secure more external resource			
Capitalise project manager cost	Charge some Project Manager costs to our Capital budget where this is linked to Capital project work.	(80)	GR006
Use opportunities in the Housing and Planning Act 2016 to offset a post in the Regulation Team	Increasing income through enforcement action to fund a post.	(60)	GR008
Generate additional income to support wider housing pressures	Using income from the restarting of the Landlord’s Expo to support wider housing funding pressures.	(40)	GR009
Review charges at all off-street car parks and on-street parking spaces	A review will be undertaken of current charges across all council owned off-street car parks and on-street parking bays.	(200)	GR011
Remove 30-mins free parking from pay and display spaces in Residents' Parking Schemes	Remove the first 30 minutes of free parking from the pay and display bays in Residents' Parking Schemes (RPS).	(150)	GR012
Review charges for permits and pay and display spaces in Residents' Parking Schemes	Residents' Parking Schemes permits and Pay and Display increase in line with charges in other cities.	(850)	GR014
Secure new commercial opportunities through the Bristol Future Parks approach	The conclusion of the Future Parks approach will secure new commercial opportunities for parks and green spaces.	(25)	GR021
Maximise commercial opportunities for catering outlets within parks	Explore opportunities to maximise commercial growth in relation to catering outlets in Bristol’s parks and green spaces.	(25)	GR022
Increase income target for Development Management.	Increased income earned in Development Management / Building Control as a result of increased workload.	(15)	GR023
Increase income target for Engineering Design / Placeshaping.	Increase the amount charged to our Capital budget for the Engineering Design / Placeshaping service.	(20)	GR024
Carry out review of parking spaces for disabled people	Review of usage and provision of disabled people's parking spaces and introducing a charge for the service.	(100)	GR046
Improve efficiency			
Increase revenue through bus shelter advertising	A new contract has been let via a procurement process, aiming to increase revenue from bus shelter advertising.	(770)	GR001
Procure block contracts for temporary accommodation placements	By procuring block contracts in the future for temporary accommodation placements we will make savings through economies of scale, without effecting service delivery.	(725)	GR030
Reduce amount spent on studies to support policy development	Reducing revenue budgets for supplies and services that pay for technical consultant studies.	(40)	GR032
Optimise service delivery			
Reduce library non-staffing budgets	Reduce two non-staffing budgets including the Material Fund Budget (purchase of books, e-resources etc.)	(100)	GR003
Continue with the enforcement of the Bristol Bridge restrictions	Continue with the enforcement of the Bristol Bridge restrictions which will generate Penalty Charge Notices whilst encouraging motorists to move towards compliance	(1,200)	GR013
Reprocure energy contracts	Get better value from contracts relating to energy reduction by reprocuring them.	(150)	GR050
Redesign, reduce or stop services			

Review Housing Options budgets to identify opportunities to reduce budget	A detailed review will lead to budget reduction as non-salary budgets will be reduced by £30,000. This will not impact service delivery.	(30)	GR045
Total savings proposals		**(4,811)**	

Investment within Growth & Regeneration	
Service Pressures	**Investment £000**
Homelessness Temporary Accommodation	2,300
Lost parking income due to active travel schemes	600
Regulatory Services - taxi licenses	70
Total Investment	**2,970**

Proposed Budget 2022/23 - Divisional summary with savings
Division: Housing & Landlord Services

Services provided by Housing & Landlord Services

Housing Services includes our management of work within the private housing sector and accessible homes, e.g. housing adaptations

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
131	Housing Options	13,448	49	349	2,300	(725)	15,421
132	GF - Private Housing & Accessible Homes	1,224	37	(17)	0	0	1,244
135	Housing Solutions	129	0	0	0	0	130
Total Housing & Landlord Services		**14,802**	**87**	**332**	**2,300**	**(725)**	**16,795**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	9,973	87	(60)	0	0	10,000
2	Premises-Related Expenditure	183	0	(13)	0	0	170
3	Transport-Related Expenditure	28	0	(9)	0	0	19
4	Supplies & Services	2,026	0	(208)	0	0	1,819
5	Third Party Payments	17,978	0	73	0	0	18,051
6	Transfer Payments	2,500	0	0	2,300	(725)	4,075
7	Support Services	3,953	0	(257)	0	0	3,696
Expenditure		**36,640**	**87**	**(473)**	**2,300**	**(725)**	**37,829**
9A	Income - Government Grants	(6,440)	0	200	0	0	(6,240)
9C	Income - Customer and Client Receipts	(3,004)	0	191	0	0	(2,813)
9E	Income - Recharges	(12,091)	0	210	0	0	(11,881)
Income		**(21,535)**	**0**	**601**	**0**	**0**	**(20,934)**
R	Transfer to \ from Reserves	(304)	0	204	0	0	(100)
Transfer to \ from reserves		**(304)**	**0**	**204**	**0**	**0**	**(100)**
NET Expenditure		**14,802**	**87**	**332**	**2,300**	**(725)**	**16,795**

Savings proposals within Housing & Landlord Services

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Improve efficiency			
Procure block contracts for temporary accommodation	By procuring block contracts in the future for temporary accommodation placements we will make savings through economies of scale, without effecting service delivery.	(725)	GR030
Total savings proposals		**(725)**	

Investment within Housing & Landlord Services

Service Pressures	Investment
Homelessness Temporary Accommodation	2,300
Total Investment	**2,300**

Proposed Budget 2022/23 - Divisional summary with savings
Division: Development of Place

Services provided by Development of Place

Planning is divided into Strategic City Planning, Development Management which includes Building Control and Planning Enforcement, City Design which includes Engineering Design and the Sustainable City & Climate Change Team.

Summary by Service

Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
421	Strategic City Planning	664	8	0	0	0	672
422	City Design	(166)	25	(3)	0	(50)	(194)
425	Development Management	(808)	29	(1)	0	(15)	(795)
426	Housing Delivery	846	18	0	0	(20)	844
511	Sustainable City & Climate Change	994	8	0	0	(20)	982
Total Development of Place		**1,530**	**88**	**(3)**	**0**	**(105)**	**1,510**

Summary by CIPFA group (Account Type)

CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
1	Employees	9,093	374	5	0	0	9,472
2	Premises-Related Expenditure	3	0	0	0	0	3
3	Transport-Related Expenditure	9	0	(1)	0	0	8
4	Supplies & Services	570	75	(0)	0	(40)	605
5	Third Party Payments	75	323	0	0	0	398
7	Support Services	437	255	(18)	0	0	674
8	Depreciation and Impairment Losses	200	0	0	0	0	200
Expenditure		**10,388**	**1,027**	**(14)**	**0**	**(40)**	**11,360**
9A	Income - Government Grants	(20)	0	20	0	0	0
9C	Income - Customer and Client Receipts	(4,343)	0	6	0	(45)	(4,382)
9E	Income - Recharges	(4,494)	0	(15)	0	(20)	(4,529)
Income		**(8,857)**	**0**	**11**	**0**	**(65)**	**(8,911)**
R	Transfer to \ from Reserves	0	(939)	0	0	0	(939)
Transfer to \ from reserves		**0**	**(939)**	**0**	**0**	**0**	**(939)**
NET Expenditure		**1,530**	**88**	**(3)**	**0**	**(105)**	**1,510**

Savings proposals within Development of Place

Saving Name	Description	Savings £000	Savings Reference
Previously Approved Savings			
Savings from Previously Approved Savings			
Reduce the scope of upgrading the city's advertising and signage	We are currently updating 'wayfinding' signage across the city; distinctive blue displays with maps and directions on them. Plans to extend the system in to new areas have been reduced.	(30)	RS32
Proposed Savings			
Be more business-like and secure more external resource			
Increase income target for Development Management.	Increased income earned in Development Management / Building Control as a result of increased workload.	(15)	GR023
Increase income target for Engineering Design / Placeshaping.	Increase the amount charged to our Capital budget for the Engineering Design / Placeshaping service.	(20)	GR024
Improve efficiency			
Reduce amount spent on studies to support policy development	Reducing revenue budgets for supplies and services that pay for technical consultant studies.	(40)	GR032
Total savings proposals		**(105)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Economy of Place

Services provided by Economy of Place

Summary by Service

Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
332	Library Services	4,621	36	(57)	0	0	4,600
433	Strategic City Transport	2,459	45	(5)	0	0	2,500
434	Local & Sustainable Transport	(191)	3	(14)	0	0	(203)
441	Culture Services	2,863	47	(52)	0	(21)	2,837
442	Cultural Development	790	4	0	0	0	793
443	Economic Development	659	8	0	0	0	667
444	Major Projects	488	10	0	0	0	498
445	Directors Office	468	0	0	0	0	468
452	Regeneration	752	5	0	0	0	756
Total Economy of Place		**12,908**	**157**	**(128)**	**0**	**(21)**	**12,917**

Summary by CIPFA group (Account Type)

CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
1	Employees	17,059	157	284	0	0	17,500
2	Premises-Related Expenditure	1,657	0	(22)	0	0	1,635
3	Transport-Related Expenditure	29	0	(5)	0	0	23
4	Supplies & Services	4,252	0	1,833	0	0	6,085
5	Third Party Payments	2,822	0	976	0	0	3,798
6	Transfer Payments	281	0	(11)	0	0	269
7	Support Services	1,212	0	146	0	0	1,358
8	Depreciation and Impairment Losses	65	0	0	0	0	65
Expenditure		**27,377**	**157**	**3,199**	**0**	**0**	**30,734**
9A	Income - Government Grants	(4,094)	0	(3,221)	0	0	(7,315)
9B	Income - Other Grants/Reimbursements and Contributions	(1,909)	0	17	0	0	(1,891)
9C	Income - Customer and Client Receipts	(5,253)	0	(17)	0	(21)	(5,291)
9E	Income - Recharges	(3,285)	0	(105)	0	0	(3,390)
Income		**(14,540)**	**0**	**(3,327)**	**0**	**(21)**	**(17,888)**
N	Income & Expenditure outside of Net Cost of Service	100	0	0	0	0	100
Other items outside of the Net Cost of Service		**100**	**0**	**0**	**0**	**0**	**100**
R	Transfer to \ from Reserves	(29)	0	0	0	0	(29)
Transfer to \ from reserves		**(29)**	**0**	**0**	**0**	**0**	**(29)**
NET Expenditure		**12,908**	**157**	**(128)**	**0**	**(21)**	**12,917**

Savings proposals within Economy of Place

Saving Name	Description	Savings £000	Savings Reference
Previously Approved Savings			
Savings from Previously Approved Savings			
Increase income generation and efficiency across culture services	Proposals include increasing major event income through sponsorship, ticketed events, and making the Bristol Film Office and Site Permissions services self-financing. This could be achieved by working to increase the number of events held in the city and productions filmed here	(21)	IN25
Total savings proposals		**(21)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Management of Place

Services provided by Management of Place

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
133	Bristol Operations Centre	(135)	18	(0)	0	0	(118)
311	Waste	37,427	1	0	0	0	37,428
333	Regulatory Services	2,256	39	(5)	70	0	2,361
335	Parks and Green Spaces	1,528	73	(257)	0	(50)	1,294
382	Harbour Service	536	9	0	0	0	545
432	Traffic & Highways maintenance	(9,356)	62	41	600	(1,200)	(9,853)
531	Energy Programme Manager (Corporate)	1,479	19	(14)	0	(50)	1,435
Total Management of Place		**33,735**	**222**	**(235)**	**670**	**(1,300)**	**33,092**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	24,844	222	291	0	0	25,357
2	Premises-Related Expenditure	10,500	0	347	0	0	10,847
3	Transport-Related Expenditure	405	0	(303)	0	0	103
4	Supplies & Services	4,420	0	401	0	0	4,822
5	Third Party Payments	50,082	0	(1,509)	0	0	48,574
7	Support Services	4,090	0	796	0	0	4,887
8	Depreciation and Impairment Losses	(471)	0	0	0	0	(471)
X	Capital Financing Costs	744	0	0	0	0	744
Expenditure		**94,616**	**222**	**24**	**0**	**0**	**94,862**
9A	Income - Government Grants	(1,025)	0	433	0	0	(592)
9B	Income - Other Grants/Reimbursements and Contributions	(1,408)	0	(395)	0	(25)	(1,828)
9C	Income - Customer and Client Receipts	(45,205)	0	(1,632)	670	(1,275)	(47,442)
9E	Income - Recharges	(13,241)	0	1,585	0	0	(11,656)
Income		**(60,879)**	**0**	**(8)**	**670**	**(1,300)**	**(61,517)**
R	Transfer to \ from Reserves	(3)	0	(250)	0	0	(253)
Transfer to \ from reserves		**(3)**	**0**	**(250)**	**0**	**0**	**(253)**
NET Expenditure		**33,735**	**222**	**(235)**	**670**	**(1,300)**	**33,092**

Savings proposals within Management of Place

Saving Name	Description	Savings £000	Savings Reference
Previously Approved Savings			
Savings from Previously Approved Savings			
Generating and saving money through energy generation and efficiency	Bristol City Council's Energy Service is committed to making Bristol a carbon neutral city by 2030. The team will manage and support a range of projects such as heat networks, energy efficiency and energy generation available to residents and businesses across the city. Taking a more entrepreneurial approach to these projects, the team will raise an income to fund their activity whilst saving the council money by improving its energy usage.	(50)	IN27
Proposed Savings			
Be more business-like and secure more external resource			
Secure new commercial opportunities through the Bristol Future Parks approach	The conclusion of the Future Parks approach will secure new commercial opportunities for parks and green spaces.	(25)	GR021
Maximise commercial opportunities for catering outlets within parks	Explore opportunities to maximise commercial growth in relation to catering outlets in Bristol's parks and green spaces.	(25)	GR022
Optimise service delivery			
Continue with the enforcement of the Bristol Bridge restrictions	Continue with the enforcement of the Bristol Bridge restrictions which will generate Penalty Charge Notices whilst encouraging motorists to move towards compliance	(1,200)	GR013
Total savings proposals		**(1,300)**	

Investment within Management of Place

Service Pressures	Investment
Lost parking income due to active travel schemes	600
Regulatory Services - taxi licenses	70
Total Investment	**670**

Proposed Budget 2022/23 - Divisional summary with savings
Division: Property and Asset Strategy

Services provided by Property and Asset Strategy

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
412	Asset Strategy	4,641	15	(14)	0	0	4,642
413	Property Management	(11,763)	6	0	0	(120)	(11,877)
Total Property and Asset Strategy		**(7,122)**	**21**	**(14)**	**0**	**(120)**	**(7,235)**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	2,183	21	0	0	0	2,205
2	Premises-Related Expenditure	5,089	0	(14)	0	0	5,075
3	Transport-Related Expenditure	1	0	0	0	0	1
4	Supplies & Services	233	0	(0)	0	0	233
5	Third Party Payments	47	0	0	0	0	47
6	Transfer Payments	68	0	0	0	0	68
7	Support Services	123	0	0	0	0	123
Expenditure		**7,744**	**21**	**(14)**	**0**	**0**	**7,751**
9C	Income - Customer and Client Receipts	(14,486)	0	0	0	(120)	(14,606)
9E	Income - Recharges	(380)	0	0	0	0	(380)
Income		**(14,866)**	**0**	**0**	**0**	**(120)**	**(14,986)**
NET Expenditure		**(7,122)**	**21**	**(14)**	**0**	**(120)**	**(7,235)**

Savings proposals within Property and Asset Strategy			
Saving Name	Description	Savings £000	Savings Reference
Previously Approved Savings			
Savings from Previously Approved Savings			
Improving the performance of the council's Commercial/Investment Property portfolio	Review our commercial property portfolio and where appropriate rationalise and redirect to those that generate better rates of return and/or support wider economic objectives. Also increase income through a programme of rents/lease reviews introducing more commerical arrangements for the use of council commercial assets.	(120)	BE57
Total savings proposals		**(120)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Management - G&R

Services provided by Management - G&R
Unallocated Savings

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
4A1	Management - G&R	0	0	0	0	(2,540)	(2,540)
Total Management - G&R		**0**	**0**	**0**	**0**	**(2,540)**	**(2,540)**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
N	Income & Expenditure outside of Net Cost of Service	0	0	0	0	(2,540)	(2,540)
Other items outside of the Net Cost of Service		**0**	**0**	**0**	**0**	**(2,540)**	**(2,540)**
NET Expenditure		**0**	**0**	**0**	**0**	**(2,540)**	**(2,540)**

Savings proposals within Management - G&R			
Saving Name	**Description**	**Savings £000**	**Savings Reference**
Proposed Savings			
Property and capital investment			
Raise additional income at M Shed	Introduce roof top bar at M Shed.	(10)	GR038
Be more business-like and secure more external resource			
Capitalise project manager cost	Charge some Project Manager costs to our Capital budget where this is linked to Capital project work.	(80)	GR006
Use opportunities in the Housing and Planning Act 2016 to offset a post in the Regulation Team	Increasing income through enforcement action to fund a post.	(60)	GR008
Generate additional income to support wider housing pressures	Using income from the restarting of the Landlord's Expo to support wider housing funding pressures.	(40)	GR009
Review charges at all off-street car parks and on-street parking spaces	A review will be undertaken of current charges across all council owned off-street car parks and on-street parking bays.	(200)	GR011
Remove 30-mins free parking from pay and display spaces in Residents' Parking Schemes	Remove the first 30 minutes of free parking from the pay and display bays in Residents' Parking Schemes (RPS).	(150)	GR012
Review charges for permits and pay and display spaces in Residents' Parking Schemes	Residents' Parking Schemes permits and Pay and Display increase in line with charges in other cities.	(850)	GR014
Carry out review of parking spaces for disabled people	Review of usage and provision of disabled people's parking spaces and introducing a charge for the service.	(100)	GR046
Improve efficiency			
Increase revenue through bus shelter advertising	A new contract has been let via a procurement process, aiming to increase revenue from bus shelter advertising.	(770)	GR001
Optimise service delivery			
Reduce library non-staffing budgets	Reduce two non-staffing budgets including the Material Fund Budget (purchase of books, e-resources etc.)	(100)	GR003
Reprocure energy contracts	Get better value from contracts relating to energy reduction by reprocuring them.	(150)	GR050
Redesign, reduce or stop services			
Review Housing Options budgets to identify opportunities to reduce budget	A detailed review will lead to budget reduction as non-salary budgets will be reduced by £30,000. This will not impact service delivery.	(30)	GR045
Total savings proposals		**(2,540)**	

Proposed Budget 2022/23 - Directorate summary with savings
Directorate: Corporate Funding & Expenditure

Summary by Division		2022/23 Budget					
Division		**Base Budget 2022/23**	Pay & Inflation	Virements	Growth	Savings and Efficiencies	**Proposed 2022/23 Budget**
		£000s					
X2	Levies	10,118	0	748	0	0	10,866
X3	Corporate Expenditure	24,128	(1,801)	(7,037)	(11,961)	17,917	21,246
X4	Capital Financing	22,495	0	0	0	0	22,495
X8	Corporate Revenue Funding	(399,495)	0	(200)	(19,254)	0	(418,950)
X9	Corporate Allowances	1,824	0	6,209	2,262	(2,700)	7,595
Total Corporate Funding & Expenditure		**(340,930)**	**(1,801)**	**(280)**	**(28,953)**	**15,217**	**(356,747)**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		**Base Budget 2022/23**	Pay & Inflation	Virements	Growth	Savings and Efficiencies	**Proposed 2022/23 Budget**
		£000s					
1	Employees	2,710	0	0	0	(220)	2,490
4	Supplies & Services	3,028	0	(862)	4,148	0	6,314
5	Third Party Payments	12,648	(1,801)	12,009	0	0	22,856
7	Support Services	25	0	(25)	0	0	0
X	Capital Financing Costs	9,361	0	0	0	0	9,361
Expenditure		**27,772**	**(1,801)**	**11,122**	**4,148**	**(220)**	**41,021**
9A	Income - Government Grants	(16,652)	0	0	9,620	0	(7,032)
9B	Income - Other Grants/Reimbursements and Contributions	(3,560)	0	0	0	0	(3,560)
9C	Income - Customer and Client Receipts	(50)	0	50	0	0	0
9D	Income - Interest	(2,370)	0	0	0	0	(2,370)
Income		**(22,632)**	**0**	**50**	**9,620**	**0**	**(12,962)**
N	Income & Expenditure outside of Net Cost of Service	(361,718)	0	13,755	(26,613)	(2,700)	(377,275)
Other items outside of the Net Cost of Service		**(361,718)**	**0**	**13,755**	**(26,613)**	**(2,700)**	**(377,275)**
R	Transfer to \ from Reserves	15,648	0	(25,207)	(16,109)	18,137	(7,531)
Transfer to \ from reserves		**15,648**	**0**	**(25,207)**	**(16,109)**	**18,137**	**(7,531)**
NET Expenditure		**(340,930)**	**(1,801)**	**(280)**	**(28,953)**	**15,217**	**(356,747)**

Savings proposals within Corporate Funding & Expenditure

Saving Name	**Description**	**Savings £000**	**Savings Reference**
Proposed Savings			
Property and capital investment			
Reduce council-owned property	In light of new ways of working following COVID-19, review the number of buildings we use for office space. Aim to reduce our office floor space by at least 50 per cent, whilst making sure we have the right amount and quality of workspaces, reducing our carbon footprint.	(1,500)	CEN03
Be more business-like and secure more external resource			
Discretionary Giving	Pilot new approaches to encouraging discretionary giving to causes related to key challenges and priorities, which can fund core activity and/or bring additional financing to City Funds and/or VCSE partners.	(50)	CEN06
Improve efficiency			
Review addressable spend / third party savings	To maximise benefit for public money through our addressable third party spend which will seek to deliver procurement, contract, and commercial interventions in a range of categories of third party and service activity in order to improve cashable and non-cashable value generated.	(750)	CEN02
Streamline strategic support services	Joining up pockets of the same or similar, strategic professional support services (common activities) to reduce costs, provide better coordination of our work and better prioritisation of our resources.	(400)	CEN04
Identify treasury management and legacy pension fund savings	By reviewing treasury management and pension fund savings options we could increase income from Treasury management activity and from the release of historic pension funds no longer required.	(220)	R14
Total savings proposals		**(2,920)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Levies

Services provided by Levies
NA

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
X20	Levies	10,118	0	748	0	0	10,866
Total Levies		**10,118**	**0**	**748**	**0**	**0**	**10,866**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
5	Third Party Payments	10,118	0	748	0	0	10,866
Expenditure		**10,118**	**0**	**748**	**0**	**0**	**10,866**
NET Expenditure		**10,118**	**0**	**748**	**0**	**0**	**10,866**

Savings proposals within Levies			
Saving Name	Description	Savings £000	Savings Reference

Proposed Budget 2022/23 - Divisional summary with savings
Division: Corporate Expenditure

Services provided by Corporate Expenditure
NA

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
X30	Corporate Expenditure	24,128	(1,801)	(7,037)	(11,961)	17,917	21,246
Total Corporate Expenditure		**24,128**	**(1,801)**	**(7,037)**	**(11,961)**	**17,917**	**21,246**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
1	Employees	2,710	0	0	0	(220)	2,490
4	Supplies & Services	2,876	0	(862)	4,148	0	6,162
5	Third Party Payments	2,530	(1,801)	11,261	0	0	11,990
7	Support Services	25	0	(25)	0	0	0
Expenditure		**8,141**	**(1,801)**	**10,373**	**4,148**	**(220)**	**20,642**
9C	Income - Customer and Client Receipts	(50)	0	50	0	0	0
Income		**(50)**	**0**	**50**	**0**	**0**	**0**
N	Income & Expenditure outside of Net Cost of Service	388	0	7,746	0	0	8,135
Other items outside of the Net Cost of Service		**388**	**0**	**7,746**	**0**	**0**	**8,135**
R	Transfer to \ from Reserves	15,648	0	(25,207)	(16,109)	18,137	(7,531)
Transfer to \ from reserves		**15,648**	**0**	**(25,207)**	**(16,109)**	**18,137**	**(7,531)**
NET Expenditure		**24,128**	**(1,801)**	**(7,037)**	**(11,961)**	**17,917**	**21,246**

Savings proposals within Corporate Expenditure			
Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Improve efficiency			
Identify treasury management and legacy pension fund savings	By reviewing treasury management and pension fund savings options we could increase income from Treasury management activity and from the release of historic pension funds no longer required.	(220)	R14
Total savings proposals		**(220)**	

Proposed Budget 2022/23 - Divisional summary with savings
Division: Capital Financing

Services provided by Capital Financing
NA

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
X40	Capital Financing	22,495	0	0	0	0	22,495
Total Capital Financing		**22,495**	**0**	**0**	**0**	**0**	**22,495**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
4	Supplies & Services	152	0	0	0	0	152
X	Capital Financing Costs	9,361	0	0	0	0	9,361
Expenditure		**9,513**	**0**	**0**	**0**	**0**	**9,513**
9B	Income - Other Grants/Reimbursements and Contributions	(3,560)	0	0	0	0	(3,560)
9D	Income - Interest	(2,370)	0	0	0	0	(2,370)
Income		**(5,930)**	**0**	**0**	**0**	**0**	**(5,930)**
N	Income & Expenditure outside of Net Cost of Service	18,913	0	0	0	0	18,913
Other items outside of the Net Cost of Service		**18,913**	**0**	**0**	**0**	**0**	**18,913**
NET Expenditure		**22,495**	**0**	**0**	**0**	**0**	**22,495**

Savings proposals within Capital Financing			
Saving Name	Description	Savings £000	Savings Reference

Proposed Budget 2022/23 - Divisional summary with savings
Division: Corporate Revenue Funding

Services provided by Corporate Revenue Funding
NA

Summary by Service		2022/23 Budget					
Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
X80	Corporate Revenue Funding	(399,495)	0	(200)	(19,254)	0	(418,950)
Total Corporate Revenue Funding		**(399,495)**	**0**	**(200)**	**(19,254)**	**0**	**(418,950)**

Summary by CIPFA group (Account Type)		2022/23 Budget					
CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		£000					
9A	Income - Government Grants	(16,652)	0	0	9,620	0	(7,032)
Income		**(16,652)**	**0**	**0**	**9,620**	**0**	**(7,032)**
N	Income & Expenditure outside of Net Cost of Service	(382,843)	0	(200)	(28,875)	0	(411,918)
Other items outside of the Net Cost of Service		**(382,843)**	**0**	**(200)**	**(28,875)**	**0**	**(411,918)**
NET Expenditure		**(399,495)**	**0**	**(200)**	**(19,254)**	**0**	**(418,950)**

Savings proposals within Corporate Revenue Funding			
Saving Name	Description	Savings £000	Savings Reference

Proposed Budget 2022/23 - Divisional summary with savings

Division: Corporate Allowances

Services provided by Corporate Allowances

Summary by Service

Service		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
X90	Corporate Allowances	1,824	0	6,209	2,262	(2,700)	7,595
Total Corporate Allowances		**1,824**	**0**	**6,209**	**2,262**	**(2,700)**	**7,595**

Summary by CIPFA group (Account Type)

CIPFA description		Base Budget 2022/23	Pay & Inflation	Virements	Growth	Savings and Efficiencies	Proposed 2022/23 Budget
		2022/23 Budget £000					
N	Income & Expenditure outside of Net Cost of Service	1,824	0	6,209	2,262	(2,700)	7,595
Other items outside of the Net Cost of Service		**1,824**	**0**	**6,209**	**2,262**	**(2,700)**	**7,595**
NET Expenditure		**1,824**	**0**	**6,209**	**2,262**	**(2,700)**	**7,595**

Savings proposals within Corporate Allowances

Saving Name	Description	Savings £000	Savings Reference
Proposed Savings			
Property and capital investment			
Reduce council-owned property	In light of new ways of working following COVID-19, review the number of buildings we use for office space. Aim to reduce our office floor space by at least 50 per cent, whilst making sure we have the right amount and quality of workspaces, reducing our carbon footprint.	(1,500)	CEN03
Be more business-like and secure more external resource			
Discretionary Giving	Pilot new approaches to encouraging discretionary giving to causes related to key challenges and priorities, which can fund core activity and/or bring additional financing to City Funds and/or VCSE partners.	(50)	CEN06
Improve efficiency			
Review addressable spend / third party savings	To maximise benefit for public money through our addressable third party spend which will seek to deliver procurement, contract, and commercial interventions in a range of categories of third party and service activity in order to improve cashable and non-cashable value generated.	(750)	CEN02
Streamline strategic support services	Joining up pockets of the same or similar, strategic professional support services (common activities) to reduce costs, provide better coordination of our work and better prioritisation of our resources.	(400)	CEN04
Total savings proposals		**(2,700)**	

2022/23 - 2031/32 Capital Programme Summary — Appendix 2

People

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
Education								
12,484	PE01	School Organisation/ Children's Services Capital Programme	2,928	2,535	2,173	0	0	7,636
919	PE02	Schools Organisation/SEN Investment Programme	17,337	7,744	1,872	0	0	26,953
1,599	PE03	Schools Devolved Capital Programme	1,881	0	0	0	0	1,881
Children & Families								
120	PE05	Children & Families - Aids and Adaptations	115	100	43	0	0	257
813	PE06	Children Social Care Services	865	865	866	0	0	2,596
Better Lives at Home (Adults) Programme								
2,466	PE06B	Adult Social Care – Better Lives at Home Programme	940	940	940	0	0	2,820
18,401	**People Total**		24,066	12,184	5,893	0	0	42,143

Resources

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
Information & Communication Technology								
268	NH06A	Bristol Operations Centre - Phase 2	0	0	0	0	0	0
1,663	RE01	ICT Refresh Programme	1,647	1,472	0	0	0	3,118
219	RE03	ITTP – IT Transformation Programme	0	0	0	0	0	0
99	RE06	Return to Workplace ICT equipment – Covid Response Fund	0	0	0	0	0	0
FM Services								
2,411	PL21	Building Practice Service - Essential H&S	4,554	2,500	2,500	2,500	2,000	14,054
1,426	PL27	Vehicle Fleet Replacement Programme and Bristol Electric Vehicle Centre of Excellence	3,593	1,122	0	0	0	4,715
6,086	**Resources Total**		9,793	5,094	2,500	2,500	2,000	21,887

Growth & Regeneration

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
Bristol Ops Centre								
2,036	NH06A	Bristol Operations Centre - Phase 2	711	0	0	0	0	711
Parks and Green Spaces								
2,066	NH02	Investment in parks and green spaces	2,052	1,454	1,080	59	0	4,645
88	PL35	Harbour Operational Infrastructure	744	165	0	0	0	909
Economy of Place								
170	CRF3	Covid Recovery Fund – Economic Infrastructure	1,000	830	0	0	0	1,830
2,268	GR01	Strategic Property – Temple Meads Development	12,639	24,138	6,560	750	0	44,088
3,634	GR03	Economy Development - ASEA 2 Flood Defences	8,200	5,400	8,580	478	0	22,658
1,000	GR05	Strategic Property - Hawkfield Site	2,909	2,150	0	0	0	5,059
220	GR05A	South Bristol Light Industrial Workspace Redevelopment	3,900	450	0	0	0	4,350
482	GR08	Delivery of Regeneration of Bedminster Green	1,600	2,000	1,775	0	0	5,375
152	NH01	Libraries for the Future	0	0	0	0	0	0
417	NH03	Cemeteries & Crematoria - South site expansion	595	500	0	0	0	1,095
3,782	NH04	Third Household Waste Recycling and Re-use Centre	2,011	0	0	0	0	2,011
1,916	PL04	Strategic Transport	2,124	2,500	1,500	0	0	6,124
1,959	PL05	Sustainable Transport	420	1,000	164	0	0	1,584
500	PL06	Portway Park & Ride Rail Platform	1,661	500	0	0	0	2,161
200	PL11A	Cattle Market Road site re-development	938	1,270	0	0	0	2,208
47	PL17	Resilience Fund (£1m of the £10m Port Sale)	0	0	0	0	0	0
230	PL20	Strategic Property	69	1,442	29	29	0	1,569

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
469	PL22	Strategic Property - Investment in existing waste facilities	0	0	0	0	0	0
142	PL23	Strategic Property - Temple St	199	0	0	0	0	199
28,478	PL24	Bristol Beacon	26,011	7,629	4,756	1,423	0	39,819
180	PL32	Western Harbour Design Development	300	0	0	0	0	300
387	PL36	Investment in Markets infrastructure & buildings	0	0	0	0	0	0
Development of Place								
162	PL14	Bristol Legible City Scheme	0	0	0	0	0	0
159	PL15	Environmental Improvements Programme	150	100	100	100	0	450
Transport								
569	PL01	Metrobus	0	0	0	0	0	0
696	PL02	Passenger Transport	142	0	0	0	0	142
985	PL09	Highways infrastructure - bridge investment	1,740	1,000	0	0	0	2,740
4,800	PL09A	Highways infrastructure - Cumberland Road Stabilisation Scheme	3,256	0	0	0	0	3,256
10,453	PL10	Highways & Traffic Infrastructure - General	14,217	10,872	10,472	10,272	8,772	54,605
379	PL10B	Highways & Traffic - Street Lighting	700	2,400	1,900	0	0	5,000
1,357	PL10C	Transport Parking Services	0	0	0	0	0	0
Housing Delivery								
8,972	PL30	Housing Delivery Programme	10,881	11,971	6,022	5,743	10,635	45,252
300	PL34	Strategic property - Community investment scheme	850	0	0	0	0	850
Clean Air Zone Programme								
2,525	GR09	Clean Air Zone Programme	3,675	0	0	0	0	3,675

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
Housing & Landlord Services - Private Housing								
3,527	NH07	Private Housing	3,500	3,500	3,500	3,500	3,500	17,500
18,172	PL30A	Housing Programme delivered through Housing Company	9,325	32,562	18,280	6,944	0	67,111
Energy - Commercialisation								
10,418	PL18	Energy services - Renewable energy investment scheme	464	0	0	0	0	464
6,605	PL18A	Energy Services – Bristol Heat Networks expansion	8,761	2,800	3,900	1,000	0	16,461
262	PL18B	Energy Services - School Efficiencies	79	0	0	0	0	79
(154)	PL18D	Energy Services - EU Replicate Grant	0	0	0	0	0	0
121,012	**Growth & Regeneration Total**		125,824	116,634	68,619	30,298	22,907	364,282

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
145,500	**Capital Programme (GF) Total**		159,683	133,911	77,012	32,798	24,907	428,312

Corporate Funding & Expenditure

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
Capital Funding								
1,342	CP03	Corporate Contingencies	10,624	10,000	10,000	10,000	6,000	46,624
1,342	**Corporate Funding & Expenditure Total**		10,624	10,000	10,000	10,000	6,000	46,624

Schemes Pending Business Case Development

(Schemes not formally part of the capital programme and subject to further approval once more detailed work has been undertaken. Funding allocations and profile between year are illustrative only).

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
0	CRF1	Covid Recovery Fund – Community Improvements	0	1,700	1,700	600	0	4,000
395	CRF2	Covid Recovery Fund – Youth Zones Investment	1,000	1,000	1,605	0	0	3,605
0	GR07	Areas for Growth & Regeneration - Strategic CIL *Illustrative schemes include City Centre/Castle Park, Whitehouse St, Frome Gateway, Green Infrastructure (inc tree planting & biodiversity improvements), City Region Sustainable Transport Strategy and Avon Flood Strategy*	2,400	0	2,600	4,000	3,100	12,100
0	PL01A	Metrobus Transport	3,500	1,500	0	0	0	5,000
0	NH03	Cemeteries & Crematoria - North site development	0	0	880	1,420	2,000	4,300
0	NH05	Sports Provision	0	530	3,500	4,000	0	8,030
0	PE10	Sports Capital Investment - Community Hub	0	350	0	0	0	350
0	NEW	Digital Transformation - Network Improvements	1,250	5,530	0	0	0	6,780
0	NEW	Digital Transformation - Invest to Save scheme	5,100	700	0	0	0	5,800
0	NEW	Street Lighting Phase 2 - Invest to Save scheme	0	5,000	2,000	0	0	7,000
0	NEW	Invest to Save Fund	1,000	1,500	2,200	3,400	2,500	10,600
0	NEW	Decarbonisation Fund	2,000	4,000	6,000	4,000	3,000	19,000
395		**Schemes Pending Business Case Development Total**	16,250	21,810	20,485	17,420	10,600	86,565
147,237		**Capital Programme (GF) including Corporate Contingencies & Pending Schemes**	186,557	165,721	107,497	60,218	41,507	561,501

General Fund - Capital Funding

2021/22 £000s	Source of Finance	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
(54,923)	Prudential Borrowing	(53,808)	(38,516)	(27,368)	(21,863)	(18,805)	(160,360)
(5,868)	Prudential Borrowing – Economic Development Fund	(19,914)	(20,013)	(14,980)	(478)	0	(55,386)
(36,931)	Grants	(55,096)	(31,118)	(18,858)	(5,011)	(3,500)	(113,583)
(24,134)	Capital Receipts	(29,253)	(56,339)	(28,440)	(17,694)	(6,000)	(137,726)
(11,741)	Developer Contributions	(10,599)	(5,997)	(7,580)	(5,400)	(4,430)	(34,006)
(11,031)	WECA/LEP	(16,920)	(13,738)	(9,772)	(8,772)	(8,772)	(57,974)
(2,609)	Revenue and Reserves	(968)	0	(500)	(1,000)	0	(2,468)
(147,237)	**Capital Funding - General Fund Total**	(186,557)	(165,721)	(107,497)	(60,218)	(41,507)	(561,501)

Housing Revenue Account

2021/22 £000s	Ref	Scheme	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
33,300	HRA1	Housing Investment Programme	53,473	80,751	75,447	66,684	307,594	583,948
18,954	HRA2	New Build and Land Enabling	68,658	113,109	89,132	42,472	441,157	754,529
358	HRA4	HRA Infrastructure	550	569	581	593	3,815	6,108
52,612	Housing Revenue Account Total		122,681	194,429	165,160	109,749	752,566	1,344,585

Housing Revenue Account - Capital Funding

2021/22 £000s	Source of Finance	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
0	Prudential Borrowing	(3,461)	(107,367)	(111,874)	(69,029)	(377,897)	(669,628)
(24,180)	Capital Receipts	(52,999)	(7,102)	(6,561)	(5,916)	(29,218)	(101,796)
	Capital Grants	(3,426)	(8,079)	(13,664)	(836)	(120,000)	(146,005)
(28,432)	Revenue and Reserves	(62,795)	(71,881)	(33,061)	(33,968)	(225,451)	(427,156)
(52,612)	Housing Revenue Account Total	(122,681)	(194,429)	(165,160)	(109,749)	(752,566)	(1,344,585)

2021/22 £000s	Revised Capital Programme Budget Combined	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 to 2031/32 £000s	Total £000s
199,849	(GF + HRA) Totals	309,238	360,151	272,657	169,966	794,073	1,906,086

Appendix 3 Budget Risk Register Report

Corporate Risk Report Summary Page	Risk	Rating (As at Dec 2021)	Financial Impact Mitigation (Y / N)	Financial Impact £m	Choose Source
Risks					
People					
CRR9	Safeguarding Vulnerable Children	3x7=21	Y	13.0	MA
CRR10	Safeguarding Adults at Risk with Care and support needs	3x7=21	Y	10.0	MA
CRR39	Adult and Social Care major provider/ supplier failure	3x7=21	Y	8.0	MA
CRR43	Escalating DSG deficit and changes in ring-fenced arrangements	3x7=21	N	0.0	MA
CRR23	Adult and Social Care (ASC) Transformation programme	3x5=15	N	4.0	MA
CRR36	SEND	2x5=10	Y	1.0	MA
CRR45	Failure to deliver statutory duty in respect of the safeguarding of Children	3x3=9	N	0.0	MA
Growth & Regeneration					
CRR32	Failure to deliver enough affordable Homes to meet the City's needs	4x7=28	N	0.0	MA
CRR44	Lack of progress for Mass Transit Impact on city	4x5=20	N	0.0	MA
CRR37	Homelessness	4x5=20	Y	2.3	MA
CRR41	Major projects Capital Investment	3x5=15	Y	50.0	CC
CRR5	Business Continuity and Council Resilience	3x5=15	N	0.0	MA
CRR12	Failure to deliver suitable emergency planning measures, respond to and manage emergency events when they occur	3x5=15	N	0.0	MA
CRR18	Failure to deliver enough homes to meet the City's needs.	3x5=15	N	0.0	MA
CRR27	Capital Transport Programme Delivery	3x5=15	Y	0.0	AMP
Resources					
CRR35	Organisational Resilience	4x7=28	Y	1.0	UR
CRR13	Financial Framework and MTFP	3x7=21	Y	6.0	EMR
CRR25	Suitability of Line of Business Systems (LOB)	4x5=20	N	0.0	MA
CRR7	Cyber-Security	4x5=20	Y	8.0	AMP
CRR4	Corporate Health, Safety and Wellbeing	3x5=15	N	0.0	MA
CRR29	Information Security Management System	3x5=15	N	0.0	MA
CRR6	Fraud and Corruption	3x5=15	N	0.0	MA
CRR40	Unplanned Investment in Subsidiary Companies	3x5=15	Y	2.0	UR
CRR26	ICT Resilience	2x5=10	N	0.0	MA
CRR15	In-Year Financial Deficit	3x3=9	Y	3.4	UR
CRR34	Corporate Equalities	1x5=5	N	0.0	MA
External Risks					
BCCC4	COVID-19 Population Health	3x5=15	N	0.0	MA
BCCC1	Flooding	3x5=15	Y	0.0	MA
Opportunities					
OPP2	Corporate Strategy	2x7=14	N	0.0	MA
OPP1	One City	3x7=21	N	0.0	MA

Strategies to manage risk Definitions of the provision identified in the table above table by which risk will be managed		Total £m	Reserve £m
MA	Mitigating Action – Strategic Directors / Directors to identify alternative measures to manage risks / opportunities within available resources and growth allocated as per budget report	*38.3*	*n/a*
CC	Corporate Contingency - due to its recurrent nature a corporate contingency has been set aside	50.0	49.4
AMP	Asset Management Plans – will require to be addressed through asset management plans.	8.0	8.2
EMR	Earmarked provision – the Council has set monies aside in an earmarked reserve or other provision to meet the estimated costs.	6.0	11.0
UR	Unallocated Reserve – Council would require drawing funding down from the unallocated General Fund balance to meet costs	6.4	32.4
		70.4	**101.0**

APPENDIX 4

Treasury Management Strategy Statement

Background

1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

1.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund balance.

1.4 The Chartered Institute of Public Finance Accountants (CIPFA) defines treasury management as:

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

1.5 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities (arising usually from capital expenditure), and are separate from the day to day treasury management activities.

Reporting Requirements – Capital Strategy

1.6 The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2022-23, all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

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

The aim of this capital strategy is to ensure that all elected members of the full council understand the overall long term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite. Full Council approved its current Capital Strategy on 7 December 2021.

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

Reporting Requirements – Treasury Management

1.7 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

I. **A Treasury Strategy including Prudential and Treasury indicators** (this report) - the first, and most important report covers:

- the capital plans (including prudential indicators)
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time)
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

II. **A Mid-Year Treasury Management Report** – this will update the Council with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury activity is meeting the strategy or whether any policies require revision.

III. **An Annual Treasury Report** – this provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

1.8 The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit Committee.

1.9 CIPFA published revised codes on 20 December 2021 of the Treasury Management Code and Prudential Code, with formal adoption not until the 2023/24 financial year. In addition, the Department for Levelling Up, Housing and Communities (DLUHC) are currently conducting a consultation on amending Minimum Revenue Provision Rules with effect from 1 April 2023 that could possibly have a negative revenue impact for the authority if implemented.

Further details of these changes are set out in Annex 4.

Treasury Management Strategy for 2022/23

1.10 The Treasury Management Strategy for 2022/23 covers two main areas:

<u>Capital Issues</u>

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

<u>Treasury Management Issues</u>

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

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

1.12 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Treasury Management training was provided in July 2021 with further training planned in 2022.

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

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

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

1.16 The scope of investments within the Council's Treasury operations include the placing of residual cash from the Council's functions in various products such as fixed term deposits, call accounts and money markets with a variety of financial institutions.

The Capital Prudential Indicators 2022/23 – 2026/27

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

Capital Expenditure

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

Table 1 – Capital expenditure plan and financing

Capital expenditure £m	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Non-HRA	126	147	168	140	84	40	27
Non – HRA[*1]	-	-	16	22	20	17	11
HRA	39	53	123	194	165	110	94
Total	**165**	**200**	**307**	**356**	**269**	**167**	**132**
Financed by:							
Capital receipts	35	48	83	63	34	24	11
Capital grants	74	60	82	55	48	16	13
HRA Self financing	22	29	30	32	33	34	35
Revenue	4	3	34	40	1	1	-
Net financing need for year	**30**	**60**	**78**	**166**	**153**	**92**	**73**

*1 Schemes pending subject to business case development

Note, the table above exclude arrangements such as service-concession contracts such as PFI and leasing that have their own financing / borrowing facilities.

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

1.19 The Capital Financing Requirement (CFR) is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

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

1.21 The CFR includes any long-term liabilities (eg PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £133m of such schemes within the CFR.

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

Table 2 – Capital Financing Requirement projections

	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
CFR – non housing	508	564	629	675	701	709	713
CFR – PFI/Lease schemes	133	124	116	107	98	89	80
CFR – housing	245	245	249	356	468	537	591
Total CFR	**886**	**933**	**994**	**1,138**	**1,267**	**1,335**	**1,384**
Movement in CFR	**16**	**47**	**61**	**144**	**129**	**68**	**49**

Net financing need for year	30	60	78	166	153	92	73
Less MRP & other financing	(14)	(13)	(17)	(22)	(24)	(24)	(24)
Movement in CFR	**16**	**47**	**61**	**144**	**129**	**68**	**49**

Minimum Revenue Provision (MRP) policy statement

1.23 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge, the minimum revenue provision (MRP), although it is allowed to undertake additional voluntary provision (VRP).

1.24 The Department for Levelling Up, Housing and Communities (DLUHC) has issued regulations which require Full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

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

Note a change in policy approved by Full Council on 13 December 2016 amended the rate that is used to calculate MRP from 4% reducing balance to 2% straight line as this is better aligned to the average lives of the authority's assets and results with the debt being fully repaid. This means that the authority has overprovided during the period 1 April 2008 through to 31 March 2016. The Council has reduced its MRP provision in 2017/18 through to 2021/22 and will reduce its MRP *further, over an adequate timeframe (a further 1 year) to recover this overprovision while also ensuring a prudent annual provision is maintained.*

This additional reduction in MRP will be set aside to reserves to ensure the Council maintains reasonable provision as mitigation for financial risks outlined in the main body of the report. It is estimated that for 2022/23 £4.1m of this overprovided MRP will be made available to supplement general reserves.

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

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

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

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

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

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

Affordability prudential indicator

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

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

Table 3 – Ratio of financing costs to net revenue stream

	2020/21 Actual %	2021/22 Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %
General Fund	6.9	6.7	7.5	9.1	9.2	9.3	8.9
HRA	8.8	9.1	8.2	8.4	9.8	10.9	12.4

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

Borrowing

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

Current and projected portfolio position

1.30 The Council's treasury portfolio position at 31 March 2021, with forward projections, is summarised below. The table shows the actual external debt against the underlying capital borrowing need (the Capital Financing Requirement), highlighting any over or under borrowing.

Table 4 – Current and projected debt portfolio position

	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
External Debt 1 April	461	451	451	516	716	896	1,006
Expected change in debt	(10)	-	65	200	180	110	53
Other long-term liabilities	141	133	124	116	107	98	89
Expected change in other long-term liabilities	(8)	(9)	(8)	(9)	(9)	(9)	(9)
Debt Administered on behalf of the Unitary authorities	(39)	(37)	(36)	(35)	(33)	(32)	(31)
Actual gross debt 31 March	**545**	**538**	**596**	**788**	**961**	**1,063**	**1,108**
Capital Financing Requirement	**886**	**933**	**994**	**1,138**	**1,267**	**1,335**	**1,384**
Under borrowing	**(341)**	**(395)**	**(398)**	**(350)**	**(306)**	**(272)**	**(276)**

Gross Debt and the Capital Financing Requirement

1.31 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes or speculative purposes.

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

Treasury Indicators: limits to borrowing activity

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

Currently the operational boundary is planned to be lower than the CFR as the Council is utilising other cash resources to support the financing of the capital programme, also commonly known as internal borrowing.

Table 5 – The Operational Boundary

	2021/22 Approved £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Debt	561	516	716	896	1,006	1,059
Other long-term liabilities	133	124	116	107	98	89
Total	**693**	**640**	**832**	**1,003**	**1,104**	**1,148**

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

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

Table 6 – The Authorised limit for External Debt

	2021/22 Approved £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Total	**1,000**	**1,010**	**1,160**	**1,290**	**1,360**	**1,410**

The graph below shows the above projections in one chart to assist with presenting this information.

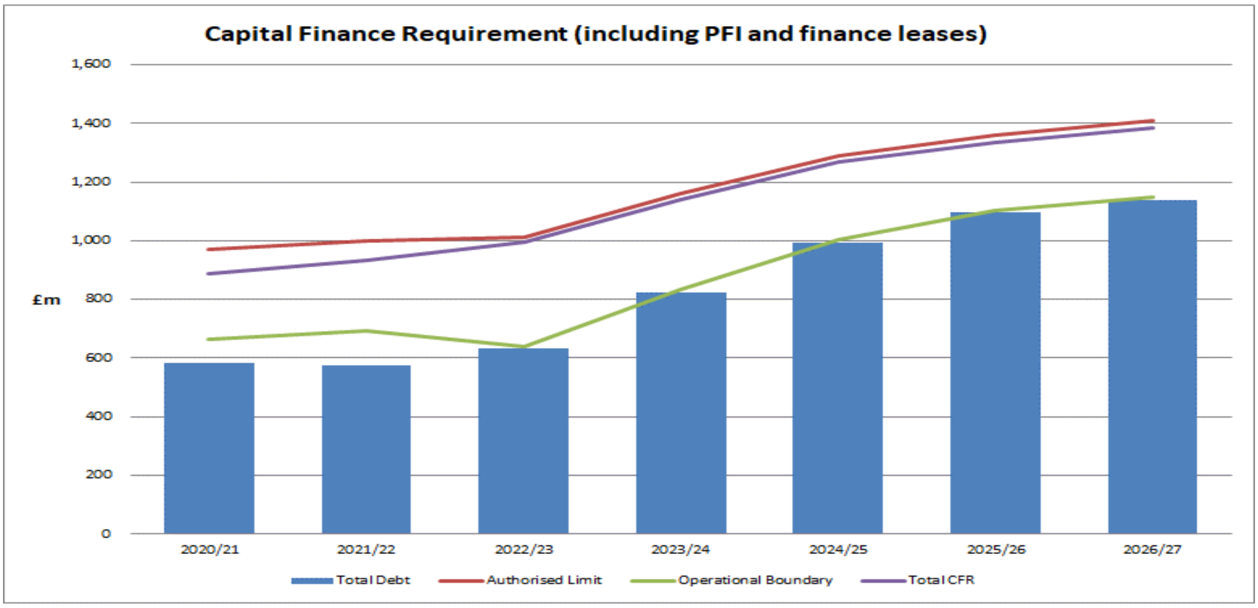


Figure 1 – Capital Finance Requirement Chart

Prospects for interest rates

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

Table 7 – Prospects for Interest Rates

Period	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)			
		5 year	10 Year	25 year	50 year
Mar 2022	0.25	1.50	1.70	1.90	1.70
Mar 2023	0.75	1.70	1.90	2.20	2.00
Mar 2024	1.00	1.90	2.10	2.30	2.10
Mar 2025	1.25	2.00	2.30	2.50	2.30

Over the last two years, the coronavirus outbreak has done significant economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left the Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16 December 2021.

As shown in the forecast table 7 above, the forecast for Bank Rate now includes the following increases: quarter 2 of 2022 to 0.50%; quarter 1 of 2023 to 0.75%; quarter 1 of 2024 to 1.00% and quarter 1 of 2025 to 1.25%. With the high level of uncertainty prevailing on several different fronts, we expect these forecasts to be revised.

The forecast for PWLB borrowing rates show a general upward trend across all maturity bands over the next three years. There is likely to be exceptional volatility and unpredictability in respect of gilt yields and PWLB rates from numerous factors. The balance of risks associited with these rates are to the upside.

There are significant risks to these forecasts as set out in Annex 2: Economic Forecast and Interest Rate Forecast.

Investment and borrowing rates

Investment returns are expected to improve in 2022/23. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the Monetary Policy Committee (MPC) fall short of these elevated expectations.

Borrowing interest rates fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England and still remain at historically low levels. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years.

On 25 November 2020 the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates which had been increased by 1% in October 2019. The margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three-year capital programme.

The Council can now borrow from the PWLB at - gilt plus 80 basis points.

Borrowing for capital expenditure. Our long-term (beyond 10 years), forecast for Bank Rate is 2.00%. As some PWLB certainty rates are currently below 2.00%, there remains value in considering long-term borrowing from the PWLB where appropriate. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive as part of a balanced debt portfolio.

The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

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

There are also alternative sources of long-term borrowing available, besides PWLB, if an authority is seeking to avoid a “cost of carry” but also wishes to mitigate future re-financing risk, and these sources will be considered.

Borrowing Strategy

1.36 Based on current cash flow forecasts, it is estimated that the Council will have a net borrowing requirement of £608m over the MTFS period. The most significant consideration from a treasury management perspective is the timing and duration of that borrowing. Should the financial environment change and borrowing is deemed advantageous the Council will seek to borrow long-term loans below a “target rate” of 2.00% and short to medium term loans below a “target rate” of 1.75%.

1.37 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement) has not been fully funded with loan debt as cash supporting the Council’s reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is an issue that needs to be considered.

1.38 Against this background and the risks within the economic forecast, caution will be adopted with the 2022/23 treasury operations. The Chief Finance Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *If it was felt that there was a significant risk of a sharp FALL in borrowing rates,* then borrowing will be postponed.
- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast,* perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

1.39 Any decisions will be reported to the appropriate decision making body at the next available opportunity.

- Long term and short term fixed interest rates are expected to rise “marginally” over the medium term. The Chief Finance Officer, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast in Table 7 above.
- The option of postponing borrowing and running down investment balances strategy has been applied in 2022/23. This approach will continue until balances are reduced to adequate liquidity requirements unless it was felt that there was a significant risk of a sharp rise in interest rates.
- The Council’s borrowing strategy will consider new borrowing in the following ways:
  - The cheapest borrowing will be internal borrowing by running down cash balances and foregoing interest earned at historically low rates. However, in view of the overall forecast for long term borrowing rates to increase, be it marginally, over the next few years,

consideration will also be given to weighing the short term advantage of internal borrowing against potential long term costs if the opportunity is missed for taking loans at long term rates which will be higher in future years;

- PWLB loans for up to 10 years where rates are expected to be significantly lower than rates for longer periods. This offers a range of options for new borrowing, which will spread debt maturities away from a concentration in the longer dated debt that the Council holds;
- PWLB loans in excess of 10 years where rates are considered to be low and offer the Council the opportunity to lock into low value long-term finance;
- Long term fixed rate market loans at rates significantly below PWLB rates for the equivalent maturity period (where available) and to maintain an appropriate balance between PWLB and market debt in the debt portfolio;
- Long term borrowing from the Municipal Bond Agency if available and appropriate and rates are lower than those offered by the Public Works Loan Board (PWLB).
- Short to medium funding from local authorities and financial institutions at rates lower than the PWLB.

1.40 The authority is planning net borrowing of £65m over the period, to finance the expected Prudential Borrowing requirement of £78m as set out in in the Capital programme. The reduced borrowing of £13m partly reflects the cash set aside for the repayment of debt, also known as Minimum Revenue Provision (MRP). The most efficient arrangement is for MRP to be used to reduce the new long term debt expected to be required. This ensures that MRP is utilised and does not accumulate as cash on the balance sheet and reduces the expected level of debt. Alternatively, MRP could be used to repay existing debt, but this would be at considerable cost in the current interest rate environment.

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

1.41 The Council will seek to undertake temporary borrowing (less than one year) loans to cover day-to-day cashflow requirements as and when required. Such a decision will be based on the availability of and access to cash in deposit accounts and money market funds to cover the cashflow requirement, whilst also considering the most efficient method for the authority.

1.42 Temporary borrowing will also be considered when the draw down deadline for a deposit account for same day transfer has passed, thus resulting in borrowing cash from the money markets.

1.43 The Chief Finance Officer will be kept informed of the temporary loans outstanding on a monthly basis and reviewed at the regular Treasury Management Group meeting.

Policy on borrowing in advance of need

1.44 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

1.45 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Debt Rescheduling

1.46 As the yield curve is relatively flat there are limited opportunities to generate savings by switching from long term debt to short term debt. In addition, rescheduling of our PWLB loans is unlikely to occur due to how the repayment penalties and discounts are calculated. Any savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

1.47 The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings
- helping to fulfil the treasury strategy
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

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

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

Zero Carbon initiatives

1.50 The capital strategy references the Council being able to:

explore zero carbon initiatives funded through Community Municipal Investments or Retail Bonds upto a maximum exposure in such investments of £2m. The exposure to such initiatives would be included within the General Fund capital financing costs exposure of a maximum 10% of the net revenue budget.

1.51 If such an opportunity arose the Council would explore the zero carbon initiative in accordance with this strategy.

Annual Investment Strategy

Investment policy

1.52 The Department of Levelling Up, Housing and Communities (DLUHC, formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy (a separate report).

1.53 The Council's investment policy has regard to the following: -

- DLUHC's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate, it is considered appropriate to keep investments short term to cover cash flow needs. However, where appropriate (from an internal as well as external perspective), the Council will also consider the value available in periods up to 36 months with high credit rated financial institutions, as well as wider range fund options.

The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of

the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

- Other information sources used will include the financial press, share price and other such information pertaining to the financial sector, in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- The Council has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in Annex 3 under the categories of 'specified' and 'non-specified' investments. Counterparty limits will be set through the Council's treasury management practices – schedules using the parameters below:
  - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.
  - **Non-specified investments** are those with less high credit quality, maybe for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
  - Counterparty lending limits (amounts and maturity) will be set using the investment criteria below.

Creditworthiness policy

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

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

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

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

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

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

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

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

- **Banks 2:** part nationalised UK banks – Royal Bank of Scotland ring-fenced operations. This bank can be included if they continue to be part nationalised or they meet the ratings in Banks 1 above.
- **Banks 3:** the Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
- **Bank subsidiary and treasury operation:** the Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- **Building societies:** the Council will use all societies which meet the ratings for banks outlined above.
- **Money market funds (CNAV Constant Net Asset Value):** AAA rated (sterling)
- **Money Market Funds (LVNAV Low Volatility Net Asset Value):** AAA rated (sterling)
- **Money Market Funds (VNAV Variable Net Asset Value):** AAA rated (sterling)
- **Ultra-Short dated Bond Funds with a volatility rating of S1+**
- **UK Government** (including gilts and the DMADF)
- **Local authorities, parish councils etc**
- **Supranational institutions**
- **Council owned subsidiaries:** the Council invests in wholly owned Council subsidiaries. Depending on the nature of the investment this will either be classified as a service investment or a treasury investment. Service investments fall outside the scope of the specified/ non specified categories and currently investments of this type are classified as service investments.

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

Country and sector considerations

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

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

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

Time and monetary limits applying to investments

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

Table 8 – Time & Monetary limits applying to investments

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

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

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

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

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

1.62 **Investment return expectations.**

The current forecast shown in Annex 2 includes a forecast for a first increase in Bank Rate in May 2022, though it could come in February. The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year, (based on a first increase in Bank Rate in quarter 2 of 2022), are as follows (the long term forecast is for periods over 10 years in the future):

- 2022/23 0.50%
- 2023/24 0.75%
- 2024/25 1.00%
- 2025/26 1.25%

- 2026/27 1.50%
- Long term later years 2.00%

Investment interest rates and very short term PWLB rates will not be rising as quickly or as highly as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion. Further details set out in Annex 2.

Treasury management limits on activity

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

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits
- The Council is asked to approve the following treasury indicators and limits

Table 9 – Treasury Management limits on activity

	2022/23 Upper	2023/24 Upper	2024/25 & Beyond Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	40%	40%	40%
Maturity structure of fixed interest rate borrowing 2022/23			
		Lower	**Upper**
Under 12 months		0%	30%
12 months to 2 years		0%	40%
2 years to 5 years		0%	40%
5 years to 10 years		0%	50%
10 years and above		25%	100%

Investment treasury indicator and limit

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

Table 10 – Investment treasury Indicators & Limit

Maximum principal sums invested > 365 days			
£m	**2022/23**	**2023/24**	**2024/25 & Beyond**
Principal sums invested > 364 days	£100m	£100m	£100m

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

Ethical & Equitable Investment Policy

1.66 The Council's previous Ethical Investment Policy was approved by Cabinet on the 15 December 2011 (updated 2015). In summary it states the City Council will not knowingly invest in organisations whose activities include practices which directly pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the mission and values of the City Council.

1.67 A new Ethical and Equitable Investment Policy was recently approved by Cabinet (18 January 2022). This new policy replaces the previous policy and forms part of the Treasury Management Strategy that is subject to Full Council approval in February 2022. The key changes included in the new policy are the Council taking a more proactive approach to ethical investment and a widening of the policy to promote an equitable approach to investment across all communities in Bristol. It should be noted a core element of the new policy continues to be the application of statutory guidance relating to treasury management funds.

Investment Risk Benchmarking

1.68 These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report.

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

- 0.00% (AAA rated) to 0.04% (A rated) historic risk of default when compared to the whole portfolio.

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

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

Yield - local measures of yield benchmarks are:

- Investments – internal returns above the 7-day SONIA compounded rate (Sterling Overnight Interbank Average).

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

Table 11 – Investment Risk Benchmarking

	1 year	2 years	3 years	4 years	5 years
Maximum	0.04%	0.13%	0.23%	0.33%	0.46%

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

The Council is appreciative that the provision of LIBOR and associated LIBID rates is expected to cease at the end of 2021. It will work with its advisors in determining suitable replacement investment benchmark(s) ahead of this cessation and will report back to members accordingly.

Annexes

Annex 1 - Treasury Management Policy Statement

Annex 2 – Economic Background / Interest Rate Forecast

Annex 3 – TMP1 Credit and Counterparty Risk Management

Annex 4 - Changes to Codes of Practice and Minimum Revenue Provision Consultation

Annex 5 – Ethical and Equitable Investment Policy

Annex 1

Treasury Management Policy Statement

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

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

2. The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.

3. The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

4. The Council's high-level policies for borrowing and investments are:

   - The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken, and the type of borrowing, should allow the Council transparency and control over its debt

   - The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned on investments remain important but are secondary considerations.

Annex 2

Economic Background / Interest Rate Forecast

Table 1 – Interest Rate Forecast

Link Group Interest Rate View 20.12.21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
3 month ave earnings	0.20	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00
6 month ave earnings	0.40	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10
12 month ave earnings	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20
5 yr PWLB	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
10 yr PWLB	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
25 yr PWLB	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
50 yr PWLB	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30
Bank Rate														
Link	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
Capital Economics	0.25	0.25	0.50	0.75	0.75	0.75	0.75	1.00	1.00	-	-	-	-	-
5yr PWLB Rate														
Link	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
Capital Economics	1.40	1.40	1.50	1.50	1.60	1.70	1.70	1.80	1.90	-	-	-	-	-
10yr PWLB Rate														
Link	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
Capital Economics	1.60	1.60	1.70	1.70	1.80	1.80	1.90	2.00	2.00	-	-	-	-	-
25yr PWLB Rate														
Link	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
Capital Economics	1.80	1.80	1.90	1.90	2.00	2.10	2.10	2.20	2.30	-	-	-	-	-
50yr PWLB Rate														
Link	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30
Capital Economics	1.40	1.50	1.60	1.70	1.80	1.90	2.00	2.20	2.30	-	-	-	-	-

LIBOR and LIBID rates will cease from the end of 2021. Work is currently progressing to replace LIBOR with a rate based on SONIA (Sterling Overnight Index Average). In the meantime, the forecasts are based on expected average earnings by local authorities for 3 to 12 months.

The forecasts for average earnings are averages ie rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short term cash at any one point in time.

Over the last two years, the coronavirus outbreak has done significant economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16 December 2021.

As shown in the forecast table above, the forecast for Bank Rate now includes the following increases, quarter 2 of 2022 to 0.50%; quarter 1 of 2023 to 0.75%; quarter 1 of 2024 to 1.00% and quarter 1 of 2025 to 1.25%. With the high level of uncertainty prevailing on several different fronts, we expect these forecasts to be revised.

Significant risks to the forecasts

- **Mutations** of the virus render current vaccines ineffective, and tweaked vaccines to combat these mutations are delayed, or cannot be administered fast enough to prevent further lockdowns. 25%

of the population not being vaccinated is also a significant risk to the NHS being overwhelmed and lockdowns being the only remaining option.

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity.
- **The Monetary Policy Committee** acts too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- **The Monetary Policy Committee** tightens monetary policy too late to ward off building inflationary pressures.
- **The Government** acts too quickly to cut expenditure to balance the national budget.
- **UK / EU trade arrangements** - major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- **Longer term US treasury yields** rise strongly and pull gilt yields up higher than forecast.
- **Major stock markets** eg, in the US, become increasingly judged as being over-valued and susceptible to major price corrections. Central banks become increasingly exposed to the "moral hazard" risks of having to buy shares and corporate bonds to reduce the impact of major financial market selloffs on the general economy.
- **Geopolitical risks**, for example in Ukraine, Iran, North Korea, but also in Europe and Middle Eastern countries; on-going global power influence struggles between Russia/China/US. These could lead to increasing safe-haven flows.

The balance of risks to the UK economy

- The overall balance of risks to economic growth in the UK is now to the downside, including risks from Covid and its variants - both domestically and their potential effects worldwide.

Forecasts for Bank Rate

- It is not expected that Bank Rate will rise quickly after the initial rate rise as the supply potential of the economy is not likely to have taken a "major hit" during the pandemic: it should, therefore, be able to cope well with meeting demand after supply shortages subside over the next year without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the MPC's 2% target after the spike up to around 5%.
- The forecast includes four increases in Bank Rate over the three year forecast period to March 2025, ending at 1.25%. However, it is likely that these forecasts will need changing within a relatively short timeframe for the following reasons: -
    - We do not know how severe an impact Omicron could have on the economy and whether there will be another lockdown or similar and, if there is, whether there would be significant fiscal support from the Government for businesses and jobs.
    - There were already increasing grounds for viewing the economic recovery as running out of steam during the autumn and now into the winter and then another variant of the Coronavrus (Omicron) surfaced posing a significant downside threat to economic activity. This could lead into stagflation / or even into recession, which would then pose a dilemma for the Monetary Policy Committee as to whether to focus on combating inflation or supporting economic growth through keeping interest rates low.
    - Will some current key supply shortages "spill over" into causing economic activity in some sectors to take a reduction?
    - Rising gas and electricity prices in October and next April and increases in other prices caused by supply shortages and increases in taxation next April, are already going to

  deflate consumer spending power without the MPC having to take any action on Bank Rate to cool inflation.
  - However, consumers are holding £160bn of excess savings left over from the pandemic so when will they spend this sum, in part or in total?
  - It looks as if the economy coped well with the end of furlough on 30th September. It is estimated that there were around 1 million people who came off furlough then and there was not a huge spike up in unemployment. In addition job vacancies have been hitting record levels so there is a continuing acute shortage of workers. This is a potential danger area if this shortage drives up wages which then feed through into producer prices and the prices of services ie a second-round effect that the MPC would have to act against if it looked like gaining significant momentum.
  - We also recognise there could be further Covid mutations beyond the Omicron mutation.
  - If the UK invokes article 16 of the Brexit deal over the dislocation in trading arrangements with Northern Ireland, this has the potential to end up in a no-deal Brexit.
  - In summary, with the high level of uncertainty prevailing on several different fronts, we expect forecasts to be revised.
  - It should also be noted that Bank Rate being cut to 0.25% and then to 0.10%, were emergency measures to deal with the Covid crisis hitting the UK in March 2020. At any time, the MPC could decide to remove such emergency cuts on no other grounds than they are no longer warranted, and as a step forward in the return to normalisation. In addition, any Bank Rate under 1% is both highly unusual and highly supportive of economic growth.

Forecasts for PWLB rates and gilt and treasury yields

- Since the start of 2021, there has been a lot of volatility in gilt yields, and hence PWLB rates. As the interest forecast table for PWLB certainty rates above shows, there is forecast to be a steady but slow rise in both Bank Rate and gilt yields during the forecast period to March 2025, though there will doubtless be a lot of unpredictable volatility during this forecast period.
- Whilst monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in America could have on our gilt yields. As an average since 2011, there has been a 75% correlation between movements in US 10-year treasury yields and UK 10-year gilt yields. This is a significant UPWARD RISK exposure to our forecasts for longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.

US treasury yields

- During the first part of 2021, the US agreed a fiscal boost of $1.9trn (equivalent to 8.8% of GDP) for the US economy as a recovery package from the Covid pandemic that unsettled financial markets. However, this was in addition to the $900bn support package already passed in December 2020. This was then followed by additional $1trn package on infrastructure, and an even larger sum on the proposed "American families plan" over the next decade. Financial markets were alarmed that all this stimulus was happening at a time when: -
  - A fast vaccination programme had enabled a rapid opening up of the economy during 2021.
  - The economy was growing strongly during the first half of 2021 although it weakened overall during the second half.
  - It started from a position of little spare capacity due to less severe lockdown measures than in many other countries.
  - The Federal Reserve was providing substantial stimulus through monthly QE purchases during 2021.

- It was not of a surprise that a combination of these factors would eventually cause an excess of demand in the economy which generated strong inflationary pressures. This was eventually recognised by the Federal Reserve at its December meeting with a response to damp inflation down during 2022 and 2023.
- At its 3 November 2021 Federal Reserve meeting it was decided to start tapering its $120bn per month of Quantitative Easing purchases so that they ended June 2022. However, at its 15 December 2021 meeting the Federal Reserve doubled the pace of tapering so that all purchases ended in February 2022. These purchases are currently acting as downward pressure on treasury yields and so it would be expected that treasury yields will rise over the taper period and after the taper ends. The Federal Reserve also forecast at its December 2021 meeting that it expected there would be three rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024, taking rates back above 2% to a neutral level for monetary policy.
- There are also possible DOWNSIDE RISKS from the large sums of cash that the UK populace has saved during the pandemic. When savings accounts earn little interest, it is likely that some of this cash could be invested in bonds and so push up demand for bonds and support their prices ie this would help to keep their yields down.
- There is likely to be **exceptional volatility and unpredictability in respect of gilt yields and PWLB** rates due to the following factors: -
    - How strongly will changes in gilt yields be correlated to changes in US treasury yields (see below).

      over the 10 years since 2011 there has been an average 75% correlation between movements in US treasury yields and gilt yields. However, from time to time, these two yields can diverge. Lack of spare economic capacity and rising inflationary pressures are viewed as being much greater dangers in the US than in the UK. This could mean that central bank rates will end up rising earlier and higher in the US than in the UK if inflationary pressures were to escalate;

      the consequent increases in treasury yields could cause (lesser) increases in gilt yields. There is, therefore, an upside risk to forecasts for gilt yields due to this correlation. The Link Group forecasts have included a risk of a 75% correlation between the two yields.
    - Will the Federal Reserve take action to counter increasing treasury yields if they rise beyond a yet unspecified level?
    - Would the Monetary Policy Committee act to counter increasing gilt yields if they rise beyond a yet unspecified level?
    - How strong will inflationary pressures actually turn out to be in both the US and the UK and so put upward pressure on treasury and gilt yields?
    - How will central banks implement their new average or sustainable level inflation monetary policies?
    - How well will central banks manage the withdrawal of QE purchases of their national bonds ie without causing a reaction in financial markets as happened in the US in 2013?
    - Will exceptional volatility be focused on the short or long end of the yield curve, or both?
- As the US financial markets are, by far, the biggest financial markets in the world, any upward trend in treasury yields will invariably impact and influence financial markets in other countries. Inflationary pressures and erosion of surplus economic capacity look much stronger in the US compared to those in the UK, which would suggest that Federal Reserve rate increases eventually needed to suppress inflation, are likely to be faster and stronger than Bank Rate increases in the UK. This is likely to put upward pressure on treasury yields which could then “feed” into putting upward pressure on UK gilt yields.

- The forecasts are also predicated on an assumption that there is no break-up of the Eurozone or EU within the forecasting period, despite the major challenges that are looming, and that there are no major “ructions” in international relations, especially between the US and Russia, China / North Korea and Iran, which have a major impact on international trade and world GDP growth.

The balance of risks to medium to long term PWLB rates: -

- There is a balance of upside risks to forecasts for medium to long term PWLB rates.

A new era for local authority investing

A fundamental shift in central bank monetary policy

- One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the Federal Reserve, the Bank of England and the European Central Bank, to “tolerate” a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation, especially on ‘achieving broad and inclusive “maximum” employment in its entirety’ in the US, before consideration would be given to increasing rates.
- The Federal Reserve has gone furthest in adopting a monetary policy based on a clear goal of allowing the inflation target to be symmetrical (rather than a ceiling to keep under), so that inflation averages out the dips down and surges above the target rate, over an unspecified period of time.
- The Bank of England has also amended its target for monetary policy so that inflation should be ‘sustainably over 2%’ before starting to raise Bank Rate. The European Central Bank also have a similar policy.
- For local authorities, this means that investment interest rates and very short term PWLB rates will not rise as quickly or as highly as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.
- Labour market liberalisation since the 1970s has helped to break the wage-price spirals that fuelled high levels of inflation and has now set inflation on a lower path which makes this shift in monetary policy practicable. In addition, recent changes in flexible employment practices, the rise of the “gig” economy and technological changes, will all help to lower inflationary pressures.
- Governments will also be concerned to see interest rates stay lower as every rise in central rates will add to the cost of vastly expanded levels of national debt (in the UK this is £21bn for each 1% rise in rates). On the other hand, higher levels of inflation will help to erode the real value of total public debt.

Economic Background

COVID-19 vaccines

The vaccines raised hopes that life in the UK would be able to largely return to normal in the second half of 2021. However, the Omicron mutation at the end of November 2021 dashed these hopes and raised the possibility of a fourth wave.

To prevent further lockdowns which heavily damage the economy, the government strategy this time is focusing on getting as many people as possible to have a third (booster) vaccination.

As at the end of December workers have been requested to work from home and restrictions have been placed on large indoor gatherings and hospitality venues. With the household saving rate having been exceptionally high since the first lockdown in March 2020, there is plenty of pent-up demand and purchasing power stored up for services in sectors like restaurants, travel, tourism and hotels which had been hit hard during 2021, but could now be hit hard again by either, or both, government restrictions and/or consumer reluctance to leave home.

Growth will therefore be lower and the economy faces headwinds although some sectors have learned how to cope well with Covid. The biggest impact on growth coming from another lockdown.

The big question still remains as to whether any further mutations of this virus could develop which render all current vaccines ineffective, as opposed to how quickly vaccines can be modified to deal with them and enhanced testing programmes implemented to contain mutation spread until tweaked vaccines become widely available.

A Summary Overview of the Future Path of Bank Rate

In December 2021, the Bank of England became the first major western central bank to put interest rates up. The next increase in Bank Rate could be in February or May, dependent on how severe an impact there is from Omicron.

If there are lockdowns in January, this could pose a barrier for the MPC to put Bank Rate up again as early as 3 February.

With inflation expected to peak at around 6% in April, the MPC may want to be seen to be active in taking action to counter inflation on 5 May, the release date for its Quarterly Monetary Policy Report.

The December 2021 Monetary Policy Committee meeting was “more” concerned with combating inflation over the medium term than supporting economic growth in the short term. Bank Rate increases beyond May are difficult to forecast as inflation is likely to drop sharply in the second half of 2022. However, the MPC will want to normalise Bank Rate over the next three years so that it has its main monetary policy tool ready to use in time for the next downturn as rates under 2% are providing stimulus to economic growth.

There are year end 0.25% increases into Q1 of each financial year from 2023 to recognise this upward bias in Bank Rate - but the actual timing in each year is difficult to predict. Covid remains a major potential downside threat in all three years as we are likely to get further mutations.

Purchases of gilts under Quantitative Easing ended in December. Note that when Bank Rate reaches 0.50%, the MPC has said it will start running down its stock of Quantitative Easing.

MPC Meeting 16 December 2021

The Monetary Policy Committee (MPC) voted 8-1 to raise Bank Rate by 0.15% from 0.10% to 0.25% and unanimously decided to make no changes to its programme of quantitative easing purchases due to finish in December 2021 at a total of £895bn.

The MPC disappointed financial markets by not raising Bank Rate at its November meeting. Until the Omicron variant was discovered, most forecasters viewed a Bank Rate increase as being near certain at this December meeting due to the way that inflationary pressures have been comprehensively building in both producer and consumer prices, and in wage rates. However, at the November meeting, the MPC decided it wanted to see the impact on labour market following the end of the furlough scheme on 30 September; their decision was, therefore, to wait until statistics were available to show how the economy had fared at this time.

The hawkish tone of comments indicated that the MPC is concerned that inflationary pressures are building and need action to counter. This indicates that there will be more increases to come with financial markets predicting 1% by the end of 2022. The 8-1 vote to raise the rate shows that there is firm agreement that inflation now poses a threat, especially after the CPI figure hit a 10-year high. The MPC commented that “there has been significant upside news” and that “there were some signs of greater persistence in domestic costs and price pressures”.

The MPC do not expect Inflation to be below the 2% target in two years’ time and also increased its forecast for inflation to peak at 6% in April rather than at 5%. However, it should be noted that it retained its guidance that only a “modest tightening” in policy will be required, and as such can expect rates rising slowly, two or three times next year to 0.75% / 1.00%.

The MPC’s forward guidance on its intended monetary policy on raising Bank Rate versus selling (quantitative easing) holdings of bonds is as follows: -

- Raising Bank Rate as “the active instrument in most circumstances”.
- Raising Bank Rate to 0.50% before starting on reducing its holdings.

- Once Bank Rate is at 0.50% it would stop reinvesting maturing gilts.
- Once Bank Rate had risen to at least 1%, it would start selling its holdings.

Supply Shortages

The pandemic and the global extreme weather events, followed by a major surge in demand after lockdowns ended, have been highly disruptive of extended worldwide supply chains. Major queues of ships unable to unload their goods at ports built up rapidly during quarters 2 and 3 of 2021. Such issues have led to a misdistribution of shipping containers around the world and have contributed to a huge increase in the cost of shipping. Combined with a shortage of semi-conductors, these issues have had a disruptive impact on production in many countries. The latest additional disruption has been a shortage of coal in China leading to power cuts focused primarily on producers (rather than consumers), ie this will further disrupt shortages in meeting demand for goods. Many western countries are also having difficulty in filling job vacancies. It is expected that these issues will gradually be resolved, but they are currently contributing to a spike upwards in inflation and shortages of materials and goods available to purchase.

Annex 3

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

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

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

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

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

The investment policy proposed for the Council is:

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

Specified investments – these investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months once the remaining period to maturity falls to under twelve months. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Supranational bonds of less than one year's duration.
3. A local authority, housing association, parish council or community council.
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4 this covers pooled investment vehicles, such as money market funds, rated AAA by Standard and Poor's, Moody's or Fitch rating agencies.
5. A body that is considered of a high credit quality (such as a bank or building society). For this category this covers bodies with a minimum short term rating of A- (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies.

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

Table 1 – Specified Investment Limits

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

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

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

Table 2 – Non-Specified Investments Limits

	Non-Specified Investment Category	Limit (£ or %)
a.	**Supranational bonds greater than 1 year to maturity** **(a) Multilateral development bank bonds** - These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Reconstruction and Development Bank etc.). **(b) A financial institution that is guaranteed by the United Kingdom Government** (e.g. National Rail) The security of interest and principal on maturity is on a par with the Government and so very secure. These bonds usually provide returns above equivalent gilt-edged securities. However, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	AAA long term ratings £50m
b.	**Gilt edged securities** with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	£50m
c.	**The Council's own banker** if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.	Minimal

d.	Any **bank or building society** that has a minimum long-term credit rating of A-, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	£40m
e.	Any **non-rated subsidiary** of a credit rated institution included in the specified investment category. These institutions will be included as an investment category subject to: • Parent company guarantee • Parent company to be a UK institution.	£10m
f.	**Share capital** in a body corporate **–** The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. **Loan capital** in a body corporate. There is a higher risk of loss with these types of instruments.	£10m
g.	**Share capital to Council owned companies –** The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. **Loan capital** to Council owned companies	£70m
h.	**Bond funds** – There is a high risk of loss with this type of instrument.	£10m
i.	**Pooled property funds** – The use of these instruments will normally be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. The key exception to this is an investment in the CCLA Local Authorities Property Fund. This Authority will seek guidance on the status of any fund it may consider using The authority has invested £10m in a Property Fund (Cabinet 03/11/15 & 19/09/17) to support Homelessness in Bristol.	£50m
j.	**Property funds managed by a wholly owned Council subsidiary** – The use of these instruments will normally be deemed to be capital expenditure, and as such will be an application (spending) of capital resources.	£50m

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

Council owned companies - the Council has purchased share capital / provided loans to wholly owned Council subsidiaries. These are classified as service investments, rather than treasury management investments, and are therefore outside the specified / non specified categories.

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

Changes to Codes of Practice and Minimum Revenue Provision Consultation

2021 revised CIPFA Treasury Management Code and Prudential Code – changes which will impact on future TMSS/AIS reports and the risk management framework

CIPFA published the revised codes on 20 December 2021 and has stated that formal adoption is not required until the 2023/24 financial year.

The revised codes will have the following implications:

- a requirement for the Council to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the capital financing requirement;
- clarify what CIPFA expects a local authority to borrow for and what they do not view as appropriate. This will include the requirement to set a proportionate approach to commercial and service capital investment;
- address Environmental, Social and Governance (ESG) issues within the Capital Strategy;
- require implementation of a policy to review commercial property;
- create new Investment Practices to manage risks associated with non-treasury investment (similar to the current Treasury Management Practices);
- ensure that any long term treasury investment is supported by a business model;
- amendment to Treasury Management Practice Statement 1 to address ESG policy within the treasury management risk framework;
- amendment to the knowledge and skills register for individuals involved in the treasury management function;
- a new requirement to clarify reporting requirements for service and commercial investment, (especially where supported by borrowing/leverage).

In addition, all investments and investment income must be attributed to one of the following three purposes:

Treasury management

Arising from the organisation’s cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

Service delivery

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is “either related to the financial viability of the project in question or otherwise incidental to the primary purpose”.

Commercial return

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council’s financial capacity – ie that ‘losses’ could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

As this Treasury Management Strategy Statement and Annual Investment Strategy deals soley with treasury management investments, the categories of service delivery and commercial investments will be dealt with as part of the Capital Strategy report.

Members will be updated during the next financial year on how all these changes will impact our current approach and any changes required will be formally adopted within the 2023/24 Treasury Management Strategy report.

Minimum Revenue Provision (MRP) consultation

In addition DLUHC is currently conducting a consultation on amending the MRP rules for England that will also come into effect, if agreed, on the 1 April 2023. Members will be briefed on the outcome of this consulation but it could have a negative revenue impact for capital loans to third parties, thus making it more .

Bristol City Council Ethical and Equitable Investment Policy

Date published: Cabinet 18th January 2022

Contents

Purpose

The purpose of this policy statement is to provide guiding principles to ensure Bristol City Council ("the Council") make investments which:

- are consistent with the Council's values framework and ethical policies (ethical)
- are inclusive and equitable with regards to access to the Council's investment funding, as well as helping to address economic inequalities (equitable)
- provide a positive social and/or environmental return, in other words have "impact", alongside financial return where possible

This policy should be regarded as a baseline when making decisions. It is in no way intended to limit projects that seek to tackle different Council objectives in a joined up and innovative way.

Aim

The aim is to use the Council's investments to support the Council's vision in playing a leading role in driving an inclusive, sustainable and healthy city of hope and aspiration, one where everyone can share in its success, in line with the council's corporate strategy and the One City Plan.

To this end, the policy sets out investment principles which mainly based on three aspects:

- who the Council will not invest in (ethical review 1)
- who the Council want to invest in (ethical review 2)
- how the Council will ensure investments are equitable (equitable principles)

These principles are outlined in more detail within the sections ethical review 1, ethical review 2 and equitable principles.

Legislative and Policy Context

Local authority investments are governed by the Statutory Guidance on Local Government Investments [1], and the Chartered Institute of Public Finance and

[1] Statutory Guidance on Local Government Investments, 3rd edition - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/678866/Guidance_on_local_government_investments.pdf

Accountancy (CIPFA) Treasury Management Code [2]. This is set out in further detail in the Council's annual Treasury Management Strategy.

This policy is also complemented by the Council's Equality and Inclusion Policy and Strategy; its Social Value policy; and its commitments to payment of the Living Wage and eradicating modern slavery.

Strategic Alignment

This policy statement aligns to the One City Plan's 'Corporate Strategy and A One City: Economic Recovery and Renewal Strategy' which sets out the following priorities:

- Reduce poverty and inequality
- Increase the city's resilience and environmental sustainability
- Enhance community economic and social wellbeing

In addition, the positive environmental criteria's have been identified with reference to the One City Climate Strategy.

Investment Principles

The Council's Ethical and Equitable Investment policy ensures that investments made will embed the following investment principles:

Principle 1: We will be active owners and incorporate ethical and equitable issues into our investment policies and practices, making sure investments or loans support the Council's policies and objectives on such matters

Principle 2: We will not knowingly undertake direct investments or loans to organisations whose core activities or behaviour include practices which directly pose a risk of serious harm to individuals, groups or the environment or are inconsistent with the mission and values of the Council

Principle 3: We will aspire to make investments that achieve positive social and/or environmental benefit and impact within Bristol alongside financial return

[2] CIPFA: "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes, 2017 Edition

Principle 4: We will seek investees who incorporate ethical and equitable practises into their business practises. Where appropriate, we will actively engage with investees and use our influence to encourage ethical standards, practices, and lines of business acceptable to the Council

Principle 5: We will incorporate equitable principles into our investment policy, to ensure investments reach and benefit disadvantaged groups and communities experiencing greatest inequity and who are typically under-represented when receiving investment

Principle 6: When current service investments or loans mature and funds are returned to the Council, where appropriate we will consider recycling those funds back into investments that deliver ethical and equitable impact

Principle 7: We will explore different ways of working to improve our systems and procedures and remove barriers. This includes collaborative working and partnerships with co-investors and intermediaries to help manage risk and enhance opportunities to deliver positive social and environmental impact, as well as support equitable access to investment

Principle 8: Where practical, we will seek disclosure on positive impact regarding ethical and equitable issues by the entities in which we invest

Principle 9: We will report on our activities and progress towards implementing these Principles

Scope

The Council holds three types of investments:

- Treasury investments, which are short to medium-term investments to manage surplus cash
- Service investments, which are investments made primarily for service benefit or impact - for example investment in a subsidiary and
- Service loans, which are loans made primarily for service benefit or impact - this does not include loans to another local authority as these are categorised as treasury investments.

Whilst grant investments do not fall within the statutory definition of investments as these are not expected to generate profits, due regard to this policy statement should be made when making a decision on grant investments.

The Council's pension fund is held with the Avon Pension Fund administered by Bath and North East Somerset Council. The scheme's funds are invested entirely separately from those of the Council, has its own policy for Responsible Investment and are subject to separate regulatory regimes to local authority investments. They are therefore not directly governed by this policy. However, the policy can be used to inform the views of the Council's pension representative who feeds into matters such as the pension funds' Responsible Investment policy.

Ethical Review 1

This first ethical review ensures that the Council does not knowingly undertake direct investment or borrowing activities with organisations/Sovereigns whose behaviour or core activities are deemed unethical. This may be controversial business practices which directly pose a risk of serious harm to individuals, groups or the environment, corporate behaviour which is in serious violation of widely accepted international norms, or core activities and behaviour which are inconsistent with the mission and values of the Council.

This review applies to direct investments only, except in the case where the Council has invested in an intermediary specifically to deploy investments and deliver impact. The Council cannot guarantee approved financial institutions will not have clients or branches/offices/subsidiaries in countries that may breach the exclusions list.

In some instances, the Council may allow the counterparty time to achieve compliance over a reasonable timeframe, taking into consideration the risks and opportunities specific to that business and its size and resources. The Council will only proceed with investment if we anticipate that the requirements of the policy will be met within the given timeframe. Any persistent delays in meeting the requirements would result in the Council taking remedial action, which could be to cease funding or exit the investment.

Exclusion List

As part of this review, the Council will exclude from consideration where there are consistent or significant transgressions of the appropriate regulatory framework or a failure to ignore directions of the regulatory body, investments in counterparties which have significant involvement with any of the activities or business practises on the following exclusions list:

Human Rights and Labour

- breaches of human rights principles
- breaches of international labour standards
- supports/are part of oppressive regimes
- modern slavery
- poor Health and Safety records

Environment

- toxic spills and releases
- negative impact on land use, habitats and biodiversity
- contributes to carbon intensive industries
- causes water resource scarcity
- poor supply chain management
- animal testing for cosmetic purposes / unnecessary exploitation of animals

Governance

- bribery/ fraud/ corruption
- violation of international intellectual property rights
- unethical market behaviour and business practise - for example, blocking competition

Controversial Business Activities

- alcohol – relating to manufacture, supply and distribution of alcoholic beverages
- gambling – relating to owning and/or operation of gambling establishments
- tobacco – relating to production, retail, distribution, or supply of tobacco products
- adult entertainment, such as pornography or violent material – relating to distribution and retail of adult entertainment products and/or services
- military or controversial weapons (Arms trade) – relating to manufacture or distribution of weapons
- fossil Fuel extraction
- nuclear industries

- exploitative credit providers – where credit has APR > 100% and provided in way that leads to significant harm to consumers
- third world debt exploitation

Other – for non-treasury investments only

- investments that don't generate any benefits within Bristol

Ethical Review 2

Where practical and applicable, we will prioritise investments that provide positive social or environmental impact by assessing whether they meet the positive criteria listed here. We will also prioritise those which will deliver the most impact (high impact return) and have greatest likelihood of delivering impact (low impact risk). The glossary provides more detailed definitions.

The positive criterions are not an exhaustive list as priorities and policies may change, but they provide a baseline for making investment decisions. Such investments are typically riskier and require longer term investment. Therefore, we will take a balanced portfolio approach, maximising the number of investments that provide positive social and/or environmental impact whilst balancing this with financial risk and return considerations.

Balanced Portfolio Approach

A balanced portfolio approach will enable the Council to have a portfolio of investments that range from investments that deliver no impact but are less financially risky or more liquid (in other words accessible), to investments that deliver impact but are typically more financially risky or less liquid.

Impact is articulated through "Impact return", the positive measurable impact generated and "Impact risk", the likelihood that the investment does not achieve the desired impact. Whilst the aim is to transition our investments towards those that deliver impact, having a range of investments helps to diversify and thus reduce financial risk and liquidity issues.

In addition to managing risk, the balanced portfolio will also balance investments that address a range of challenges, from environmental issues to inequality. Appendix 1 sets out a table showing the spectrum of investments within the balanced portfolio, with investments providing greater impact to the right of the table.

This approach, which will be evaluated continuously, is preferable to setting percentage or monetary targets for investment, as this gives greater flexibility to respond to changes in priorities, economic outlook or the investment market as the responsible treasury investment market is still in the early stages of development.

Positive Criteria for Treasury Investments

The following positive criteria will be used to determine whether an investment is given greater priority when considering a range of investments to invest in. For treasury investments, whether priority is given based on positive criteria will need to be balanced against trade-off on yield since this could impact on the Council's ability to deliver services.

Where practical, ESG (Environmental, Social and Governance) investments that specifically fund ESG-related projects will be favoured over Responsible and Sustainable investments as the former provides direct impact whereas the latter is indirect. Greater priority will be given to investments with local impact and organisations that are living wage employers. Criterion outlined below carrying greater weighting is marked with an asterix*.

Responsible and Sustainable

- *counterparty pays Living Wage
- counterparty has ESG (environmental, social and governance) or Responsible Investment policy
- counterparty has Diversity and Inclusion policy
- counterparty is involved in projects addressing ethical or equitable issues - for example, runs free business support training for SMEs

*ESG Investments

- *investment specifically funds ethical and equitable projects locally within Bristol area
- investment specifically funds ethical and equitable projects - for example, funds renewable energy or SME businesses in deprived areas

Positive Criteria for Service Investments/Loans

The following positive criterion will be used to determine whether an investment is given greater priority when considering a range of investments to invest in. Some criteria carry greater weighting, indicated with an asterix*, for example, because they support the equitable investment principles. The criteria will be considered alongside the balance of portfolio, impact return, impact risk and alignment with current priorities as set out in the Corporate Strategy.

We will refer to the Social Value policy, National Social Value Measurement Framework, the TOMs, as a means for measuring and scoring impact return.

Reduce Poverty and Inequality

- *targets geographical areas with deprivation or other marker for inequality such as income disparity or ethnicity
- *targets population groups known to be economically disadvantaged or under-represented when receiving investments
  Both the above criteria will be linked to the Social Value policy
- *pays Living Wage
- supports tackling homelessness
- supports local employment
- supports the creation and retention of high-quality, sustainable jobs for local people

Increase the City's Resilience and Environmental Sustainability

- *the investment will lead to carbon emissions being reduced – supporting Bristol's Net Zero by 2030 target
- is a responsible buyer of goods and services
- provides jobs and skills related to the green economy
- improves ecology and biodiversity, within Bristol or elsewhere
- contributes to resilient food supply chain, with food and drink produced sustainably

Enhance Community Economic and Social Wellbeing

- *Bristol based investments - local investments focussed on creating impact in the city region, which in turn should create additional economic value in the area
- supports creation, sustainability and growth of micro, small and medium-sized enterprises
- supports local people with opportunities for life-long learning, skills development and experiences of work
- supports the creation, sustainability and growth of local community groups, voluntary groups and social enterprises
- promotes the involvement of local people and organisations in active citizenship such as volunteering and foster caring
- promotes the mental and physical health and well-being of local people
- supports the creation of high quality, affordable and sustainable homes and inclusive public spaces
- investment catalyses further investment into Bristol

Equitable Principles

The equitable investment principles enable investments to be used as a lever to help address equality issues affecting disadvantaged groups and communities in Bristol. The investments are intended to be inclusive and accessible to all.

Principles

We will ensure investments are equitable by applying the following principles:

Engaging with local groups

We will identify and engage with local disadvantaged and under-represented groups to make sure there is awareness of investment opportunities and to build confidence and ability for such groups to apply successfully for investment.

This could be through direct engagement with local communities or indirectly through intermediaries, linking with outreach programmes in order to maximise engagement reach with under-represented groups.

Targeting investment

Through our investment we will empower communities that experience the greatest inequity. We will place greater weighting on investments which invest in communities and enable greater self-determination. By investing in this way, we are building civic and social capital.

We will also favour investments that deliver positive impact around equality issues affecting Bristol, placing greater priority on those that deliver direct impact, but also recognising that some investments will have indirect impact. For instance, investment which reduces pollution could also address inequalities as less wealthier communities tend to live in areas of higher pollution [3].

Improving success

We will endeavour to identify and remove barriers that prevent local disadvantaged and under-represented groups from applying and being successful in securing investments. This may include providing support and training so those groups have equal opportunity of success when applying for investments or looking at alternative means of investments, such as asset transfers.

Collecting and monitoring equalities data

We collect equalities data specifically around investments to improve our intelligence and ensure we monitor and track progress towards making investment more equitable. Data will also ensure that our targeted investment approach is focussed on the correct areas and groups.

Governance

In order to give effect to its commitment to this policy the Council will:

- apply this policy at the point of investment
- monitor investments thereafter, to review the operation and effectiveness of the policy, including any setting of annual targets

[3] Environmental inequality must not be ignored - GOV.UK (www.gov.uk)

- report progress annually, including any breaches, within the annual Treasury Management Outturn Report

Investment Breaches - Ethical Review 1

Where a counterparty is found in breach of the exclusions list under ethical review 1, the Council will look to divest. Any outstanding investments will be reviewed in accordance with the terms and conditions of the contractual arrangement. A cost benefit appraisal will be undertaken to minimise the cost of prematurely redeeming the investment.

Depending on the nature of the breach and the investment, the Council may enter into dialogue with the counterparty to allow the counterparty the opportunity and time to address the breach. If the breach is not addressed within a given timescale or the counterparty is not seen to be making any progress, then the Council would look to divest.

The Chief Finance Officer, Cabinet Member for Finance and the Council's Treasury Management Advisors will be consulted when a breach of the exclusions list has been identified and breaches will be reported through the Treasury Management Outturn Report.

Glossary

Impact return	The positive, measurable social and environmental impact generated by the investment alongside any financial return, such as those outlined in the list of positive criteria under ethical review 2 or in the Council's corporate strategy.
Impact risk	The risk that the investment does not achieve the desired impact. The likelihood that impact will be different than expected, and that the difference will be material from the perspective of the people and the planet who experience such impact.
Service investments	These are investments made primarily for service benefit or impact. Like treasury investments, these are also subject to financial risk considerations around security, liquidity and yield, but these are secondary concerns to service benefit or impact. Service investments could be investments in impact funds, wholly owned subsidiaries or in non-financial assets such commercial property.
Service loans	These are loans repayable with interest made to a third party, joint venture, subsidiary or associates. Like service investments, these are made primarily for service benefit or impact, with financial risk considerations around security, liquidity and yield being secondary. This does not include loans to another local authority as these are categorised as treasury investments.
Treasury Investments	These are investments made using treasury powers under section 15(1)(a) of the Local Government Act 2003 to manage surplus cash. These are typically short-term investments (duration of less than one year), as cash must be accessible as and when

payments need to be made by the organisation. Hence security followed by liquidity are primary financial considerations for local authority treasury investments, as stipulated by the Treasury Management Code. Yield is also a consideration, after security and liquidity, as greater yield means more funding for the Council's services. Due to the restrictions set out in the Treasury Management Code, treasury investments are typically with financial institutions such as banks, building societies and money market funds.

Appendix - Balanced Investment Portfolio

Greater positive social and/or environmental impact

	Treasury Investments			*Service investments/loans*		*Grants*
	Classic Investment	**Responsible and Sustainable**	**ESG investment**	**Classic Investmen t**	**Service Investment**	**Grants**
Purpose	**Invest primarily for financial return**			**Invest primarily for Service impact/benefit**		
Description	Investment focuses on SLY only	Investment incorporates ESG into its investment approach	Investment has direct impact on environmental , social or governance (ESG) issues	Invest for indirect social benefit/ impact	Invest for direct social benefit/ impact	Invest for service/ social benefit only (no profit)
Financial risk (security)	Low	Low	Low	Medium	Medium - High	N/A
Liquidity risk (liquidity)	Low	Low	Low	High	Medium - High	N/A
Financial return (yield)	Medium - Low	Medium - Low	Low (often lower vs classic)	Medium - High	Low - High	N/A
Impact risk	High	High	Medium	Medium	Low	Low
Impact return	Low	Low	Medium	Medium	High	High
Examples	Standard treasury investments	For example, Investment counterparty has an ESG or Responsible investment policy	For example, ESG investment that specifically funds environmental projects	For example, Commerci al property	For example, Loan to Community bank	For example, Community Resilience Fund

Figure 1 - Table illustrating balanced portfolio of investments and associated financial and impact risks and returns

APPENDIX 5

Flexible Use of Capital Receipts Strategy

Purpose

1. This report provides background information with regards the statutory guidance on the flexible use of Capital Receipts and its application within this authority. As part of the finance settlement for 2016/17 the government announced new flexibilities allowing local authorities to use capital receipts received in 2016/17, 2017/18 and 2018/19 to be used to fund transformational expenditure, which can include redundancy costs. This was extended in 2018/19 as part of the Local Government Finance Settlement for a further three years until 2021/22.

2. The government is expected to announce a further extension of the flexible use of capital receipts for 2022/23. However, at the time of writing it is not clear how long the extension will be for and if there will be any changes to the guidance. A broad steer has been provided by government to suggest the guidance will be updated to focus on transformation spend. This strategy is written on the basis the flexibilities will continue for 2022/23 only and the guidance will be adapted to focus on transformation spend. However, it should be recognised the strategy will need to be flexible to adapt to the guidance adopted by government.

3. The use of capital receipts to fund transformational costs (up to the value of those capital receipts), rather than applying revenue resources / reserves that would have been previously necessary, allows for these revenue resources to be directed to service areas to facilitate further service re-development and mitigates the financial pressures of the Authority for the current and ensuing year.

Background

4. Capital receipts can only be used for specific purposes and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure, and the use of capital receipts to support revenue expenditure is not allowed by the regulations.

5. The Secretary of State is empowered to issue Directions allowing expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts under the Regulations.

6. The Secretary of State for Communities and Local Government issued guidance in March 2016 giving local authorities greater freedoms with how capital receipts could be utilised. This Direction allows for the following expenditure to be treated as capital:

   "expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners."

7. To take advantage of this freedom, the Council must act in accordance with the Statutory Guidance issued by the Secretary of State. This guidance requires the Council to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy, with the initial strategy being effective from 1 April 2016 with future strategies included within future annual budget documents and reported as appropriate.

Flexible Use of Capital Receipts Strategy

8. Government has provided a definition of expenditure that qualifies for funding from capital receipts. This is:

   "Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or

transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility."

9. The Council intends to use capital receipts to fund the following transformation projects:

Table 1: Transformation projects funded by capital receipts

Project Description	2016/17 £m Actual	2017/18 £m Actual	2018/19 £m Actual	2019/20 £m Actual	2020/21 £m Actual	2021/22 £m Estimate	2022/23 £m Estimate
Organisational Business Change	5.300	-	-	-	-	-	-
Project Management	-	-	-	0.400	-	-	-
IT Transformation Programme	-	-	-	2.172	3.203	1,307	-
Strengthening Families	-	-	-	0.237	0.060	-	-
Resources earmarked for future efficiency programmes	-	-	-	-	-	2.200	5.000
Total	**5.300**	**-**	**-**	**2.809**	**3.263**	**3.507**	**5.000**

10. Since the flexibility was introduced the Council has applied £11.372 million of capital receipts for transformation and savings, with plans for a further £8.507 million.

11. Capital receipts are primarily used to fund capital investment which has a relatively short economic life such as IT investment where borrowing is not economical. Excluding land disposals to Goram Homes, the 2022/23 budget assumes £20 million of capital receipts to fund the capital programme. At the end of the financial year the Council estimates to have £9 million of capital receipts not applied towards this target, with a pipeline of disposals to meet the commitments in the budget.

12. If capital receipts generated are insufficient to meet these commitments other funding sources will need to be identified or expenditure reduced.

Project Management

13. In February 2018 the Council agreed a £76.4 million programme of savings to deliver a balanced budget for the medium term as set out in the table below. The savings programme had undergone reviews, where previously identified savings that are no longer deemed deliverable had been mitigated by new schemes for delivery. However, this does not result in any changes to the overall savings and efficiency envelope previously approved. The capital receipts outlined in this report support the project management capacity for the agreed savings programme and delivery of specific savings and efficiency programmes within it.

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total savings £'000
Improving our business efficiency – Total	9,879	3,493	3,710	3,270	3,220	23,572
Changing how we fund and provide services – Total	15,864	10,602	6,458	2,110	453	35,486
Increasing our income – Total	4,570	2,659	2,434	1,460	1,071	12,194
Reducing or stopping services – Total	4,186	620	10	260	30	5,106
Total	34,499	17,374	12,612	7,100	4,774	76,358

Figure 1: Savings to Deliver a Balanced Medium Term Budget, February 2018

14. This programme has been successful in delivering the outlined savings, with only a small amount of savings not delivered. Any non-delivery is reported, through the Delivery Executive, to Cabinet

and alternative savings identified to replace them. Full detail on delivery of these savings is provided within monthly finance reports to Cabinet.

Strengthening Families

15. The Strengthening Families Programme has now closed. On 14 October 2019 a progress update on the delivery of outcomes and efficiencies was reported to People Scrutiny Commission. Whilst the programme succeeded in making savings in external placement costs there are wider service demands which means the budget cannot be reduced; this was reflected in the 2021/22 budget.

IT Transformation

16. In July 2018, Cabinet approved £20.3m (£7.2m revenue, £13.1m capital) to deliver the FSA programme over a period of 3-5 years. The programme set out components needed to build on the current IT platforms and ICT service delivery to deliver an efficient, modern, secure, flexible service which supports delivery of business outcomes in support of the Capital Strategy.

17. No specific savings have been aligned to this project, but significant efficiencies have occurred as a result of this investment, for example being able to continue business operations during the Covid-19 pandemic. Performance of the IT Transformation Programme was monitored by the Resources Scrutiny Commission.

Future Efficiencies (2021/22)

18. This strategy earmarks £2.2 million for transformation during 2021/22, in particular to support digital transformation and other change activities across the Council. Further detail was provided in the main budget report for 2021/22.

Future Efficiencies (2022/23)

19. This strategy earmarks £5 million for transformative change during 2022/23. The emerging Change Portfolio for 2022/23 contains a number of significant transformation pieces of work that will start to change the way in which the Council is organised and how it delivers its services. This includes further Digital Transformation, the Common Activities Programme and the Corporate Landlord Project. Each of these are expected to deliver better, more efficient services to the city and realise financial savings.

20. In addition, there are a number of projects directly supporting the release of financial benefits committed to in the budget and medium term financial plan such as a fees and charges review, library technology review and a review of housing allocations and lettings; as well as work that will target reducing demand for services now and in the future, such as the Children's Placements Recovery Programme as well as the Technology Enabled Care project within adult social services.

    The table below details the planned savings set out over the medium term period, further detail is set out in the budget report.

Themes	2022/23	2023/24	2024/25	2025/26	2026/27	Total By Theme
	£'000	£'000	£'000	£'000	£'000	£'000
Property and capital investment	-1,510	-2,050	-895	-550	-468	-5,473
Be more business-like and secure more external resource	-2,747	-1,975	-415	0	0	-5,137
Improve efficiency	-6,342	-904	0	-123	0	-7,369
Digital transformation	-310	0	0	0	0	-310
Reducing the need for direct services	-1,450	-300	50	0	0	-1,700
Redesigning, reducing or stopping services	-5,507	-7,960	-500	0	0	-13,967
Total	-17,866	-13,189	-1,760	-673	-468	-33,956

Figure 2: Medium Term Savings 2022/23

Impact on Prudential Indicators

21. The indicators that will be impacted by this strategy are set out below:

- Capital financing requirement increased by £5.3m (2016/17) as these capital receipts were intended to support schemes within the existing programme that are now budgeted to be financed by prudential borrowing. The 2017/18 Capital Programme and beyond made no general provision for schemes to be funded by capital receipts. Schemes financed by prudential borrowing are reflected within the prudential indicators as set out within the Treasury Management Strategy and included as part of the budget.
- Financing costs as a percentage of net revenue stream (%), noting that the savings generated from these projects will meet the debt financing costs arising from the additional borrowing. The indicative cost of borrowing £5.3m in 2017/18 was £200k pa.

22. The prudential indicators show that this strategy is affordable and will not affect the Council's operational boundary and authorised borrowing limit.

Consultation and Engagement

Budget 2022/23 Consultation

Consultation Report v5 **10 January 2022**

Contents

Executive Summary

ES1 Bristol City Council Budget 2022/23

The council's budget proposals will be considered by Cabinet on 18 January 2022 for recommendation to Full Council to consider and agree on 15 February 2022.

The budget sets out how much money the council will be able to spend on each service area. As part of the budget, Full Council will decide on the level of Council Tax and Social Care Precept[1] for 2022/23.

Bristol City Council currently spends around £1 billion each year providing services to the people of Bristol. In 2021/22, over a third of the revenue budget was raised locally through Council Tax (£236 million; 23%) and Business Rates (£134 million; 13%). The remaining 64% (£669 million) funding came in grants from the government, and other income such as fees and charges we make for some of the services we provide.

This year, budget decisions will be made in the context of acute financial pressures due to impacts on the council's income caused by the COVID-19 disruption and increasing costs – including providing for the needs of a growing and ageing population, and ongoing support for citizens and businesses with the lasting impacts of the COVID-19 pandemic.

Each year, the government sets a limit for the maximum amount councils can increase core Council Tax without holding a local referendum. The government also sets the maximum level of Social Care Precept local authorities can levy. The government announced the proposed 2022/23 referendum limits for Council Tax (up to 2%) and Social Care Precept (1%) in the Autumn Budget and Spending Review 2021 on 27 October 2021, that will be laid before the House of Commons for approval at the time of the final local government settlement.

Each 1% increase in Council Tax would raise £2.4 million. If the council increases Council Tax by 1.99% and adds an additional Social Care Precept of 1% in 2022/23, we still expect a funding gap in the region of £19.5 million[2]. If we do not increase Council Tax or levy a Social Care Precept, the funding gap would be greater than £19.5 million. With such a significant challenge the budget cannot be balanced without additional funding, making greater efficiencies (doing the same for less money) or by transforming the way we do things.

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[1] Social Care Precept is a levy on top of core Council Tax, which is dedicated to help pay for adult social care.

[2] The budget consultation referred to a budget gap of £23.1 million, which was forecast in November 2021. The annual determination of funding to local government has revised the budget gap to £19.5m for 2022/23.

ES2 The Budget 2022/23 consultation

The Budget 2022/23 consultation took place between 5 November and 17 December 2021 and sought views from the public (including businesses and organisations which represent non-domestic rate payers[3]) on options for the level of Council Tax and Social Care Precept in 2022/23 and other approaches to bridge the budget gap. The responses to the consultation have helped to inform final budget recommendations and will be taken into consideration by the Cabinet and by Full Council when making their decisions in January and February 2022.

The Budget 2022/23 consultation sought feedback on the following.

- Six approaches the council might take to save money, work more efficiently and generate income to help bridge the forecast funding gap[4] in 2022/23. These are described in Section 1.3.2.
- Options for the level of Council Tax they would prefer in 2022/23. Options were no increase, a 1% increase or a 2% increase, each of which would have different implications for the amount of money the council could spend on general council services.
- Options for the level of Social Care Precept they would prefer in 2022/23 to support the delivery of adult social care, in addition to the increase in Council Tax for general services. Options were no Social Care Precept or a 1% Social Care Precept.
- Respondents' reasons for the Council Tax and Social Care Precept options they selected, an explanation for their views on the six proposed savings approaches, and any other suggestions for balancing the budget.

The Budget 2022/23 consultation comprised information about the council's financial position and an online survey. Downloadable print and Easy Read formats were also available online on the Consultation and Engagement Hub. Paper copies of the survey were available in libraries and on request. Alternative accessible formats, including language translations, were available on request.

The consultation was widely publicised through media, social media and communications with the public, including partner organisations, non-domestic rate payers and other stakeholders, as described in section 2.2.

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[3] The council has a statutory duty to consult each year with representatives of non-domestic rate payers about the authority's proposals for expenditure in the forthcoming year. The activities undertaken to consult representatives of non-domestic rate payers are described in section 2.2.4.

[4] The funding gap forecast in November 2021 was £23.1 million and the budget consultation referred to this forecast figure. The annual determination of funding to local government has revised the budget gap from £23.1m to £19.5m for 2022/23.

ES3 Scope and use of this report

This report describes the methodology and presents the outcome of the Budget 2022/23 consultation. It includes quantitative data and analysis of free text comments from the consultation survey responses.

This consultation report does not contain the council's recommendations for the level of Council Tax increase or Social Care Precept (if any) in 2022/23, nor an assessment of the feasibility of any of the suggestions received. The consultation feedback in this report is taken into consideration by officers in developing final proposals for the level of Council Tax and Social Care Precept, and ways to balance the budget gap in 2022/23. The final proposals are included in a separate report which, together with this consultation report, will be considered by Cabinet on 18 January 2022. Full Council will also take into consideration this consultation report when making its decisions about the 2022/23 budget at the Full Council meeting on 15 February 2022.

Budget decisions will be published through normal procedures for Full Council and Cabinet decisions at democracy.bristol.gov.uk.

ES4 Budget 2022/23 consultation - Key findings

ES4.1 Response rate

The Budget 2022/23 consultation survey received 1,304 responses.

1,035 responses (79%) were received from postcodes within the Bristol City Council area, 11 (1%) were from South Gloucestershire, Bath & North East Somerset (B&NES), and North Somerset. A further seven (0.5%) were from unspecified locations within the four West of England authorities[5]. 251 (19%) did not provide a postcode.

Analysis of respondents' postcodes shows that there was under-representation of responses from the most deprived 30% of the city, and response rates from the least deprived 30% of the city were over-represented.

Responses from young people (aged 24 and younger) and people aged 85 and older were under-represented compared to the proportion of people in these age groups living in Bristol. Female respondents, people of Black, Asian and mixed ethnicity, and people of faith were under-represented compared to the proportions of these groups in the Bristol population.

A map of response rate by ward for the Bristol respondents is presented in Chapter 3 along with the details of age profile, sex and other respondent characteristics.

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[5] Incomplete postcodes identified the home location as within the West of England authorities' area (Bristol, B&NES, North Somerset and South Gloucestershire), but not which authority.

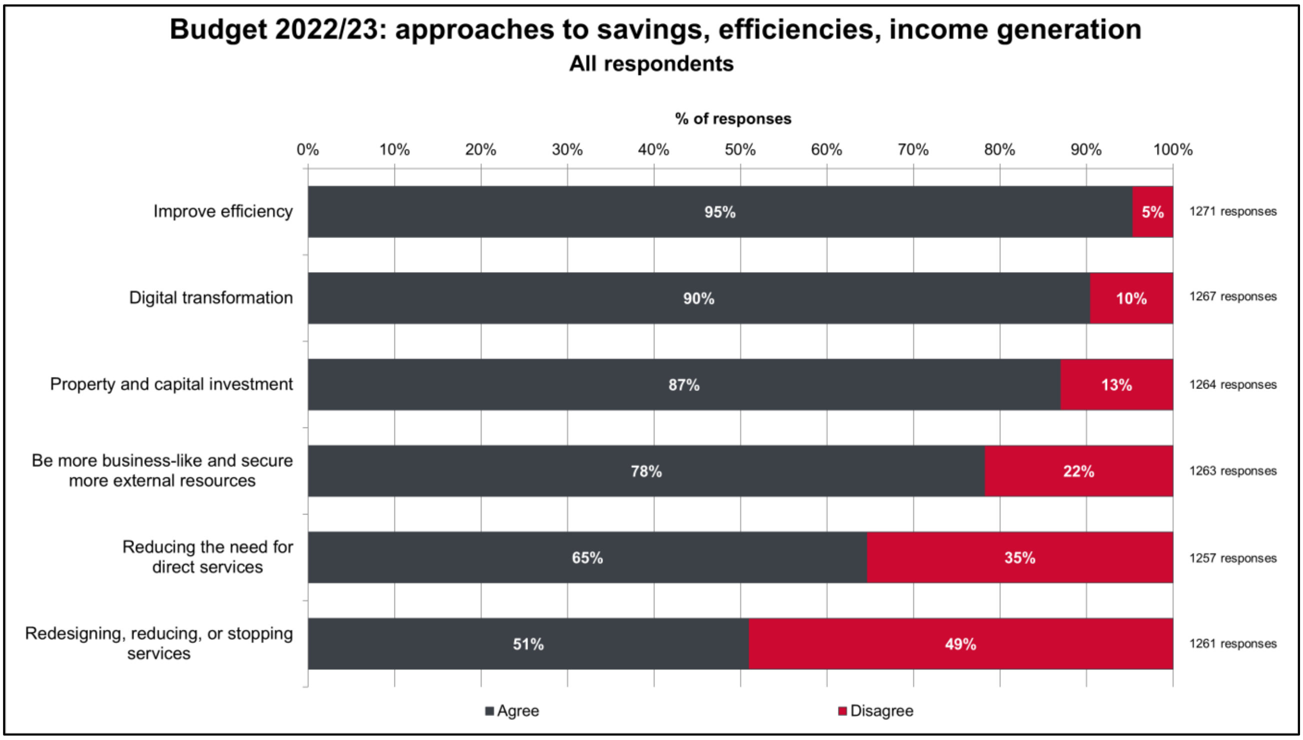
ES4.2 Six proposed approaches to saving money and generating income

1,281 (98%) of the survey respondents gave their views on one or more of the of six money saving and income generating approaches that are proposed to bridge the forecast budget gap[6] in 2022/23. All six approaches were approved of by at least half the respondents, but some approaches received much higher support than others (Figure ES1).

The approach with the highest support is 'improving efficiency', by joining up services, reducing duplications and getting better value in procurement. Of 1,271 respondents who expressed a view, 95% agree and 5% disagree with this approach.

The proposed approaches with lowest support are 'reducing the need for direct services' (65% agree / 35% disagree) and 'redesigning, reducing or stopping services' to fund the highest priorities (51% agree / 49% disagree).

Figure ES1: Proportion of respondents who agree with each of the six approaches



Views on each money saving / income generation approach were compared for people in areas of high and low deprivation to check for any significant differences in support.

Although views vary for different deprivation deciles, there are no strong trends which indicate people in more deprived areas show a strong preference for different approaches compared to respondents in less deprived areas. This is described further in Section 4.2.

347 respondents provided free text comments on the six money saving approaches. These are summarised in Section 4.3. 142 respondents suggested other ways to save money or generate income (Section 4.4).

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[6] The budget consultation referred to budget gap of £23.1 million; the forecast figure in November 2021. The annual determination of funding to local government has revised the budget gap to £19.5m in 2022/23.

ES4.3 Level of Council Tax increase and Social Care Precept in 2022/23

Core Council Tax

Of the 1,304 people who responded to the consultation, a majority (842 respondents; 65%), favour an increase in core Council Tax to support general services in 2022/23. Of these:

- 582 (45%) favour a 2% increase in core Council Tax;
- 260 (20%) would prefer a 1% increase;
- 444 (34%) respondents would prefer 'no increase to Council Tax' in 2022/23;
- 18 (1%) did not give a view on Council Tax.

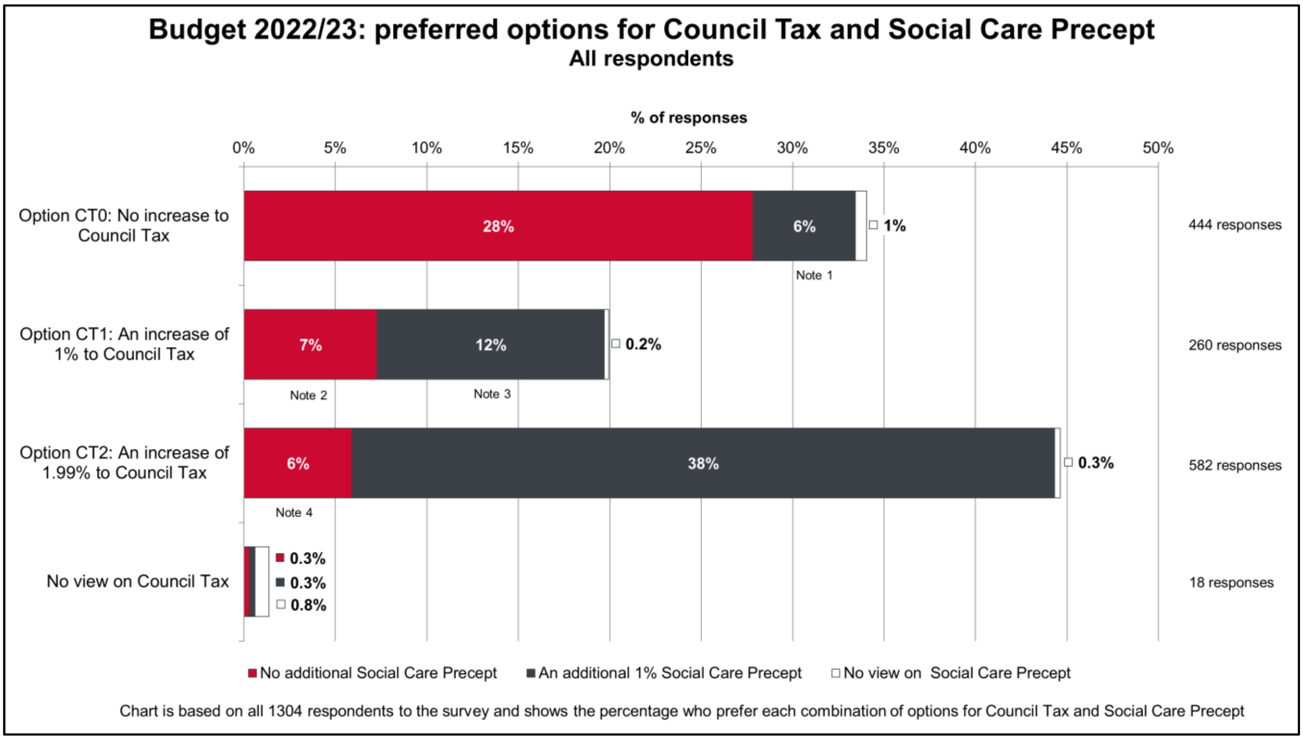
Social Care Precept

Of the 1,304 people who responded to the consultation, a majority (740 respondents; 57%), favour an additional 1% Social Care Precept (on top of core Council Tax) to support the delivery of social care in 2022/23.

- 539 (41%) respondents would prefer no increase to Social Care Precept in 2022/23.
- 25 (2%) did not give a view on Social Care Precept.

Figure ES2 shows the proportions of the 1,304 respondents who prefer each combination of Council Tax increase (0%, 1% or 2%) and Social Care Precept (0% or 1%)[7].

Figure ES2: preferred options for Council Tax and Social Care Precept



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7 In Figure ES2, each bar shows the percentage of respondents who would like each Council Tax option, 0%, 1% or 2%. The fourth bar shows respondents who did not give their views on Council Tax, some of whom did give their views on Social Care Precept. Each bar is subdivided into the percentage who opted for each Social Care Precept option; red for 0% Social Care Precept, grey for 1% and white for no view on Social Care Precept.

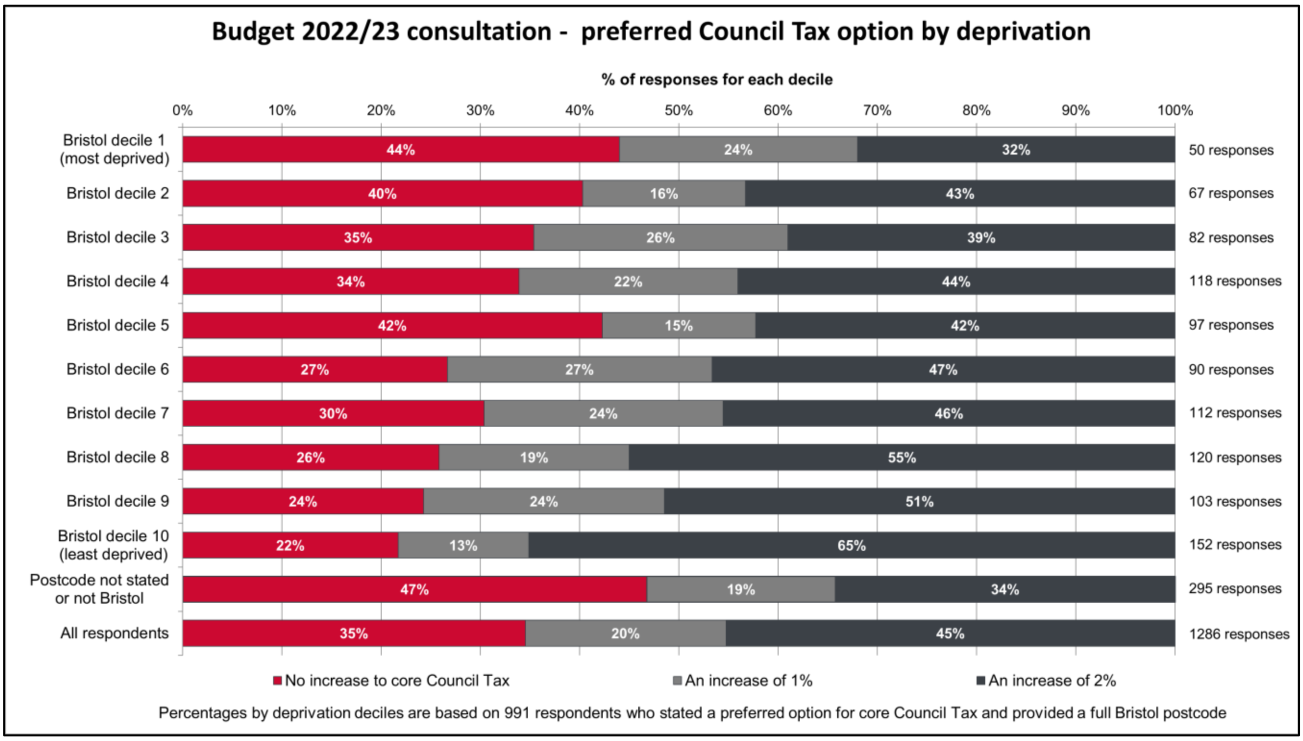
Figure ES2 shows the following.

- The option with highest support (38% of 1,304 respondents) is a 2% increase in core Council Tax and a 1% Social Care Precept. This is the maximum increase possible.
- The second most popular option (28% of 1,304 respondents) is 0% increase in core Council Tax and 0% Social Care Precept.
- For respondents who favour a 1% increase overall, 6% would like this as 1% Social Care Precept with no core Council Tax increase (see Note 1 on Figure ES2). This is a similar number to the 7% who would prefer a 1% increase in core Council Tax with no Social Care Precept (Note 2 on Figure ES2).
- For respondents who favour a 2% increase overall, 12% would prefer to share this as 1% increase in core Council Tax and 1% Social Care Precept (Note 3). This compares to 6% who want 2% on core Council Tax and 0% Social Care Precept (Note 4).

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

Views on the preferred level of core Council Tax increase (0%, 1% or 2%) were compared for respondents in areas with different levels of deprivation (Figure ES3). Figure ES3 also shows the views of people who did not provide a postcode or gave a non-Bristol postcode, and the aggregate views of all respondents.

Figure ES3: Preference in each deprivation decile for the core Council Tax options



Preference for higher levels of core Council Tax tends to increase with reducing deprivation.

Support for **no increase** in core Council Tax is highest among respondents in the most deprived 10% of Bristol (decile 1), with 44% of respondents favouring no increase and 24% preferring a 1% increase. Support for no increase in Council Tax reduces to 22% in decile 10 (least deprived 10%).

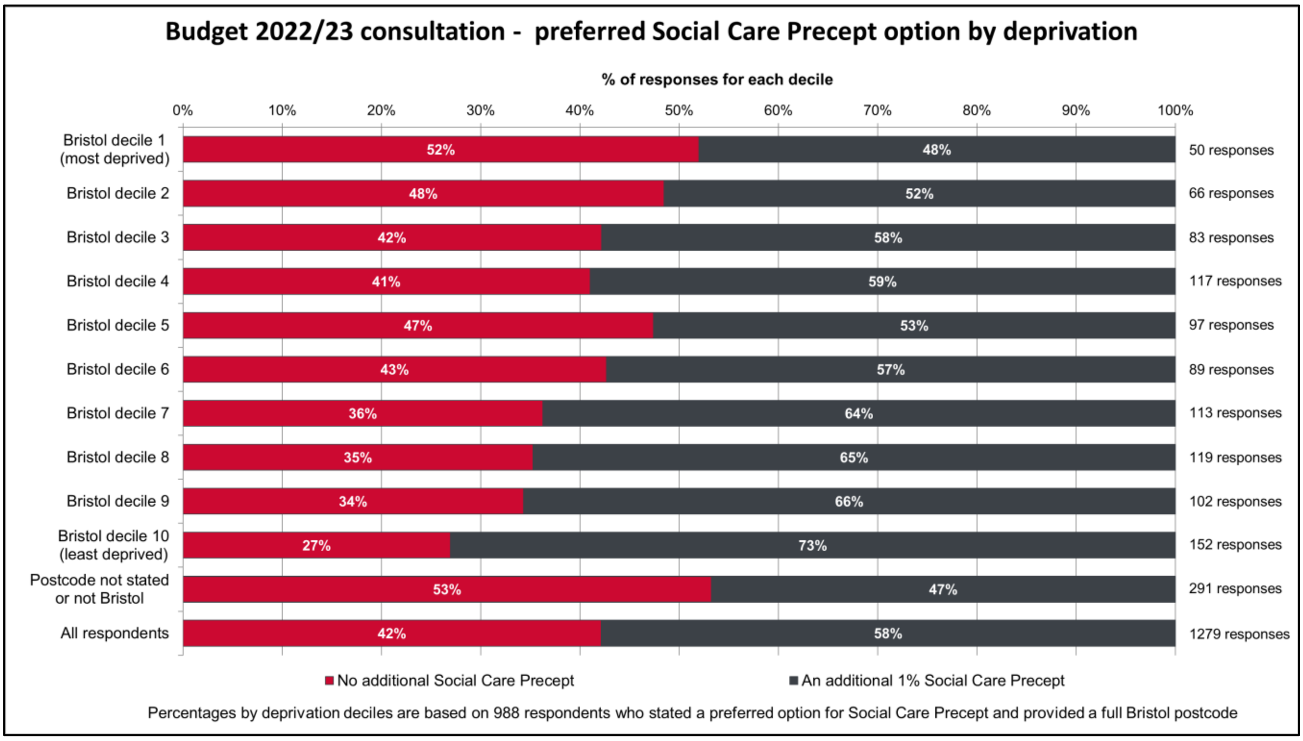
Support for the maximum **2% increase** is lowest (32%) in the most deprived 10% of Bristol (decile 1) and is highest (65%) in the least deprived decile 10. Support for a 2% increase exceeds 50% in deciles 8, 9 and 10.

Respondents who did not provide a postcode or gave a non-Bristol postcode were the least in favour of paying more core Council Tax. 47% in this group favour no increase and only 34% support a 2% increase – this is similar to decile 1 (most deprived 10% of Bristol).

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

Views on the preferred level of Social Care Precept (0% or 1%) were also compared for respondents in areas with different levels of deprivation (Figure ES4).

Figure ES4: Preference in each deprivation decile for the Social Care Precept options



As with core Council Tax, support for a Social Care Precept follows an inverse trend with deprivation.

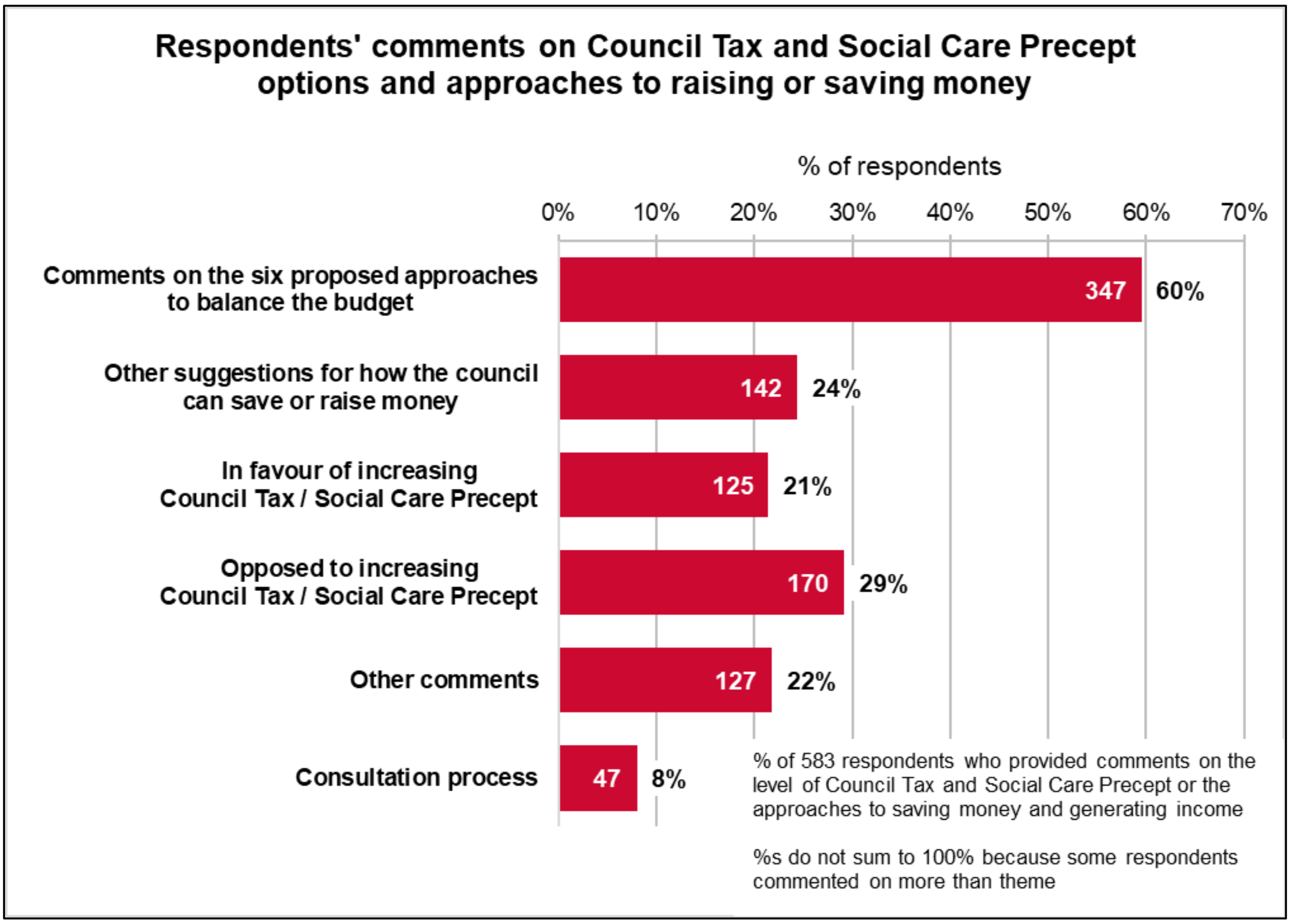
Support for no Social Care Precept ranges from 52% in decile 1 (most deprived) to 27% in decile 10 (least deprived). Correspondingly, support for 1% Social Care Precept increases from 48% in decile 1 to 73% in decile 10 and exceeds 50% in all deciles from 2 to 10.

Respondents who did not provide a postcode or gave a non-Bristol postcode were the least in favour of paying a Social Care Precept. 53% in this group prefer no Social Care Precept and only 47% support a 1% Social Care Precept - similar to decile 1 (most deprived).

ES4.6 Free text comments on the budget proposals

583 (45%) of the survey respondents provided free text responses which explained their views on the six savings / income generation approaches, their preference for the level of Council Tax and Social Care Precept, and their suggestions for other ways the council could save money or generate more income. All the comments were categorised into themes (Figure ES5).

Figure ES5: Overview of free text comments about the budget



- 347 (60% of 583 respondents) provided comments on one or more of the six proposed approaches to reducing the budget gap. A breakdown is provided in section 4.3.
- 142 (24%) suggested other ways the council could save or raise money (section 4.4).
- 125 (21%) said why they support an increase in Council Tax and/or Social Care Precept (section 5.4.1)
- 170 (29%) said why they oppose an increase in Council Tax and/or Social Care Precept (section 5.4.2).
- 127 (22%) provided other comments or suggestions (section 5.4.3).
- 47 (8%) provided comments about the consultation process (section 5.4.3).

The total number of comments exceeds 583 because some respondents addressed several themes.

1 Introduction

1.1 The council's budget

Bristol City Council spends around £1 billion each year providing a range of services to the people of Bristol. The money the council has available to spend on delivering day-to-day services to citizens is called the revenue budget. In 2021/22, more than a third of this budget is raised locally through Council Tax (£236 million; 23%) and Business Rates (£134 million; 13%). The remaining 64% (£669 million) funding comes from grants from the government (e.g. schools funding) and other income such as fees and charges we make for some of the services we provide.

On 15 February 2022, Full Council will set the council's budget for the 2022/23 financial year. The budget sets out how much money the council will be able to spend on each service area and what the priorities are. As part of the budget, Full Council will decide on the level of Council Tax and Social Care Precept[8] for 2022/23. This year, these decisions will be made in the context of acute financial pressures due to increasing costs and ongoing impacts of the COVID-19 pandemic.

1.2 Funding pressures and uncertainty

Councils are facing unprecedented financial pressures because more money is needed to support citizens and businesses with the lasting impacts of the COVID-19 pandemic and to help more people than ever with mental health and social care services. In Bristol, we also need to help provide for the needs of a growing and ageing population.

At the same time, the pandemic caused the council to receive less income from business rates, commercial rentals, parking, sports facilities, and our museums, shops and cafes. The UK Government has provided no indication of ongoing general local COVID-19 response funding for 2022/23 and beyond.

The council is able to increase Council Tax by up to 2%[9] to help fund general services in 2022/23, without a local referendum. This would raise an additional £4.7 million. A Social Care Precept of up to 1% can be added to support the delivery of adult social care. This would raise £2.4 million and is in addition to the permitted increase of up to 2% in core Council Tax for general services. These limits are set by government[10]. There was not enough time to hold a local referendum on increases above these limits before Full Council decides on its 2022/23 budget in February 2022.

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8 Social Care Precept is a levy on top of core Council Tax, which is dedicated to help pay for adult social care.

9 Where we refer to a 2% increase in Council Tax, we are using 2% as shorthand for an increase of 1.99%.

10 The limits of a 2% increase in Council Tax and 1% for Social Care Precept were announced in the government's Autumn Budget and Spending Review 2021 on 27 October 2021.

If we increase Council Tax by 2% and levy a Social Care Precept of 1% next year, we estimate there would remain a potential funding gap in the region of £19.5million[11] in the council's core budget in 2022/23[12]. If we do not increase Council Tax or levy a Social Care Precept, the funding gap would be greater than £19.5 million. With such a significant challenge the budget cannot be balanced without additional funding, making greater efficiencies (doing the same for less money) or by transforming the way we do things.

1.3 Budget 2022/23 consultation

1.3.1 Overview

The Budget 2022/23 consultation took place between 5 November and 17 December 2021 and sought views from the public (including businesses and organisations which represent non-domestic rate payers[13]) on the following:

- six approaches the council might take to save money, work more efficiently and generate income to help bridge the forecast funding gap[14] in 2022/23. These are described in Section 1.3.2;
- options for the level of Council Tax they would prefer in 2022/23. Options were no increase, a 1% increase or a 2% increase, each of which would have different implications for the amount of money the council could spend on general council services;
- options for the level of Social Care Precept they would prefer in 2022/23 to support the delivery of adult social care, in addition to the Council Tax for general services. Options were no Social Care Precept or a 1% Social Care Precept

1.3.2 Proposed approaches to save money and generate more income

The Budget 2022/23 consultation described six approaches the council might use to save money, work more efficiently and generate income to help balance the budget in 2022/23. Respondents were asked if they agree or disagree with each of the approaches. The six approaches are summarised below and can be read in full in the online consultation survey.

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[11] The budget consultation referred to a forecast budget gap of £23.1 million, which was the best estimate in November 2021. The annual determination of funding to local government has revised the budget gap from £23.1m to £19.5m for 2022/23.

[12] Source: Medium Term Financial Plan 2022/23 - 2026/27, Bristol City Council

[13] The council has a statutory duty to consult each year with representatives of non-domestic rate payers about the authority's proposals for expenditure in the forthcoming year. The activities undertaken to consult representatives of non-domestic rate payers are described in section 2.2.4

[14] The budget consultation referred to budget gap of £23.1 million; the estimate current in November 2021.

Proposed approaches to save money and generate more income

- **Property and Capital Investment -** how we get the best use of our assets, reduce our office accommodation and find new ways to share building space with partners and/or community groups. This may include increasing rents, prioritising preventive maintenance and reducing carbon emissions from our estate.

- **Be more business-like and secure more external resources** – this could involve charging clients, partners or citizens for goods or services at market rates and reducing subsidies by other taxpayers. We may seek more grants and external funding for services and activities, and collect debts ethically and more effectively.

- **Improve efficiency** - by joining up services, removing unnecessary duplication, doing things once and buying our goods and services to make sure we get great value from our suppliers.

- **Digital transformation** - making more use of digital technology to help remove or reduce costs, whilst improving outcomes by targeting services to those who need them and addressing digital exclusion (those who can't access digital services or find using them difficult or unaffordable).

- **Reducing the need for direct services** - working to develop and enable other organisations, communities, and individuals to take things on, where possible doing less directly ourselves. Working to build resilience and intervening early to support independence and prevent problems escalating in people's lives.

- **Redesigning, reducing, or stopping services** - different ways we can deliver services whilst saving costs, such as merging, redesigning, or allowing others to deliver services on our behalf. Where necessary, stopping, reducing, changing, or pausing services to make savings, without there necessarily being any replacement for them, based on the need to fund our highest priorities.

The Budget 2022/23 consultation did not include specific savings proposals. We may need to consult on more detailed saving proposals before we make any final decisions about them in future.

1.4 Scope of this report

This consultation report describes the consultation methodology and the feedback received, which will be considered by Cabinet and Full Council before decisions on the 2022/23 budget are made by Full Council in February 2022.

Chapter 2 of this report describes the Budget 2022/23 consultation methodology. The consultation information and questions are summarised in section 2.1.1 and the full consultation survey can be viewed online.

Chapters 3 to 5 present the Budget 2022/23 consultation survey results:

- Chapter 3 presents the survey response rate and respondent characteristics;
- Chapter 4 summarises respondents' views on the six proposed approaches to save money, work more efficiently and generate income to help bridge the forecast budget gap in 2022/23;
- Chapter 5 describes the survey feedback on the level of Council Tax and Social Care Precept;

Chapter 6 describes feedback received in other correspondence (emails and letters).

Chapter 7 describes how this report will be used and how to keep updated on the decision-making process.

2 Methodology

2.1 Survey

2.1.1 Online survey

The Budget 2022/23 consultation survey was available on the council's Consultation and Engagement Hub (bristol.gov.uk/consultationhub) between 5 November and 17 December 2021. Downloadable print and Easy Read formats were also available on the Consultation and Engagement Hub.

Survey information

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

- Details of the council's revenue budget (the money available to spend on delivering day-to-day services). This included an overview of where the money comes from, a breakdown of how Council Tax revenue is spent (based on 2021/22 expenditure) and details of three other budgets (the Dedicated Schools Grant, the public health budget, and the Housing Revenue Account), which the council must keep separate from its main day-to-day spending.
- Details of the forecast budget shortfall of £23.1 million[15] in 2022/23 due to increasing costs, reducing UK Government funding and due to loss of other council income during the COVID-19 pandemic.
- Details of the assistance the council is providing to low-income households in meeting their Council Tax bills and the assistance the council is providing to households experiencing hardship as a result of COVID-19.
- An outline of the council's capital investment programme in 2022/23.
- An explanation of council reserves.
- A description of the six approaches to reduce costs and increase income which the council proposes to bridge the budget gap.
- Forecasts of how much additional revenue would be raised in 2022/23 by each of the proposed core Council Tax options (increases of 0%, 1% or 2%) and each of the options for the level of Social Care Precept (0% or 1%).
- Details of how much the funding gap would be if Council Tax is not increased and Social Care Precept is not levied.
- The weekly and annual cost increases that would be payable by households in each Council Tax band for each Council Tax option and Social Care Precept option.

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15 The budget consultation referred to budget gap of £23.1 million; the estimate current in November 2021. The annual determination of funding to local government has revised the budget gap from £23.1m to £19.5m for 2022/23.

Survey questions

The survey questions sought respondents' views on the following.

- The six approaches the council proposes to save money, work more efficiently and generate income to help bridge the forecast funding gap[16] in 2022/2023.
- The level of core Council Tax to support the delivery of general council services in 2022/23, with options of no increase, a 1% increase or a 2% increase.
- The level of Social Care Precept in addition to the increase in core Council Tax, with options of no precept or a 1% precept.
- Respondents' reasons for their views on the six savings/income generation approaches, their preferred level of Council Tax and the level of Social Care Precept, and any other suggestions they have for how the council could save money or generate income.

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

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

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

2.1.2 Alternative formats

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

2.1.3 Other correspondence

Two emails and one letter (received via email) were received in response to the consultation. These are reported separately to the survey responses in Chapter 6.

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[16] The budget consultation referred to budget gap of £23.1 million; the estimate current in November 2021. The annual determination of funding to local government has revised the budget gap to £19.5m in 2022/23.

2.2 Publicity and briefings

2.2.1 Objective

The following programme of activity was carried out to publicise and explain the Budget 2022/23 consultation. The primary objective was to engage residents, communities, stakeholders, businesses and representatives of non-domestic ratepayers across the city in decisions on the level of Council Tax and Social Care Precept and other ways the council proposes to bridge the forecast budget gap.

To achieve this, information was shared across a wide range of channels, reaching as broad a range of audiences as possible to maximise response rates. Areas of the city that tend to respond to surveys in low numbers were targeted part way through the consultation.

2.2.2 Bristol City Council channels

Online and paper versions of the consultation document were shared via the following council and partner channels and networks:

- BCC weekly business e-newsletter - at launch and with a week to go - 2,450 recipients
- Ask Bristol e-bulletin – 5,167 recipients
- COVID citizen e-newsletter – at launch and again with a week to go – 46,913 recipients
- MPs (via email)
- Emails to 4,771 users of the online Council Tax account system sent on 19 November, with follow-up emails to those who had not yet responded sent on 9 and 16 December
- Communications through the One City Economy Board
- Headteachers' newsletter bulletin
- Paper copies in libraries

2.2.3 Internal communications

Messages announcing the launch of the public consultation were sent to the following internal stakeholders:

- Cabinet
- Directors, managers, managers of offline staff
- Party group leaders
- Elected councillors who were provided with a digital engagement pack, which included assets for social media and newsletter content, to share with their contacts.
- Chairs of scrutiny committees
- Chair of HR committee
- Medium Term Financial Plan (MTFP) member task and finish group
- Trade unions (with an in-person briefing)
- Staff-led groups, and all staff
- Youth Council and Youth Mayors
- Mayoral Commissions (Women's, Race, Disability, History)
- Wholly owned companies (Bristol Holding Company, Bristol Waste, Goram Homes).

Produced by Consultation and Engagement
Email consultation@bristol.gov.uk

Staff and elected members were asked to promote the public consultation.

There were reminders throughout November and December through our blogs and bulletins.

2.2.4 Bristol City Council Partners, Businesses and Voluntary Sector Organisations

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

Details of the consultation were shared at the launch and with two weeks to go with representatives of business organisations (including Business West, local Business Improvement Districts, and the Federation of Small Businesses), LGA, voluntary sector organisations, public sector/city stakeholders, local health partners, equalities groups and community groups with a request for information to be circulated through their networks.

2.2.5 Media engagement

Press releases were distributed to media contacts and local community newsletters on 2 November and 3 December 2021 outlining the consultation. This resulted in coverage in local community newsletters such as the Voice magazines, plus a Bristol Cable Podcast interview with Cllr Cheney.

2.2.6 Social Media – posts, outreach and advertising

Regular posts on Bristol City Council's social media channels (Twitter, Facebook, Next Door, LinkedIn and Instagram) were made for the duration of the consultation. These organic posts had a potential reach of 2.2 million people resulting in 834 survey link clicks[17].

Marvin Rees recorded a short video encouraging people to complete the survey, this was included in posts on social media.

Paid for Facebook advertising was also employed. Initially an ad was run to encourage responses from all parts of Bristol. Three weeks before the consultation closed, a new ad was created to engage targeted areas of the city where response was low. A week before the consultation closed these targeted areas were reviewed and a new ad was created.

Social media accounted for the following number of responses[18]:

- Facebook 10% (128 respondents)
- Twitter 3% (37 respondents)
- Next Door 1.7% (22 respondents)
- Instagram 0.8% (10 respondents).

2.2.7 Radio

Councillor Cheney did an interview with BCFM radio two weeks before the consultation closing date, to encourage people to complete the survey.

[17] The reach figures For Twitter are estimates because Twitter does not report these data.

[18] Based on responses to the survey question 'How did you hear about this consultation?'

3 Survey response rate and respondent characteristics

3.1 Response rate to the survey

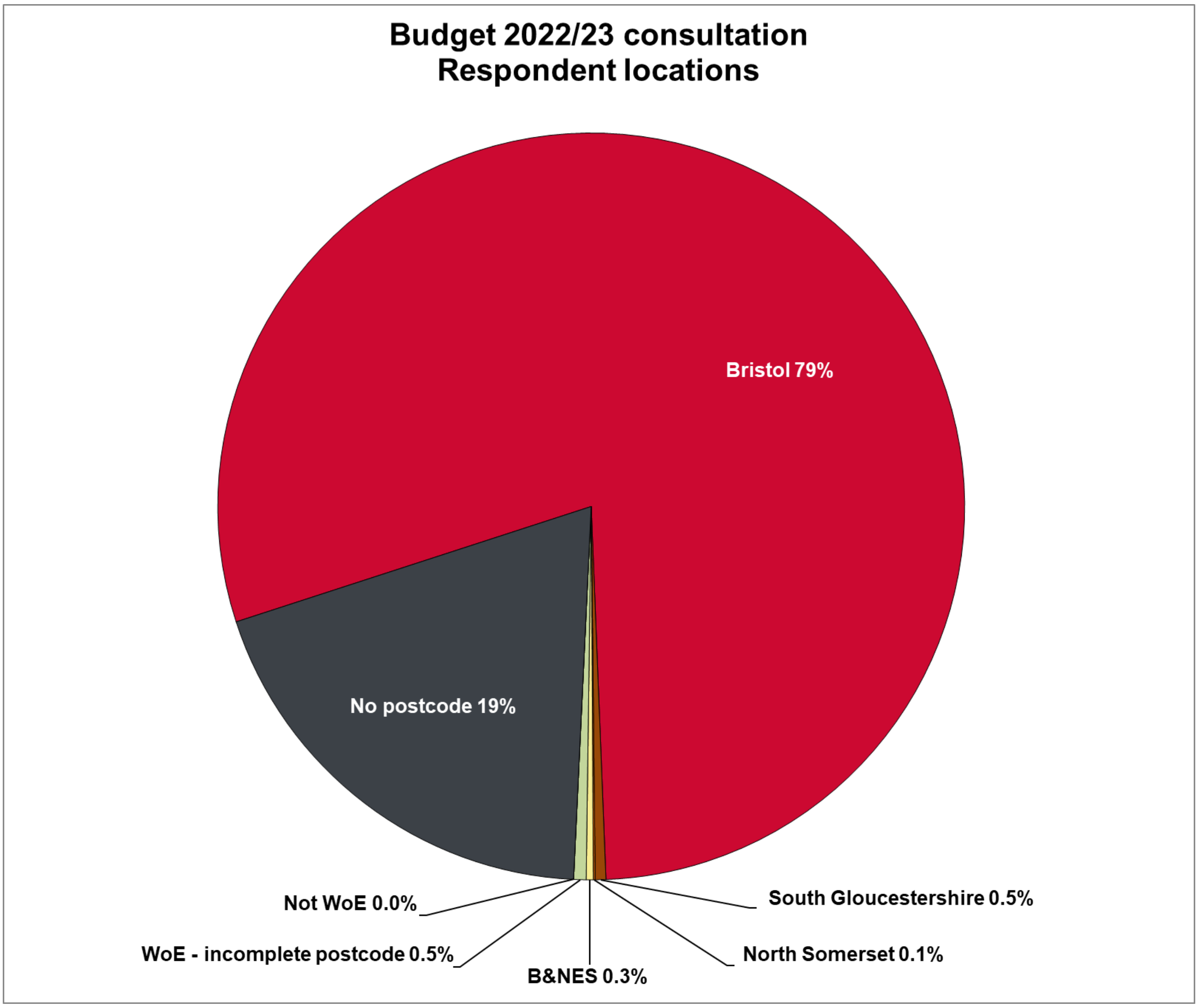
The Budget 2022/23 consultation survey received 1,304 responses, of which 1,290 (99%) were completed online and 14 (1%) were paper surveys.

3.2 Geographic distribution of responses

1,035 responses (79%) were received from postcodes within the Bristol City Council area, Six (0.5%) responses were from South Gloucestershire, four (0.3%) were from Bath & North East Somerset (B&NES), and one (0.1%) was from North Somerset. A further seven (0.5%) were from unspecified locations within the four West of England authorities[19] (Figure 1).

251 (19%) did not provide a postcode.

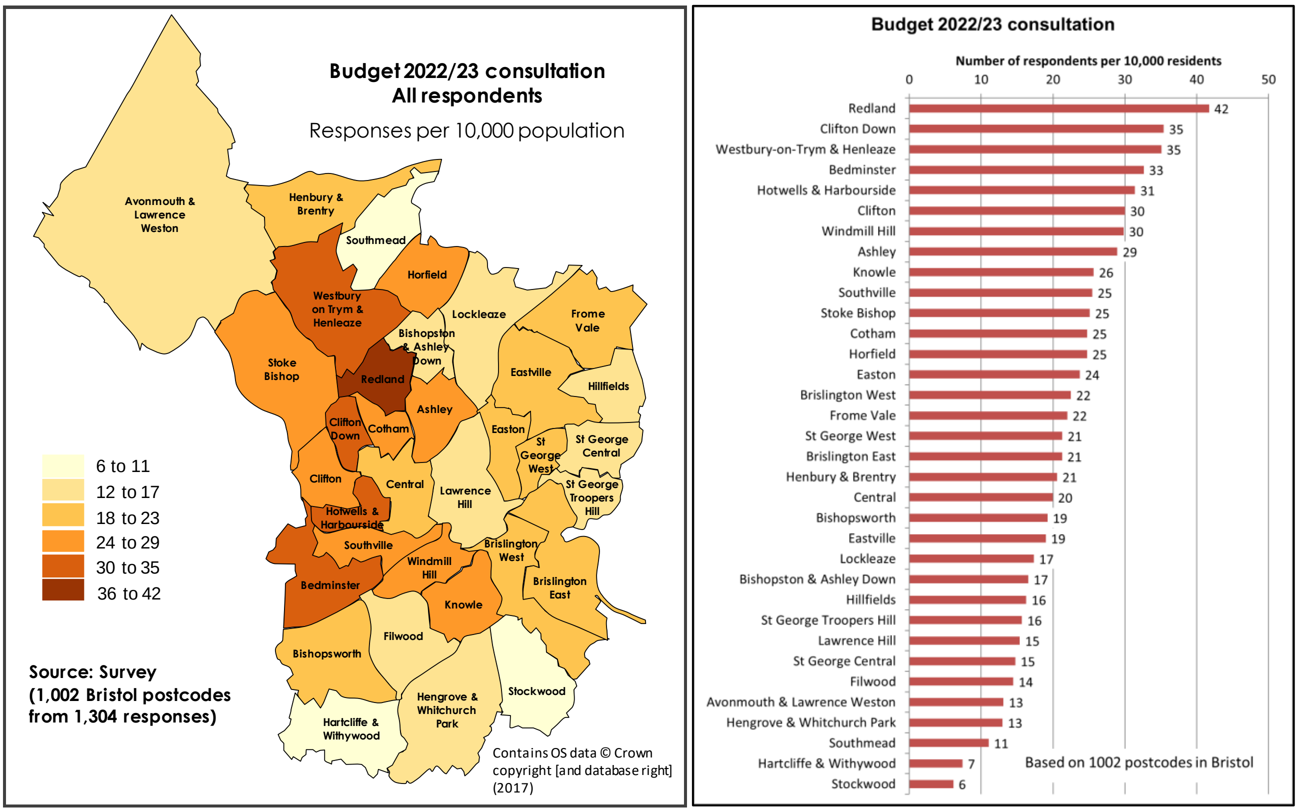
Figure 1: Geographic distribution of responses



[19] Incomplete postcodes identified the home location as within the WOE authorities area (Bristol, B&NES, North Somerset and South Gloucestershire), but not which authority.

Of the 1,035 responses from within the Bristol City Council area, 1,002 provided full or partial postcodes from which the ward of origin could be identified[20] (Figure 2).

Figure 2: Geographic distribution of responses in Bristol



3.3 Response rate from areas of high and low deprivation

The home location of respondents in Bristol was compared with nationally published information on levels of deprivation across the city[21] to review if the responses received include a cross-section of people living in more deprived and less deprived areas. This helps the council to know if the views of citizens in more deprived areas differ from people living in less deprived areas.

The comparison looked at levels of deprivation in 10 bands (known as 'deciles') from decile 1 (most deprived) to decile 10 (least deprived). Figure 3 compares the percentage of Bristol respondents[22] living in each of the deprivation deciles (red bars) to the percentage of all Bristol citizens who live in each decile (grey bars).

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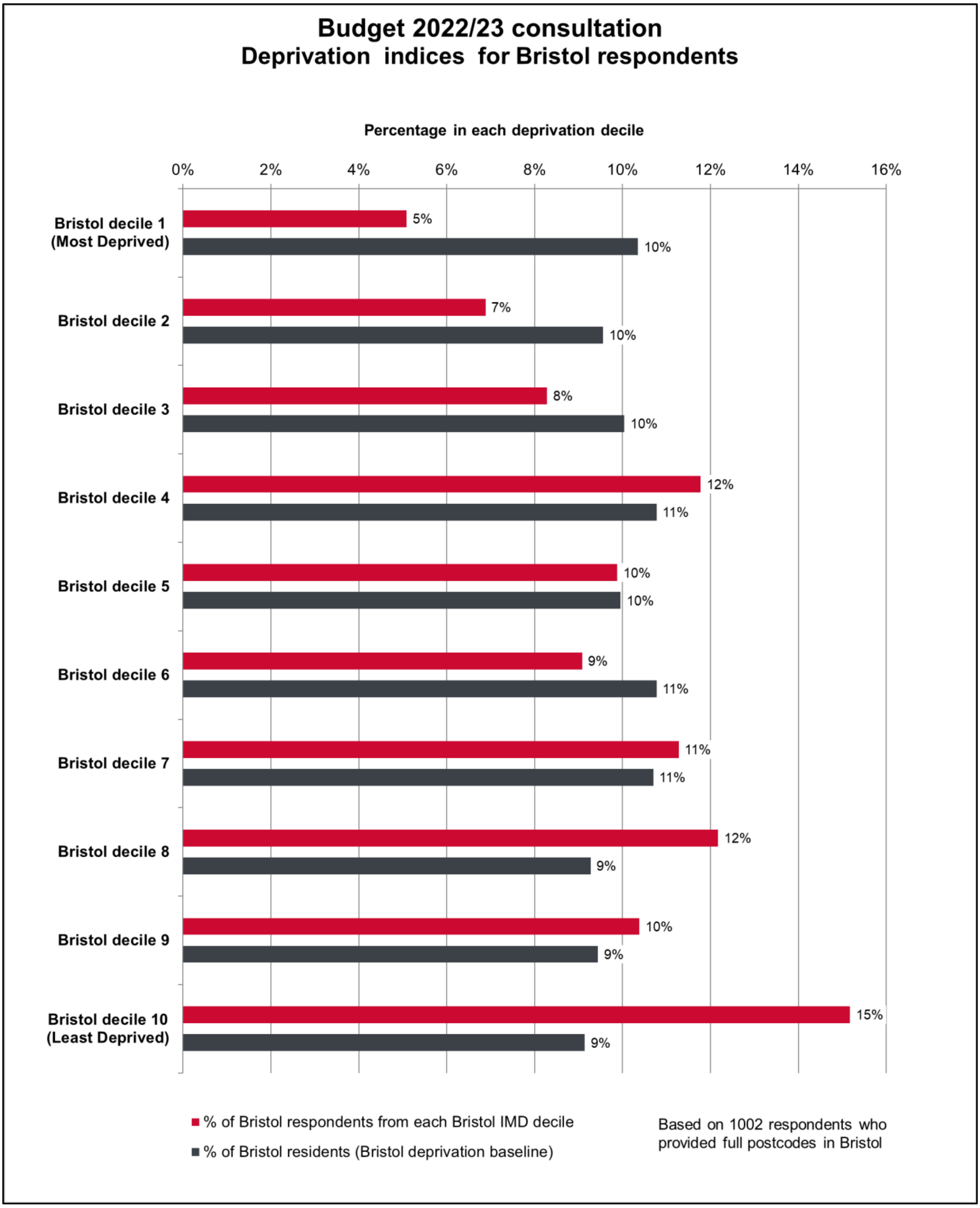
[20] The other 33 responses included incomplete postcodes which are within Bristol but do not include enough information to identify a specific ward.

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

[22] Based on 1,002 respondents who provided full postcodes in the Bristol administrative area from which deprivation decile can be identified.

Figure 3 shows there was under-representation of responses from the most deprived 30% of the city (deciles 1, 2 and 3) and response rates from the least deprived 30% of the city (deciles 8, 9 and 10) were over-represented. Decile 6 is also under-represented. Responses from deciles 4, 5 and 7 broadly match the proportion of Bristol citizens living in these deciles.

Figure 3: Comparison of response rate from areas of high and low deprivation



(Percentages in Figure 3 are given to the nearest integer. The length of bars in the chart reflects the unrounded percentage; hence bars shown as 10% may be slightly different in length.)

3.4 Characteristics of respondents

1,255 (96%) people answered one or more of the equalities monitoring questions. Respondent characteristics are summarised below. The charts compare:

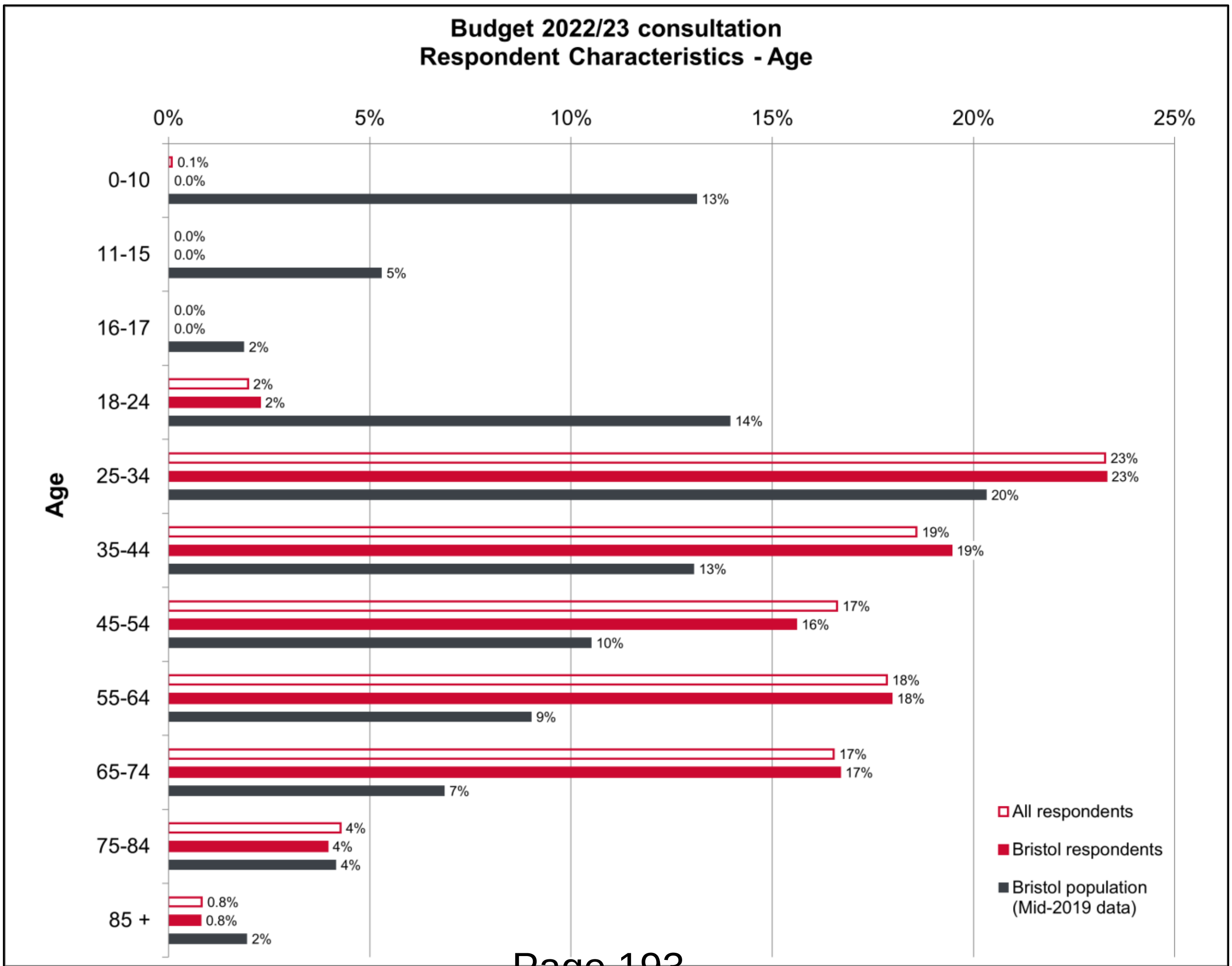
- characteristics for all respondents who answered the equalities questions;
- characteristics of respondents who provided a Bristol postcode;
- characteristics of Bristol's citizens for five protected characteristics (age, sex, disability, ethnicity and religion/faith) for which population data are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

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

Age

The highest number of responses were from respondents aged 25-34 years (23%), followed by 35-44 (19%). All age groups between 25 and 74 responded in higher proportions than these ages in the population. Survey responses from children (under 18), young people aged 18-24 and people aged 85 and older were under-represented. In each age category, the proportions of 'all respondents' and 'Bristol respondents' were very similar.

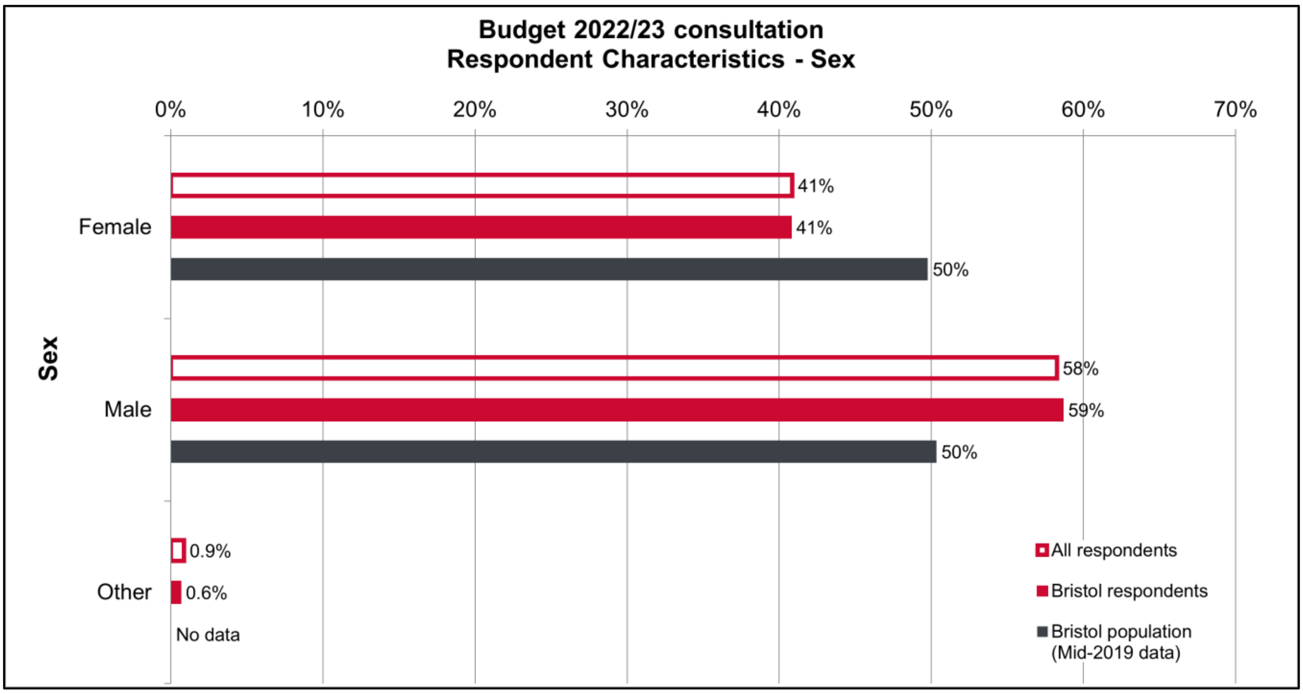
Figure 4: Age of respondents



Sex

41% of all responses were from women and 58% were from men. 0.9% were from people who identified as 'other'. These percentages exclude the 9% of respondents (7% of Bristol respondents) who answered 'prefer not to say')

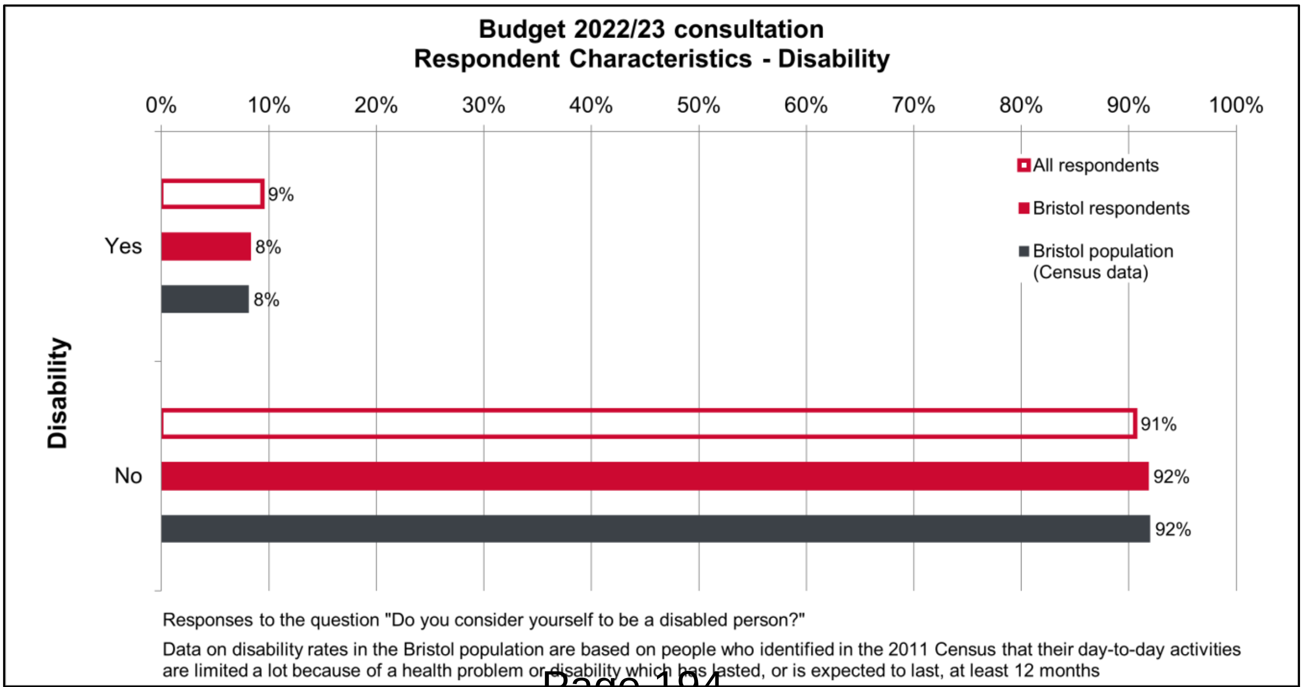
Figure 5: Sex of respondents



Disability

The proportion of disabled respondents (9% of all respondents; 8% of Bristol respondents) is similar to the proportion of disabled people living in Bristol.These percentages exclude the 7% of respondents (5% of Bristol respondents) who answered 'prefer not to say')

Figure 6: Disability



Ethnicity

The response rate from White British respondents (77%) and White Other respondents (13%) is higher than the proportion of these citizens in the Bristol population.

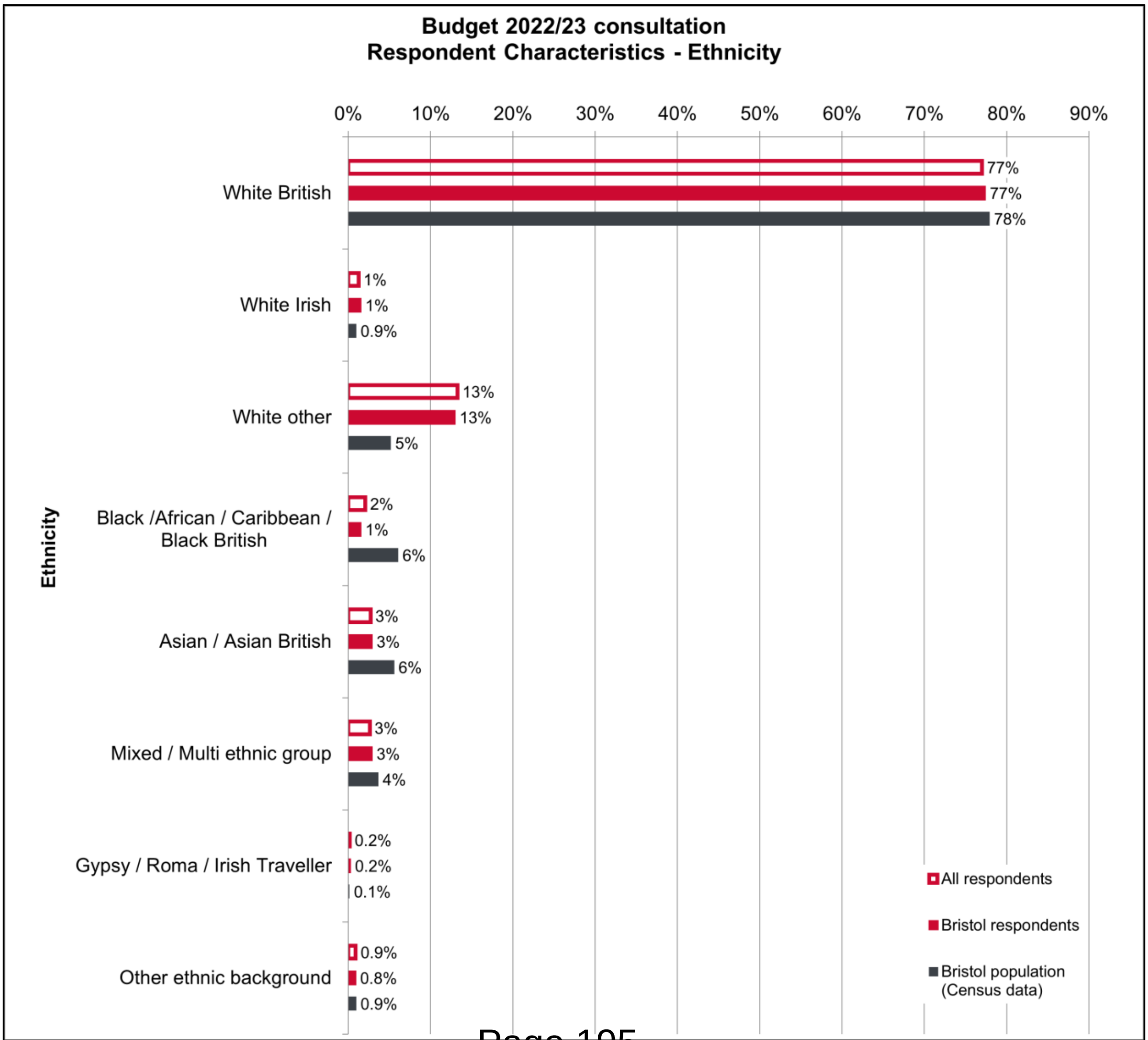
The proportion of White Irish (1%), Gypsy / Roma / Traveller people (0.2%) and people of 'other ethnic background' matches the proportion of these citizens in the Bristol population.

Black/African/Caribbean/Black British citizens, Asian/Asian British and mixed/multi-ethnic citizens were under-represented in the response rates compared to the proportion of people in each of these ethnic groups living in Bristol.

These percentages exclude the 10% of respondents (8% of Bristol respondents) who answered 'prefer not to say'

Proportions of each ethnicity for all respondents closely matches respondents who provided a Bristol postcode, with the exception of Black/African/Caribbean/Black British citizens.

Figure 7: Ethnicity of respondents



Religion/Faith

People with no religion (63% of respondents) responded in higher proportion than people of no religion in Bristol's population (41%). Buddhists (1.5%) and people with 'Other faith' (2%) also responded in greater numbers than the proportions of these faiths in Bristol.

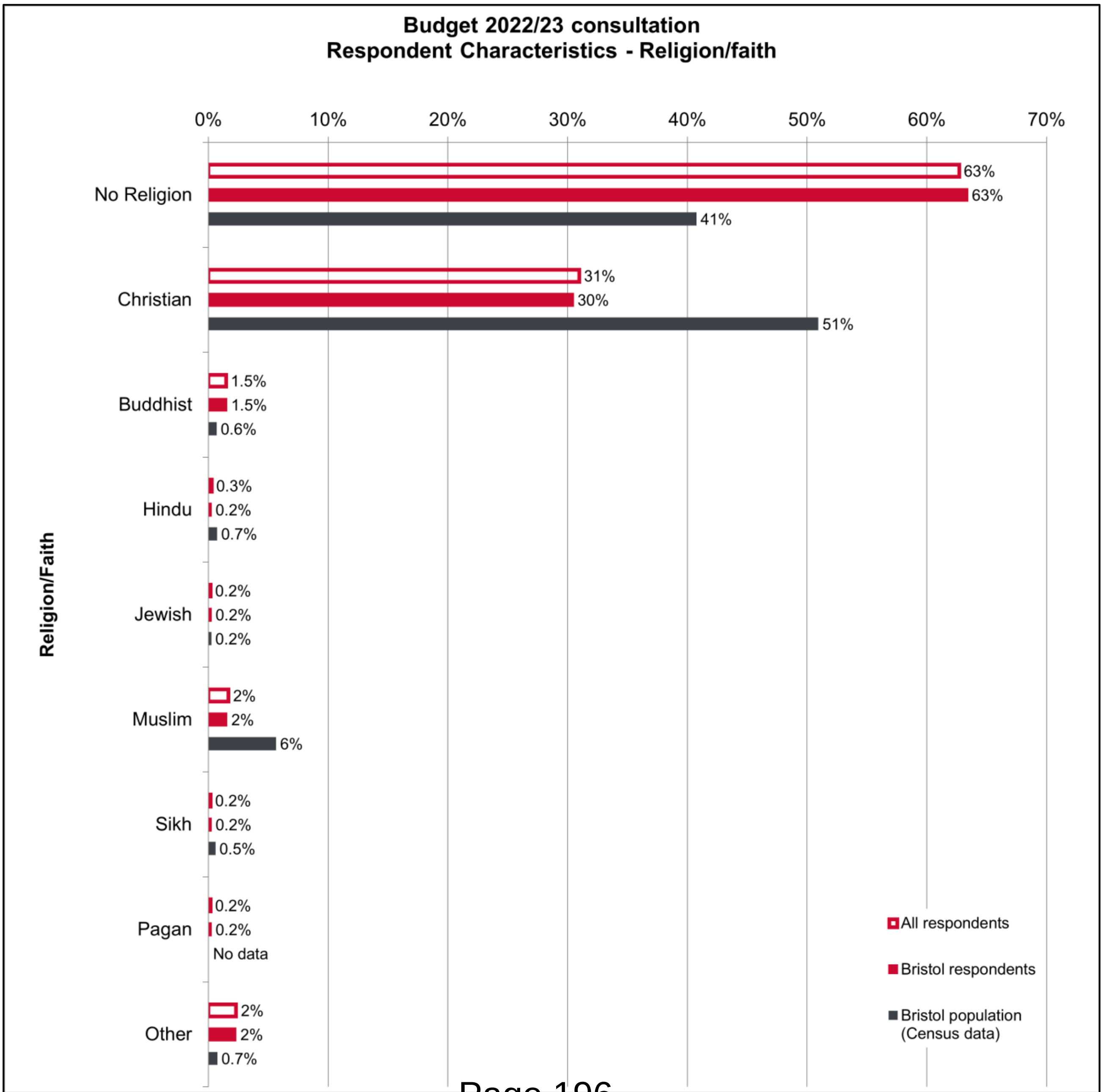
The proportion of Jewish respondents (0.2%) matches the Bristol population.

Christians (31%), Muslims (2%), Hindus (0.3%) and Sikhs (0.2%) were under-represented compared to the proportions of these faiths living in Bristol.

These percentages exclude the 12% of respondents (10% of Bristol respondents) who answered 'prefer not to say'.

The proportion of each religion/faith for all respondents closely matches Bristol respondents.

Figure 8: Religion/faith of respondents



Other protected characteristics and refugee/asylum status

The survey also asked respondents about three other protected characteristics (sexual orientation, gender reassignment, pregnancy and recent maternity) and if they are a refugee or asylum seeker.

Census data are not available for the proportion of people with these characteristics living in Bristol. Figures 9, 10, 11 and 12 show the proportions of all respondents and Bristol respondents for each of these characteristics. The proportion of each characteristic for all respondents broadly matches the proportion for Bristol respondents.

Figure 9: Sexual orientation

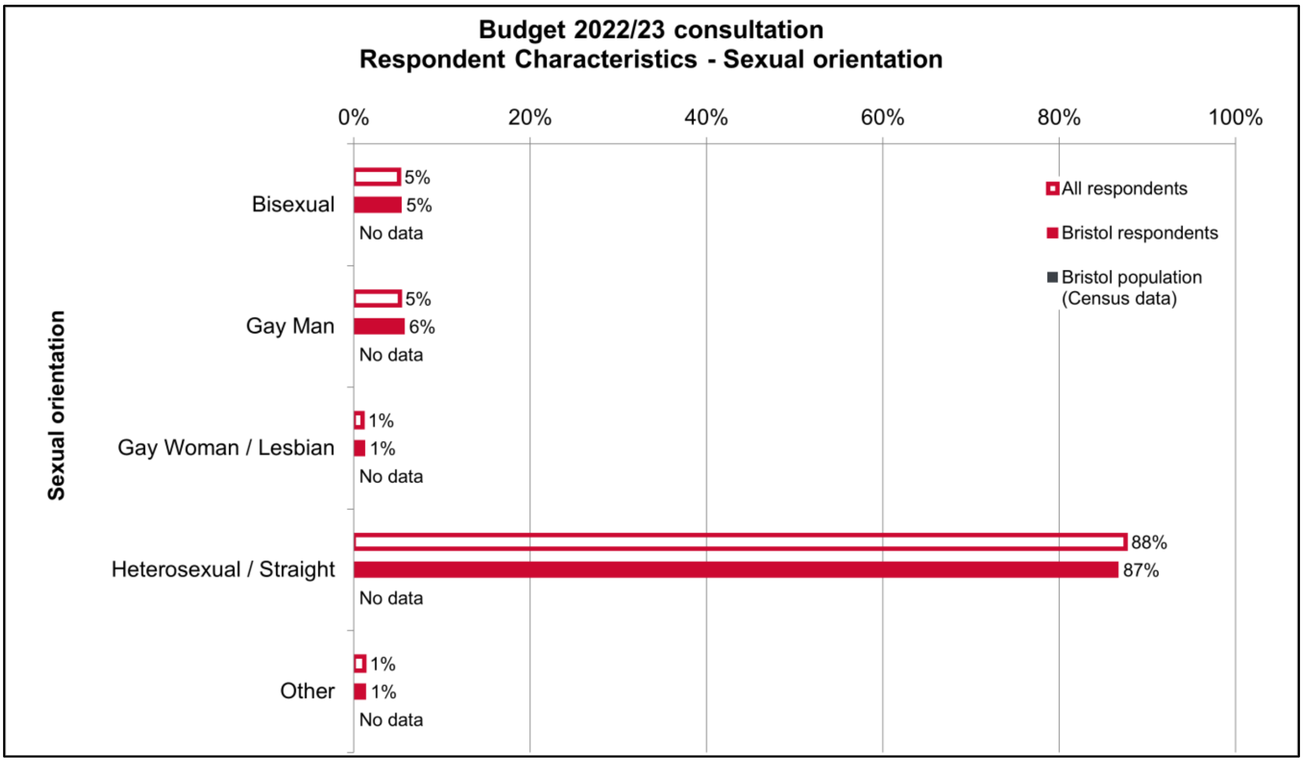


Figure 10: Gender reassignment

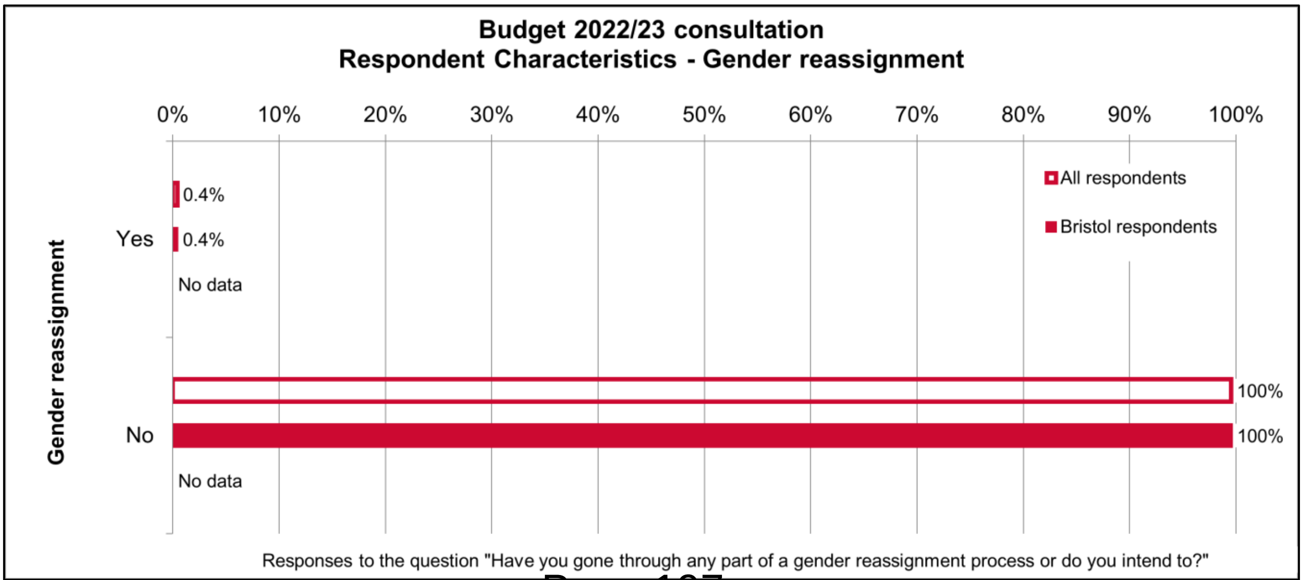


Figure 11: Pregnancy/Maternity

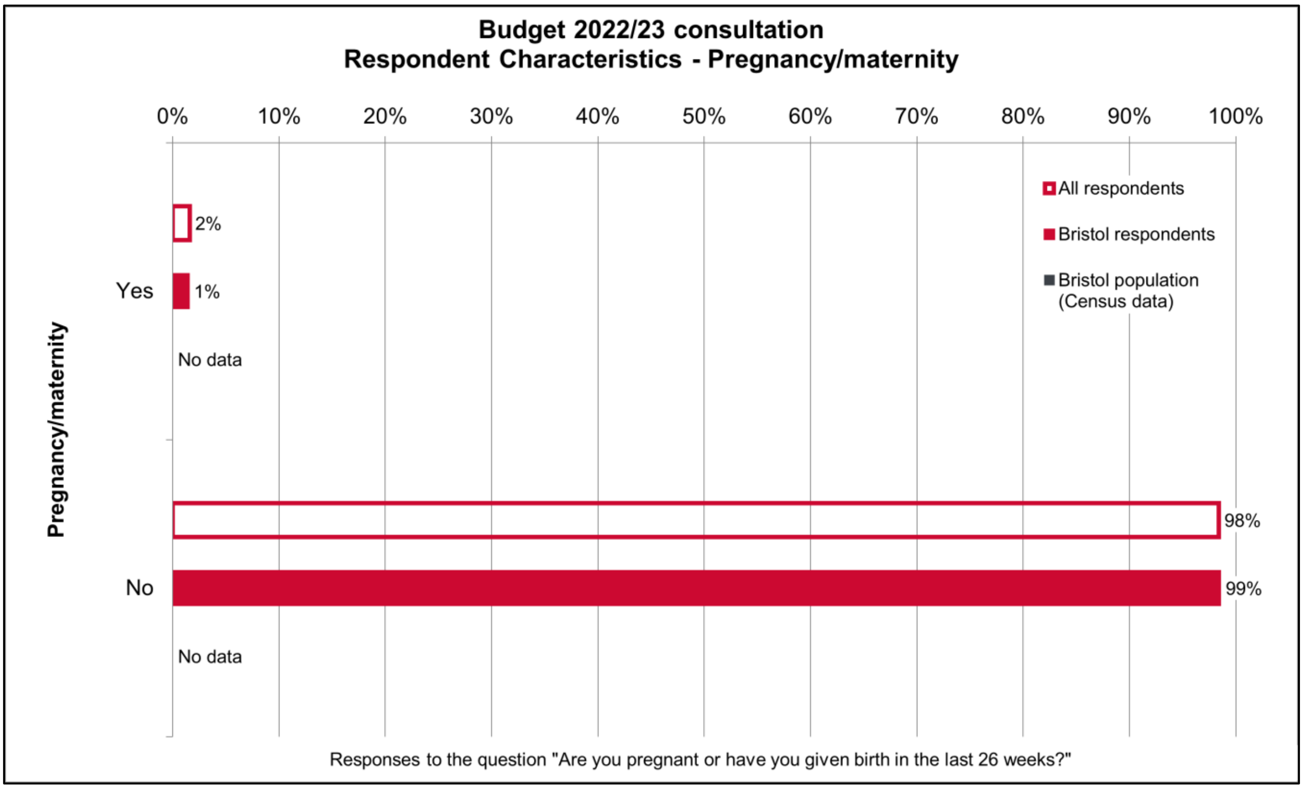
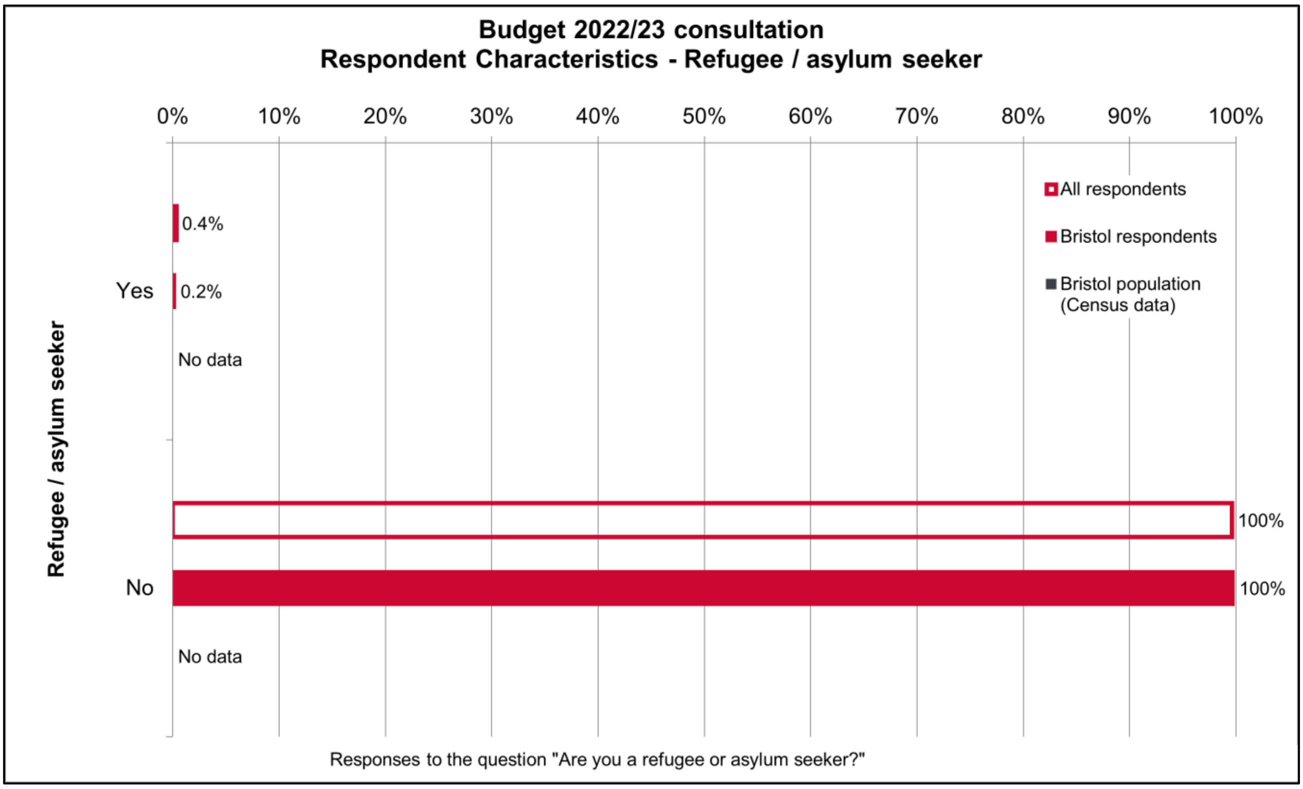


Figure 12: Refugee or asylum seeker



Other respondent characteristics

1,251 (96%) respondents provided other details of their personal situation, selecting from a list of 11 options:

- 1,200 (96% of the 1,251 respondents who answered the question) are Bristol residents
- 12 (1%) work in Bristol but live elsewhere
- 20 (2%) are Bristol City Council employees;
- 5 (0.4%) represent and/or own a local business;
- 2 (0.2%) were responses on behalf of a Voluntary/Community/Social Enterprise;
- 1 (0.1%) response was on behalf of a Housing Association;
- 1 (0.1%) is a councillor;
- 10 (1%) selected ‘other’.

Of the 10 respondents who selected ‘other’, two are landlords, one owns empty property in Bristol, three do not live in the Bristol administrative area, one is a former council employee, one described themselves as an immigrant, and two selected ‘other’ but did not specify details.

4 Survey results: approaches to saving money and generating income

4.1 Views on the six approaches – all respondents

Respondents were asked if they agree or disagree with each of six money saving and income generating approaches that are proposed to bridge the forecast budget gap[23] in 2022/23.

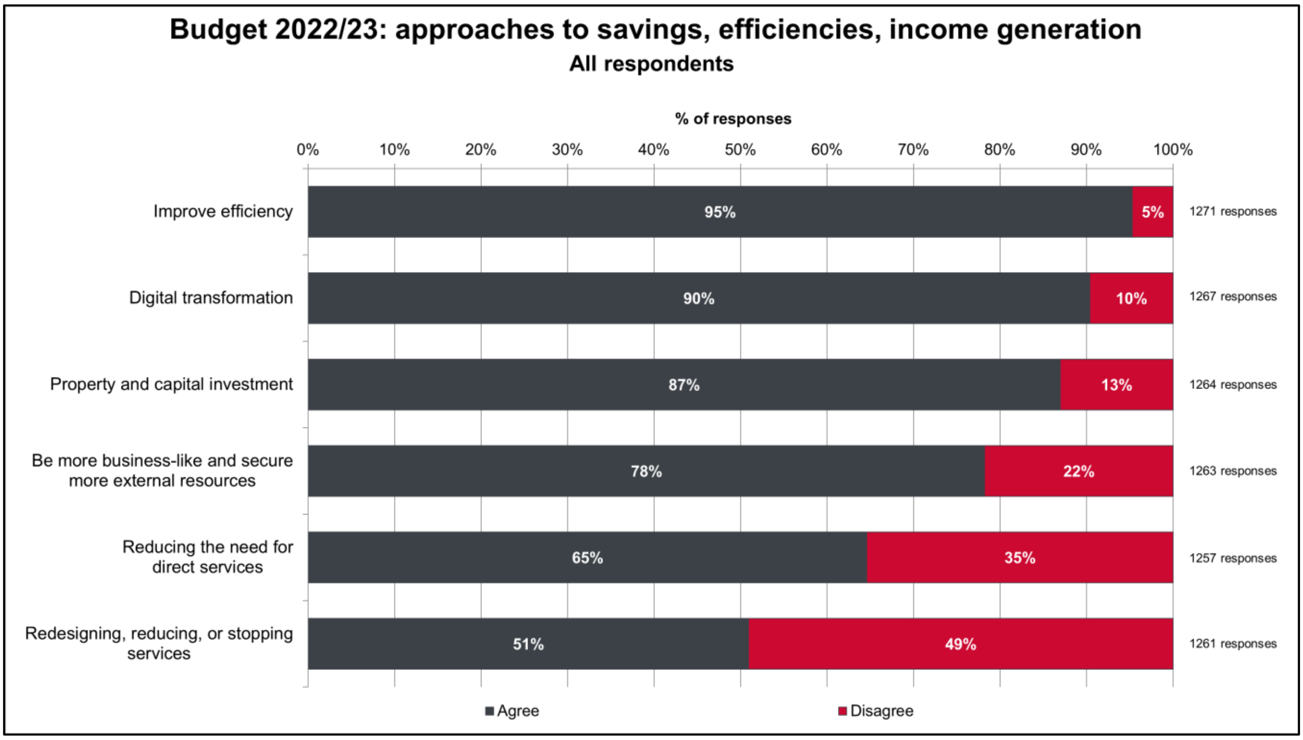
Of the 1,304 respondents to the survey, 1,281 (98%) gave their views on one or more of the approaches. All six approaches were approved of by at least half of the respondents, but respondents indicated much higher support for some approaches than others (Figure 13).

The approach with the highest support is 'improving efficiency', by joining up services, reducing duplications and getting better value in procurement. Of 1,271 respondents who expressed a view, 95% agree and 5% disagree with this approach.

Using 'digital transformation' to reduce costs and improve outcomes by targeting services to those with greatest need had the second highest support (90% agree / 10% disagree).

The proposed approaches with lowest support are 'reducing the need for direct services' (65% agree / 35% disagree) and 'redesigning, reducing or stopping services' to fund the highest priorities (51% agree / 49% disagree).

Figure 13: Proportion of respondents who agree with each of the six approaches



23 The budget consultation referred to budget gap of £23.1 million; the estimate current in November 2021. The annual determination of funding to local government has revised the budget gap to £19.5m in 2022/23.

4.2 Views on each approach in areas with different levels of deprivation

Views on each money saving / income generation approach were compared for people in areas of high and low deprivation, to check for any significant differences in support. The comparison used postcodes provided by respondents in Bristol to match each response to one of 10 deprivation bands (deciles) as described in section 3.3.

Figures 14 to 19 show the views of respondents in each deprivation decile, as well as the views of people who did not provide a postcode or gave a non-Bristol postcode, and the aggregate views of all respondents.

Although views differ by deprivation decile, there are no strong trends which indicate people in more deprived areas show a strong preference for different approaches compared to respondents in less deprived areas. The following was observed:

- **Increasing efficiency**: there is slightly greater support for increasing efficiency in the least deprived 50% of areas compared to the most deprived 50%. Support levels range from 92% in decile 3 to 98% in decile 6 (Figure 14).
- **digital transformation**: there is no trend between high and low deprivation. Support levels range from 89% in decile 4 to 94% in deciles 3 and 7 (Figure 15).
- **property and capital investment**: there is higher support in the least deprived 20% (deciles 9 and 10) compared to the most deprived 20% of areas (deciles 1 and 2) but there is no discernible trend in the deciles between. Support levels range from 82% in decile 2 to 92% in decile 10 (Figure 16).
- **Be more business-like and secure more external resources**: there is significant variation in support for this approach between deciles but no trend between areas of high and low deprivation; the highest support for this approach is in decile 1 followed by decile 10. Support levels range from 68% in decile 4 to 88% in decile 1 (Figure 17).
- **Reducing the need for direct services**: there is notable variation in support for this approach between deciles but no trend between areas of high and low deprivation; the highest support for this approach is in decile 10 followed by decile 1. Support levels range from 57% in decile 6 to 74% in decile 10 (Figure 18).
- **Redesigning, reducing or stopping services**: There is more support for this approach in deciles 7, 9 and 10 (least deprived) than in the more deprived half of the city. However, the trend is broken by there being the lowest support for this approach in decile 8. Support levels range from 43% in decile 8 to 59% in decile 9 (Figure 19)

Figure 14: Views on 'improving efficiency' by deprivation decile

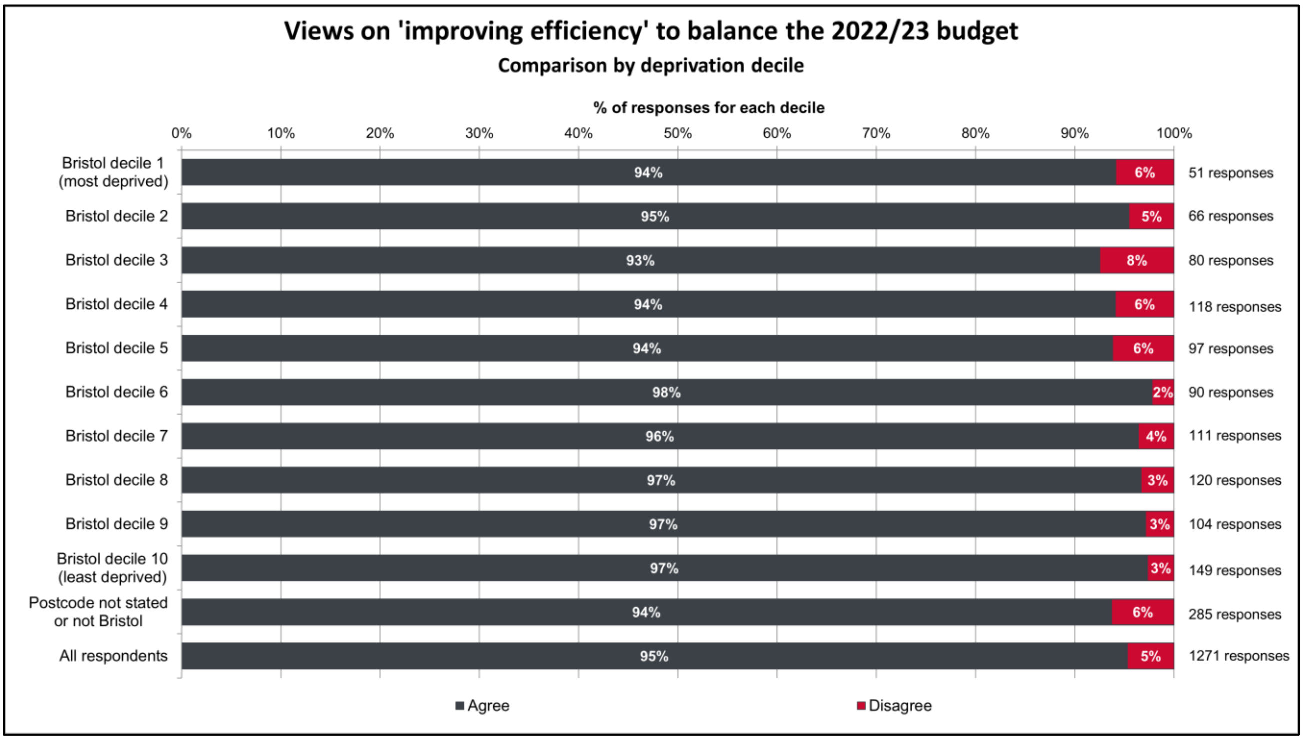


Figure 15: Views on 'digital transformation' by deprivation decile

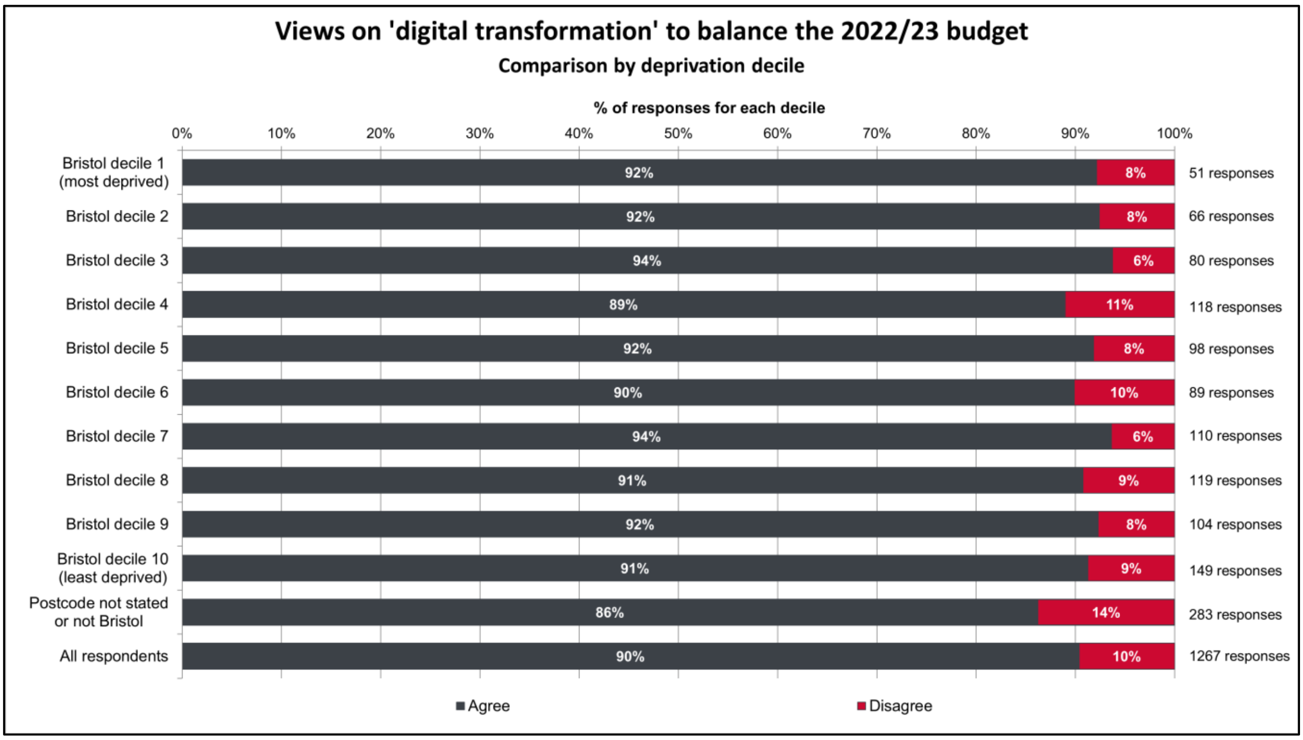


Figure 16: Views on ‘property and capital investment’ by deprivation decile

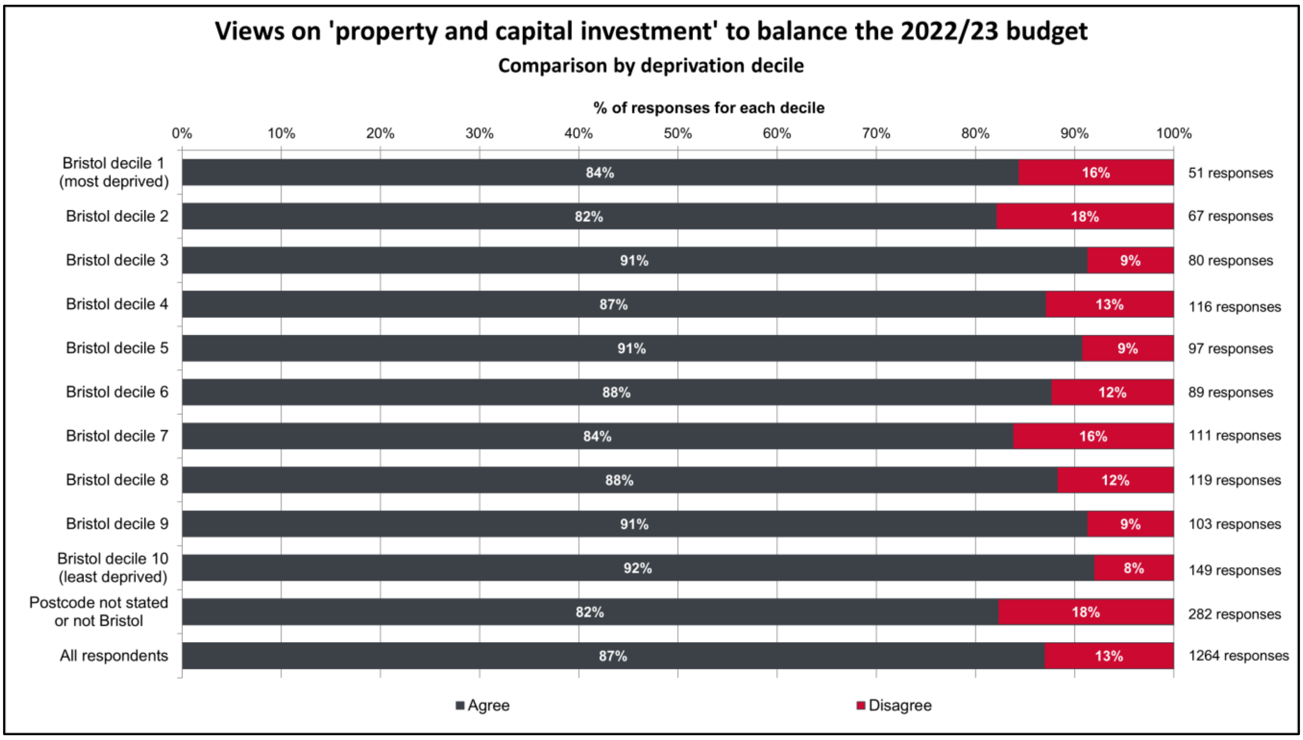


Figure 17: Views on ‘being more business-like’ by deprivation decile

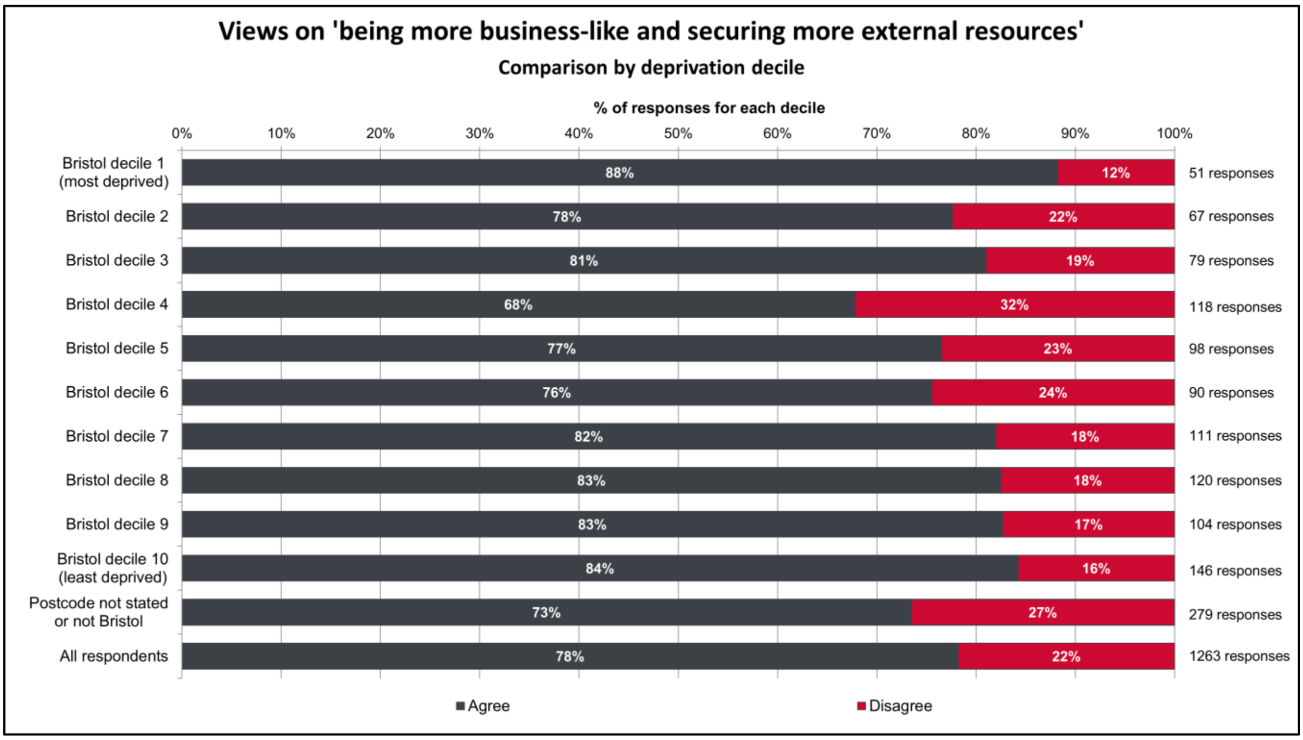


Figure 18: Views on 'reducing need for direct services' by deprivation decile

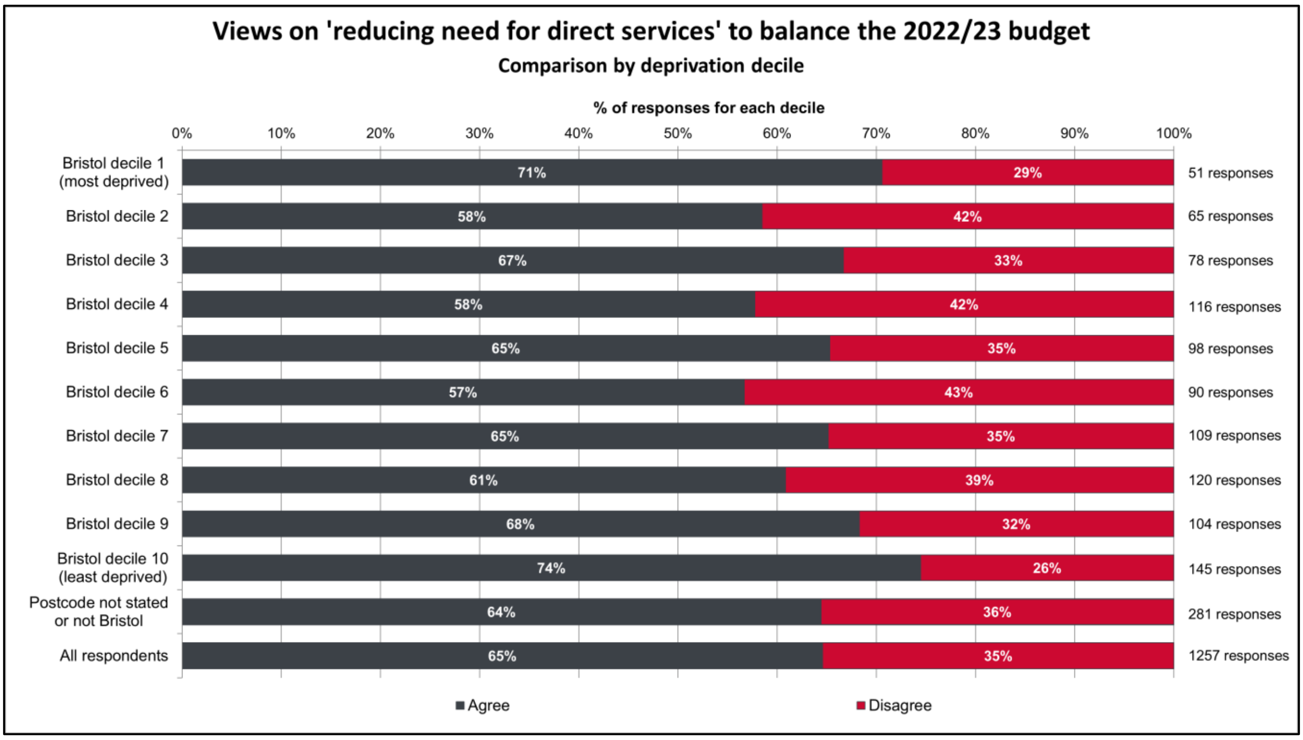
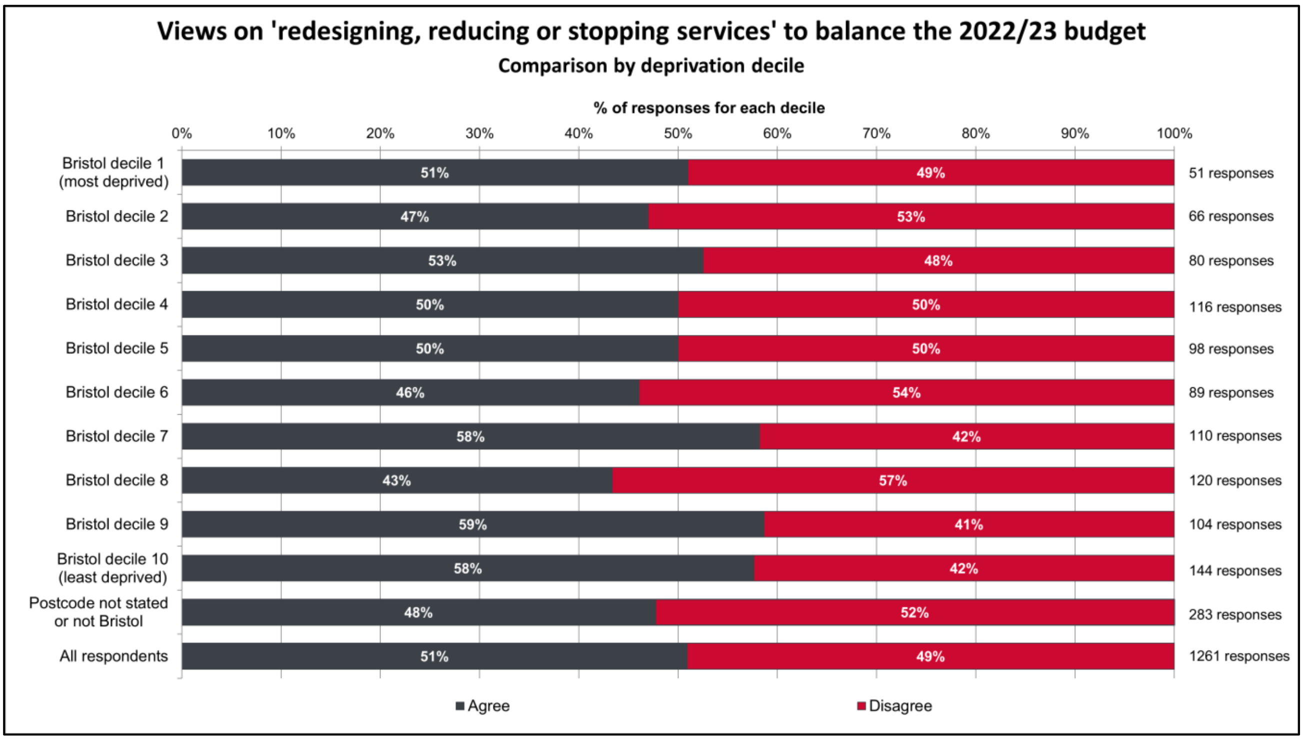


Figure 19: Views on 'redesigning, reducing or stopping services' by deprivation decile

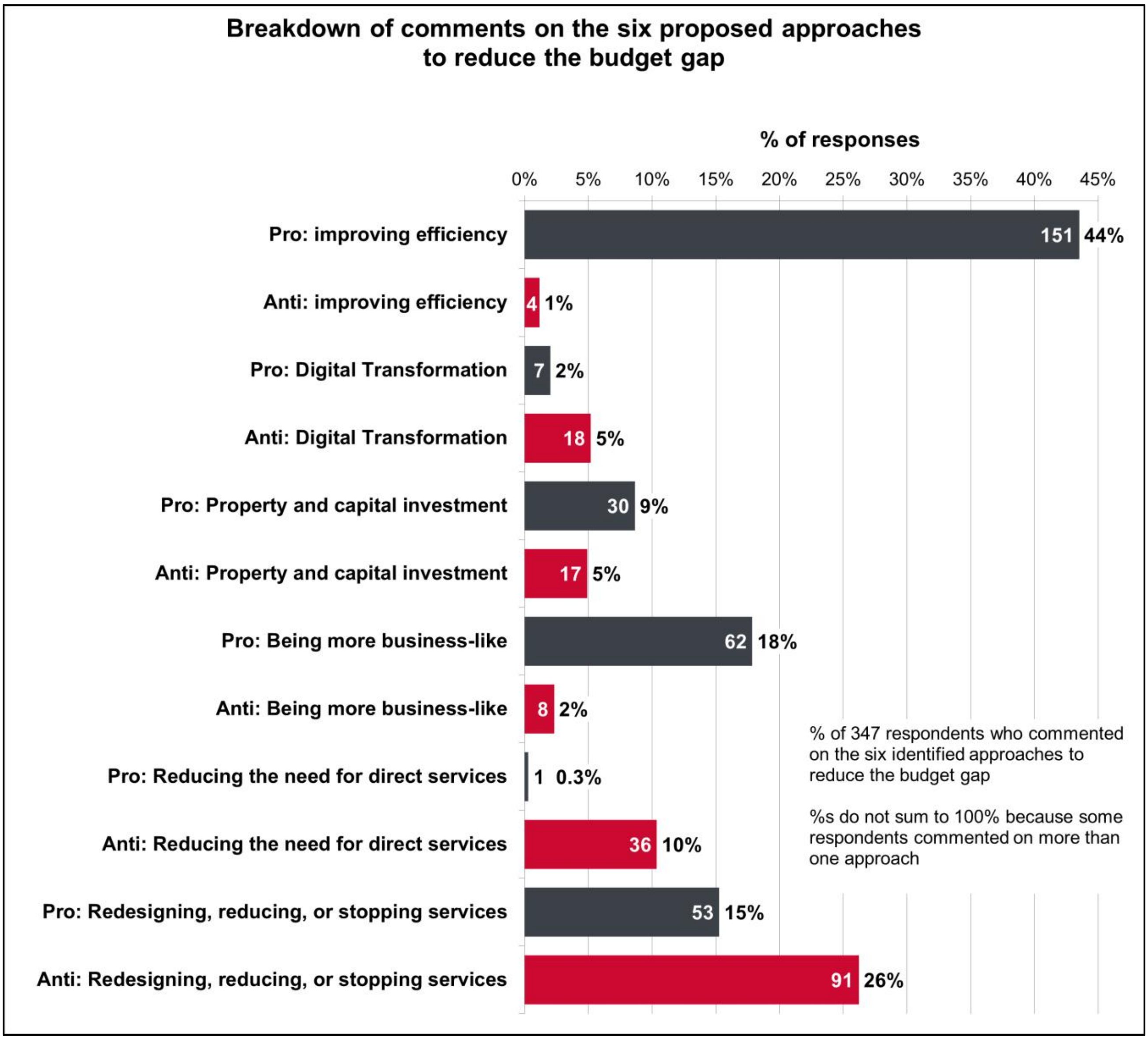


4.3 Free text comments and suggestions on the six approaches

583 respondents provided free text responses which explained the reasons for their views on the six savings / income generation approaches, their preferred level of Council Tax, the level of Social Care Precept or made other suggestions for how the council could save money or generate more income.

347 respondents (60% of respondents who provided free text responses) commented on one of the six identified approaches to reduce the budget gap. Figure 20 shows the number of respondents who provided free text comments that were supportive of (pro - in grey) and opposed to (anti – in red) each of the six approaches. Figure 20 lists the six approaches in the same order as in Figure 13[24].

Figure 20: Free text comments and suggestions on the six approaches



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24 Figure 13 shows the proportion of 1,281 respondents who stated if they agree or disagree with each approach. Those with higher support are listed above those with less support. Figure 20 shows the number of free text comments for and against each of the approaches, by 347 respondents who commented

Improving efficiency

Of the 347 free text comments:

- 151 (44%) agreed with the council's approach to improving efficiency and reducing waste. 88 (25%) commented that they thought that the council wastes too much money, of whom 21 (6%) stated the council wastes money through mismanagement and 19 (5%) said it wastes money by outsourcing to the private sector. 78 (22%) said the council could save money through making efficiencies and striving for value for money.
- 4 (1%) disagreed with improving efficiency and reducing waste, stating their concern that striving for efficiency may have negative impacts on services or be a false economy.

Digital transformation

- 7 (2%) commented in favour of digital transformation, stating that the council should embrace digital approaches to improve information and reduce costs.
- 18 (5%) disagreed with the council's approach to digital transformation, stating that digital channels may not be accessible to all, due to knowledge, disability, cultural barriers or access to digital devices.

Property and capital investment

- 30 (9%) agreed with the council's approach to property and capital investment. Of these, 28 (8%) stated that the council should make more money from selling or letting its properties and 2 (1%) thought the council should make money from buying property and selling it at a profit.
- 17 (5%) disagreed with the council's approach to property and capital investment, stating that the capital budget should be increased.

Being more business-like

- 62 (18%) agreed with being more business-like. Of these, 39 (11%) supported increasing council fees and charges (with parking and other car user charges making up 37 of these), 21 (6%) wanted to invest in income-generating services, and 5 (1%) wanted to improve debt collection.
- 8 (2%) disagreed with being more business-like, stating that they think the council should work for social good and address issues that profit-driven businesses do not.

Reducing the need for direct services

- There was one comment in favour of reducing the need for direct services, but only if it is achieved by reducing need for reactive services through early intervention.
- 36 (10%) disagreed with reducing the need for direct services, citing opposition to commercialisation of public services for profit and stating that outsourcing would lead to poorer service, less accountability and further erosion of public trust.

Redesigning, reducing or stopping services

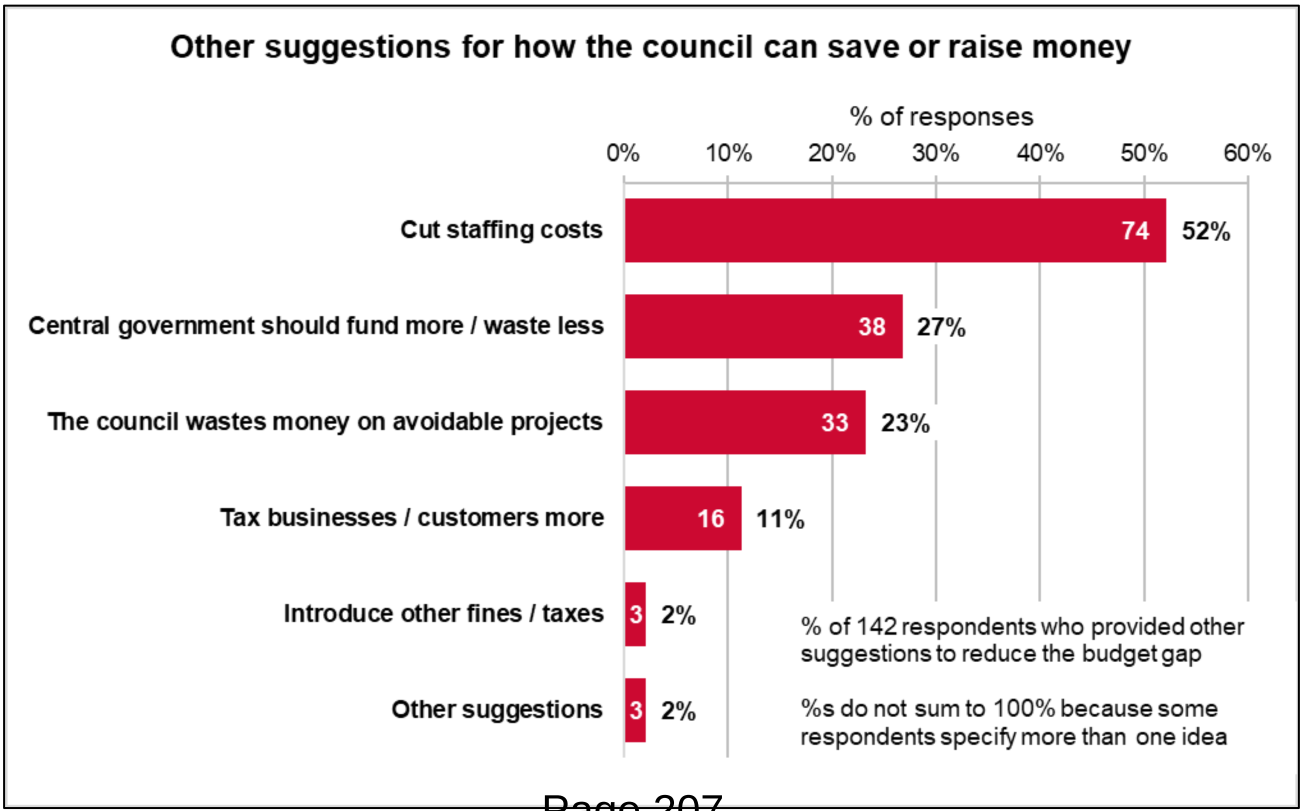
- 53 (15%) agreed with redesigning, reducing or stopping services. Of these, 15 (4%) thought benefits could be cut, 13 (4%) thought that too much is spent on social care, 8 (2%) would support cuts to unspecified services, 7 (2%) suggested reducing refuse collections and 4 (1%) recommended cuts to the Council Tax Reduction scheme.
- 91 (26%) disagreed with redesigning, reducing or stopping services, stating that public services are essential, particularly for more disadvantaged citizens. Respondents commented that would prefer to pay more to avoid cuts. 37 (11%) wanted to see more spent on improving services.

4.4 Other suggestions for ways to save money

142 respondents (24% of respondents who provided free text responses) suggested other ways to reduce the budget gap (Figure 21). Of these:

- 74 (52%) suggested cutting staff costs by rationalising mayoral roles and reducing salaries of elected and officer posts;
- 38 (27%) stated that central government should fund the council more, or waste less;
- 33 (23%) said that the council wastes money on avoidable projects (such as Bristol Energy and Bristol Beacon);
- 16 (11%) said that the council should tax businesses or customers more;
- 3 (2%) suggested the council introduce other fines or taxes;
- 3 (2%) made other suggestions for saving money.

Figure 21: Other suggestions for ways to save money or generate income



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5 Survey results: level of Council Tax and Social Care Precept

5.1 Level of core Council Tax and Social Care Precept – all respondents

Core Council Tax

Respondents were asked to state which level of Council Tax they would prefer in 2022/23, choosing from the following three options:

- **No increase to Council Tax**. This option would require the council to find a further £4.7 million of savings and/or additional income on top of the £19.5 million budget gap[25] expected;
- **An increase of 1% to Council Tax**. This option would raise £2.4 million and require the council to find a further £2.3 million of savings and/or additional income on top of the £19.5 million budget gap expected;
- **An increase of 1.99% to Council Tax**[26]. This option would raise £4.7 million and would not add to the £19.5 million of savings and/or additional income we expect to need.

Of the 1,304 people who responded to the consultation, a majority (842 respondents; 65%), favour an increase in core Council Tax to support general services in 2022/23. Of these:

- 260 (20%) would prefer a 1% increase in core Council Tax;
- 582 (45%) favour a 2% increase;
- 444 (34%) respondents would prefer 'no increase to Council Tax' in 2022/23;
- 18 (1%) did not give a view on Council Tax.

Social Care Precept

Respondents were also asked to state which level of Social Care Precept they would prefer in 2022/23, choosing from two options:

- **No additional Social Care Precept**. This option would require the council to find a further £2.4 million of savings and/or additional income;
- **An additional 1% Social Care Precept**[27]. This would be an extra 1% increase to Council Tax bills in addition to the increase in core Council Tax. This option would raise £2.4 million to support the delivery of social care and would not add to the £19.5 million of savings and/or additional income we expect to need.

Of the 1,304 people who responded to the consultation, a majority (740 respondents; 57%), favour an additional 1% Social Care Precept (on top of core Council Tax) to support the delivery of social care in 2022/23.

539 (41%) respondents would prefer no increase to Social Care Precept in 2022/23.

25 (2%) did not give a view on Social Care Precept.

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[25] The budget consultation referred to a budget gap of £23.1 million; the estimate current in November 2021. The annual determination of funding to local government has revised the budget gap to £19.5m in 2022/23.

[26] An increase up to 2% in core Council Tax is the maximum permitted without requiring a local referendum.

[27] A 1% Social Care Precept is the maximum increase permitted by government in 2022/23

Figure 22 shows the proportions of the 1,304 respondents who prefer each combination of Council Tax increase (0%, 1% or 2%) and Social Care Precept (0% or 1%).

In Figure 22, each bar shows the percentage of respondents who would like each Council Tax option, 0%, 1% or 2%. (The fourth bar shows respondents who did not give their views on Council Tax, some of whom did give their views on Social Care Precept.)

Each bar is subdivided into the percentage who opted for each Social Care Precept option; red for 0% Social Care Precept, grey for 1% and white for no view on Social Care Precept.

For example, the top bar in Figure 22 shows that:

- 28% of 1,304 respondents want 0% Council Tax and 0% Social Care Precept (red)
- 6% want 0% Council Tax and 1% Social Care Precept (grey)
- 1% want 0% Council Tax and did not state a view on Social Care Precept (white)

Figure 22: preferred options for Council Tax and Social Care Precept

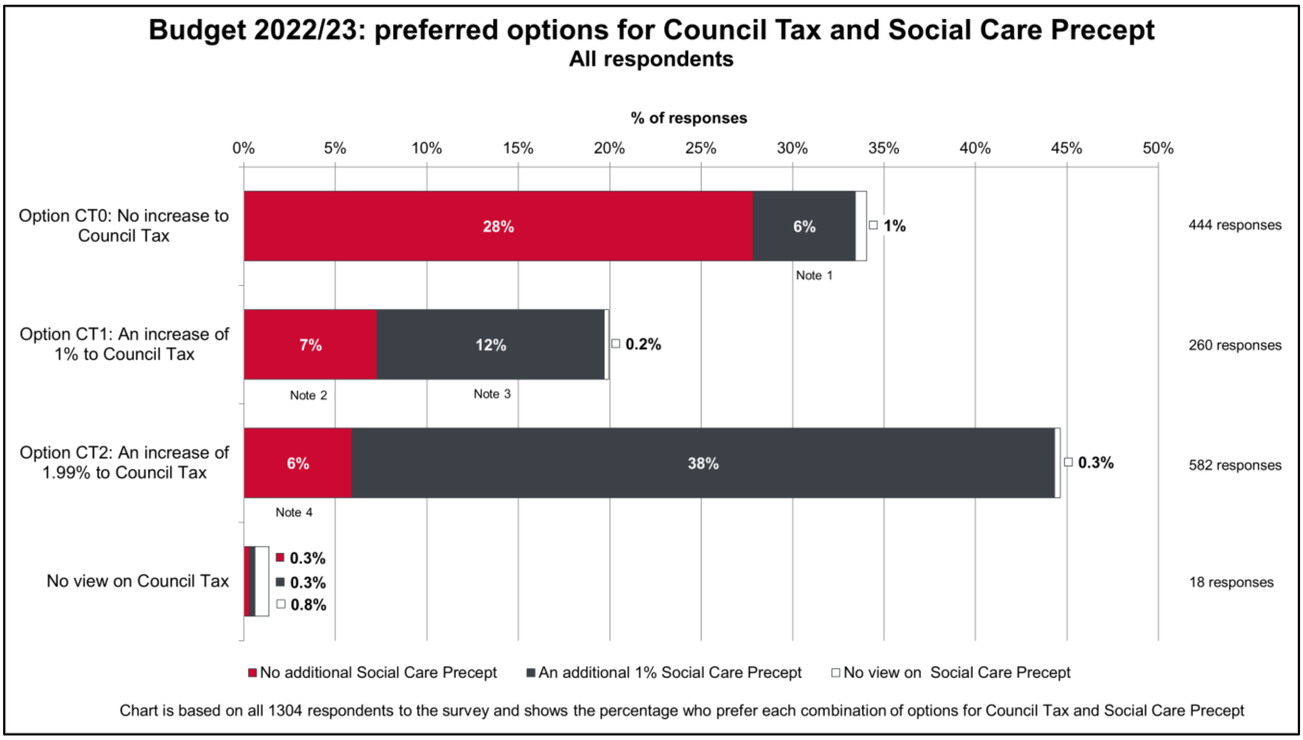

Figure 22 shows that:

- The option with highest support (38% of 1,304 respondents) is a 2% increase in core Council Tax and a 1% Social Care Precept. This is the maximum increase possible.
- The second most popular option (28% of 1,304 respondents) is 0% increase in core Council Tax and 0% Social Care Precept.
- For respondents who favour 1% increase overall, 6% would like this as 1% Social Care Precept with no core Council Tax increase (Note 1 in Figure 22). This is similar to the 7% who would prefer a 1% core Council Tax increase with no Social Care Precept (Note 2).
- For respondents who favour a 2% increase overall, 12% would prefer to share this as 1% increase in core Council Tax and 1% Social Care Precept (Note 3). This compares to 6% who want 2% on core Council Tax and 0% Social Care Precept (Note 4).

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Email consultation@bristol.gov.uk

A full breakdown of respondents' views shown in Figure 22 is listed below.

For the 0% Council Tax option (top bar in Figure 22):

- 28% of 1,304 respondents want 0% Council Tax and 0% Social Care Precept (red)
- 6% want 0% Council Tax and 1% Social Care Precept (grey)
- 1% want 0% Council Tax and did not state a view on Social Care Precept (white)

For the 1% Council Tax option (second bar in Figure 22):

- 7% want 1% Council Tax and 0% Social Care Precept (red)
- 12% want 1% Council Tax and 1% Social Care Precept (grey)
- 0.2% want 1% Council Tax and did not state a view on Social Care Precept (white)

For the 2% Council Tax option (third bar in Figure 22):

- 6% want 2% Council Tax and 0% Social Care Precept (red)
- 38% want 2% Council Tax and 1% Social Care Precept (grey). This is the maximum increase possible
- 0.3% want 2% Council Tax and did not state a view on Social Care Precept (white)

For the bottom bar (people who did not state their view about core Council Tax):

- 0.3% stated they want 0% Social Care Precept (red)
- 0.3% stated they want 1% Social Care Precept (grey)
- 0.8% did not state a view on Council Tax or Social Care Precept (white)

5.2 Views on core Council Tax in areas with different levels of deprivation

Views on the preferred level of core Council Tax were compared for respondents in areas with different levels of deprivation, to check for any significant differences in views. The comparison used the postcodes provided by respondents in Bristol to match each response to one of 10 deprivation bands (deciles) as described in section 3.3.

Figure 23 shows the percentage of respondents from each deprivation decile who want a 0%, 1% or 2% increase in core Council Tax in 2022/23. This is based on the 991 Bristol respondents who stated a preferred option for core Council Tax and provided a full postcode[28]. Figure 23 also shows the views of people who did not provide a postcode or gave a non-Bristol postcode, and the aggregate views of all respondents.

[28] Incomplete postcodes cannot be matched to the deprivation data.

Figure 23: Preference in each deprivation decile for the core Council Tax options

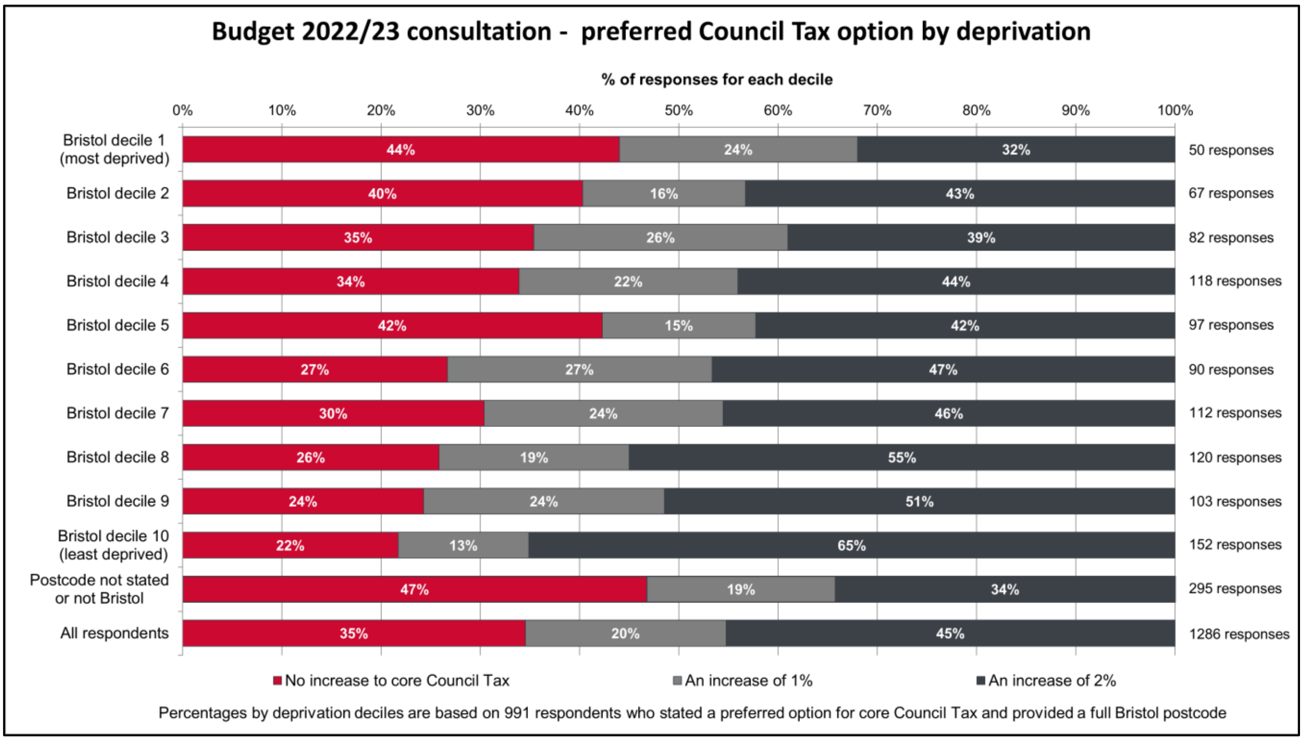


Figure 23 shows that preference for higher core Council Tax tends to increase as deprivation reduces.

Support for **no increase** in core Council Tax is highest among respondents in the most deprived 10% of Bristol (decile 1), with 44% of respondents favouring no increase and 24% prefering a 1% increase. Support for no increase in Council Tax reduces to 22% in decile 10 (least deprived 10%).

Support for the maximum **2% increase** is lowest (32%) in the most deprived 10% of Bristol (decile 1) and is highest (65%) in the least deprived decile 10. Support for a 2% increase exceeds 50% in deciles 8, 9 and 10.

Decile 5 deviates from this trend in that support for no increase (42%) is similar to decile 1 (44%). However, support for a 2% increase in decile 5 aligns with the overall trend because the high support for 0% increase is matched by lower support for a 1% increase.

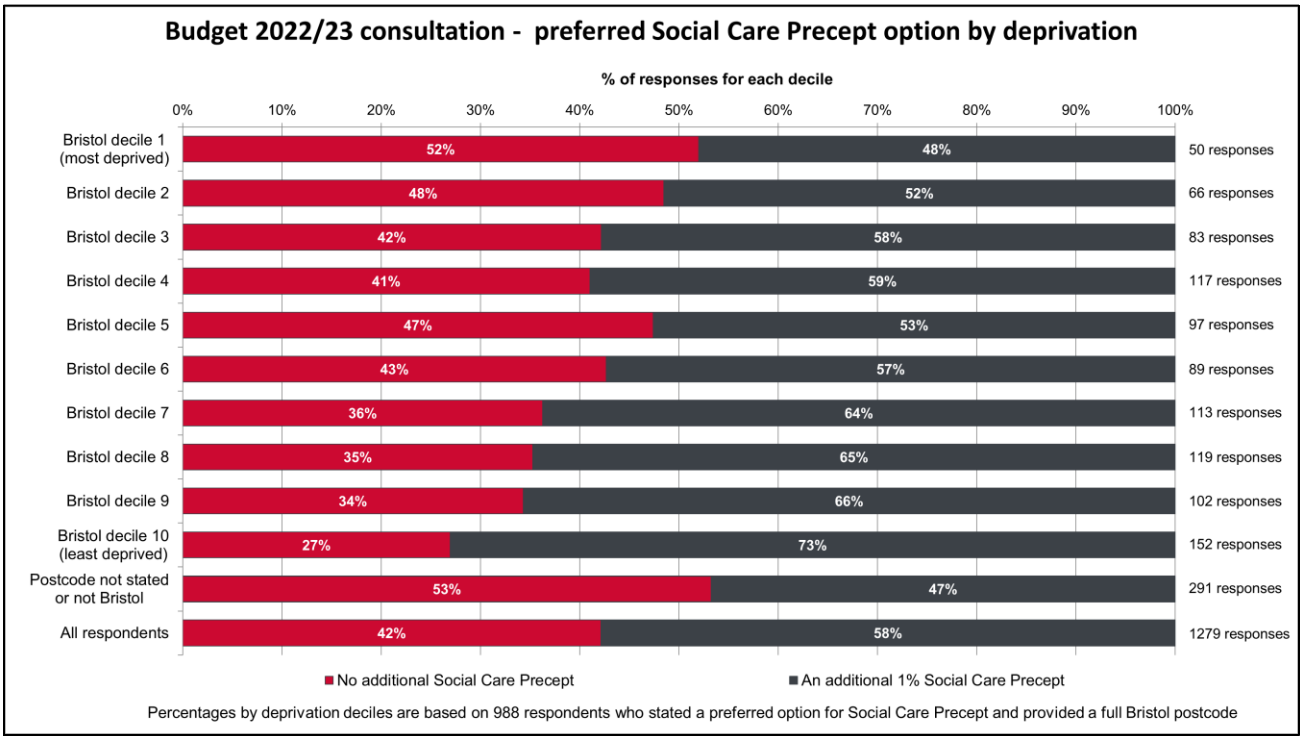
Respondents who did not provide a postcode or gave a non-Bristol postcode were the least in favour of paying more core Council Tax. 47% in this group favour no increase and only 34% support a 2% increase - similar to decile 1 (most deprived 10% of Bristol).

5.3 Views on Social Care Precept in areas with different levels of deprivation

Views on the preferred level of Social Care Precept were also compared for respondents in areas with different levels of deprivation, to check for any significant differences in views.

Figure 24 shows the percentage of respondents from each deprivation decile who want a 0% or 1% increase in Social Care Precept in 2022/23. This is based on the 988 Bristol respondents who stated a preferred option for Social Care Precept and provided a full postcode[29]. Figure 24 also shows the views of people who did not provide a postcode or gave a non-Bristol postcode, and the aggregate views of all respondents.

Figure 24: Preference in each deprivation decile for the Social Care Precept options



As with core Council Tax, support for a Social Care Precept follows an inverse trend with deprivation (Figure 24).

Support for no Social Care Precept ranges from 52% in decile 1 (most deprived) to 27% in decile 10 (least deprived). Correspondingly, support for 1% Social Care Precept increases from 48% in decile 1 to 73% in decile 10 and exceeds 50% in all deciles from 2 to 10.

As with core Council Tax, respondents in decile 5 deviate slightly from the trend, with 47% favouring no Social Care Precept and 53% supporting 1% Social Care Precept.

Respondents who did not provide a postcode or gave a non-Bristol postcode were the least in favour of paying a Social Care Precept. 53% in this group prefer no Social Care Precept and only 47% support a 1% Social Care Precept - similar to decile 1 (most deprived).

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29 Incomplete postcodes cannot be matched to the deprivation data.

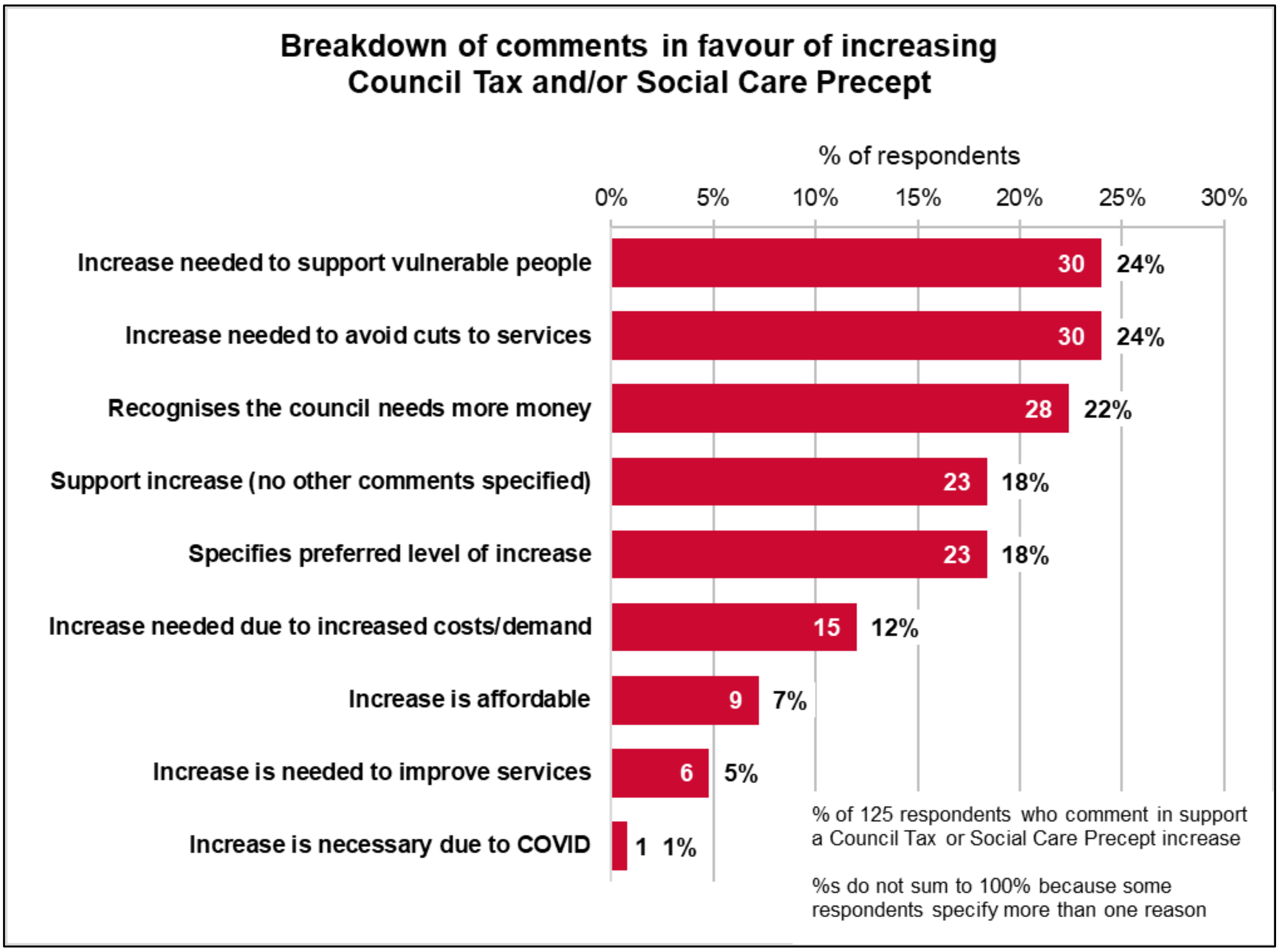
5.4 Reasons for Council Tax and Social Care Precept levels chosen

5.4.1 Comments in favour of increasing Council Tax and/or Social Care Precept

125 respondents who provided free text responses said why they support an increase in Council Tax and/or Social Care Precept (Figure 25). Of these:

- 30 (24%) said that an increase is needed to support vulnerable citizens;
- 30 (24%) said an increase is needed to avoid cuts to services;
- 28 (22%) said they recognise that the council needs more money;
- 23 (18%) stated their support for an increase without specifying any other comments;
- 23 (18%) specified their preferred level of Council Tax or Social Care Precept increase;
- 15 (12%) said an increase is needed due to increased costs and/or demand for services;
- 9 (7%) said an increase is affordable;
- 6 (5%) said an increase in necessary to improve services;
- 1 (1%) said an increase is necessary due to the impacts of COVID-19.

Figure 25: Comments in favour of increasing Council Tax and/or Social Care Precept

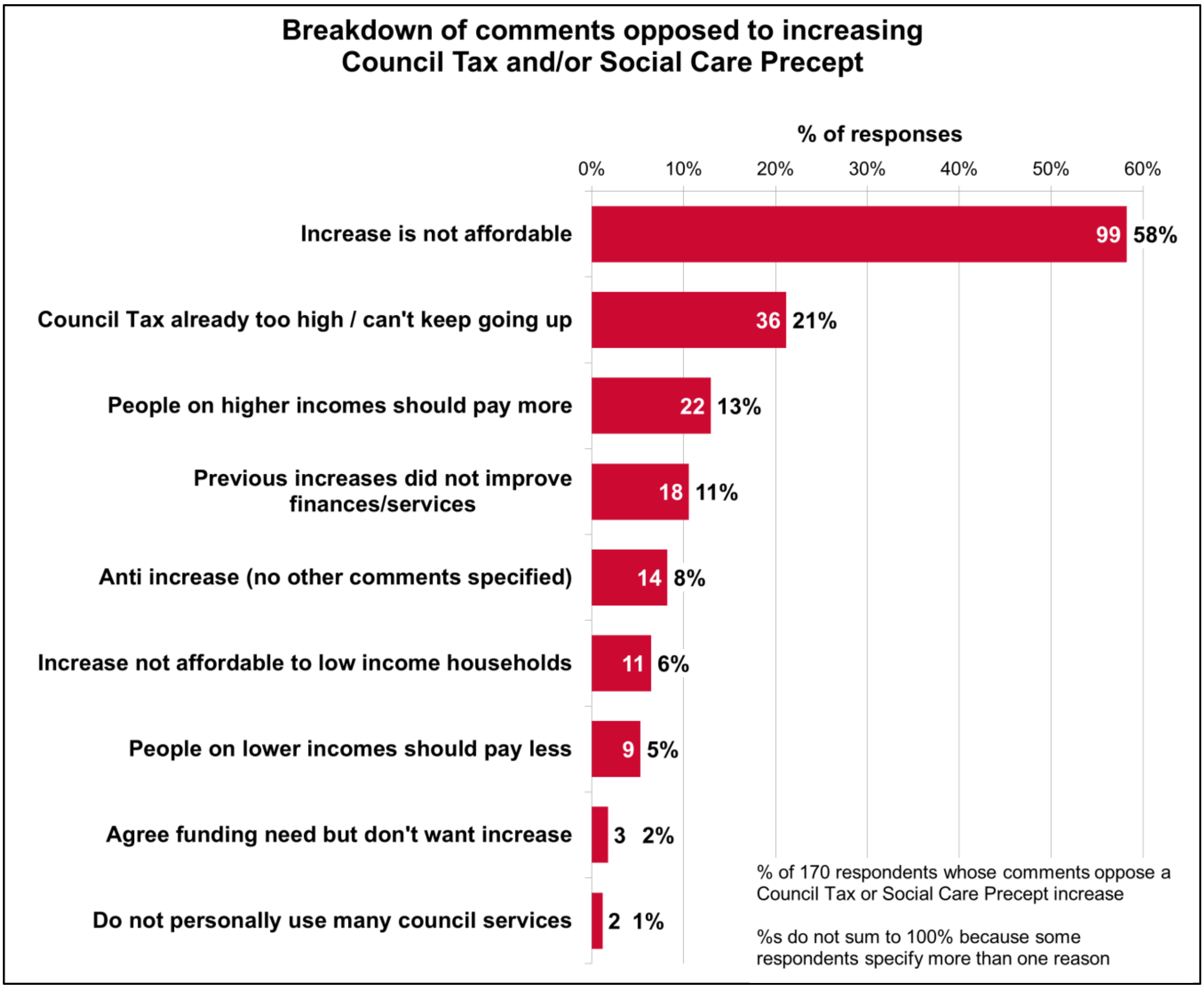


5.4.2 Comments opposed to increasing Council Tax and/or Social Care Precept

170 respondents said why they oppose an increase in Council Tax and/or Social Care Precept (Figure 26). Of these:

- 99 (58%) said that an increase is not affordable;
- 36 (21%) stated that Council Tax is too high already and cannot keep increasing;
- 22 (13%) said that people on higher incomes should pay more;
- 18 (11%) said that previous increases did not improve the council's finances or services;
- 14 (8%) said they disagree with an increase in Council Tax or Social Care Precept but did not provide any other comments;
- 11 (6%) said an increase would be unaffordable to people on low incomes;
- 9 (5%) said that people on low incomes should pay less;
- 3 (2%) agreed that the council needs more funding but do not support an increase in Council Tax or Social Care Precept;
- 2 (1%) wanted to pay less because they do not use many council services.

Figure 26: Comments opposed to increasing Council Tax or Social Care Precept



5.4.3 Other comments and consultation feedback

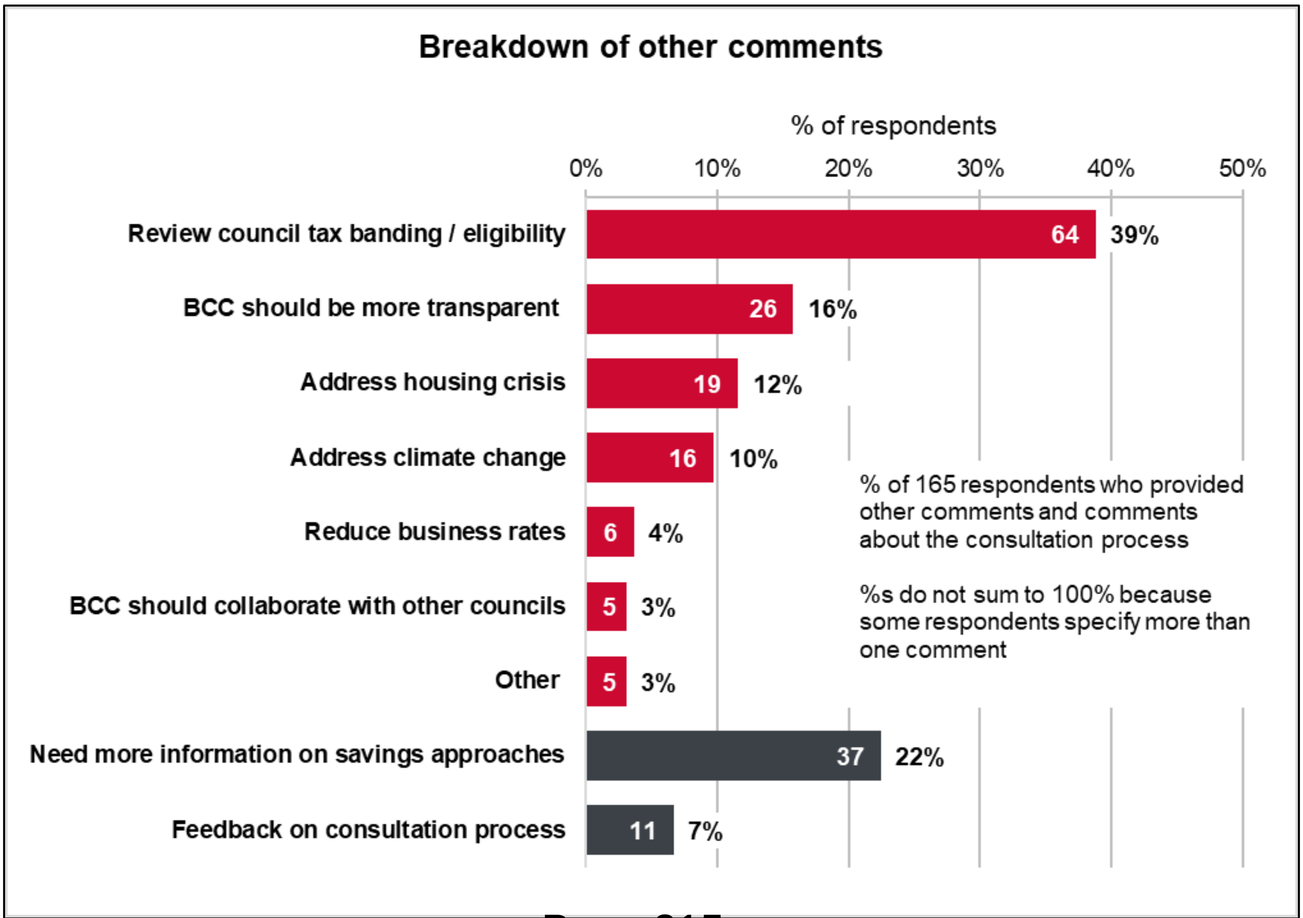
165 respondents provided other comments or suggestions about priorities they want the council to address or ways they would like the council to work (Figure 27). Of these:

- 64 (39%) said Council Tax banding and/or eligibility should be reviewed;
- 26 (16%) said the council should be more transparent;
- 19 (12%) said the housing crisis needs to be addressed;
- 16 (10%) said climate change needs to be addressed;
- 6 (4%) stated that business rates should be reduced;
- 5 (3%) said Bristol City Council should collaborate with other councils;
- 5 (3%) made other comments;

47 respondents commented on the consultation process;

- 37 (22%) said that the description of the six savings approaches was too broad and/or too positively worded to say if they agreed or disagreed; they thought specific proposals, once known, could be positive or negative under each description. They also said the binary nature of the question (agree/disagree) would not yield usefully nuanced feedback;
- 11 (7%) provided other feedback on the consultation, including five who thought their feedback would not make a difference to decisions and three who wanted more information about Social Care Precept.

Figure 27: Other comments and comments about the consultation



6 Other correspondence on the Budget 2022/23 consultation

Two emails were received from members of the public and one from the Bristol Parks Forum in response to the Budget 2022/23 consultation. These were analysed separately from the survey responses and are summarised by theme below.

Comments in the three emails included stated opposition to an increase in Council Tax, suggestions on how the council can save or make money and suggestions that parks and green spaces should be a council priority.

Opposed to an increase in Council Tax

- One person said that they would not support any increase in Council Tax

Suggestions on how the council can save or make money

- One person said transport projects should not be funded during the COVID-19 pandemic
- One person suggested that savings could be made by privatising local tax

Suggestions on council priorities – parks and green spaces

The Bristol Parks Forum provided the following comments and suggestions:

- Parks budget for revenue and capital spending should be increased;
- The pandemic highlighted the importance of parks and green spaces to Bristolians' health and wellbeing;
- COP 26 highlighted importance of parks and green spaces in addressing ecological emergency;
- Parks and green spaces are important for community cohesion;
- Parks and green spaces budget should be increased to meet OCP targets;
- Additional funding is needed to address the ecological emergency;
- More funding for parks and green spaces is needed to address outstanding repairs and maintenance;
- The Parks & Green Spaces Strategy and the Green & Blue Infrastructure Strategy need to be concluded;
- Strategic Community Infrastructure Levy (CIL) funds should be allocated to improving the quality of parks;
- Housing developments increase pressure on existing parks and new parks and green space are needed;
- A long-term strategy is needed for parks which includes input from local communities.

7 How will this report be used?

The consultation feedback in this report is taken into account by officers in developing final proposals for the 2022/23 budget, including the level of Council Tax and Social Care Precept and ways to address the expected £19.5 million[30] budget gap. The final proposals are included in a separate report which, together with this consultation report, will be considered by Cabinet on 18 January 2022.

Full Council will also take into consideration this consultation report and responses in making its decisions about the level of Council Tax and Social Care Precept as part of the 2022/23 budget at the Full Council meeting on 15 February 2022.

How can I keep track?

You can find the latest consultation and engagement surveys online at www.bristol.gov.uk/consultationhub where you can also sign up to receive automated email notifications about consultations and engagements.

All decisions related to the proposals in this consultation will be made publicly at the Full Council meeting on 15 February 2022.

You can find forthcoming meetings and their agendas at democracy.bristol.gov.uk.

Any decisions made by Full Council and Cabinet will also be shared at democracy.bristol.gov.uk.

[30] Forecast for the budget gap current in January 2022

Equality Impact Assessment

Cumulative Equality Impact Assessment of proposed budget savings 2022-23	
☒Budget Proposal	☒ Changing
Directorate: Resources	Lead Officer name: Denise Murray
Service Area: Finance	Lead Officer role: Service Director - Finance

1.1 What are the aims and objectives/purpose of this proposal?

Budget context

Every year, we agree on a budget for the following year which shows how much money we will be able to spend on the services we provide. The money the council has available to spend on delivering day-to-day services to citizens is called the revenue budget. Bristol City Council is required by law to set a balanced budget however we face a large potential gap in our core budget next year. With such a significant challenge the budget cannot be balanced without additional funding, making greater efficiencies (doing the same for less money) or by transforming the way we do things.

The Council has defined statutory responsibilities, but deliver against a far broader agenda, providing universal services benefiting the whole community, and targeted services aimed at individuals, communities with particular needs, and businesses – administered by our workforce, city partners, stakeholder organisations and commissioned services.

The COVID-19 pandemic has been far reaching, with a lasting impact on our people and our economy. Our finances are stretched to the limit and up and down the country councils are facing similar funding crisis with less money to keep services going. This is because more money is needed to: help citizens with the immediate impact of the COVID-19 pandemic including the economic impact for low-income households; support more people than ever with mental health and social care services; and meet the rising need and cost of home to school transport for children with special educational needs and disabilities (SEND). At the same time, the pandemic saw us receive less income from business rates, commercial rentals, parking, sports facilities, and our museums, shops and cafes – and we expect this trend to continue for some time.

The Medium Term Financial Plan underpins the Council's financial planning process and outlines the approach we will take to meet the challenges presented by focusing primarily on delivering efficiencies, service re-design programmes which cut across directorate boundaries, and increasing external income and Invest to Save revenue.

The Budget Equality Impact and Cumulative Impact Assessment process

Bristol City Council anticipates the potential impact for different communities of our budget proposals by carrying out an equality impact assessment process on each of the proposed savings. Even when we plan to consult in more detail on specific service delivery proposals at a later time, we must make sure that any proposals that are likely to affect future services are informed by sufficient consultation and proper analysis, this is how we pay due regard to any decisions made. This is so that decision makers can have due regard to any likely disproportionate or negative impact for citizens, service users or employees on the basis of their protected and other relevant characteristics at the time the budget is approved and on an ongoing basis as propositions are further developed.

This Cumulative assessment looks at the potential collective equality impacts of all the proposed savings and key budget decisions taken together as a whole to identify any particular compound issues or disparities, and what we can do to mitigate them.

Decision making

The recommendations regarding the budget proposals are made by the Mayor in Cabinet and then taken to Full Council, where the budget is set. During the development of budget proposals, officers and Cabinet members have been mindful of the potential impacts that any changes could have on key communities and on the city as a whole, and for several savings proposals there has already been a comprehensive equality impact assessment developed throughout existing projects which has been updated.

We are still scoping changes to our Capital Programme which may result in additional equality impacts. Equality Impact Assessments will be conducted with mitigations for any impacts and published ahead of Full Council.

There are no specific savings currently attached to reviewing waste services, but this will be considered in future in-line with the Bristol Waste business plan and a full Equality Impact Assessment will be conducted.

Our Approach

A key part of our purpose as a local authority is to support those at risk or in need, and the majority of our revenue budgets are spent on services for people. Therefore any change to the costs of delivering our services or our funding, has potential for impact and we have taken into consideration the issue of both direct and indirect impacts on individuals and groups of people when working to deliver a set of proposed budget reductions. It is also important to recognise that although the proposed level of reduction is significant, we will still be spending or directing the spend of significant sums across the city to achieve our priorities.

Our existing Corporate Strategy sets out how we work with other service providers and organisations and how we are planning to meet the challenges of a growing and ageing population, increased demand for care services and make sure people have the services they need, regardless of background.
Corporate Strategy - bristol.gov.uk

Our Equality and Inclusion Policy sets our vision: recognising the contributions that people from different backgrounds make, actively tackling inequality and fostering good relationships across our communities. As well as our firm commitment to the Public Sector Equality Duty our aspirations go further to include people in care, refugees and migrants, people with caring responsibilities and the inequality resulting from socio-economic disadvantage. Equalities policy - bristol.gov.uk

Our aim is to minimise direct and indirect impacts on our communities in this budget, specifically our communities from equalities groups, people living in deprivation and those with other characteristics, and where impacts are probable or likely, that we mitigate against these how and where we can.

In building our approach to these budget reductions, we have at all times sought to find the required savings in areas which have the minimum direct impact on people and been clear how we will reshape the ongoing investment to pick up key areas of work. In this context we have also looked at wider measures which have enabled us to maintain many of our services targeted to those more vulnerable in our city.

As well as asking people about options for Council Tax funding and a Social Care Precept[1], the broad areas of priority that we consulted on are:

- Property and capital investment
- Be more business-like and secure more external resource
- Improve efficiency
- Digital transformation

[1] Budget 2022-2023 Consultation - Bristol - Citizen Space

- Reducing the need for direct services
- Redesigning, reducing, or stopping services

1.2 Who will the proposal have the potential to affect?

☒ Bristol City Council workforce	☒ Service users	☒ The wider community
☒ Commissioned services	☒ City partners / Stakeholder organisations	
Additional comments:		

1.3 Will the proposal have an equality impact?

☒ **Yes**	☐ **No**	[please select]

[redacted]

2.1 What data or evidence is there which tells us who is, or could be affected?

Data / Evidence Source [Include a reference where known]	**Summary of what this tells us**
Census 2011 and Census 2021 2011 Census Key Statistics About Equalities Communities	The Census details the demographic profile of Bristol. The first results of the 2021 census will not be available until Spring 2022, so demographic data is still informed by 2011 census and other population related documents (listed below)
The population of Bristol	Updated annually. The report brings together statistics on the current estimated population of Bristol, recent trends in population, future projections and looks at the key characteristics of the people living in Bristol.
New wards: data profiles Ward Profiles - Power BI tool	The Ward Profiles provide a range of data-sets, including Population, Life Expectancy, health and education disparities etc. for each of Bristol's electoral wards.
Bristol Quality of Life survey 2020/21 final report Quality of Life 2020-21 — Open Data Bristol	The Quality of Life (QoL) survey is an annual randomised sample survey of the Bristol population, mailed to 33,000 households (with online & paper options), and some additional targeting to boost numbers from low responding groups. In brief, the 2020 QoL survey indicated that inequality and deprivation continue to affect people's experience in almost every element measured by the survey. The Open Data 'Equalities View' tool shows at a glance the disparities for each Quality of Life indicator based on people's characteristics and circumstances including protected characteristics, caring responsibility, tenancy, education level, and deprivation. Additional sources of useful workforce evidence include the Employee Staff Survey Report, Pulse surveys and Stress Risk Assessment Form completed by individuals and teams [internal links only]

<table>
<tr><td>Citizens' Assembly</td><td>The citizens’ assembly is composed of 60 randomly selected participants. The group reflects as far as possible the diversity of the population in terms of age, sex, ethnicity, disability, employment status, and geographical location. Bristol Citizens' Assembly was part of a process created by the city of Bristol to gather public input to inform its COVID-19 recovery plan.</td></tr>
<tr><td>Joint Strategic Needs Assessment (JSNA)</td><td>The Joint Strategic Needs Assessment reports on the health and wellbeing needs of the people of Bristol. It brings together detailed information on local health and wellbeing needs and looks ahead at emerging challenges and projected future needs. The JSNA is used to provide a comprehensive picture of the health and wellbeing needs of Bristol (now and in the future); inform decisions about how we design, commission and deliver services, and also about how the urban environment is planned and managed; improve and protect health and wellbeing outcomes across the city while reducing health inequalities; and provide partner organisations with information on the changing health and wellbeing needs of Bristol, at a local level, to support better service delivery.</td></tr>
<tr><td>Final report on progress to address COVID-19 health inequalities - GOV.UK (www.gov.uk) December 2021</td><td>Multiple sources of data and evidence have highlighted the disproportionate impact of COVID-19 on equalities communities, and the impact of measures taken to address this. This final report highlights the government response to the original recommendations and the long lasting ‘take homes’. This highlights the importance of not treating ethnic minorities like a homogenous group and nurturing existing local partnerships and networks for public health programmes. It also gives recommendations around communications, developing and providing materials in multiple languages and working with community partnerships to improve understanding and co-create content for key audiences.</td></tr>
<tr><td>HR Analytics: Power BI reports (sharepoint.com) [internal link only]

Equality and Inclusion Annual Progress Report 2020-21 (pdf, 982KB) Appendix – Workforce Diversity Data – summary analysis</td><td>The Workforce Diversity Report shows Bristol City Council Workforce Diversity statistics for Headcount, Sickness, Starters and Leavers data. The report is updated once a month with data as at the end of the previous month. It excludes data for Locally Managed Schools/Nurseries, Councillors, Casual, Seasonal and External Agency employees. The report is based on the sensitive information that staff add to Employee Self Service on iTrent (ESS).

<table>
<tr><th></th><th>BCC headcount % (30 Nov 2021)</th><th>Bristol Working Age Population (16-64)</th></tr>
<tr><td>Age 16-29</td><td>12.7%</td><td>39.0%</td></tr>
<tr><td>Age 30-39</td><td>22.2%</td><td>24.0%</td></tr>
<tr><td>Age 40-49</td><td>24.4%</td><td>16.0%</td></tr>
<tr><td>Age 50-64</td><td>40.7%</td><td>21.0%</td></tr>
<tr><td>Disabled</td><td>9.0%</td><td>12.0%</td></tr>
<tr><td>Asian / Asian British</td><td>2.6%</td><td>5.8%</td></tr>
<tr><td>Black / Black British</td><td>5.1%</td><td>5.3%</td></tr>
<tr><td>Mixed ethnicity</td><td>3.5%</td><td>2.9%</td></tr>
<tr><td>Other ethnic groups</td><td>0.5%</td><td>1.0%</td></tr>
</table></td></tr>
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White	80.2%	85.0%
Female	60.4%	49.0%
Male	39.2%	51.0%
Use another gender term	0.1%	-
Christian	26.5%	43.5%
Other religion/belief	6.7%	7.3%
No religion/belief	39.8%	41.5%
Lesbian, Gay or Bisexual	5.6%	9.1%
Trans	0.1%	-

Nomis - Official Labour Market Statistics (nomisweb.co.uk) Business demography, UK - Office for National Statistics (ons.gov.uk)	Within the West of England, Bristol is the primary economic centre and prior to COVID-19 nearly half of all the jobs (44.8%) and enterprises (40.1%) were located in Bristol. The employment rate in Bristol is the second highest of the UK core cities and above the national average at 75.4%. Bristol has a higher proportion of people employed in managerial, professional and technical roles (58% compared to 50% for Great Britain). While the diverse and high skilled economy of the city has provided protection for some of our key industries and employment, there has been significant impact on key sectors e.g. hospitality, retail and leisure. 12,300 working age residents were unemployed in the 12 months ending December 2020, a rate of 4.6% equal to the UK unemployment rate (model based). In July 2021 16,585 working age residents were claiming out of work benefits, this represents 5.2% of the city's working age population. The overall claimant count includes 2,890 young people aged 16-24 years (17% of claimants) and 3,175 residents aged 50 years and over (19% of claimants). In 2020 there were 22,780 business units in Bristol (VAT / PAYE registered), 18,560 business units (over 81%) with 0-9 employees and therefore classified as micro businesses. Just under 19% of registered businesses in 2020 were private sector employers with 10-250 people. Bristol had 91.3 business start-ups per 10,000 working age population in 2019.
Designing a new social reality - Research on the impact of covid-19 on Bristol's VCSE sector and what the future should be – Black South West Network 2020	Local research has highlighted how long-term underinvestment and lack of equity in funding and procurement has eroded the local Voluntary and community sector – in particular for Black and minority ethnic led organisations. 30% of the organisations surveyed stated to operate on an annual budget below £5,000, and an additional 18% operated on below £25,000. 42% of the organisations sampled had no paid staff at all and fully relied on volunteers to deliver their activities and services.
Delivering an inclusive economy post COVID-19	Our local partners have conducted some research into the impact of covid and women, and have provided recommendations on what service providers can do to reduce impact further impact.

2.2 Do you currently monitor relevant activity by the following protected characteristics?

☒ Age	☒ Disability	☒ Gender Reassignment
☒ Marriage and Civil Partnership	☒ Pregnancy/Maternity	☒ Race
☒ Religion or Belief	☒ Sex	☒ Sexual Orientation

2.3 Are there any gaps in the evidence base?

Although our corporate approach is to collect diversity monitoring for all relevant characteristics, there are gaps in the available local diversity data for some characteristics, especially where this has not always historically been included in census and statutory reporting e.g. for sexual orientation. We also know there are some under-reporting gaps in our workforce diversity information - where personal and confidential information is voluntarily requested from staff.

Although disabled people, lesbian gay and bisexual people, and older age groups were well represented in consultation responses, women were somewhat underrepresented (41%), as were young people (aged under 24), Black/Black British and Asian/Asian British people, and Muslims.

2.4 How have you involved communities and groups that could be affected?

We held a public Budget Consultation from Friday 5 November 2021 until Friday 17 December 2021. Alongside asking for views on different options for Council Tax next year in different formats including an EasyRead and a British Sign Language version, we shared some of the broad areas where we were looking at to reduce council spend to seek citizen's view. We made it clear in our communications that "We know we may need to consult with you about some of our more detailed saving proposals before we make any final decisions about them in future, and they may include difficult choices." In carrying out budget saving equality impact assessments we have also incorporated key learning from local equalities communities in response to previous consultations.

2.5 How will engagement with stakeholders continue?

All responses to the Budget Consultation will be analysed and included in the Council's Budget report that will be published on the Bristol City Council website in early 2022. We will take Budget consultation responses into account when developing our final proposals to put to the Cabinet and a meeting of the Full Council for approval. The final decision will be taken by Full Council at its budget setting meeting in February / March 2022.

Following the setting of the overall budget envelope there will be extensive engagement, consultation and co-design with affected communities on s*ome* specific proposals which will inform future decision making prior to implementation. Our approach to public engagement and consultation will proactively target under-represented respondents to increase the participation of people from equality groups and their local representative organisations. This will help to ensure that our services and actions are informed by the views and needs of all our citizens.

[redacted]

3.1 Does the proposal have any potentially adverse impacts on people based on their protected or other relevant characteristics?

GENERAL COMMENTS (highlight any potential issues that might impact all or many groups)
As well as identifying whether budget changes will have a disproportionate impact on particular groups (e.g. because they are over-represented in a particular cohort of affected service users), we need to pay particular attention to the risk of indirect discrimination: when an apparently neutral decision

puts members of a given group at a particular disadvantage compared with other people because of their different needs and circumstances.
Decision makers will have the ability to make changes to some of the individual spending plans following further consultation as appropriate and detailed evaluation of the impact of specific proposals. Within the proposed budget envelope there will be financial mitigation put aside for a degree of re-profiling and agreed amendments to proposals which may occur due to future consideration of equalities issues or other factors.
Where budget proposals are likely to impact on our workforce we will carry out consultation in line with the Council's Management of Change process and seek advice from HR and the Equality and Inclusion Team to mitigate risks of discrimination. For any savings which are likely to lead to changed job roles for our employees we will: use positive action initiatives as appropriate to address under representation across the workforce; advertise any new job opportunities in a range of ways to ensure a wide pool of applicants; review job paperwork including job descriptions and employee specification to make they are only for the skills, experiences and qualities needed to do the job and there are no discriminatory statements, requirements; and check tests, assessments and interview processes are accessible and transparent. Whilst such a significant reduction in budget will inevitably reduce the overall number of jobs in the council, we are already taking steps to reduce the impact on employees. For example, through vacancy management with the common activities programme, by deleting budgeted vacancies and also reducing the number of managers through succession planning. Where any jobs are subject to change we will prioritise redeployment opportunities for affected colleagues. For proposals which are likely to impact external workforce teams e.g. in commissioned services, we will consider any likely disproportionate impacts of TUPE transfer arrangements etc.

Proposals which look at reducing the number of buildings we use are also very much focused on making sure they have good quality facilities. Where proposals relate to changing work locations or conditions we will also consider the impact on those who may be more reliant on car parking or public transport; and provide and support access to funding for workplace adaptations and aids to enable disabled employees to obtain and retain their employment. We will provide reasonable adjustments whenever they are required and promote flexible working patterns wherever possible to maximise opportunities for people with caring responsibilities and those from faith groups or other relevant requirements.

As there is evidence showing that lack of equity in funding and procurement has eroded the local voluntary and community sector, we need to consider the extent to which any proposed reductions in budgets for commissioned services, or proposals to increase income (e.g. by reducing subsidies, passing on increased costs, or charging more commercial rates for premises and services) may have a disproportionate impact and without alternative income generating opportunities for the sector, could undermine the resilience of smaller organisations which are led by and/or support local equalities communities.
We are also aware of existing structural inequality and particular considerations, issues and disparities for people in Bristol based on their characteristics, and background which we have taken into account in making this budget proposal (see details below).

Priority areas and high-level summary of potential cumulative impact

Property and capital investment How we get the best use of our assets, reduce our office accommodation and find new ways to share building space with partners and/or community groups. Amongst other things this could include a review on how much we charge businesses or other organisations that rent or lease from us, in most cases increasing rents. We may also use more of our capital (physical infrastructure) investments to reduce	• **Increasing rent/lease charges on property may have a disproportionate impact on small businesses and the local voluntary and community sector** – in particular for Black and minority ethnic led organisations, and for those who support equalities groups. We will consider Social Value in all future cost/benefit analysis. • **Reducing office accommodation is likely to have a disproportionate impact on some employees**

ongoing costs, for example by prioritising spending on preventative maintenance rather than new infrastructure. We would develop a plan that will: • Identify opportunities to reduce the number of properties we manage to reduce risks, liabilities and revenue costs of the council's estate • Directly respond to the climate emergency by reducing carbon emissions from our estate • Increase cost effectiveness of our buildings by increasing usage and value-for-money of our estate (87% of consultation respondents agreed with this overall approach)	e.g. those who are more reliant on car parking or public transport (Age, Disability, Pregnancy/Maternity). We will provide and support access to funding for workplace adaptations and aids to enable disabled colleagues to obtain and retain their employment; promote flexible working patterns wherever possible to maximise opportunities for people with caring responsibilities; and continue to provide multi-faith spaces at our main working sites.
Be more business-like and secure more external resource When we charge clients, partners or citizens for goods or services, we may do so at the kind of market rates that you'd expect from a private business and reducing subsidies by other taxpayers. We may seek to secure more grants and external funding for services and activities, and collect debts which are owed to us ethically, but more effectively. (78% of consultation respondents agreed with this overall approach)	• **Increasing charges for goods/services may have a disproportionate impact on small businesses and the local voluntary and community sector** in particular for Black and minority ethnic led organisations, and for those who support equalities groups. we will consider the impact of particular users on a case-by-case basis, promote initiatives which address lack of equity, and provide discretionary concessions for external equalities-led stakeholder organisations where appropriate.
Improve efficiency Improving business efficiency by joining up services, removing unnecessary duplication, doing things once and buying our goods and services smarter to make sure we get great value from our suppliers. In improving our processes, we will ultimately benefit our citizens and the wider organisation (95% of consultation respondents agreed with this overall approach)	• **Any reduction in Council staffing could have a disproportionate impact for some employees, particularly on the basis of age, disability, ethnicity and sex where there are existing pay gaps and disparities.** Where colleagues are in scope for a specific saving proposal that goes ahead following Full Council's setting of the budget, we will carry out consultation in line with our HR Managing Change policy where required. Whilst such a significant reduction in budget will inevitably reduce the overall number of jobs in the council, we are already taking steps to reduce the impact on employees. For example, through vacancy management with the common activities programme, by deleting budgeted vacancies and also reducing the number of managers through succession planning. Where any jobs are subject to change we will prioritise redeployment opportunities for affected colleagues. It will be the main focus of the senior leadership team and managers to look at the impact of these changes and how we re-prioritise our work against our Corporate Strategy priorities. If managers and their teams are being asked to do 'more for less' we will prioritise workplace mental health and wellbeing initiatives.
Digital transformation Making more use of digital technology to help remove or reduce costs. Through more use of digital technology, we can be more efficient and effective, whilst improving outcomes by targeting services to those who need them and addressing digital exclusion	• **Some groups in Bristol are much less likely to feel comfortable using digital technology,** including older people, disabled people, carers, those living in Council accommodation and in the most deprived areas of the city – We will invest in making our digital services more accessible and

- those who can't access digital services or find using them difficult or unaffordable. (90% of consultation respondents agreed with this overall approach)	ensure there are always alternatives for those that need them. The council is using innovative ideas to address digital exclusion Digital inclusion scheme - bristol.gov.uk and the efficiencies gained through prioritising digital services can be used to provide better face to face or alternative services.
Reducing the need for direct services Working to develop and enable other organisations, communities, and individuals to take things on, where possible doing less directly ourselves. Work to build resilience and prevent problems in people's lives escalating, intervening early to support independence and prevent more need for us in the future (65% of consultation respondents agreed with this overall approach) **Redesigning, reducing, or stopping services** Different ways we can deliver services whilst saving costs such as merging, redesigning, or allowing others to deliver services on our behalf. Where necessary, stopping, reducing, changing, or pausing services to make savings, without there necessarily being any replacement for them, based on the need to fund our highest priorities (51% of consultation respondents agreed with this overall approach)	• **Stopping, reducing or increasing the threshold of need at which we offer services may have a disproportionate impact on vulnerable citizens** including on the basis of their protected characteristics, deprivation and caring responsibilities. Because the underlying reasons for the Council's budget deficit are very far reaching and likely to impact other public bodies and providers - we will avoid making any assumptions that people's needs will still be met by other / external provision if we reduce or decommission our existing services. We will ensure that service redesign is informed by meaningful consultation, comprehensive needs analysis and equality impact assessment that includes consideration of the changing landscape of external specialist provision.
Council Tax funding The Council Tax options we consulted on ranged from making no change to a 1.99 per cent increase in the amount you pay for general council services. This increase would add around £28.72 per year (55 pence per week) to the council's element of the bill for a typical band B property. It would also raise around £4.7 million towards meeting the council's rising costs. This excludes the amount charged or raised by the Fire Services and Police and Crime Commissioner who decide individually on levels of Council Tax precept. No increase would widen the budget gap in 2022 to 2023, meaning we would need to look at ways of increasing income or finding more savings or efficiencies.	• Consultation respondents living in the most deprived areas of Bristol were more likely to prefer no increase to core Council Tax (45% compared to 22% for those living in the least deprived areas). Likewise those in the least deprived areas were most likely to prefer an increase of 1.99% • Continuation of the Council Tax Reduction scheme at the same level of up to 100% would provide financial assistance with Council Tax bills for working age adults who are on a low income or less able to pay and pensioners.
Social Care precept We consulted on a range of Social Care Precept options from making no change to a 1 per cent increase, on top of any increase in core Council Tax. An additional 1 per cent Social Care Precept increase would raise an additional £2.4 million to be spent on adult social care services. This would increase the council element for a band B property by a further £14.36 (or 28 pence per week). Having no increase would widen the budget gap in 2022 to 2023, increasing the need to find ways of generating income or identify further savings or efficiencies to support adult social care services.	• Consultation respondents living in the most deprived areas of Bristol were more likely to prefer no additional Social Care Precept (53% compared to 27% for those living in the least deprived areas).

Age: Young People	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐

Cumulative impact and mitigations	Proposals to review services improve efficiency, align payments and make savings in commissioned services for children and young people may reduce the focus on providing accessible and flexible services unless revised specifications have an explicit equality and inclusion focus. Workforce efficiencies and changes may have a disproportionate impact on younger employees who are more likely to be employed on fixed term contracts and a large proportion of under 35's are leaving after the end of a fixed term contract. The impact of increased working from home during COVID-19 restrictions can make it harder for younger and newer employees to be fully part of pre-existing teams – this will be mitigated where possible through positive action initiatives and ongoing liaison with the Young Professionals Network staff led group.
Existing issues / considerations	**Community and living / engagement** • Young people are often under-represented in engagement and consultation and in Bristol are less satisfied than average with the way the council runs things. • Children and young people in Bristol are considerably more ethnically diverse than the overall population of Bristol. • Young people in Bristol are more likely to find inaccessible public transport prevents them from leaving their home when they want to • Young people are more likely to feel comfortable using digital services **Health and wellbeing** • Children and young people from the most deprived areas of Bristol have the poorest outcomes in health and education in terms of health, education and future employment etc. • Young people in Bristol are more likely to have poor emotional health and wellbeing **Economic / Education and Skills** • 6.8% of 16-17 year olds (2020/21) were “not in education, employment or training” (NEET) • Young adults are most likely to have lost work or seen their income drop because of COVID-19
Age: Older People	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	• Savings proposals which relate to transport, buildings, parking, parks and green spaces etc. may lead to service changes which have a disproportionate on older citizens unless there is ongoing consideration of their particular needs. • The population of older people in Bristol is increasingly diverse and proposals to make savings in commissioned services for older adults may reduce the focus on providing accessible and flexible services unless revised specifications have an explicit equality and inclusion focus. • Workforce efficiencies and changes may have a disproportionate impact on older employees if they are closer to retirement age – see comments above re. mitigating risks of discrimination.
Existing issues / considerations	**Community and living / engagement** Older people in Bristol are: • less likely to be comfortable using digital services • more likely to be reliant on public and community transport • more likely to help out or volunteer in their community **Health and wellbeing** • Older people in Bristol are more likely to be an unpaid carer • Bristol Ageing Better says at least 11,000 older people are experiencing isolation in the city. • We must factor aging and the needs of older people into long term budgeting and service design • Older people are more likely to experience “Limited day to day activities” **Economic / Education and skills**

	• Older people are less likely to have formal qualifications
Disability	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	Where there are proposals to make general savings and efficiencies to services and better use of technology we must ensure that our capacity to make anticipatory and responsive reasonable adjustments for disabled people is not in any way reduced. We will ensure that those who require resources in alternative formats or who need phone or face-to-face support can still access it. We will involve disabled users in testing new technology to make sure accessibility features are effective. Where possible proposals will explicitly address the needs of disabled people such as Better Lives At Home changes to HomeChoice which will prioritise people with care needs and learning disabilities in the allocation of Council accommodation. We should consider whether any savings proposals which aim to reduce or introduce new charges for services which particularly benefit disabled people might reduce our public sector equality duty to advance equality of opportunity. Workforce efficiencies and changes may have a disproportionate impact on disabled colleagues unless emerging accessibility issues are adequately mitigated through ongoing equality impact assessment and liaison with the Disabled Colleagues Network prior to implementation. The overall proportion of disabled employees in the Council has been stable and slowly increasing, however there is a disability pay gap and disabled employees are over-represented in those submitting grievances, and subject to disciplinaries. This should be addressed through a range of positive action initiatives.

Existing issues / considerations	**Community and living / engagement**
	• 17% of Bristol's population are disabled. There are more disabled women than men living in Bristol.
	• A higher proportion of disabled people rent from a social provider (local authority or housing association)
	• Disabled people have lower car ownership levels
	• Disabled people are less likely to be in rent arrears
	Health and wellbeing
	• There is a disproportionate impact of COVID-19 on disabled people The lived experience of disabled people during the COVID-19 pandemic - GOV.UK (www.gov.uk)
	• Disabled people should be empowered to make independent living choices and a have a say in access to service provision.
	• Budget setting needs to provide sufficient resource and flexibility to meet our legal duty to make anticipatory and responsive reasonable adjustments for disabled people including:
	    ○ changing the way things are done e.g. opening / working times;
	    ○ changes to overcome barriers created by the physical features of premises.
	    ○ providing auxiliary aids e.g. extra equipment or a different or additional service.
	    ○ is 'anticipatory' so we must think in advance and ongoing about what disabled people might reasonably need.
	• Disabled people must not be charged for their reasonable adjustments, accessible formats or other adaptations. It is a legal requirement under the Equalities Act to ensure information is accessible to disabled employees and service users.
	Economic / Education and skills
	• The UK Disability pay gap is 20% (2020)
	• Disabled people are less likely to be employed in a managerial or professional occupation

	• 22% of disabled people aged over 16 are economically active in Bristol compared with 70% of the general population and are more likely to work part time. • Disability increases with age: 4.1% of all children, for the working age population it increases to 12.3% and for people aged 65 and over it increases to 55.9%. • Disabled people on average have lower qualification levels than the population as a whole. **Crime and safety** • Disabled people experience higher rates of hate crime and domestic abuse compared to the general population
Sex	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	Although statutory and specialist provision will be preserved the cumulative impact of proposed savings may still have a disproportionate impact on women because of existing economic and structural inequalities which mean that they are more dependent on existing services. Service redesign should take into consideration the differing needs of female and male service users. Workforce efficiencies and changes will have a disproportionate impact on women as 60% of employees, however there is wide variance in the proportion of female and male employees between teams. Female employees are much more likely to work part time which is likely to be because of unpaid caring responsibilities for children and older adults. This can be partly mitigated through the Council's Flexible Working Policy and we are committed to helping all employees achieve a balance between their working life and other priorities such as parental and caring responsibilities etc. Female employees are also over-represented on the lowest salary bands and in March 2021 mean average pay for men was 4.26% higher than that of women, and the median average for men was 8.53% higher than that of women.
Existing issues / considerations	**Health and wellbeing** • Women still bear the majority of caring responsibilities for both children and older relatives. • Services and workplace requirements may not take into consideration the impact of women's reproductive life course including menstruation, avoiding pregnancy, pregnancy, childbirth, breastfeeding, and menopause. • Young women between the ages of 16 and 24 have higher risk of common mental health problems and higher rates of self-harm and post-traumatic stress disorder etc. • Bristol female preventable mortality rates are significantly higher than the England rates • Men and boy's health is in general poorer than that of women and girl's • Male life expectancy at birth in Bristol is around four years less than for females. • On average men in Bristol live 18 years in poor health, women live 22 years in poor health • A higher proportion of boys have physical impairments and more boys than girls have diagnosed mental health disorders and learning difficulties. • Men in Bristol are more likely than women to have unhealthy lifestyle behaviours including being overweight and obese, smoking, alcohol and substance misuse • There are differences between men and women in health practices and the way they use health services • Men are three times more likely than women to take their own lives. **Economic / Education and skills** • Women in Bristol (as in the rest of the country) are poorer than men and receive on average a higher proportion of their income from benefits

	• Nationally the gender pay gap was 15.5% in 2020. This shows the relative pay gap between female and male employees and how the balance of pay is distributed in an organisation irrespective of equal pay for job roles. • Women are more likely to be excluded from conversations which affect decision making due to lack of representation in boards / organisational leadership. • Women are likely to be disproportionately impacted by public sector job cuts or pay freezes since they form the majority of public sector workers. • with increased childcare costs, this may lead to lower rates of employment for women and an increase in the pay gap. **Crime and safety** • Nationally 27% of women experience domestic abuse in their lifetimes. The rate of recorded domestic abuse incidents in Bristol has shown a significant rise over the last two years and 74% of victims were female.
Sexual Orientation	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	Proposals to make savings in externally commissioned services may reduce the focus on providing LGBTQ+ friendly services unless revised specifications have an explicit equality and inclusion focus. Workforce efficiencies and changes may have a disproportionate impact on sexual orientation if relocated lesbian, gay and bisexual staff have concerns about discrimination in their new setting. The Council is committed to promoting an inclusive working environment and challenging discriminatory behaviour.
Existing issues / considerations	**Health and wellbeing** • Research shows LGBT people face widespread discrimination in healthcare settings and one in seven LGBT people avoid seeking healthcare for fear of discrimination from staff • The Stonewall LGBT in Britain - Health Report shows LGBT people are at greater risk of marginalisation during health crises, and those with multiple marginalised identities can struggle even more. In communications we should signpost and refer where possible to mutual aid and community support networks[2]. • Research has shown that LGBT people are more likely to be living with long-term health conditions, are more likely to smoke, and have higher rates of drug and alcohol use. • Half of LGBT people experienced depression in the last year • 14% of LGBT people have avoided treatment for fear of discrimination because they are LGBT. **Crime and safety** • Lesbian, gay and bisexual people are statistically more vulnerable to verbal and physical abuse • 1 in 5 Lesbian, Gay, Bisexual and Trans (LGBT) staff have been the target of negative comments or conduct from work colleagues in the last year because they're LGBT. • More than a third of LGBT staff have hidden or disguised that they're LGBT at work in the last year because they were afraid of discrimination. • 1 in 10 Black, Asian and Minority Ethnic LGBT staff have similarly been physically attacked because of their sexual orientation and /or gender identity, compared to 3% of White LGBT staff • One in four lesbian and bisexual women have experienced domestic abuse in a relationship, one third of them were abused by a man. Almost half of all gay and bisexual men have experienced at least one incident of domestic abuse from either a family member or a partner since the age of 16. **Council Workforce**

	• The proportion of LBG employees in the Council workforce is steadily increasing. 10% of new starters say they are lesbian, gay or bisexual in confidential diversity monitoring.
Pregnancy and Maternity	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	Savings proposals which relate to transport, buildings, parking, parks and green spaces etc. may lead to service changes which have a disproportionate on pregnancy and maternity unless there is ongoing consideration of particular access and support needs. Workforce efficiencies and changes may have a disproportionate impact on pregnancy employees. We need to ensure equal access to recruitment, personal development, promotion and retention for employees who are pregnant or on maternity leave - including briefing and updates for any workforce changes.
Existing issues / considerations	**Community and living / engagement** • The Equality Act 2010 applies to those who are pregnant or have given birth in the past 26 weeks, as well as making provisions to protect the rights of breastfeeding mothers. • As with disabled people, service providers physical access when using prams and pushchairs, and availability of toilets and baby-changing facilities etc. as well as flexibility of opening times etc. to meet the needs of people to make childcare arrangements **Health and wellbeing** • Around 80% of women will give birth and many women will also experience termination, miscarriage and stillbirth • Black, Asian and Minority Ethnic women more likely to experience complications at birth
Gender reassignment	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	Proposals to make savings in externally commissioned services may reduce the focus on providing trans inclusive services unless revised specifications have an explicit equality and inclusion focus. Workforce efficiencies and changes may have a disproportionate impact on relocated trans employees if they have concerns about discrimination in their new setting. The Council is committed to promoting an inclusive working environment and challenging discriminatory behaviour.
Existing issues / considerations	**Health and wellbeing** • Bristol City Council is committed to providing and promoting inclusive services for trans people in Bristol. In normal circumstances trans people (including those who identify as non-binary) should be referred to the service that they mostly identify as. As with sexual orientation above, we need to ensure that savings proposals do not erode existing good practice that helps to make services more inclusive. **Crime and safety** • As sexual orientation above transgender people are statistically more vulnerable to verbal and physical abuse. Transgender people regularly face prejudice and discrimination because of the way in which they transgress many of the norms of our culture and society. • 1 in 8 Trans people (12%) in the workplace have been physically attacked by customers or colleagues in the last year because they were Trans **Council Workforce** • In 2020-21 we began including reporting of Bristol City Council employees who have answered the question “Do you consider yourself to be Trans?” on confidential HR records. At end of November 2021 70%% of staff had not yet responded this question and only four employees had answered ‘yes’.

	• There is no local economically active comparison to benchmark the number of Trans employees, and we do not have an accurate picture of how many trans people there are in the UK or locally. • The best estimate currently is that around one per cent of the UK population might identify as Trans, including people who identify as non-binary. That would mean about 600,000 Trans and Non-Binary people in Britain, out of a population of over 60 million . • On the same basis there may be over 4,600 Trans and Non-Binary people living in Bristol. The numbers of people in Britain who have obtained a gender recognition certificate are much smaller (less than 5,000 people in 2018).
Race	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	Without an explicit focus on addressing race inequality in service redesign the cumulative impact of proposed savings may have a disproportionate for Black and racially minoritised communities because of existing structural inequality and disparities in terms of health, housing, education, employment etc . All service change proposals will be subject to ongoing equality impact assessment and we continue to work with our strategic partners to meet the needs of Bristol's diverse population. Workforce efficiencies and changes may have a disproportionate impact on Black, Asian and minority ethnic employees who proportionally under-represented on higher salary bands, and statistically more likely to raise formal grievances and be subject to disciplinaries. This should be mitigated through a range of positive action initiatives and specific race equality actions.
Existing issues / considerations	**Community and living / engagement** • In the last census (2011) 16% of the population belonged to a Black, Asian or minority ethnic group and this is likely to be higher now. • The top three countries of birth outside UK for Bristol residents are Poland, Somalia and India. • Black, Asian and minority ethnic households are less likely to own their home and more likely to living in overcrowded housing and intergenerational households. Bangladeshi and Pakistani groups are more likely to live in multi-family households. • Black people in the UK are less likely to hold a driving licence and more likely to rely on public transport. • Black Asian and minority ethnic groups in Bristol are more likely to find inaccessible public transport prevents them from leaving their home when they want to • Black Asian and minority ethnic people are underrepresented in political and civic leadership. • People who do not speak English as a main language may require information in plain English and community language translations or videos etc. **Health and wellbeing** • Black, Asian and minority ethnic people are disproportionately impacted by COVID-19 • Risk factors that are more prevalent amongst Black and minoritised communities in Bristol may include: poor housing, occupations which do not provide opportunities to work from home, unstable work conditions and incomes, stress, comorbidities such as high blood pressure, diabetes, obesity, and existing heart/lung disease • Without explicit consideration of ethnicity within health inequalities work there is a risk of partial understanding of the processes producing poor health outcomes and ineffective intervention. **Economic / Education and skills**

	• Ethnic minorities in Bristol experience greater disadvantage than in England and Wales as a whole in education and employment and this is particularly so for Black African people[2]. • Bangladeshi, Pakistani, and Black ethnic groups are more likely to live in deprived neighbourhoods; and the same groups and Chinese ethnicities are about twice as likely to live on a low income and experience child poverty compared to White groups • Although the race or ethnicity pay gap has narrowed in recent years there are still wide pay differences between particular ethnic groups and most minoritised ethnic groups earn less on average than White British people. • Black African young people are disadvantaged in education compared to their White peers[8]. A disproportionately high percentage of Bristol school pupils from Black, Asian and minority ethnic backgrounds are excluded from school and In Bristol pupils with the lowest 'Attainment 8' scores are from a Black ethnic background (highest from Chinese ethnic background.) • Organisations may lack cultural competence because Black, Asian and minority staff are under- represented. • People from Black African, Other, and Black Caribbean groups have persistently high levels of unemployment and almost all minoritised ethnic groups in Bristol experience employment inequality when compared to White British people. • Black Asian and minority ethnic groups are more likely to be self-employed than the Bristol average and over-represented in low income self-employment including taxis, takeaway restaurants etc. **Crime and safety** • Black / Black British people in Bristol are more likely have been a victim of crime in the past 12 months (20.7% compared to 11.4% average), and less likely to feel safe outdoors after dark. • Police crime records show racial motivation is by far the most prevalent form of hate crime in Bristol
Religion or Belief	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	Whilst the overall budget setting proposals have prioritised essential services there is a risk that the cumulative impact of savings in non-essential areas may have a disproportionate impact on people from non-Christian faith groups who are less likely to be satisfied with the range and quality of outdoor and cultural events, parks and green spaces and other amenities in the city. We will work with faith-led organisations in the city to understand the emerging needs of faith groups as part of ongoing service design. Council workforce efficiencies and changes may have a disproportionate impact on some faith groups as the category "Other religion or belief" is disproportionately represented at the lowest salary bracket of Council employees. The main City Hall and Temple St work sites have a multi-faith room, and we will continue to promote flexible working patterns wherever possible to accommodate faith holidays and prayer requirements etc.
Existing issues / considerations	• There are at least 45 religions represented in Bristol. Approximately 1 in 20 people in Bristol are Muslims, and Islam is the second religion in Bristol after Christianity • Budget proposals should take into account differing needs because of people's religion and belief (for example different requirements around diet, life events, and holidays) • Having a designated multi-faith room can make environments such as workplaces and shopping centres is more accessible and friendly for people from faith groups where regular prayer is required.

[2] CoDE Briefing Bristol v2.pdf (runnymedetrust.org)

Marriage & civil partnership	Does your analysis indicate a disproportionate impact? Yes ☐ No ☒
Cumulative impact and mitigations	None identified
OTHER RELEVANT CHARACTERISTICS	
Socio-Economic (deprivation)	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	In the absence of a more detailed needs analysis, which will be undertaken prior to implementation of specific proposals, we can highlight at this stage the overarching risk that a cumulative impact of multiple proposals which aim to generate funds through increased charging may have a disproportionately negative impact on low income households and people living in poverty unless this is adequately mitigated. We have addressed this risk as far as possible by protecting frontline services and prioritising services for those most in need, and through specific proposals such as allocating of a proportion of the discretionary Local Crisis Prevent Fund to support qualifying new and existing council tenants with emergency living expenses and household goods, maximising income from Council Tax Social Care Precept, and the continuation of the Council Tax Reduction Scheme at a rate of up to 100% discount. The Housing Revenue Account budget proposes that Council tenants' rents and service charges increase by 4.1%, which is 1% increase above inflation. For tenants who are in rent arrears this proposal will influence their current debt situation. We will be mindful that support should be put in place for those who have been identified as having existing arrears and help from appropriate services will be forthcoming. We will also reinvest rents in housing so there are benefits in terms of helping to fund housing supply and make other improvements for tenants.
Existing issues / considerations	• Bristol has 41 areas in the most deprived 10% in England, including 3 in the most deprived 1%. The greatest levels of deprivation are in Hartcliffe & Withywood, Filwood and Lawrence Hill. • In Bristol 15% of residents - 70,800 people - live in the 10% most deprived areas in England, including 19,000 children and 7,800 older people. • 9.8% (approximately 19,572 households) of all households in Bristol are living in fuel poverty (BEIS, 2020) • 4.2% of households have experienced moderate to severe food insecurity, rising to 13% in the most deprived areas of the city (QoL 2020-21) • 25% of people in Bristol are dissatisfied with the way the Council runs things, but this is 43% for people living in the most deprived areas of the city (QoL 2020-21). • The inequalities gap in life expectancy between the most and least deprived areas in Bristol is 9.6 years for men and 7.2 years for women.
Carers	Does your analysis indicate a disproportionate impact? Yes ☒ No ☐
Cumulative impact and mitigations	• Whilst the increasing move towards hybrid working is beneficial for some employees with caring responsibilities, proposed workforce efficiencies and changes can have a disproportionate impact if there are significant alterations made to travel requirements or working patterns. We will promote flexible working patterns and consider the needs of those who may be more dependent on vehicle use as part of any Management of Change Process.
Existing issues / considerations	• Being a carer can be a huge barrier to accessing services and maintaining employment • We need to consider the timing/availability of services, events etc. to allow flexibility for carers. • As with Disability and Pregnancy and Maternity – policies which aim to restrict driving or parking can have a disproportionate impact on people who are reliant on having their own transport.

	• Studies show around 65% of adults have provided unpaid care for a loved one. • Women have a 50% likelihood of being an unpaid carer by the age of 46 (by age 57 for men) • Young carers are often hidden and may not recognise themselves as carers

3.2 Does the proposal create any benefits for people based on their protected or other relevant characteristics?

The scale of the potential gap in our core funding means that there is very limited opportunity to bring genuine additional benefit to equalities groups in the circumstances. However we have considered as far as possible the need to: eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010; advance equality of opportunity between people from different groups; and foster good relations between people from different groups. Our budget savings proposals are aligned to our Corporate Strategy and although we have limited resources our future focus will be on achieving those priorities we have identified including tackling poverty and intergenerational inequality. The Public Health grant will contribute to the continuation of key priority services to enable us to meet our objective to be a fair, healthy and sustainable city.

4.1 How has the equality impact assessment informed or changed the proposal?

What are the main conclusions of this assessment? Use this section to provide an overview of your findings. This summary can be included in decision pathway reports etc.

If you have identified any significant negative impacts which cannot be mitigated, provide a justification showing how the proposal is proportionate, necessary, and appropriate despite this.

Summary of significant negative impacts and how they can be mitigated or justified:
Increasing digital services and/or stopping, reducing or increasing the threshold of need at which we offer services may have a disproportionate impact on vulnerable citizens unless their needs are fully taken into consideration as part of future service redesign. Increasing external charges for rent and services etc. may have a disproportionate impact on small businesses and the local voluntary and community sector which can be partly mitigated through further needs analysis and appropriate concessions where appropriate. Any reduction in Council roles and office locations is likely to have a disproportionate impact for employees on the basis of their age, disability, sex and race unless mitigated through thorough staff consultation and ongoing consideration of specific equality impacts prior to implementation.
Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:
No significant positive impacts have been identified. This analysis has concluded that overall the proposed savings are proportionate and can be justified on the basis the Council must set a balanced annual budget despite a significant potential gap in the funding required. We have listened to what citizens have told us in the budget consultation and wherever possible we plan to preserve those services that are most needed and which people have told us they value the most.

4.2 Action Plan

Improvement / action required	**Responsible Officer**	**Timescale**
All relevant EqIAs will be published on the Council's website https://www.bristol.gov.uk/council-spending-performance/council-budgets and continue to be updated as appropriate.	Denise Murray	Ongoing

4.3 How will the impact of your proposal and actions be measured?

Our Equality and Inclusion Annual Progress Reports show what we have done to achieve the aims of our Equality and Inclusion policy and strategy, and the progress we have made including reporting on all relevant KPIs and workforce diversity Equalities policy - bristol.gov.uk

[redacted]

Review by the Equality and Inclusion Team confirms there is sufficient analysis for decision makers to consider the likely equality impacts at this stage. This is not an endorsement or approval of the proposal.

Equality and Inclusion Team Review:	**Director Sign-Off:**
Reviewed by Equality and Inclusion Team	Denise Murray: Service Director - Finance
Date: 10 / 2 / 2022	Date: 10 January 2022

Appendix 8

Bridging the gap: budget savings and efficiencies proposals 2022 to 2027

You can request alternative formats of this document by contacting the external communications team: external.communications@bristol.gov.uk

Introduction

Local authorities up and down the country are facing unprecedented budget pressures, and Bristol City Council is no different. The scale of the gap was announced in November 2021 and since then we have worked hard to come up with saving proposals to close it. During this time, we also received the annual determination of funding to local government which reduced the gap from £23.1m to £19.5m for 2022 to 2023.

Protecting frontline services is our priority and that’s why the savings proposals first and foremost are focused on reducing our own internal council costs. The saving proposals contain 89 suggested changes across all council departments. The proposals put forward are not definite.

The saving proposals will be presented to Cabinet on Tuesday 18 January (2022), and Cabinet will decide whether to recommend the budget to Full Council. If it does, Full Council will consider the budget for 2022 to 2023 on 15 February 2022.

The setting of a budget which includes these proposals does not guarantee that they will all happen. Many will be subject to further development, public consultation, and formal Cabinet decision-making. Because they may not all be delivered, we have identified options with a total value that is higher than the budget gap, giving us some ability to substitute or change items later.

Our savings and efficiencies proposals 2022 to 2027

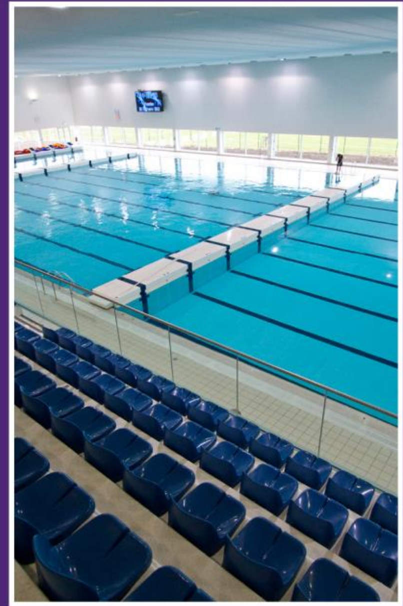
The following list of proposals set out how we hope to bridge our £19.5 million budget gap until March 2027.

There are 89 suggested council-wide proposals to be presented to Cabinet. These cut across multiple themes or areas of council service, and speak to how we organise ourselves, conduct our business and raise income across the board. They are closely linked to our Corporate Strategy 2022 to 2027 priorities for being an effective development organisation, working more closely together in a ‘one council’ approach and taking a corporate approach to issues like property and charging.

Each proposal is presented with its forecast savings for each financial year up until 2026 to 2027.

The list of proposals is broken down in to two sections so that proposals that may require consultation can be reviewed separately to those that do not.

In section three there is a summary table that aligns our autumn 2021 consultation themes with proposals.



Section 1: Proposals that may be subject to consultation

These proposals are ideas based upon several themes that we consulted citizens about in autumn 2021. Many of these will need more work to shape the proposals and confirm if they can go ahead. At this early stage we think it is likely that they will require further public consultation and assessment before final decisions can be made. This may change however as proposals are developed in more detail and we will keep this under review.

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
E2	Education	Cllr Asher Craig	Be more business-like and secure more external resource	Introduce nominal charge for first referrals for attendance penalty notices	Bring local authority-maintained schools in line with academies through introducing a nominal charge for first referral into Education Welfare for attendance penalty notices.	-20					-20
P1	Communities and Public Health	Cllr Ellie King	Be more business-like and secure more external resource	Review funding allocations for priority areas of domestic abuse and sexual violence	Communities and Public Health department to take additional responsibility for priority areas of domestic abuse and sexual violence. Public Health is the lead commissioner for domestic abuse which is a key public health priority for Bristol.	-204					-204

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
P2	Communities and Public Health	Cllr Ellie King	Be more business-like and secure more external resource	Review funding allocations for priority areas of children and young people substance use	Communities and Public Health to take on additional responsibility for priority area of children and young people substance use – this brings all substance use contracts into alignment creating better efficiencies and oversight. Reducing harms from drugs and alcohol is a key public health priority for Bristol.	-91					-91
P3	Communities and Public Health	Cllr Ellie King	Be more business-like and secure more external resource	Review funding for parks and health community engagement work	To bring parks and health community engagement work into the Communities and Neighbourhoods team ensuring alignment with wider community engagement programmes and gaining efficiencies.	-25					-25
GR010	Highways	Cllr Don Alexander	Be more business-like and secure more external resource	Review charges at all free car parks	A review will be undertaken of all free car parks that the council operates, with a view to introducing appropriate charges.		-120				-120

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR011	Highways	Cllr Don Alexander	Be more business-like and secure more external resource	Review charges at all off-street car parks and on-street parking spaces	A review will be undertaken of current charges across all council owned off-street car parks and on-street parking bays.	-200	-600				-800
GR012	Highways	Cllr Don Alexander	Be more business-like and secure more external resource	Remove 30-mins free parking from pay and display spaces in Residents' Parking Schemes	Remove the first 30 minutes of free parking from the pay and display bays in Residents' Parking Schemes (RPS).	-150	-350				-500
GR014	Highways	Cllr Don Alexander	Be more business-like and secure more external resource	Review charges for permits and pay and display spaces in Residents' Parking Schemes	Residents' Parking Schemes permits and Pay and Display increase in line with charges in other cities.	-850					-850
GR046	Highways	Cllr Don Alexander	Be more business-like and secure more external resource	Carry out review of parking spaces for disabled people	Review of usage and provision of disabled people's parking spaces and introducing a charge for the service.	-100					-100

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR015	Parks	Cllr Ellie King	Be more business-like and secure more external resource	Review all charges at parks and green spaces car parks	Review of car park charging at parks and green spaces across Bristol, with a view to potentially extend approach to charging.		-40	-40			-80
GR016	Parks	Cllr Ellie King	Be more business-like and secure more external resource	Standardise all allotment fees	Set agreed and consistent rate for allotment tenants, fixed for three years, to ensure sustainability of allotment service.		-55				-55
GR017	Parks	Cllr Craig Cheney	Be more business-like and secure more external resource	Review Local Community infrastructure levy allocation criteria	Review the allocation criteria to release additional funding for Parks and Green Spaces.		-100				-100
GR021	Parks	Cllr Ellie King	Be more business-like and secure more external resource	Secure new commercial opportunities through the Bristol Future Parks approach	The conclusion of the Future Parks approach will secure new commercial opportunities for parks and green spaces.	-25	-25	-50			-100
GR022	Parks	Cllr Ellie King	Be more business-like and secure more external resource	Maximise commercial opportunities for catering outlets within parks	Explore opportunities to maximise commercial growth in relation to catering outlets in Bristol's parks and green spaces.	-25	-25	-25			-75

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR052	Harbour	Cllr Ellie King	Be more business-like and secure more external resource	Carry out harbour review	The review will consider how the harbour is operated which will include the allocation and charging of updated leases and licences to better reflect commercial value.		-150	-300			-450
CEN05	All services	Cllr Craig Cheney	Be more business-like and secure more external resource	Strategic Business Review of Fees and Charges	A strategic review of fees and charges to identify new charging areas, ensure charging opportunities for all relevant goods or services are levied and reflect market rates. This would mean the removal of some subsidies and will include the development and testing of a full cost recovery model and calculator.	-250	-250				-500

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
CEN06	All services	Cllr Craig Cheney	Be more business-like and secure more external resource	Discretionary Giving	Pilot new approaches to encouraging discretionary giving to causes related to key challenges and priorities, which can fund core activity and/or bring additional financing to City Funds and/or VCSE partners.	-50	-100				-150
CEN07	All services	Cllr Craig Cheney	Be more business-like and secure more external resource	Divestment – Non-Core Business & Investments	Divest (disposing of asset through sale or closure) in investments or businesses that are not profit making or not part of core operations so that the council can focus on its primary business, improve operational efficiency, reduce costs and / or raise income.	TBC	TBC	TBC	TBC	TBC	TBC *
ASC5	Adult Social Care	Cllr Helen Holland	Digital transformation	Increase use of Technology Enabled Care	Invest in the use of Technology Enabled Care (TEC) as alternative to traditional care and support through continued development of the TEC team and innovation work.	-300					-300

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
CF6	Children	Cllr Asher Craig	Improve efficiency	Review special guardianship order arrangements	Improve special guardianship arrangements to ensure payments are aligned with national guidance.	-123	-461		-123		-707
E8	Education	Cllr Asher Craig	Improve efficiency	Improve Home to School Transport commissioning arrangements	Drive five per cent efficiencies from third party supply contract within Home to School Transport.	-284					-284
ASC3	Adult Social Care	Cllr Helen Holland	Improve efficiency	Manage and control cost of care for people with care and support needs	Work with care providers to implement agreed pricing tools to ensure consistent costings for care services for both adults with complex needs and older people who use social care services. Develop joint commissioning arrangements with NHS partners to deliver better value and outcomes for people who are eligible for social care services.	-800					-800

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
ASC10	Adult Social Care	Cllr Helen Holland	Improve efficiency	Review local Section 117 funding arrangements for care and support services under the Mental Health Act 1983	This proposal involves reviewing after care arrangements for people who have been detained under the Mental Health Act, where their care is jointly funded by the local authority and the clinical commissioning group. A saving should come from more efficient commissioning and better use of resources.	-200	-250				-450
ASC11	Adult Social Care	Cllr Helen Holland	Improve efficiency	Review the Bristol Community Meals service delivery	Review how the Bristol Community Meals service is run and identify how to transition this into a self-funded service by attracting new service users.	-100	-110				-210

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR028	Culture	Cllr Craig Cheney	Improve efficiency	Review Museums and Archive Service	Review of the Museums and Archive Service in order to deliver the Corporate Strategy and to deliver savings. (Note well: Savings to the right are shown net of the assumed costs of implementation in 2022 to 2023 and 2023 to 2024. The first year that a full year saving is achieved is 2024 to 2025 onwards.)		-83	-353			-436
GR003	Libraries	Cllr Ellie King	Optimise service delivery	Reduce library non-staffing budgets	Reduce two non-staffing budgets including the Material Fund Budget (purchase of books, e-resources etc.)	-100					-100

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR031	Housing and Landlord Services	Cllr Tom Renhard	Optimise service delivery	Acquire property or identify access to lower cost temporary accommodation and specialised supported accommodation	Exploring three alternative framework models that can reduce the expense of temporary accommodation units and deliver an increased supply of affordable move-on accommodation. The three options are: 1) Borrow to Purchase 2) Agreement with Investment Company using private capital 3) Create a local housing company that is a Registered Provider	TBC	TBC	TBC	TBC	TBC	TBC *
GR053	Bristol Waste	Cllr Nicola Beech	Optimise service delivery	Optimise service delivery of Bristol Waste	Operation assessments will be undertaken to ensure changes will bring real benefits to waste and recycling, freeing up resources for innovation. Proposal will include benchmarking of services, in order to help realise our ambition towards net zero waste. This would allow for targeted investment in frontline services and innovation.	TBC	TBC	TBC	TBC	TBC	TBC *

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
ASC1	Adult Social Care	Cllr Helen Holland	Property and capital investment	Increase social housing for people with care and support needs	Better Lives at Home is an innovative transformation programme for adult social care which supports people to lead more fulfilling lives and live independently in their own homes for longer. It boosts usage of TEC (technology enabled care). TEC equipment can be used at home to remain independent.			-870	-550	-468	-1,888
GR038	Culture	Cllr Craig Cheney	Property and capital investment	Raise additional income at M Shed	Introduce roof top bar at M Shed.	-10	-50	-25			-85
CEN03	All services	Cllr Craig Cheney	Property and capital investment	Reduce council-owned property	In light of new ways of working following COVID-19, review the number of buildings we use for office space. Aim to reduce our office floor space by at least 50 per cent, whilst making sure we have the right amount and quality of workspaces, reducing our carbon footprint.	-1,500	-2,000				-3,500

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R10	Finance	Cllr Craig Cheney	Redesign, reduce or stop services	Target Local Crisis Prevention support to households in the most need	Earmark up to 50 per cent of the discretionary Local Crisis Prevention Fund to support eligible new and existing council tenants with emergency living expenses and household goods. The associated funding of up to £350,000 will move from the General Fund to the Housing Revenue Account.	-350					-350
CF2	Children	Cllr Asher Craig	Redesign, reduce or stop services	Review Early Help and Family Hub offer	Undertake a review of Early Help funding to support our development of a Family Hub approach and integrated working in localities. This will include an assessment of other areas of funding and community capacity that can contribute in future to an integrated ‘place based’ approach, developing a service profile that makes best use of available assets across partner agencies.	-100	-200				-300

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
CF10	Children	Cllr Asher Craig	Redesign, reduce or stop services	Reduce contractual value of the council's commissioned youth services	We aim to make sure we maximise other sources of funding so that youth services can continue for children and young people in the city. This includes statutory parts of the service such as the post-16 education and training guarantee and young carer assessments.	-200	-200				-400
E1	Education	Cllr Asher Craig	Redesign, reduce or stop services	Find potential alternative use or new provider for Exmouth Camp	Move away from direct responsibility of the annual lease of Exmouth Camp. Engage in discussion with the National Trust (leaseholder) to support potential alternative use or the introduction of a new provider.	-30					-30
E5	Education	Cllr Asher Craig	Redesign, reduce or stop services	Development of the Employment, Skills and Learning service	We intend to streamline services and introduce more cost-effective delivery through new approaches and by reducing the non-statutory work, which can be offset with new grant funding.	-117					-117

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
E6	Education	Cllr Asher Craig	Redesign, reduce or stop services	Amend funding split for in-house and commissioned provision of Post-16 statutory duties	Post-16 statutory duties - ensure recommissioning of external services bring best value with consideration of amending funding split for in-house and commissioned provision.	-16					-16
E4	Education	Cllr Asher Craig	Redesign, reduce or stop services	Reduce non-statutory early-years service	Reduction of budget for non-statutory services that provide extra childcare for children aged 0-2. This is removing an underspent budget, so no child who currently receives this service will lose it.	-41					-41
ASC6	Adult Social Care	Cllr Helen Holland	Redesign, reduce or stop services	Transfer rehabilitation services to external partner	Transfer rehabilitation service delivery to the community health partner Sirona and close the South Bristol Rehabilitation Centre, subject to cabinet agreement, consultation with staff, trade unions and partners.	-500					-500

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
ASC7	Adult Social Care	Cllr Helen Holland	Redesign, reduce or stop services	Review Bristol Community Links service delivery	Review of day opportunities currently provided within Bristol Community Links by developing options to deliver cost efficiencies. This is subject to consultation.		-500	-500			-1,000
ASC12	Adult Social Care	Cllr Helen Holland	Redesign, reduce or stop services	Review Concord Lodge service delivery and consider alternative model	Review of service model delivered at Concord Lodge and consider transfer to alternate provider. Concord Lodge is a facility with self-contained flats for adults who have learning difficulties and complex needs.	-350					-350
ASC13	Adult Social Care	Cllr Helen Holland	Redesign, reduce or stop services	Review Shared Lives Services delivery and consider alternative model	Review of alternative commissioning models to deliver the Shared Lives service.	-50					-50

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
ASC14	Adult Social Care	Cllr Helen Holland	Redesign, reduce or stop services	Review Home Choice processes and criteria	Review process and criteria for the Home Choice register (our housing waiting list) to enable people with adult social care needs to be prioritised and access appropriate housing more quickly.	-800	-3,150				-3,950
GR045	Housing and Landlord Services	Cllr Tom Renhard	Redesign, reduce or stop services	Review Housing Options budgets to identify opportunities to reduce budget	A detailed review will lead to budget reduction as non-salary budgets will be reduced by £30,000. This will not impact service delivery.	-30					-30

Table 1: Bridging the gap: budget savings and efficiencies proposals 2022 to 2027. May require public Consultation.

* Denotes that a review is still to be completed which may deliver savings, and that any savings have not been fully determined at this time.

Section 2: Proposals where no consultation is required

We don’t believe that the proposals in this section will require further public consultation. The reasons for this will vary by proposal, but it will typically be because there is little or no noticeable frontline impact on the services people receive. This may change however as proposals are developed in more detail and we will keep this under review.

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R12	Finance	Cllr Craig Cheney	Be more business-like and secure more external resource	Review insurance administration charges	We administer the historic Avon County Council insurance claims on behalf of the West of England. By reviewing annual administrative charges, we could be increasing our income.	-25					-25
R15	Finance	Cllr Craig Cheney	Be more business-like and secure more external resource	Increase income generation and charging rates	Increase income generated, primarily through audits of external grants or anti-fraud work and audit provision to academy schools and the council's companies.	-20					-20
R16	Finance	Cllr Craig Cheney	Be more business-like and secure more external resource	Review private finance initiative management charges	To charge a management fee for effective management of the Private Finance Initiative (PFI) group of contracts, where effective management will ensure ongoing efficiency and quality of the private finance initiative service and fund.	-25					-25

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R28	Policy, Strategy and Partnerships	Cllr Ellie King	Be more business-like and secure more external resource	Allocate Public Health funding to City Office	A contribution from the dedicated Public Health grant to Bristol's City Office, which is hosted and part-funded by the council. The One City Plan is based upon delivering health and wellbeing outcomes, in particular addresses wider social and economic determinants of health, such as employment, housing, education, and environment. The full value of the saving relies on external funding targets for the City Office being achieved.	-30					-30

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R29	Policy, Strategy and Partnerships	Cllr Ellie King	Be more business-like and secure more external resource	Seek additional income from external partners to fund City Office	Seek a small amount of additional income from external partners towards the running cost of Bristol's City Office, which is hosted and part-funded by the council. This amount represents five per cent of the annual budget for the office and would be an income target over and above existing plans for a 50/50 split between the council (50 per cent) and many different partners (50 per cent collectively).	-5					-5

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
CF3	Children	Cllr Asher Craig	Be more business-like and secure more external resource	Reduce spend on commissioning of external safeguarding reviewers	Since the implementation of Working Together 2018 and the introduction of rapid reviews prior to child safeguarding practice reviews, there has been a reducing demand for external reviewers as more review work is undertaken in-house. Therefore, the council, as largest contributor, is reducing its proposed contribution to the Keep Bristol Safe Partnership to reflect this change.	-25	-10				-35
E7	Education	Cllr Asher Craig	Be more business-like and secure more external resource	Raise funds for adult learning through traded services	Focus on management of external funding for example fundraising for enhancing non-statutory services across Employment, Skills and Learning.	-12					-12
ASC2	Adult Social Care	Cllr Helen Holland	Be more business-like and secure more external resource	Increase return of unused direct payment funds.	Support people who receive a Direct Payment to return any unused contingency funds.	-500					-500

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR023	Development Management	Mayor	Be more business-like and secure more external resource	Increase income target for Development Management.	Increased income earned in Development Management / Building Control as a result of increased workload.	-15					-15
GR024	City Design	Mayor	Be more business-like and secure more external resource	Increase income target for Engineering Design / Placeshaping.	Increase the amount charged to our Capital budget for the Engineering Design / Placeshaping service.	-20					-20
GR006	Major Projects	Mayor	Be more business-like and secure more external resource	Capitalise Project Manager cost	Charge some Project Manager costs to our Capital budget where this is linked to Capital project work.	-80					-80
GR008	Housing and Landlord Services	Cllr Tom Renhard	Be more business-like and secure more external resource	Use opportunities in the Housing and Planning Act 2016 to offset a post in the Regulation Team	Increasing income through enforcement action to fund a post.	-60					-60
GR009	Housing and Landlord Services	Cllr Tom Renhard	Be more business-like and secure more external resource	Generate additional income to support wider housing pressures	Using income from the restarting of the Landlord's Expo to support wider housing funding pressures.	-40					-40

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
CEN09	All services	Cllr Craig Cheney	Be more business-like and secure more external resource	Centralised funding, bids, grants, sponsorship, and acquisitions team	Review activity across the council relating to funding, with a view to creating a business case for additional investment (or reallocation of existing resource) in a small team to lead on external bid/grant identification and application, plus Corporate Social Responsibility coordination and sponsorship/commercial partner acquisition, philanthropy and raising of additional funds.		-150				-150
CEN08	All services	Cllr Craig Cheney	Be more business-like and secure more external resource	Undervalue disposals and subsidies	Reduce the level of subsidies provided to a purchaser on disposals or assets transferred below market value or at nil consideration.	TBC	TBC	TBC	TBC	TBC	TBC *
E3	Education	Cllr Asher Craig	Digital transformation	Create maintenance efficiencies for the Learning City website	Change the platform of the Learning City website to reduce annual website maintenance charges.	-10					-10

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R1	Digital	Cllr Craig Cheney	Improve efficiency	Reduce Customer Service Point budget	Work more efficiently and making better use of technology, whilst making sure those who need phone or face-to-face support can access it.	-165					-165
R2	Legal	Cllr Craig Cheney	Improve efficiency	Release of surplus consultancy allocation for shareholder service	The need for external consultancy in relation to the council's companies has reduced and therefore a saving can be made against this budget line.	-30					-30
R13	Finance	Cllr Craig Cheney	Improve efficiency	Review insurance administration processes and required insurance provision	Improve insurance claims processing and reduce level of provision required (one-off) as calculated by Actuary.	-100	100				0
R14	Finance	Cllr Craig Cheney	Improve efficiency	Identify treasury management and legacy pension fund savings	By reviewing treasury management and pension fund savings options we could increase income from Treasury management activity and from the release of historic pension funds no longer required.	-220	-100				-320

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R17	Finance	Cllr Craig Cheney	Improve efficiency	Review static debt management and duplicate payment processes	Trace and collect money owed from hard-to-reach debtors who have left the area with no forwarding contact information, identify, overpayments, duplicate invoices, unclaimed credits and then manage the recovery process.	-100	50				-50
R19	Resources	Cllr Craig Cheney	Improve efficiency	Modernise Trade Union facility time arrangements	Reduce the corporate HR budget from £195,000 to £50,000 and ensure trade union costs are absorbed by departments. Agree a new modernised IR agreement that supports workplace representation. The remaining budget will be used as a contingency to cover elected national or regional duties.	-145					-145

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R26	Policy, Strategy and Partnerships	Cllr Craig Cheney	Improve efficiency	Reduce spending on policy and strategy consultancy	The council's central policy function currently has a £50,000 annual budget to pay for occasional external support: for example, if specific expertise on pieces of specialised policy or strategy work. This proposal reduces this budget from £50,000 to £10,000. We are also exploring options for Public Health to make a contribution to the team in recognition of its role making sure that the council considers health in all of its policy work.	-40					-40
ASC9	Adult Social Care	Cllr Helen Holland	Improve efficiency	Increase access to Continuing Health Care Funding	Implement a dedicated Continuing Health Care (CHC) team to ensure packages that are CHC eligible are appropriately funded.	-350					-350

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
ASC4	Adult Social Care	Cllr Helen Holland	Improve efficiency	Undertake Care Act reviews	Undertake planned Care Act reviews for people who are receiving care services to ensure we are helping people to maximise independence, access the right support, make best use of community resources and technology-enabled care. This will help ensure people get the best value for money from care services.	-1,000					-1,000
GR030	Housing and Landlord Services	Cllr Tom Renhard / Cllr Nicola Beech / Mayor	Improve efficiency	Procure block contracts for temporary accommodation placements	By procuring block contracts in the future for temporary accommodation placements we will make savings through economies of scale, without effecting service delivery.	-725					-725
GR032	Housing Delivery, Sustainable City and Climate Change, and Strategic City Planning	Cllr Tom Renhard / Cllr Nicola Beech / Mayor	Improve efficiency	Reduce amount spent on studies to support policy development	Reducing revenue budgets for supplies and services that pay for technical consultant studies.	-40					-40

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR001	Transport	Cllr Don Alexander	Improve efficiency	Increase revenue through bus shelter advertising	A new contract has been let via a procurement process, aiming to increase revenue from bus shelter advertising.	-770	-300				-1,070
CEN02	All services	Craig Cheney	Improve efficiency	Review addressable spend / third party savings	To maximise benefit for public money through our addressable third party spend which will seek to deliver procurement, contract, and commercial interventions in a range of categories of third party and service activity in order to improve cashable and non-cashable value generated.	-750	350				-400
CEN04	All services	Cllr Craig Cheney	Improve efficiency	Streamline strategic support services	Joining up pockets of the same or similar, strategic professional support services (common activities) to reduce costs, provide better coordination of our work and better prioritisation of our resources.	-400	-100				-500

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR013	Highways	Cllr Don Alexander	Optimise Service Delivery	Continue with the enforcement of the Bristol Bridge restrictions	Continue with the enforcement of the Bristol Bridge restrictions which will generate Penalty Charge Notices whilst encouraging motorists to move towards compliance	-1,200	200	300			-700
GR039	Culture	Mayor	Optimise service delivery	Reduce grant to Bristol Music Trust	Reduction of grant to Bristol Music Trust after substantial investment and opening of Bristol Beacon.		-250	-250	TBC	TBC	-500
GR050	Energy	Cllr Nicola Beech	Optimise service delivery	Reprocure energy contracts	Get better value from contracts relating to energy reduction by reprocuring them.	-150	-250				-400
R4	Legal	Cllr Craig Cheney	Redesign, reduce or stop services	Reduce expenditure on furniture	A reduction in maintenance of furniture budgets can be achieved whilst continuing to maintain the Old Council House as an historic venue for ceremonies.	-11					-11
R5	Legal	Cllr Craig Cheney	Redesign, reduce or stop services	Reduce expenditure on postage	Reduced expenditure on postage in the Register Office due to increased efficiencies from centralisation of services which have no service impact on the public.	-10					-10

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R6	Legal	Cllr Craig Cheney	Redesign, reduce or stop services	Change electoral registration processes	There has been a high level of citizen engagement with electoral registration processes through a channel shift to electronic communications rather than paper-based communication. This has reduced the reliance on ICT and printing and generates a saving against this budget line.	-50					-50
R7	Legal	Cllr Craig Cheney	Redesign, reduce or stop services	General Elections	General efficiencies in electoral services.	-15					-15
R8	Legal	Cllr Ellie King	Redesign, reduce or stop services	Review democratic engagement to modernise service delivery	Conduct a review of Democratic Engagement to modernise ways of working and improve efficiencies. This may require some outlay in year one for new technology (to be met from underspend elsewhere) but should be a recurring saving thereafter.	-35	-15				-50

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R9	Legal	Cllr Craig Cheney	Redesign, reduce or stop services	Review of chargeable services and income generation targets within the council's legal services	Set ourselves a higher income target for legal services, following a review of chargeable services and income targets.	-157					-157
R18	Resources	Cllr Craig Cheney	Redesign, reduce or stop services	Reduce spend on learning and development	Reduce discretionary spend on learning and development. Prioritise funding for statutory or mandatory training and learning and development that is in direct support of organisational priorities – such as equality and inclusion, leadership development, health and wellbeing and performance and talent development.	-95					-95

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R23	Policy, Strategy and Partnerships	Mayor	Redesign, reduce or stop services	Reduce work on international twinning	Reduce our international twinning work and limit coordination with volunteer citizens across the city involved in twinning. Work closely with partners to try and find alternative ways to support and encourage twinning-related activities without needing as much coordination from the council, whilst keeping some dedicated part-time staff capacity available so that it is not left completely unsupported.	-23					-23

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
R24	Policy, Strategy and Partnerships	Mayor	Redesign, reduce or stop services	Reduce investment in Bristol Brussels Office and seek contributions from national partners	Significantly reduce the council's investment in a dedicated Bristol-Brussels Office, which currently helps support the council's policy development and its relationships with key European networks, partners, and potential funders. Instead, work with the UK's major cities as part of the Core Cities network to share this function and focus it on areas which are of mutual interest to cities. This would reduce the council's investment from £30,000 to £3,000 each year. If other cities do not wish to take part, we would be required to close the office.	-27					-27
CF1	Children	Cllr Asher Craig	Redesign, reduce or stop services	Reduce spend by securing better value from services commissioned for Children and Young People	Improve commissioning arrangements for a range of high value contracts for children and young people to deliver improved outcomes and value for money.	-400	-300				-700

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
GR051	Regulatory	Cllr Nicola Beech	Redesign, reduce or stop services	Review the Pest Control Service	The council provides a discretionary Pest Control Service. The review will consider different ways to deliver the service across the city.		-95				-95

Reference	Service	Cabinet member	Type of proposal	Proposal	Details	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
CEN01	All services		Redesign, reduce or stop services	Management and capacity review	Reduce workforce costs and ensure we prioritise our organisational capacity on Corporate Strategy goals. Measures include: a review of the senior leadership structure; offering a succession planning scheme for managers to apply to leave the council; a review of some council teams; and deleting budgeted vacancies, to be sure we retain capacity in priority areas and reduce the impact on employees. These measures reduce our overall capacity and mean we focus on our core priorities. Where any jobs are subject to change appropriate consultation will take place, and where any roles are at risk, we will use our redeployment scheme, which matches employees to other opportunities in the council.	-2,000	-3,500				-5,500

Table 2: Bridging the gap: budget savings and efficiencies proposals 2022 to 2027. No consultation required.

* Denotes that a review is still to be completed which may deliver savings, and that any savings have not been fully determined at this time.

Section 3: Summary

View the total value of proposals when aligned with themes that we consulted citizens about in autumn 2021.

Bridging the gap: budget savings and efficiencies themes	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total by theme £000s
Property and capital investment	-1,510	-2,050	-895	-550	-468	-5,473
Be more business-like and secure more external resource	-2,847	-1,975	-415	0	0	-5,237
Improve efficiency	-6,342	-904	-353	-123	0	-7,722
Digital transformation	-310	0	0	0	0	-310
Reducing the need for direct services	-1,450	-300	50	0	0	-1,700
Redesign, reduce or stop services	-5,407	-7,960	-500	0	0	-13,867
Total	-17,866	-13,189	-2,113	-673	-468	-34,309

Table 3: Summary of savings and efficiencies proposals using budget consultation themes

APPENDIX 9

1. Long Term Investments / Shareholdings

1.1 The Council has a range of long-term investments and shareholdings which it wholly owns or in which it has a material interest. In relation to the wholly owned companies, these are complex businesses and when entering any long-term investments such as these it is important to assess market conditions and to acknowledge that the industries are ever-changing and as such will always be subject to external influences, volatilities and risks. The financial performance of these companies and their assets and liabilities is regularly reviewed to ensure that there is no unexpected financial implication for the Council in future years.

1.2 Bristol Holding Group currently includes the following subsidiaries:

- Bristol Waste Company Ltd
- Goram Homes Ltd
- Bristol Heat Networks Ltd

1.3 The Council budget provides the shareholder investment context. It reflects the Council's associated financial committed reserves and establishes the capital and revenue cash limits considered sufficient to meet business needs.

1.4 The maximum level of exposure of the Council to loans in its subsidiaries is set out in the Council's Capital Strategy as refreshed in 2021/22. It is set at the lower of either 10% of the Council's general fund capital financing requirement or £70m.

1.5 The process for preparation of the companies' annual business plans has been revised to give opportunity for improved governance and scrutiny. These plans are in the process of being refreshed / developed and will reflect the funding parameters approved at the right time for 2022/23. These will be submitted separately to Cabinet for consideration.

2. Bristol Holding Company

2.1 The Council continues to hold £0.653m share capital investment in Bristol Holding (£0.05m of Ordinary shares and £0.603m of redeemable Preference shares). This will be considered in 2022/23 alongside a review of all shareholder company structures. There are currently no loan agreements between Bristol City Council and Bristol Holding Company. If the Council commissions work through Bristol Holding which is additional to that budgeted, then Bristol Holding's operating model enables them to recover such costs alongside those budgeted costs incurred directly where appropriate or in the form of a fee via management recharges to the subsidiary companies.

2.2 Bristol Holding currently holds £1 Ordinary share capital in each of Bristol Waste, Goram Homes and Bristol Heat Networks.

3. Bristol Waste Company (BWC)

3.1 The Council's 2022/23 budget for its core waste services (Teckal activity) is £40.2m. This includes a £1m increase from 2021/22 in line with the Council's 2.65% assumed budget increase for inflation. This BWC contract with the Council for its core (Teckal) service includes a payment mechanism (paymech) based on a cost plus % approach, calculated annually according to unavoidable cost, market volatilities (e.g. for recyclates) and a mechanism for efficiencies and cost savings to be returned to the Council under the contract. This paymech represents a risk / reward arrangement between the Council and BWC when dealing with in-year contract variations. The cost plus approach for 2021/22 allowed for +15%. This has been reviewed as part of budget preparation for 2022/23 and revised down to +14% for the next 3-year review period.

3.2 A small reserve is held and movement +/- is applied to this fund during the paymech period to reset. Review of the paymech has taken place as part of the 22/23 Business Plan review and approval process.

3.3 The Council has previously approved repayable loan facilities of £12m to BWC for fleet vehicle replacement (Cabinet 4 December 2018) and £2.8m for Phase 2 of the Avonmouth site redevelopment (Cabinet 26 January 2021). No further loan requests are anticipated and therefore none are included in the Council's budget proposal for 2022/23.

3.4 Of the £12m for fleet vehicle replacement, £11.3m has been borrowed. In line with contractual payment terms, £2.5m (the principal) has been repaid at December 2021 plus £0.5m interest. This leaves £8.8m (again the principal) to be repaid in full plus £0.8m interest by November 2028.

3.5 A contract for the £2.8m loan facility for Phase 2 of the Avonmouth site redevelopment was signed in 2021. Again, this agreement includes an interest charge on the principal sum. Draw down is planned to commence in Q4 2021/22.

3.6 Teckal Only Covid-19 costs for 21/22 are expected to be £0.2m and consequently no grant is forecast to be distributed by the Council to BWC. Covid-19 costs for 2022/23 are expected to be similarly low-level. No Covid-19 grant allowance is budgeted for distribution in 2022/23.

4. Goram Homes

4.1 The Council approved the establishment of Goram Homes in 2018, with an initial Pipeline 1 development, namely: Romney House and Baltic Wharf, land transfer (with a deferred receipt) and up to £10m (earmarked revenue reserve) potential loan facility for working capital and development investment (terms still to be agreed for one of the schemes). Pipeline 1 schemes are expected to deliver 432 units of housing, 173 (40%) of which will be 'affordable' housing.

4.2 Against this approved £10m, an initial loan facility of £3.3m for Pipeline 1 working capital was established with a contractual repayment date (of principal plus interest) of March 2024.

4.3 As part of Budget 21/22, £4m was released back to the Council and the final £2.7m of this approved £10m was set aside as potential development funding also linked to Pipeline 1. As part of Budget 22/23, £1.7m of this is now proposed to be released back to Reserves so that only £1m then continues to be set aside for Pipeline 1.

4.4 Goram is expected to generate a cumulative net profit by April 2025 against Pipeline 1. No decision has been made regarding either the distribution of these profits in the form of dividends or their reinvestment.

4.5 The unrequired balance of £3.7m remaining from the initial £10m was re-directed in to a second £10m loan facility for a suite of additional sites, referred to as Pipeline 2, as approved at Cabinet 26 January 2021.

4.6 From this 2nd Pipeline's overarching approved £10m, a loan facility of £4m for working capital has been established during 21/22 with a contractual repayment date (of principal plus interest) of March 2027. Drawdowns from this £4m facility are expected to commence in Q4 2021/22 since the development of properties within this Pipeline 2 is still in its infancy. The £6m balance continues to be set aside for Pipeline 2 or the development of subsequent pipelines (subject to separate Cabinet approval).

4.7 The Council's strategic priority for housing delivery may result in further development opportunities and whilst no further funding has been earmarked in

22/23, should Goram be successful in securing these opportunities it would result in further pipeline funding adopting similar principles in the medium term to support the acceleration of housing development.

5. Bristol Heat Network (BHN)

5.1 The Bristol Heat Network (BHN) was established in 2020/21 to manage the extension of the Old Market and Redcliffe heat networks as well as to assume responsibility for and management of all assets within BHN. Overruns or overspends in capital investment and delays to the timing of customer connections for example could potentially also have a material impact on the company's operating model. The Council has embarked on the City Leap programme to contract with a Strategic Partner to deliver on Bristol's decarbonisation ambitions. Subject to approval of City Leap the long-term intention is for BHN to transfer out of Bristol Holding Company and be acquired by the City Leap Strategic Partner. The expected timeframe for this transfer is Spring / Summer 2022.

5.2 The Council has previously approved a repayable loan facility of £12.7m of capital sourced funding to BHN for heat network funding headroom (Cabinet 1 September 2020).

5.3 The Council's Capital Programme for Bristol Heat Networks expansion proposes £16.5m of investment over the next 4 years which is planned to be funded by £2.5m revenue/reserves, £6.9m prudential borrowing and £7.1m grant. No further loan requests are included in the Council's budget proposal for 2022/23; however, it should be noted that this will be subject to change via subsequent Cabinet reports, to reflect the value of any assets being transferred to BHN and or City Leap at the time of transfer. Any transfers will need to reflect the Councils Capital Programme and affordability threshold in the Council's Capital Strategy.

6. Risk Management

6.1 On a monthly basis Bristol Holding Company reviews and consolidates the Shareholder companies' common or specific high risks into its' group-wide risk register. In turn, quarterly or more regularly if appropriate, the Council incorporates those risks into its Corporate Risk Register where it assesses them as significant to the Council. It also includes an additional risk impacting the Council as Shareholder rather than the investment companies themselves.

Appendix 10

Service and Corporate Pressures

Section 1: On-going Service and Corporate Pressures

Service	Investment	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
All Services	Pay Award	5,216	4,834	4,955	5,079	5,206	25,290
All Services	General Contract Inflation	13,991	8,064	5,209	5,257	5,306	37,827
All Services	Health & Social Care Levy - NIC	1,800					1,800
Total Inflationary Pressures		**21,007**	**12,898**	**10,164**	**10,336**	**10,512**	**64.917**
Adult Social Care	Adult Purchasing Costs, placement cost pressures	11,191					11,191
Adult Social Care	Demand/demographic growth	1,014	1,094	1,037	885	1,186	5,215
Adult Social Care	Social work and other support staff - Improved Better Care Fund	1,800					1,800
Adult Social Care	Extra Care Housing recommissioning	1,447	600				1,447
Adult Social Care	Home Care recommissioning	606					606
Children	Bristol Children's home staffing and maintenance costs	600	300	250			1,150
Children	Social work and support staff and other accommodation and ICT costs	1,119					1,119
Children	Home carers absence cover - agency staff	200					200
Children	Children's Placements demand and cost pressures	4,806	-994	-1,195	-671		1,946
Children	Adoption west - increase in contract price	63					63
Children	Support to Afghan families and children	85					85
Children	Support for homeless families	120					120

Service	Investment	2022 to 2023 £000s	2023 to 2024 £000s	2024 to 2025 £000s	2025 to 2026 £000s	2026 to 2027 £000s	Total £000s
Education	Special Educational Needs Support	1,666		385			2,051
Education	Home to School Transport Increased Demand	2,281	50	51	53	53	2,488
Housing and Landlord Services	Homelessness Temporary Accommodation	2,300					2,300
Transport	Lost parking income due to active travel schemes	600					600
Regulatory	Regulatory Services - taxi licenses	70					70
Total Service Pressures		**29,968**	**1,050**	**528**	**267**	**1,239**	**33,051**
Total Baseline Pressures		**50,975**	**13,948**	**10,692**	**10,603**	**11,751**	**97,969**

Table 1: Detail of on-going incremental revenue investment in services

Section 2: One-off Pressures and Investments

Service	Description	2022 to 2023 £000
All Services	Lost income (Covid) incl. Leisure PFI	1.000
Education	Education Transformation Support for SEND	500
Resources	Developing Property Strategy/ Asset Management Plan	500
Resources	Project Management Delivery Capacity	400
All Services	New Priority Investments	2,000
Adult Social Care	Adult Social Care Market Sustainability Spend	1,369
Children	Child Sexual Abuse Inquiry	85
Children	Rent at Bridewell for assessment services	163
Total		6,017

Table 2: Detail of one-off investments during 2022/23

Section 3: Summary

View of the total investment when aligned with services

	2022 to 2023 £000	2023 to 2024 £000	2024 to 2025 £000	2025 to 2026 £000	2026 to 2027 £000	Total £000
Inflationary Pressures	**21,007**	**12,898**	**10,164**	**10,336**	**10,512**	**64,917**
On-going Service Investment Pressures						
Adult Social Care	16,058	1,694	1,037	885	1,186	20,859
Children and Families	6,993	-694	-945	-671		4,683
Education	3,947	50	436	53	53	4,539
Homelessness	2,300					2,300
Transport & Regulatory Services	670					670
Total On-going Investments	**50,975**	**13,948**	**10,692**	**10,603**	**11,751**	**97,969**
One-off Investments						
All Services	3,000					3,000
Education	500					500
Resources	900					900
Adult Social Care	1,369					1,369
Children	248					248
Total One-off Investments	**6,017**					**6,017**

Table 3: Summary of revenue investment by service

APPENDIX 11

Statutory Calculations in Respect of Council Tax

That it be noted that Council at their meeting on 11 January 2022 approved the Council Tax Base for 2022/23 as 127,917 for the whole Council area [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")].

This calculates that the Council Tax requirement for the Council's own purposes for 2022/23 is £1,901.22

That the following amounts be calculated for the year 2022/23 in accordance with Sections 31 to 36 of the Local Government Act 1992 on the Mayor's recommended increase of 2.99%:

a)	£1,090,925,391	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act
b)	£847,727,032	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
c)	£243,198,359	being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax Requirement for the year (item R in the formula in Section 31A(4) of the Act).
d)	£1,901.22	being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

To note that the Police and Crime Commissioner for Avon and Somerset and Avon Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

The Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2022/23 for each part of its area and for each of the categories of dwellings.

Valuation Bands (£)

Bristol City Council

A	B	C	D	E	F	G	H
1,267.48	1,478.73	1,689.97	1,901.22	2,323.71	2,746.19	3,168.69	3,802.42

Police and Crime Commissioner for Avon and Somerset

A	B	C	D	E	F	G	H
167.47	195.38	223.29	251.20	307.02	362.84	418.67	502.40

Avon Fire Authority

A	B	C	D	E	F	G	H
51.97	60.63	69.29	77.95	95.27	112.60	129.92	155.89

Aggregate of Council Tax Requirements

A	B	C	D	E	F	G	H
1,486.92	1,734.74	1,982.55	2,230.37	2,726.00	3,221.63	3,717.28	4,460.71

The Council's basic amount of Council Tax for 2022/23 is not determined to be excessive in accordance with principles approved under section 52ZB of the Local Government Finance Act 1992.

Cabinet / Full Council

18 January 2022 / 15 February 2022

Report of:	Denise Murray, Chief Finance Officer & S151 Officer
Title:	Bristol Schools Forum Feedback
Ward:	City Wide
Member Presenting Report:	The Mayor and the Deputy Mayor / Cabinet Member for Finance, Governance and Performance

Recommendation

In approving the 2022/23 Dedicated Schools Grant (DSG) and Council Budget it is recommended that Members note the feedback from Bristol Schools Forum meeting of 13 January 2022 below.

Context

Bristol Schools Forum provided the following feedback to Cabinet and Council for their consideration in making final decisions on the DSG Budget for 2022/23:

- The Bristol Schools Forum noted the additional funding for High Needs and await proposals from the Council as to how this funding will be utilised going forward as part of the Education Transformation Programme or to support the cost pressures in the High Needs Block.

- Place planning for secondary/primary places in the City is an important issue to look at and a progress update in this regard needs to be brought to the Schools Forum meeting in March.

This feedback will need to be considered in approving the 2022/23 DSG Budget.

Amendment Proposals to Capital Programme 2022/23

Political Group/ Member Lead — **Knowle Community Party / Cllr Gary Hopkins**

Cap Prog Reference	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 to 2031/32	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
NEW	Jubilee pool is to be subject to an asset transfer. There will need to be capital investment mainly in energy efficiency. There is a very good chance that the money for this can be obtained from capital grants from a variety of charitable organisations but if not money will need to be borrowed. We wish the council to make available a fund that can be borrowed from if necessary at interest to be charged initially at the rate the council receives for money on deposit and later at PWLB rates if the council moves to become a borrower.	0.280					These costs have not been identified through a specific energy efficiency review undertaken by the Council, however, the most recent condition survey for Jubilee Pool does identify the cost of priority repair works being in the region of £0.280m. This includes repair costs to update plant machinery and roof works which do have an energy efficiency benefit. Any loan provided would need to go through appropriate due diligence and any interest charged be in line with the Council's approved Capital Strategy and reflect the risk of offering the loan, e.g. impact investments achieve a 4% Internal rate of return and demonstrate how the investments are returned by the end of the period.	Additional funding would ensure equality groups such as older and disabled people who benefited from the warmer temperature of the pool would enjoy the same benefits they had when run by the Council. We know that the pool is also used by communities on low incomes who are less likely to afford an increase in pricing if the cost is shifted to the customer.
Corporate (CP03)	Reduce Corporate Contingencies	(0.280)					The budget report proposes £10.6 m of capital contingencies for the period 2022/23 to cover the risk associated with the budgeted £159.7 million General Fund spend. The contingency aligns to the risk assessment and aims to ensure funded resources are available both to provide for cost overruns and environmental sustainability of scheme in the approved programme and new urgent schemes that emerge for which funding would be required outside the annual budget process. Should the contingency be insufficient, additional programme costs or new schemes would need to be offset by reductions to or deferrals of other approved schemes which are not externally funded. Given the risk associated with the current programme this would leave the programme with £0.280m less to mitigate any future pressures or challenges over the medium term.	A reduction to contingency funding may restrict the Council's capacity to respond to emerging accessibility requirements or other issues which are likely to disproportionately impact equalities communities.
	Total (must be zero)	0	0	0	0	0		

Any new proposed additions to the capital programme must be offset by compensatory reduction of schemes funded internally (prudential borrowing, capital receipts, revenue contributions or CIL) so that overall borrowing does not exceed budget assumptions, without the need to identify further revenue savings

Any proposed additions to the General Fund programme cannot be offset by reductions to the HRA, or other ring-fenced funded schemes (e.g. external grant) or vice versa

Any capital budget changes for the purposes of revenue budget amendments should be incorporated in this template to avoid duplication and total of scheme reductions incorporated in appropriate row above

S151 Officer sign off

Amendment Proposals to Capital Programme 2022/23

Political Group/ Member Lead: **Green Group / Cllr David Wilcox**

Directorate/ Service	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Officer Assessment	
							Service Implication	**Equalities Impact Assessment**
Growth & Regeneration	Establish at least one new Resident Parking Scheme, future RPS's to be developed when a majority of respondents in the area are in favour.	0.650					The investment of £0.650m reflects the average capital cost of setting a new Residents Parking Scheme based on those recently set up by the Council. It should be noted the actual cost may differ as each new scheme is unique in terms of the capital requirements.	The potential equality impacts of any new RPS proposals would need to be considered on a case by case basis taking into consideration the specific demographics and socio-economic status of the affected area(s). In general there may be a disproprotionate impact on older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as on low income households - which would need to be mitigated and/or justified on the basis of overall benefits.
Corporate	Prudential borrowing to fund creation of at least one new RPS	(0.650)					The resources to finance the prudential borrowing (interest and repayment) have been incorporated into revenue budget. The borrowing would be repaid over 5 years. The borrowing is within the Affordability Principles set out in the Capital Strategy. *Note:* This additional borrowing is only available for investment if the revenue amendment proposed is also approved	
	Total (must be zero)	0.000	0.000	0.000	0.000	0.000		

Sum of proposed budget amendments must net to nil in each financial year
Proposals cannot offset amendments relating to services provided through the General Fund against other ring-fenced accounts (e.g. HRA) and vice versa.

Any capital budget changes for the purposes of revenue budget amendments can only be considered where financed internally and the net financial impact of the amendment on the budget, based on capital financing costs, MUST be zero.

Amendments to revenue can only be made to 2022/23 budget - future years are included to ensure future years budgets impacted by decisions on the 22/23 budget remain balanced.

S151 Officer sign off

Amendment Proposals to Revenue Budget 2022/23 **Political Group/ Member Lead** **Green Group / Cllr David Wilcox**

Directorate/ Service	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
Growth & Regeneration	To increase the number of Civil Enforcement Officers (CEOs) by at least 18 over 2 years, aiming for 12 in year 1 and 6 in year 2. The additional illegal parking enforcement will make our city less congested and safer for pedestrians and cyclists. Cost is net of additional PCN Appeals officers and other associated costs.	(0.080)	(0.040)				The power to charge for on and off street parking and to enforce those payments comes from the enabling legislation which is the Road Traffic Regulation Act 1984. It would be permissible to employ additional officers if the primary goal was to alleviate traffic issues. Practically speaking, with the impact of many years of pay freezes and the current jobs market, we are struggling to fill the vacancies we already have. A civil enforcement officer faces many challenges and there are plenty of easier roles available for similar renumeration at the moment.	70% of Bristol citizens feel air quality and traffic pollution is a problem locally. LTGBQ+ communities are slightly more concerned with this issue. Full time and single parents and carers are also slightly over represented in their concern as stated in the quality of Life survey 20/21. Air pollution is a real issue in the city centre which is why Bristol City Council are introducing the Clean Air Zone. Groups most affected are from Black, Asian and Ethnic Minority communities and those who have certain health conditions. 41% of Bristol citizens believe land in Bristol is clear of litter and refuse. Disabled people are less likely to agree that Bristol is clear of litter and refuse, this could be because of pavement debris etc.
Growth & Regeneration	Provide more School Streets or other sustainable transport projects. Currently, 69 Schools have expressed an interest in having safe transport access to their school sites. Bristol Council plans to deliver eight school streets at an average cost of £40,000.	0.080	0.040				We understand that School Streets would be a permissable activity on which to spend any resulting surplus of parking enforcement income, but it cannot be used as a reason in it own right to generate additional income. Prior to implementation legal advice should be sought to confirm this would be a legitimate area of spend if funded from Section 55 income.	70% of Bristol citizens feel air quality and traffic pollution is a problem locally. LTGBQ+ communities are slightly more concerned with this issue. Full time and single parents and carers are also slightly over represented in their concern. Air pollution is a real issue in the city centre which is why Bristol City Council are introducing the Clean Air Zone. Groups most affected are from Black, Asian and Ethnic minority communities and those who have certain health conditions.
Growth & Regeneration	Establish at least one new Resident Parking Scheme, future RPS's to be developed when a majority of respondents in the area are in favour. Revenue from new RPS to repay cost of prudential borrowing over 5 years. We would look to roll out further schemes over the city in future years.	(0.075)	(0.075)				The creation of a new Residents Parking Scheme (RPS) is feasible. However, it would take time to establish and set up. The average capital cost of setting up the existing RPS's was around £650k. It is understood that prudential borrowing or other capital investment can be repaid from Section 55 income for a new RPS.	The potential equality impacts of any new RPS proposals would need to be considered on a case by case basis taking into consideration the specific demographics and socio-economic status of the affected area(s). In general there may be a disproprotionate impact on older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as on low income households - which would need to be mitigated and/or justified on the basis of overall benefits.
Corporate	Cost of servicing capital finance implications of new RPS.	0.075	0.075				The resources to finance the prudential borrowing (interest and repayment) have been incorporated into revenue budget. The resources allocated would be sufficient to allow interest to be serviced and capital repayment (MRP) over 5 years.	No equality impact identified at this stage
	Total (must be zero)	0.000	0.000	0.000	0.000	0.000		

Sum of proposed budget amendments must net to nil in each financial year
Proposals cannot offset amendments relating to services provided through the General Fund against other ring-fenced accounts (e.g. HRA) and vice versa.

Any capital budget changes for the purposes of revenue budget amendments can only be considered where financed internally and the net financial impact of the amendment on the budget, based on capital financing costs, MUST be zero.

Amendments to revenue can only be made to 2022/23 budget - future years are included to ensure future years budgets impacted by decisions on the 22/23 budget remain balanced.

S151 Officer sign off

Amendment Proposals to Revenue Budget 2022/23

Political Group/ Member Lead

Green Group (Lead: Cllr Jenny Bartle)

Directorate/ Service	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
Resources	Return the Twinning Officer (R23) position to full time, if search for partner organisation to fund the other half of the role fails, then revenue should be redirected to cover this cost.	0.023					The Twinning proposal is to seek external funding for half the role, thereby retaining the current staffing capacity but with a new funding model whereby the council contributes half. Given it is a different investment proposition to the City Office, which is already substantially externally funded, it is more likely that we would achieve funding for the Twinning role than we would any additional funding targets for the City Office. If successful, we would be able to retain both services at their full capacity.	A reversal of this savings proposal would remove identified risks if external funding was not available in terms of potential lost learning and cultural opportunities for young people, particularly those from racially minoritised or social-economically deprived backgrounds.
Resources	Reduce the One City Office budget line by £23k if needed to pay for cost of maintaining twinning officer full time.	(0.023)					A reduction in the City Office budget line would result in funding having to be sought from alternative sources or a reduction in staffing. The City Office forecast budget for 2022-23 is £279,000 of which 98% is staffing costs and £95k to be made up from Council funding (General Fund / Public Health as above) with the majority of funding from external partners. If funding could not be found from alternative sources then staffing would have to be reduced impacting upon the team's ability to deliver against its service plan and the corporate strategy.	A reduction to the One City Office budget may reduce capacity to achieve equality focused goals in the One City Plan. Any workforce / management of change would be subject to a separate equality impact assessment.
Corporate	Reduce Mayor's Office budget by £150k by halving the supplies and services budget and taking the rest from across the budget area, where it would have the least impact on performance, consulting on any staff cuts where necessary.	(0.100)	(0.050)				This would result in a reduction of at least 3 FTE of a team of 11 FTE and/or partial removal of the Mayor's fund and would have implications on the office workload and its performance. Reductions in funding would substantially reduce the team's capacity to handle enquiries from members of the public, support democratic functions including public meetings, communicate with the public about city issues, and support key projects with city partners.	Reduced funding to the Mayor's office may restrict capacity to support the equalities focused work of Mayoral Commissions, City Leadership Programme, and quickly implement targeted interventions for specific protected characteristic groups. Any workforce / management of change would be subject to a separate equality impact assessment.
Corporate	Reduce the comms/PR budget by £50k, avoiding cuts to staffing if possible.	(0.050)					Communications already has a £200k savings target ascribed to it within the Common Activities Programme, representing a significant reduction of 4-5 FTE. Costs within the service are predominantly staffing, so these reductions would necessitate the removal of a further 1 FTE posts, totalling 5-6 FTE from a team of c21 FTE in external comms and 5 FTE within consultation. Substantially reducing our ability to communicate with and engage communities and could also mean media requests are not always acknowledged or answered. The service is already frequently over-subscribed with demand. Reducing central consultation team means a reduction in corporate support for running consultations and the work required to fulfil our statutory duties will fall more on operational staff. Having less centralised resource would impact on the quality and consistency of consultation across the Council and increase risk of challenge if not undertaken in line with statutory requirement. Demand will also likely increase next year given the high number of additional consultations needed because of various budget proposals.	External communication plays a key role in supporting the council to carry out aspects of public sector equality duty (s.149 of the Equality Act 2010) related to fostering good relations between people who share a protected characteristic and those who do not, through proactive, inclusive and accessible communications which tackle prejudice and promote understanding.
Growth & Regeneration	Spend £200k a year in revenue on provision of public toilets based on gaps in provision e.g. gaps in community toilet scheme and public consultation on where's the greatest need. This provision could be provided by re-opening toilets or leasing 'pod' type toilets, and may even consider paid for toilet provision. This revenue may be used to pay for capital borrowing needed to re-open toilets.	0.150	0.050				Some of the former public toilets may be converted into micro depots for the Street Cleaning teams – this would mean BCC does not have to find the budget to create a new depot facility which was lost when the former street cleaning depot site at Hartcliffe Way was demolished to make way for the new Hartcliffe RRC currently under construction. The former toilet blocks may not be in ideal locations to serve the widest possible community – i.e. with a pressured budget we would need to consider what would be the optimal locations that would serve the widest possible catchment. Further work will be required to determine precisely how many and which former toilets would be able to be reinstated with this proposed level of investment, obtaining more robust data including estimates in relation to repairs and running costs. The leasing of 'pod type' toilets would need to be robustly assessed to ensure any proposed sites have the required utility services in place. If paid toilet provision was to be considered a market appriasal would be required to be undertaken to assess likely demand and price. If capital investment was required the scheme would need to be subject to business case and approval into the capital programme through the council capital governance processes and provision would be required in the revenue budget to finance the interest and capital repayment costs.	Increased provision of public toilets is likely to increase equality of opportunity for older people, disabled people and carers, pregnancy/maternity and people with young children, or those who may require longer or more frequent use of facilities.
	Total (must be zero)	0.000	0.000	0.000	0.000	0.000		

Sum of proposed budget amendments must net to nil in each financial year
Proposals cannot offset amendments relating to services provided through the General Fund against other ring-fenced accounts (e.g. HRA) and vice versa.
Any capital budget changes for the purposes of revenue budget amendments can only be considered where financed internally and the net financial impact of the amendment on the budget, based on capital financing costs, MUST be zero.

Amendments to revenue can only be made to 2022/23 budget - future years are included to ensure future years budgets impacted by decisions on the 22/23 budget remain balanced.

S151 Officer sign off

Amendment Proposals to Revenue Budget 2022/23 **Political Group/ Member Lead** **Green Group (Lead: Cllr Yassin Mohamud)**

Directorate/ Service	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
Growth & Regeneration	Remove saving GR012 to retain the free first 30 minutes of parking in Pay and Display bays within Residents' Parking Schemes (RPS). This is designed to protect small independent businesses from losing drop-in trade from customers travelling by car, as small businesses are rarely able to provide free customer car parks as many larger businesses can.	0.150	0.350				Reversing this saving is possible, however there is a traffic management based justification for this proposal in that it will reduce the wide over use of the current system, will facilitate effective enforcement and will encourage turnover of spaces.	Reversing this savings proposal would remove identified potential impacts for older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as low income households who may be disproportionately impacted by additional costs.
Growth & Regeneration	Increase fees for Pay and Display parking bays within Residents Parking Schemes for the period after the first 30 minutes, by 15% (approx. £0.20 p/hr) based on local transport policy to encourage modal shift to sustainable modes of transport.	(0.150)	(0.350)				The power to charge for on and off street parking and to enforce those payments comes from the enabling legislation which is the Road Traffic Regulation Act 1984. The RTRA is not a revenue raising act. Inflationary P&D increases for 2022-23 have already been approved by cabinet and are in the process of being implemented. Any further tariff increases have to be justified on the basis of local transport policy which is to encourage modal shift to sustainable modes of transport or increasing bay turnover. Based on historic parking activity an increase in hourly rates of 15% increase is likely to generate approximately £500k of revenue. However, it should be noted that the demand for parking bays may change with such a 15% increase on top of the planned inflationary increases. If the anticipated additional revenue did not materialise alternative savings proposals would need to be identified.	This savings proposal would lead to potential impacts for older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as low income households who may be disproportionately impacted by additional costs. Increasing costs in Pay & Display bays would have greater impact in deprived wards such as Bedminster East and St Paul's, and other Lower Super output Areas (LSOA)'s.
	Total (must be zero)	0.000	0.000	0.000	0.000	0.000		

Sum of proposed budget amendments must net to nil in each financial year
Proposals cannot offset amendments relating to services provided through the General Fund against other ring-fenced accounts (e.g. HRA) and vice versa.

Any capital budget changes for the purposes of revenue budget amendments can only be considered where financed internally and the net financial impact of the amendment on the budget, based on capital financing costs, MUST be zero.

Amendments to revenue can only be made to 2022/23 budget - future years are included to ensure future years budgets impacted by decisions on the 22/23 budget remain balanced.

S151 Officer sign off

Amendment Proposals to Capital Programme 2022/23 | **Political Group/ Member Lead** | **Green Group (Lead Cllr Martin Fodor)**

Cap Prog Reference	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 to 2031/32	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
Growth & Regeneration (GR07)	Reallocate unspent Strategic CIL - to deal with the rising city population and ever denser neighbourhoods across the city. The unspent funds will be used to provide capital for a strategic citywide initiative to deal with the pressures of accommodating extra development and to provide investment needed in the recovery from the pandemic, specifically in parks and open spaces and neighbourhood streets, both under greater pressures from rising populations and more local patterns of living. This strategic fund could help unlock match funding and leverage additional funds to ensure parks and streets are more resilient under growth pressures, in line with council aspirations and strategies.	(1.000)	(1.000)	(1.000)	(1.000)		The changing of the drawdown profile and redirecting £4m (33% of £12m unapplied) is likely to be achievable as strategic CIL has already been received and can fund propositions within the revised profile without impact on financing costs. Reallocation of strategic CIL could delay or temporarily prevent any other illustrative schemes in the initial pipleine, as outlined in the budget report, from proceeding until further CIL revenues had been received such as City Centre/Castle Park, Whitehouse Street, Frome Gateway, Green infrastructure (inc tree planting and biodiversity improvements), City Region Sustainable Transport Strategy, Avon Flood Strategy.	There is not enough detail at this stage to adequately assess the equality impact of this proposed amendment. Specific schemes would be subject to separate equality impact assessments on a case by case basis.
NEW	Allocate unspent CIL to G&R Parks and Green Spaces. Provide a 4 year strategic capital investment fund for the city's parks and green spaces as they recover from the pandemic, for initiatives that deal with the pressures of city development and rising populations - including new investment to improve accessibility, drainage, facilities for concessions to be supported, and replacing end of life paths with better connectivity and circulation routes.	0.500	0.500	0.500	0.500		To qualify for Strategic CIL allocation the funding will need to be associated with spending on strategic parks improvements to support growth areas across the City. Only specific projects which aligned to regulations on use of Strategic CIL would be able to progress.	Additional funding would be likely to benefit groups who are less likely to be satisfied with the quality of parks and green spaces - including disabled people; parents and carers; and those living in the most deprived areas of the city (Quality of life in Bristol survey 2020-21)
NEW	Allocate unspent CIL to G&R Transport budget. Provide a 4 year strategic capital investment fund for the city to make neighbourhoods under pressure from increasing development more liveable, with capital used to invest across the city in implementing changes to highways to improve road safety, address pressures from changing parking and traffic patterns and prioritise active travel and public transport.	0.500	0.500	0.500	0.500		To qualify for Strategic CIL allocation the funding will need to be associated with strategic transport improvements to support the growth of the city. Only specific projects which aligned to regulations on use of Strategic CIL would be able to progress.	Additional investment may benefit those who find inaccessible public transport prevents them from leaving their home when they want to including: disabled people; women; LGBTQ+ people; particular ethnic and faith groups; and people living in rented accomodation (Quality of Life in Bristol Survey 2021-22). However policies which aim to restrict driving or parking can have a disproportionate impact on groups who are more likely to be reliant on having their own motor vehicles such as older, disabled, pregnant people, carers and those with young children.
	Total (must be zero)	0.000	0.000	0.000	0.000			

Any new proposed additions to the capital programme must be offset by compensatory reduction of schemes funded internally (prudential borrowing, capital receipts, revenue contributions or CIL) so that overall borrowing does not exceed budget assumptions, without the need to identify further revenue savings
Any proposed additions to the General Fund programme cannot be offset by reductions to the HRA, or other ring-fenced funded schemes (e.g. external grant) or vice versa

Any capital budget changes for the purposes of revenue budget amendments should be incorporated in this template to avoid duplication and total of scheme reductions incorporated in appropriate row above

S151 Officer sign off

Introduction

At the first Budget Council meeting held on 15 February 2022, Council referred five General Fund alternative budget proposals, representing an 'amended budget' to the Mayor for consideration. The Mayor has the following options:

- accept the budget as now amended
- submit alternative proposals to the Council
- resubmit the original budget proposals

The Mayor has considered the above and his response is outlined in the subsequent sections.

Mayor's Proposed Budget

The budget proposed by the Mayor is formed on the basis of the budget as outlined in the Budget report with Appendices 1-11, *wi*th proposed amendments as set out in the Appendix to this supplementary report.

Mayor's Rationale for Alternative Budget Proposals

Following the full council meeting and debate, as well as discussions in the days allowed by the process, we present a budget which takes on suggestions and solutions from the discussion of last week.

We have incorporated content from amendments 3, 6 and 8. We are also proposing inclusion of elements from amendment 5, 6, 7 and 9 with different funding sources.

There was clear consensus around the positive homes led budget with the vast majority of the budget un-amended.

Therefore, we've taken an approach which adopts proposals which do not impact services or key reserves, and modified others to balance the impact on services. The trade union facility time is now retained in the budget in full for this year, while we work with our trade union colleagues to modernise the agreed framework and enshrine the roles of our unions as partners.

We want local communities to lead conversations about parking provision in their areas and make provision for those who show overwhelming demand for a new area. The 30mins free parking in RPS will be paid for by increases in other charges. There is also commitment for more enforcement of existing traffic orders and this budget will continue to exempt disabled drivers from charges for installation of parking bays.

The bulky-item household waste charges will be reduced, in line with our approach to make Bristol a measurably cleaner city.

Given the amount of developer contributions under strategic Community Infrastructure Levy we will also work with councillors to ensure CIL funding is allocated to parks, green spaces and outdoor facilities. We also identify a funding stream for the full reinstatement of Kingsweston Iron Bridge following our work to develop a planning application.

We strongly recommend this budget that retains and prioritises flagship front line services. Continues to protect all our Children centres and Libraries, and flagship Adult Social Care schemes such as Better Lives. Invests in technology enabled care, adapting Home Choice to prioritise housing for adults with care needs and We Work for Everyone, a programme that helps adults with learning difficulties into employment. The proposals bring through new specialist provision for children with SEND and wraparound support for holiday activity.

Our proposed capital programme focusses on delivering on ambitious carbon and ecological goals and moves us closer to get the modern flood defences we need that could help unlock land for 13,000 homes. £1.8 billion of council rents will be invested in new and improved council homes, £80 million to make homes more energy efficient and a further £12 million from our general fund budget to enable further affordable housing delivery. It looks to invest in our leisure facilities, modernising and expanding those that serve the most people and the most deprived communities and proposes investment in venues which underpin Bristol's cultural offer.

As we face the growing cost-of-living crisis, we stand by the most vulnerable. The budget retains the Council Tax Reduction Scheme and Bristol remains one of the only cities to offer up to 100% off council tax bills, something which supports 38,000 families in Bristol at a cost of £43.8 million. In line with this, we keep a Local Crisis Prevention Fund budget, which this year helped around 7,000 families with upfront support for crisis situations around fuel bills, school uniforms and groceries.

I hope that all parties can now support it to take Bristol forward with £3.8 billion of investment for the city.

Mayor's Amendment Proposals to Revenue Budget 2022/23

Directorate/ Service	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
Growth & Regeneration	To increase the number of Civil Enforcement Officers (CEOs) by at least 18 over 2 years, aiming for 12 in year 1 and 6 in year 2. The additional illegal parking enforcement will make our city less congested and safer for pedestrians and cyclists. Cost is net of additional PCN Appeals officers and other associated costs.	(0.080)	(0.040)				The power to charge for on and off street parking and to enforce those payments comes from the enabling legislation which is the Road Traffic Regulation Act 1984. It would be permissible to employ additional officers if the primary goal was to alleviate traffic issues. Practically speaking, with the impact of many years of pay freezes and the current jobs market, we are struggling to fill the vacancies we already have. A civil enforcement officer faces many challenges and there are plenty of easier roles available for similar renumeration at the moment.	70% of Bristol citizens feel air quality and traffic pollution is a problem locally. LTGBQ+ communities are slightly more concerned with this issue. Full time and single parents and carers are also slightly over represented in their concern as stated in the quality of Life survey 20/21. Air pollution is a real issue in the city centre which is why Bristol City Council are introducing the Clean Air Zone. Groups most affected are from Black, Asian and Ethnic Minority communities and those who have certain health conditions. 41% of Bristol citizens believe land in Bristol is clear of litter and refuse. Disabled people are less likely to agree that Bristol is clear of litter and refuse, this could be because of pavement debris etc.
Growth & Regeneration	Provide more School Streets or other sustainable transport projects. Currently, 69 Schools have expressed an interest in having safe transport access to their school sites. Bristol Council plans to deliver eight school streets at an average cost of £40,000.	0.080	0.040				We understand that School Streets would be a permissable activity on which to spend any resulting surplus of parking enforcement income, but it cannot be used as a reason in it own right to generate additional income. Prior to implementation legal advice should be sought to confirm this would be a legitimate area of spend if funded from Section 55 income.	70% of Bristol citizens feel air quality and traffic pollution is a problem locally. LTGBQ+ communities are slightly more concerned with this issue. Full time and single parents and carers are also slightly over represented in their concern. Air pollution is a real issue in the city centre which is why Bristol City Council are introducing the Clean Air Zone. Groups most affected are from Black, Asian and Ethnic minority communities and those who have certain health conditions.
Growth & Regeneration	Establish at least one new Resident Parking Scheme, future RPS's to be developed when a majority of respondents in the area are in favour. Revenue from new RPS to repay cost of prudential borrowing over 5 years. We would look to roll out further schemes over the city in future years.	(0.075)	(0.075)				The creation of a new Residents Parking Scheme (RPS) is feasible. However, it would take time to establish and set up. The average capital cost of setting up the existing RPS's was around £650k. It is understood that prudential borrowing or other capital investment can be repaid from Section 55 income for a new RPS.	The potential equality impacts of any new RPS proposals would need to be considered on a case by case basis taking into consideration the specific demographics and socio-economic status of the affected area(s). In general there may be a disproprotionate impact on older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as on low income households - which would need to be mitigated and/or justified on the basis of overall benefits.
Corporate	Cost of servicing capital finance implications of new RPS.	0.075	0.075				The resources to finance the prudential borrowing (interest and repayment) have been incorporated into revenue budget. The resources allocated would be sufficient to allow interest to be serviced and capital repayment (MRP) over 5 years.	No equality impact identified at this stage
Mayor's Office	Reduction in funding to the Mayor's Office (Discretionary & Non Staff Related Funding) to be reinstated should surplus funds materialise.	(0.205)					Whilst reinstatement is envisaged in the future no funds have been identified. This proposal would therefore result in a removal of the Mayors discretionary fund and could have implications on the office workload and its performance. Reductions in funding would reduce the capacity to support key projects with city partners.	Reduced funding to the Mayor's office may restrict capacity to support the equalities focused work of Mayoral Commissions, City Leadership Programme, and quickly implement targeted interventions for specific protected characteristic groups.
Growth & Regeneration/Highways	Exempt disabled drivers from planned charge for installation of designated parking bays	0.100					This proposal would mean that the possibility of charging certain disabled residents was removed from the review that is planned which would in turn mean that potentially residents that could afford to pay for this service would continue to not be required to do so, in effect meaning that the the staus quo would remain.	Reversing this saving proposal would remove an identified disproportionate impact on disabled people and their carers – especially those living in low income households (unless there are concessions / waived fees on this basis).
Growth & Regeneration	Reduce Bulky-item Household Collection charge for up to three items from £25 to £15	0.105					Bulky waste is managed by Bristol Waste Company. The income sits with the Council and is charged directly from the individuals. Currently 93% of the collections charged relates to three or less items, however BCC would need to also reduce the higher rate charge from £50 for 6 items to £30 for 6 items – otherwise we would perversely encourage residents to book two lots of 3 item collections which would create more journeys, processing and transaction fees and more admin at BWC. Reducing the charge could thus potentially lead to a greater amount of lost income than that indicated. It may change behaviours and reduce Fly tipping, however evidence is unclear.	A decrease in collection charges would have a positive impact on people from lower socio-economic backgrounds in having household items collected.
Resources	Reduce Operational Reserve (one-off), to be reinstated should surplus funds materialise.	(0.150)	0.100	0.050			From the review undertaken of reserves to inform the 2022/23 budget, £500k was released from this reserve into the budget, leaving a residual £300k. Whilst reinstatement is envisaged in the future no funds have been identified. Therefore this proposal would result in a further reduction in these funds of 66% (£300k to £100k) and will impact on the Councils ability to achieve the planned accountancy and value for money work such as external valuations, external due diligience when required and reviewing Bristol's contribution to the Avon Pension fund. Subject to external audit recommendations reduced funding could impact on the Councils ability to meet regulatory / statutory requirements should external commissioned activity be required.	There are no identifiable direct impacts on equalities groups from this proposal.
Growth & Regeneration	Progress Fruit Tree Planting Initiative in schools for Platinum Jubilee **(one-off funded by reserves)**	0.050	(0.050)				The additional investment would pay for a full-time staff member for a year plus transport and equipment costs. Note that if the idea is centred around this year's Jubilee celebrations, the council is already planting trees this year that are connected to the Queen's Green Canopy initiative education. The proposal would require us to increase our resources to enable us to support this initiative (External funding is available for the trees, but not for the resources to support the programme of works). The two education-based programmes are worth linking to and supporting: Young Tree Champion School (in association with the Tree Council) and the Junior Forester Award (in association with the Royal Forestry Society– which is directly linked to the Jubilee).	Planting of trees would have a positive effect on childrens mental health and potentially increase the availability of fresh fruit (in later years, and in schools) which could improve the health of children if successful.

Mayor's Amendment Proposals to Revenue Budget 2022/23

Directorate/ Service	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
Resources	Saving ref R19. Reduce saving on union facility time by £100k in 22/23 and £50k 23/24. Explore different options for savings in future years to ensure a continued balanced budget, or if it is decided to keep this saving, this allows time for consultation and adjustment. (One off, funded by reserves)	0.100	(0.050)	(0.050)			The proposed amendment enables the new trade union facility time agreement to be introduced with some transitional arrangements. As this proposal is funded by reserves, it has the effect of delaying the implementation of the saving unless a different saving option is identified.	Corporate trade union duties should be protected by an updated internal agreement to ensure the continuing statutory right of trade union and safety representatives to paid time off to carry out their duties in accordance with the ACAS code of practice.
Growth & Regeneration	Remove saving GR012 to retain the free first 30 minutes of parking in Pay and Display bays within Residents' Parking Schemes (RPS). This is designed to protect small independent businesses from losing drop-in trade from customers travelling by car, as small businesses are rarely able to provide free customer car parks as many larger businesses can.	0.150	0.350				Reversing this saving is possible, however there is a traffic management based justification for this proposal in that it will reduce the wide over use of the current system, will facilitate effective enforcement and will encourage turnover of spaces.	Reversing this savings proposal would remove identified potential impacts for older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as low income households who may be disproportionately impacted by additional costs.
Growth & Regeneration	Increase fees for Pay and Display parking bays within Residents Parking Schemes for the period after the first 30 minutes, by 15% (approx. £0.20 p/hr) based on local transport policy to encourage modal shift to sustainable modes of transport.	(0.150)	(0.350)				The power to charge for on and off street parking and to enforce those payments comes from the enabling legislation which is the Road Traffic Regulation Act 1984. The RTRA is not a revenue raising act. Inflationary P&D increases for 2022-23 have already been approved by cabinet and are in the process of being implemented. Any further tariff increases have to be justified on the basis of local transport policy which is to encourage modal shift to sustainable modes of transport or increasing bay turnover. Based on historic parking activity an increase in hourly rates of 15% increase is likely to generate approximately £500k of revenue. However, it should be noted that the demand for parking bays may change with such a 15% increase on top of the planned inflationary increases. If the anticipated additional revenue did not materialise alternative savings proposals would need to be identified.	This savings proposal would lead to potential impacts for older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as low income households who may be disproportionately impacted by additional costs. Increasing costs in Pay & Display bays would have greater impact in deprived wards such as Bedminster East and St Paul's, and other Lower Super output Areas (LSOA)'s.
	Total (must be zero)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**		

Sum of proposed budget amendments must net to nil in each financial year
Proposals cannot offset amendments relating to services provided through the General Fund against other ring-fenced accounts (e.g. HRA) and vice versa.

Any capital budget changes for the purposes of revenue budget amendments can only be considered where financed internally and the net financial impact of the amendment on the budget, based on capital financing costs, MUST be zero.

Amendments to revenue can only be made to 2022/23 budget - future years are included to ensure future years budgets impacted by decisions on the 22/23 budget remain balanced.

S151 Officer sign off

Mayor's Amendment Proposals to Capital Programme 2022/23

Cap Prog Reference	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 to 2031/32 £m	Officer Assessment	
							Service Implication	Equalities Impact Assessment
Growth & Regeneration	Establish at least one new Resident Parking Scheme, future RPS's to be developed when a majority of respondents in the area are in favour.	0.650					The investment of £0.650m reflects the average capital cost of setting a new Residents Parking Scheme based on those recently set up by the Council. It should be noted the actual cost may differ as each new scheme is unique in terms of the capital requirements.	The potential equality impacts of any new RPS proposals would need to be considered on a case by case basis taking into consideration the specific demographics and socio-economic status of the affected area(s). In general there may be a disproprotionate impact on older people, disabled people, carers, those who are pregnant / have young children etc. who may be less mobile and more dependent on motor vehicles, as well as on low income households - which would need to be mitigated and/or justified on the basis of overall benefits.
Corporate	Prudential borrowing to fund creation of at least one new RPS	(0.650)					The resources to finance the prudential borrowing (interest and repayment) have been incorporated into revenue budget. The borrowing would be repaid over 5 years. The borrowing is within the Affordability Principles set out in the Capital Strategy. *Note:* This additional borrowing is only available for investment if the revenue amendment proposed is also approved	
Growth & Regeneration (GR07)	Use or repurpose currently unallocated Strategic Community Infrastructure Levy **(CIL)** receipts	(3.000)	(1.000)				The changing of the drawdown profile and redirecting £4m (33% of £12.1m unapplied) is likely to be achievable as strategic CIL has already been received and can fund propositions within the revised profile without impact on financing costs. Reallocation of strategic CIL would prevent any other illustrative schemes in the initial pipleine as outlined in the budget report from proceeding such as City Centre/Castle Park, Whitehouse Street, Frome Gateway, Green infrastructure (inc tree planting and biodiversity improvements), City Region Sustainable Transport Strategy, Avon Flood Strategy.	There is not enough detail at this stage to adequately assess the equality impact of this proposal.
Corporate (CP03)	Reduce Corporate Contingencies	(0.250)	(0.750)				The budget report proposes £10.6 m of capital contingencies for the period 2022/23 to cover the risk associated with the budgeted £159.7 million spend. The contingency aligns to the risk assessment and aims to ensure funded resources are available both to provide for cost overruns and environmental sustainability of scheme in the approved programme and new urgent schemes that emerge for which funding would be required outside the annual budget process. Additional programme costs or new schemes would need to be offset by reductions to or deferrals of other approved schemes which are not externally funded. Given the risk associated with the current programme this would leave the programme with £1m less to mitigate any future pressures or challenges over the medium term.	A reduction to contingency funding may restrict the Council's capacity to respond to new / emerging accessibility requirements or other concerns which are likely to disproportionately impact equalities communities.
Growth & Regeneration	(Use of CIL) Specific allocation of presently undefined strategic CIL funding – to deliver improvement in the quality and viability of the local centre and surrounding streets, as well as increase employment opportunities at secondary destinations	1.500					To qualify for Strategic CIL allocation the funding will need to be associated with specific centre(s) which require improvements and are serving areas where there is significant levels of growth either planned for (existing local plan) or predicted moving forward. Only specific projects which aligned to regulations on use of Strategic CIL would be able to progress; general pots to fund for small scale local interventions across a number of centres, would need to be aligned to the Local element of CIL.	There is not enough detail at this stage to adequately assess the equality impact of this proposal.

Mayor's Amendment Proposals to Capital Programme 2022/23

Cap Prog Reference	Description of Budget Amendment, Rationale and Implications	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 to 2031/32 £m	Officer Assessment: Service Implication	Officer Assessment: Equalities Impact Assessment
Growth & Regeneration	(Use of CIL) Provide additional mitigation measures in respect of the Cribbs/Patchway New Neighbourhood development **(CPNN)** - improvement of road junctions		1.000				This could potentially be eligible for Strategic CIL if it related to improvements to strategic links (eg A38 / A4018) serving Cribbs/Patchway New Neighbourhood (CPNN) which supported or enabled the proposed growth at CPNN. If however, it just related to small scale improvement works to local streets and junctions in north Bristol then that is less likely to be eligible for Strategic CIL. However, we already have an allocation under City Region Sustainable Transport Settlement for delivering improvements to the A4018 corridor which will include the A4018 sections approaching CPNN. This will be match funded by specific developer S106 contributions when fully agreed. The scheme will need further business case development before proceeding so for 2022/23 there is no need for additional funding. A further review can be carried out when the final scheme scope is agreed but it is unlikely that CIL will be required due to the other funding pots available.	There is not enough detail at this stage to adequately assess the equality impact of this proposal.
Sports Investment	(Use of CIL) Increase spending on provision of outdoor equipment/facilities	1.500					To qualify for Strategic CIL allocation the funding will need to be associated with specific parks which require strategic improvements and are serving areas where there is significant levels of growth either planned for (existing local plan) or predicted moving forward. Only specific projects which aligned to regulations on use of Strategic CIL would be able to progress; general pots to fund for small scale local interventions across a number of centres, would need to be aligned to the Local element of CIL.	Improvements to sports and leisure facilities may remove existing barriers for groups who are currently less likely to regularly play sport including Black / Black British people; disabled people; carers; single parents; people from faith groups; and those living in the most deprived areas of the city (Quality of life in Bristol survey 2020-21)
Growth & Regeneration	Fully restore, repair and reinstate Kingsweston Iron Bridge	0.250	0.750				We would not be able to deliver and complete the works in 2022/23. If staff resources were available once the project gains planning approval there are still structural engineering assessments to be undertake, Legally required AIP (Approval in Principal for the structural design),engineering designs, Works information and specification, procurement and mobilisation to site. Therefore if funding is made available and staff resources (probably consultants) are tasked to deliver I would suggest £250k be budgeted in 22/23 and £750k with completion in 2023/24.	Reinstating the bridge may improve accessibility for citizens such as older, disabled or pregnant people who may find it harder to cross the busy Kings Weston Road safely.
	Total (must be zero)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**		

Any new proposed additions to the capital programme must be offset by compensatory reduction of schemes funded internally (prudential borrowing, capital receipts, revenue contributions or CIL) so that overall borrowing does not exceed budget assumptions, without the need to identify further revenue savings

Any proposed additions to the General Fund programme cannot be offset by reductions to the HRA, or other ring-fenced funded schemes (e.g. external grant) or vice versa

Any capital budget changes for the purposes of revenue budget amendments should be incorporated in this template to avoid duplication and total of scheme reductions incorporated in appropriate row above

S151 Officer sign off