

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 07 March 2023

TITLE	Bristol Holding Group of companies Business Plans for 2023/24		
Ward(s)	All Wards		
Author: Tim O’Gara		Job title: Director: Legal and Democratic Services	
Cabinet lead: Cllr Craig Cheney, Designated Deputy Mayor with responsibility for City Economy, Finance & Performance		Executive Director lead: Stephen Peacock, Chief Executive	
Proposal origin: City Partner			
Decision maker: Cabinet Member			
Decision forum: Cabinet			
Purpose of Report:			
<ol style="list-style-type: none"> 1. The purpose of this report is to seek approval for the 2023/2024 Business Plans for the Bristol Holding Group of companies; <ol style="list-style-type: none"> a. 2023/2024 Business Plan of Goram Homes Limited (company number 11597204) b. 2023/2024 Business Plan of the Bristol Waste Company Limited (company number 09472624) c. 2023/2024 Business Plan of Bristol Holding Limited (company number 09485669) 			
Evidence Base:			
<ol style="list-style-type: none"> 1. The council is the sole shareholder of Bristol Holding Limited (company number: 09485669) which in turn is the sole shareholder of a number of companies, including; Goram Homes Limited (company number: 11597204), Bristol Waste Company Limited (company number: 09472624) (the Bristol Holding Group). 2. The Goram Homes Limited (Goram), Bristol Waste Company Limited (Bristol Waste) and Bristol Holding Limited (Bristol Holding) business plans are submitted for approval in this Cabinet Report. 3. Shareholding is an executive function. The shareholder role in respect of the Bristol Holding Group has been delegated to the Deputy Mayor with responsibility for City Economy, Finance & Performance. The Deputy Mayor has reviewed the business plans for the Bristol Holding Group (see Appendix A) and has been advised in relation to them by the Shareholder Group (see Appendix B1, the Independent Shareholder Advisor’s commentary (see Appendix B2), Bristol Holding (see Appendix B3) and the relevant council clients (see Appendix B4). The business plans are now being recommended for approval by Cabinet. 4. The companies’ business plans are generally based on financial information available in January and February 2023. The final drafts of the business plans were received on the following dates: Goram Homes – version 5 dated 02 02 2023, Bristol Waste – version 6 [BWC’s issue 5], dated 21 02 			

Cabinet Member / Officer Recommendations:

That Cabinet:

In relation to Goram Homes Limited:

1. Approves the 2023/2024 Business Plan of Goram Homes Limited (company number 11597204)

In relation to Bristol Waste Company Limited:

2. Approves the 2023/2024 Business Plan of the Bristol Waste Company Limited (company number 09472624)

In relation to Bristol Holding Limited:

3. Approves the 2023/2024 Business Plan of Bristol Holding Limited (company number 09485669)

Corporate Strategy alignment:

1. **Goram Homes'** business plan supports the Homes and Communities theme, by accelerating home-building in the city and increasing the supply of affordable homes and building resilient communities.
2. **Bristol Waste's** business plan aligns with the key theme of Environment and Sustainability by helping the city reduce its consumption of products and transform its relationship with waste, increasing recycling, repair, reuse and sharing of goods.
3. **The Bristol Holding Company's** business plan aligns with the theme of Bristol City Council as a Development Organisation, contributing to the priority of Good Governance, and acting as One Council, ensuring that the companies are offering good value for money and adopting more consistent procedures and processes, with corporate support services that are the right size for the needs of the organisation.

City Benefits:

1. **Goram Homes'** business plan will deliver benefits to the City by facilitating the build of affordable and commercial housing.
2. **Bristol Waste's** business plan benefits the City through providing clean streets, road-side recycling and the city's new recycling centre.
3. **The Bristol Holding Company** will enable the Council, through its companies, to achieve the progression of innovative services to the city and its population.

Consultation Details:

1. Each company's Boards have reviewed their business plans,
2. The Companies Assurance meeting convened on 9 January 2023 and 26 January 2023 to provide comments to the Shareholder Group (SHG) which was subsequently held on 16 January 2023 and 6 February 2023 to review the Bristol Holding Group business plans – SHG commentary can be found at Appendix B1 and the Independent Shareholder Advisor's commentary can be found at Appendix B2.
3. A Summary of Bristol Holding Limited's commentary on the Goram Homes, Bristol Waste and Bristol Holding plans is included at Appendix B3.
4. The Council Clients for Goram Homes and Bristol Waste have discussed the business plans with the companies and have provided comments at Appendix B4.
5. OSMB Members considered the Goram Homes and Bristol Holding business plans at their meeting on 14 February 2023. The Bristol Waste business plan will be considered at their meeting on 3 March

2023.

Background Documents:

1. BCC Corporate Strategy
<https://www.bristol.gov.uk/files/documents/761-corporate-strategy-2022-27/file>
2. Cabinet report - Bristol Holding Group Limited Company Business Plans for 2022/2023
https://democracy.bristol.gov.uk/documents/s70395/220217FINALCabinetReport-GroupBusinessPlans2022_2023V13.pdf

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

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

1. Finance Advice:

1. See Appendix G for detailed financial commentary with regards to Bristol Holding, Bristol Waste Company and Goram Homes. Key financial impacts below.
2. BWC Budget for 2023/24 reflects a loss of £250k on the municipal contract which indicates the contract payment mechanism will be triggered requiring Councils Financial Support.
3. Level of profits expected from Goram homes is down from last Business Plan(2022/23) due to only income from the most progressed sites included.

Finance Business Partner: Olubunmi Kupoluyi, 27/02/2023

2. Legal Advice:

1. Approval of each of the company business plans is a Reserved Matter and requires Shareholder (i.e. the Council acting by the Shareholder Representative) approval. Such approvals are ordinarily given by the Deputy Mayor (as Shareholder Representative) however the practice has developed that, in respect of business plans, this is addressed at Cabinet. Approval of the recommendations in this Cabinet Report will therefore constitute such Reserved Matter approval.
2. The business plans are also expected to identify explicitly any other Reserved Matters that require approval. At this time no further Reserved Matter approvals are being requested.
3. As before, it is also important that support for any of the companies continues to comply with appropriate public subsidy requirements.
4. Bristol Waste Company's and Bristol Holding's respective "Teckal" status (enabling contracting between the parties without the necessity of compliance with the Public Contracts Regulations 2015 (PCR)) needs to be continually kept under review to ensure that the existing contractual and associated arrangements between the Council and the companies is secure from a procurement perspective. At present, given each company's current business plans and the existing

arrangements between the Council and the companies, there is nothing to suggest this status is at risk. Goram Homes' status as a body not governed by public law (and thereby relieved of compliance with the PCR) needs also to be continually monitored. Again, the current business plan and working relationship between the council and the company does not suggest this status is at risk.

Legal Team Leader: Eric Andrews; Legal Services - 08.02.2023

3. Implications on IT:

1. I can see no implications on IT in regards to this activity.

IT Team Leader: Gavin Arbuckle, Head of Service Improvement and Performance – 07.02.2023

4. HR Advice:

1. In relation the Goram Homes, there are no obvious HR implications.
2. In relation to Bristol Holding Limited, the future shape of support arrangements will evolve in line with discussions regarding the role of the organisation moving forward.
3. In relation to Bristol Waste Company, the coming year will be challenging on a number of HR-related fronts, not least in relation to pay awards, and the Council will offer support where appropriate.

HR Partner: James Brereton, Head of Human Resources, 27.02.2023

EDM Sign-off	Tim O’Gara, Director of Legal and Democratic Services	27.02.23
Cabinet Member sign-off	Cllr Craig Cheney, Deputy Mayor with responsibility for City Economy, Finance & Performance	22.02.23
For Key Decisions - Mayor’s Office sign-off	Mayor’s Office	27.02.23

Appendix A – Further essential background / detail on the proposal A1. Goram Homes Business Plan A2. Bristol Waste Company Business Plan A3. Bristol Holding Business Plan	YES
Appendix B – Details of consultation carried out - internal and external B1. Council Client function commentary B2. Bristol Holding commentary B3. Shareholder Group and Independent Shareholder Advisor commentary	YES
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment Risk assessments included as part of Business plans and in Appendix G.	NO
Appendix E – Equalities screening / impact assessment of proposal	YES

See attached EqIA's for Goram Homes, Bristol Waste and Bristol Holding	
Appendix F – Eco-impact screening/ impact assessment of proposal See attached Eco Impact Assessments for Goram Homes, Bristol Waste and Bristol Holding	YES
Appendix G – Financial Advice	YES
Appendix H – Legal Advice	NO
Appendix I – Exempt Information Exempt Appendix I1. Exempt appendix to Goram Homes Business Plan Exempt Appendix I2. Exempt appendix to Bristol Waste Business Plan Exempt Appendix I3 – Exempt Bristol Holding Group Business Plan Commentary N.B. there is no exempt appendix to the Bristol Holding Business Plan	Yes
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO