

Overview and Scrutiny Management Board Referral to Cabinet

On 9th February 2022, draft business plans of the Council's Companies were considered by the Overview and Scrutiny Management Board. This included those for Bristol Holding Company, Bristol Waste Limited, and Goram Homes.

Members noted that the committee would be updated on Bristol Heat Networks at a later meeting due to its links to a confidential procurement process in relation to City Leap. The Board requested that this update be provided as soon as possible.

The Board was positive about the draft business plans, but noted that generally they didn't contain sufficient details to provide full confidence. They went on to agree that the following comments be referred to Cabinet for consideration;

1. Role of the strategic client

- The Management Board agreed that the strengthened role of the strategic client was crucial for service improvement and to ensure value for money, and asked for additional detail about how the role would be resourced to ensure it was effective.

2. Bristol Waste

- Members noted that Bristol Waste had successfully operated with narrow margins in an uncertain marketplace. With that in mind, there were concerns raised about the impact of increased housing in Bristol and whether the need for additional resources to meet growing customer demand had been fully considered. The Board discussed the issues that had been raised by staff of Bristol Waste and sought reassurance that all matters were being adequately addressed.
- Members heard about the planned 'Village Approach', and welcomed the offer of a briefing at the earliest opportunity which should include details of the timescale; approach; geographical areas; and how Councillors and communities would be involved. It was suggested that early engagement with ward Members regarding the planning and rollout of this approach would be valuable because of their local knowledge and links to residents.

3. Goram Homes

- The Board broadly welcomed the ambition of the Plan and its aspiration to improve provision of housing the city.
- However, Members felt there was a high degree of uncertainty within planning and housing development, and that the Plan may require some adjustments.
- An area of particular concern was around 'stress testing' in relation to the figures around mortgages and interest rates.
- It was also acknowledged that many issues outside of the control of Goram Homes such as the rising cost of materials or staff shortages could have a significant impact.

- The risks to the Council of Goram Homes failing to operate effectively could be considerable so Members suggested that the Business Plan and operation of the Company be kept under close review.

4. Holding Company

- Members noted that the Holding Company Plan aimed for the company functions and establishment to be transferred by October 2022, and, with that in mind, recommended that steps be taken to ensure accumulated knowledge was not lost; and sought confirmation as to who would fulfil the existing role of the Holding Company, particularly the provision of assurance on risks and business plans.
- Members noted the potential risk of failure to maintain clear governance arrangements although noted that the risk had reduced due to clarity from the shareholder and work with the strategic client.

Members acknowledged the amount of work and expertise that had gone into the business plans and thanked all those involved. The Company representatives were thanked for the detailed answers they had provided to questions.