

Bristol City Council

Period 7 2023/24 - Finance Exception Report

1. REVENUE SUMMARY POSITION

- 1.1. This report relates to the Period 7 full year forecast for 2023/24 (October 2023 extrapolated). It is an exception report and as such is intended to focus on key financial issues for the Council including movements since Period 6 as reported to November's Cabinet. It is not a full financial forecast for each division and no significant variances have been identified or accelerated by budget holders beyond those issues highlighted in this report.
- 1.2. The Council operates Directorate cash limited budgets and Executive Directors are responsible for ensuring that appropriate action is taken to contain both revenue and capital spending in line with each directorate's overall budget limit. Budget holders forecasting a risk of overspend which can potentially be brought back in line with their budget should, in the first instance, set out in-service risks and opportunities for mitigation. Where these are considered undeliverable, or pressures cannot be contained across the directorate, the budget scrutiny process will be triggered so that a deep dive can be performed and, where appropriate, request may be made for the Executive to consider granting a supplementary estimate redirecting funds from an alternative source.
- 1.3. Following the forecast of a £12.1m emerging pressure within Children and Education Directorate, a supplementary estimate has been approved by Full Council on 31 October 2023. This will be transacted at that point when it is necessary in order to keep the directorate within its budget spend authority.

2. GENERAL FUND REVENUE POSITION

- 2.1. The assessment at Period 7 shows the Council's scheduled General Fund currently forecasting a risk adjusted overspend of £19.3m. This is a 4.0% adverse variance on the approved gross budget of £483.5m. The Q3/P8 report will include detailed plans as to how these pressures will be mitigated in-year.
- 2.2. This forecast overspend is driven both by the material service pressures arising within the Children and Education Directorate which now represent £17.3m (15.7% of its revised budget of £110.0m) and by the latest pressure emerging with the Adult and Communities Directorate which represents £1.9m (1.0% of its revised budget of £191.6m).

Table 1: P7 2023/24 Summary Full Year General Fund Revenue Forecast

Period 7 - Forecast Revenue Outturn Summary	Approved Budget	Revised Budget	P7 Forecast	Total Variance	Total Variance %
	£000s	£000s	£000s	£000s	
8 - Adult & Communities					
14 - Adult Social Care	155,990	171,388	173,414	2,026	1.2%
36 - Communities and Public Health - General Fund	5,853	5,944	5,804	(140)	-2.4%
3B - Communities and Public Health - Other Grants	0	0	0	0	0.0%
57 - Commissioning, Contracts Quality and Performance (Adults)	10,519	14,293	14,293	(0)	0.0%
Total 8 - Adult & Communities	172,362	191,625	193,511	1,886	1.0%
9 - Children & Education					
15 - Children and Families Services	89,051	88,241	100,313	12,072	13.7%
16 - Educational Improvement	21,644	21,762	26,999	5,236	24.1%
1B - Transformation - Our Families Programme	0	0	0	0	0.0%
Total 9 - Children & Education	110,695	110,003	127,312	17,308	15.7%
2 - Resources					
21 - Policy, Strategy and Digital	21,008	20,422	20,422	0	0.0%
22 - Legal and Democratic Services	14,575	14,660	14,666	6	0.0%
24 - Finance	6,142	6,281	6,276	(5)	-0.1%
25 - HR, Workplace & Organisational Design	3,155	2,790	2,790	(1)	0.0%
26 - Management - Resources	181	110	110	0	0.0%
Total 2 - Resources	45,061	44,263	44,264	1	0.0%
4 - Growth & Regeneration					
37 - Housing & Landlord Services	20,559	21,015	21,015	(0)	0.0%
46 - Economy of Place	3,328	2,581	2,582	2	0.1%
47 - Management of Place	(2,334)	(2,807)	(2,808)	(1)	0.0%
4A - Management - G&R	(170)	(338)	(338)	0	0.0%
4B - Property, Assets and Infrastructure	40,011	38,748	38,891	143	0.4%
Total 4 - Growth & Regeneration	61,395	59,199	59,343	144	0.2%
SERVICE NET EXPENDITURE	389,512	405,090	424,429	19,339	4.8%
X2 - Levies	11,071	6,071	6,071	0	0.0%
X3 - Corporate Expenditure	49,634	26,522	26,663	141	0.5%
X4 - Capital Financing	23,866	21,933	21,933	(0)	0.0%
X6 - Year-end Transactions	0	12,320	12,320	0	0.0%
X9 - Corporate Allowances	3,440	11,587	11,587	(0)	0.0%
Total Corporate	94,011	78,433	78,573	(0)	0.0%
TOTAL REVENUE NET EXPENDITURE	483,523	483,523	503,003	19,339	4.0%

2.3. Adults, Communities and Public Health Directorate

Adult Social Care

- 2.3.1. The Adult Social Care position at Period 7 forecasts an overspend of £2.0m compared to the Period 6 forecast nil variance. This adverse movement is due mainly to an increased forecast in the Adult purchasing budgets.
- 2.3.2. The Adult purchasing budgets are under significant pressure in relation to both the increasing number of people being supported and the cost of these supporting care packages. A resulting pressure of £13.2m is partially offset by increases in contributions from those clients drawing on care and support services, plus forecast underspends on both employee costs, grants and other non-adult purchasing costs (net). These combine to total £7.8m.
- 2.3.3. Forecast savings and planned mitigations including those from the transformational work progressing with Peopletoo are expected to deliver £3.4m towards the offset of the £5.4m balance. However, there currently remains a £2.0m net pressure which the directorate continues to work towards mitigating.

Public Health (General Fund)

- 2.3.4. The Public Health (General Fund) at Period 7 forecasts an underspend of £0.1m compared to the nil position reported at P6. This improvement is due to staff vacancies throughout the services and reduced communities' development projects.

Further details are available at Appendix A2.

2.4. Children and Education Directorate

- 2.4.1. There are a wide range of national and local challenges being experienced within the Children and Education directorate and the emerging risks have deepened since Q2/P5 and have been recognised into the forecast at P7. Following the deep dive, review work is ongoing in the directorate to establish opportunities to manage and mitigate this pressure and the associated risk of further deterioration. Recognising the tension between service improvements and financial pressures, designing effective services with, and for, children and families; and efficiency of delivery and best value will improve as a result.

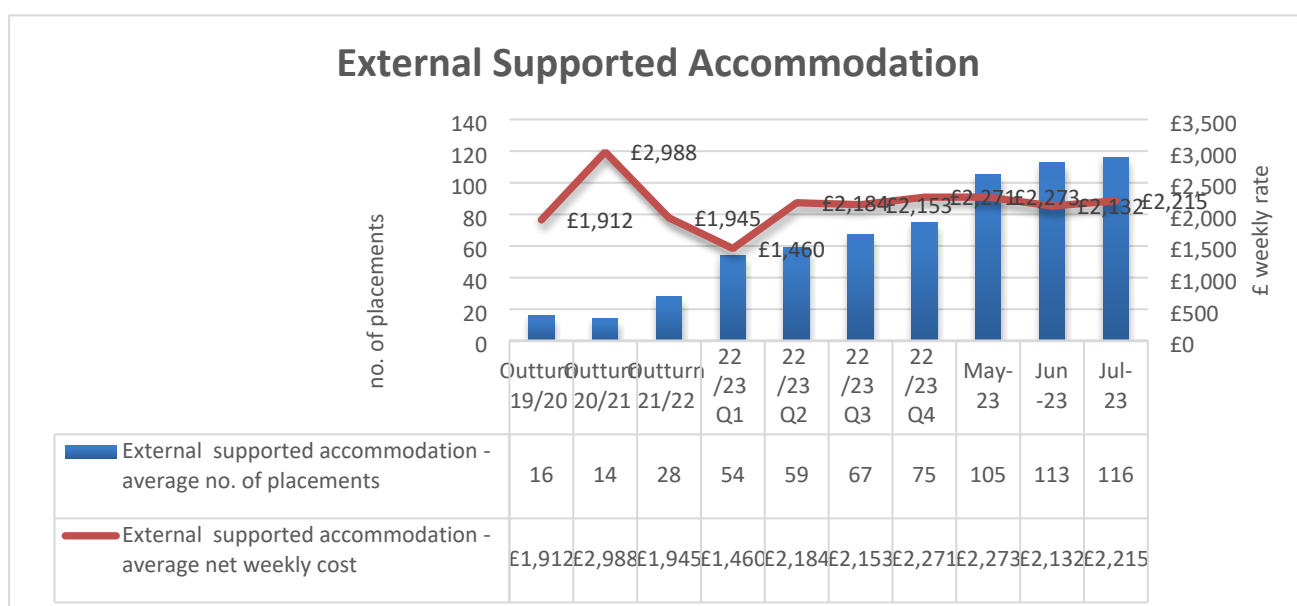
2.4.2. Children and Families

The Children and Families Service is forecasting a pressure of £12.1m (13.7%) on a revised budget of £88.2m. This pressure is predominantly due to the changing complexity and mix of social care placements. The tables below provide further detail on the forecast pressure and latest placement numbers and associated costs.

[Table 2: P7 2023/24 Children and Families Revenue Expenditure Forecast](#)

	Revised Budget 2023/24 £000s	P07 Forecast £000s	Variance £000s
Placements			
External Supported Accommodation	5,448	14,456	9,008
In House Fostering	6,606	6,078	(528)
Independent Fostering Agencies	6,775	7,396	621
Inhouse Supported Accommodation	99	24	(75)
RO & SGO	5,683	5,870	187
Out Of Authority - Placements	15,770	23,647	7,877
Parent & Baby Unit - Citywide	571	805	235
Secure	148	162	15
Children's Homes	4,092	3,534	(559)
Post Adoption	381	248	(133)
Total placements	45,573	62,220	16,648
Other non-placement related budgets	42,668	38,093	(4,576)
Total Children & Families	88,241	100,313	12,072

Table 3: External Supported Accommodation – Placement and Costs



2.4.3. Educational Improvement

The Educational Improvement Service is forecasting an adverse variance of £5.2m (24.1%) on a revised budget of £21.8m. This pressure continues to be as a result of the increasing number of children with Education Health and Care Plans (EHCPs) requiring transport to school and the growing number reliant on having to travel longer distances from home.

Further details are available at Appendix A3.

2.5. Resources Directorate

2.5.1. The Resources Directorate is currently reporting no material movement to the revised budget position of £44.3m. Emerging risks and opportunities to this budget position are captured on the risk and opportunities register. At present they are assessed to present no additional net risk.

2.6. Growth and Regeneration Directorate

2.6.1. The Growth and Regeneration Directorate is currently reporting negligible variance to the revised budget position of £59.2m. Emerging risks and opportunities to this budget position are captured on the risk and opportunities register. These currently present £0.1m net risk.

3. SAVINGS PROGRAMME – SUMMARY

Table 4: Summary of Savings Delivery

Directorate	Total Savings due in 23/24 £m	Other approved changes £m	Savings with net cost in 23/24 £m	Account for savings that were one-off only in 22/23 £m	Rollover of undelivered savings from previous year £m	Net - savings as per Budget 23/24 £m	2023/24 Savings reported as safe		2023/24 Savings reported as at risk	
							£m	£m	£m	%
Children & Education	3.5	-0.4	-0.4	0.0	-0.1	2.6	2.7	0.8	22%	
Adults	10.2	0.0	-0.6	0.0	-2.4	7.1	7.1	3.0	30%	
Resources (incl. Resources led cross-cutting savings)	9.6	-0.3	0.0	-0.2	-3.1	6.0	9.4	0.1	1%	
Growth and Regeneration (incl. G&R led cross cutting savings)	13.8	-0.9	0.0	-0.2	-2.2	10.5	10.7	3.0	22%	
Total	37.0	-1.6	-1.1	-0.4	-7.8	26.2	30.0	7.0	19%	

- 3.1. The General Fund savings programme for 2023/24 agreed by Council and included in the budget was £26.2m (comprising 23/24 savings £16.2m; and £10.0m carried forward from prior years still requiring delivery). In addition to this £26.2m, there was an additional net £9.3m of savings undelivered declared in the 2022/23's provisional outturn report which went to Cabinet in May. A further net £1.6m approved savings activity since the start of 23/24 brings the total savings tracked for delivery in the current financial year to £37.0m.
- 3.2. As at Period 7, £30.0m (81%) of savings are considered safe and £7.0m (19%) are reported at risk and are being monitored and reviewed for delivery or in-year mitigation where possible. These saving delivery risks are captured in either the forecast outturn above, or directorates' risk and opportunities logs where mitigation is still expected.
- 3.3. Whilst there are £7.0m of savings reported as at risk these are being reviewed for mitigation and management, with the expectation of reducing the potential under delivery. Furthermore, the council does retain an optimism bias, set against the delivery of savings, which is held corporately at £6.0m.

4. RISKS AND OPPORTUNITIES

- 4.1. There are other financial risks and opportunities to the Council which have been identified and could materialise during the financial year. These are not reflected in the forecast overspend outlined in section 2.1. They are a combination of costs, savings delivery, income generation and funding opportunities. Cost of living pressures (such as inflation and pay awards) are being captured and monitored against the allowance made within the budget.
- 4.2. The table below summarises these risk and opportunities. These represent the weighted additional net potential risk of £0.7m.

Table 5: Risks and Opportunities Summary

Directorate	Net Risk/(Opportunity) £'000
Adult	0
Children & Education	0
Resources	636
G&R	100
Corporate	0
Total	736

4.3. The net position on risk and opportunities does not yet present a forecast financial pressure as these are either not considered likely to materialise or mitigations are in development and anticipated to be implemented. However, if mitigations are not identified then the likelihood of these risks will inevitably increase and could transition into an actual financial pressure which would add to the current overspend position being reported.

5. RING-FENCED BUDGETS

5.1. There are several funds held by the Council where the Council must ensure that the income or grant is ringfenced and only spent in specific service areas. The forecast outturns for these ringfenced budgets are summarised in the table below.

Table 6: P7 2023/24 Summary Full Year Ring-Fenced Fund Forecast

Period 7 - Summary	Approved Budget	Revised Budget	P7 Forecast	Total Variance	Total Variance %
	£000s	£000s	£000s	£000s	
Total Housing Revenue Account	137,365	137,365	136,546	(819)	-0.6%
Total Dedicated Schools Grant	453,226	452,326	468,722	16,396	3.6%
Total Public Health Grant	(0)	(0)	0	0	0.0%
Total Ring fenced budgets	590,591	589,691	605,268	15,577	2.6%

5.2. Housing Revenue Account

5.2.1. The Housing Revenue Account (HRA) is currently forecasting a favourable outturn of £0.8m when compared to budget. There is no overall movement from P6, however a £0.9m increase in impairment provision forecast was offset by a £0.9m reduction in forecast repair costs.

5.2.2. The main drivers of this forecast position are adverse variances of £0.9m for Income (due mainly to project delays preventing scheme handovers as planned and in turn having an adverse impact on dwelling rent income forecast), £1.4m overspend on Supervision and Management (mostly due to planned programme overheads), £0.9m increase in impairment provision forecast and £3.3m on Repairs & Maintenance expenditure (with significant overspends forecasted for adaptation works, relet repairs and fire safety works), and £0.3m in respect of Council Tax payable on void properties. These are expected to be partially offset by favourable variances of £0.6m against energy costs in communal areas and £7.0m additional investment income receivable as a result of increased interest rates. Any overspend reported at the year end March 2024 will be contained within the HRA general reserves.

5.2.3. The evacuation of Barton House on the 14th of November 2023 is likely to lead to a pressure during the remainder of the financial year. An urgent key decision will be required and a separate report will be brought to Cabinet to note. Where possible this additional spend will be met from underspends in other areas. Any amounts that cannot be met from underspends will need to be drawn from reserves.

5.3. Dedicated Schools Grant

5.3.1. The DSG is reporting a £16.4m mitigated deficit against the revised gross budget of £452.3m.

5.3.2. Full Council in February 2023 approved a DSG budget of £453.2m (or net amount £197.6m after deduction for academies recoupment, NNDR and direct funding of high needs places by ESFA). Revised allocations in July 2023 re-set the budget to £452.3m (£196.6m net).

5.3.3. This in-year forecast overspend, when combined with the prior year's carried forward deficit of £39.7m, brings the forecast total accumulated carried forward in to 2024/25 deficit to £56.1m.

Table 7: P7 2023/24 Summary DSG Fund Full Year Forecast

Bristol Dedicated Schools Grant 2023/24	B/f Balance	Gross DSG Funding (Budget) *	Gross DSG Forecast at P7	In-year Variance at P7	Cumulative C/f
	£000				
Schools Block	(787)	323,851	323,851		(787)
De-delegation	(527)		(1)	(1)	(528)
Central School Services Block	8	2,717	2,709	(8)	
Early Years Block	(605)	37,432	38,344	912	307
High Needs Block	42,520	86,675	103,300	16,625	59,145
High Needs Transformation	(928)	1,627	2,607	980	52
Funding		(452,302)	(452,302)		
Total (Unmitigated Position)	39,680		18,508	18,508	58,188
Mitigations (Budget vs forecast in 2023-24)		(3,180)	(2,112)		(2,112)
Total - Mitigated Position	39,680		16,396	18,508	56,076

* Bristol gross DSG allocations before recoupment and deductions for NNDR and direct funding of High Needs places by ESFA. Allocations as at 20-July-2023

5.4. The Public Health Grant

5.4.1. Public Health (PH) Grant of £35.7m was awarded for 2023/24 by Public Health England (PHE). At the end of Period 7 Public Health reports no forecast variance to this budget.

Cabinet is asked to note a forecast underspend of £0.8m within the HRA and the DSG's forecast in-year deficit of £16.4m accumulating to a total forecast £56.1m deficit to be carried forward at the close of 2023/24 in to 2024/25.

6. CAPITAL SUMMARY

6.1. The Capital programme budget at Period 7, excluding capital contingencies and other technical adjustments, has increased by £7.9m from £288.5m to £296.4m. This increase is as a result of recent Cabinet approvals and delegated decisions. These are summarised below:

- £5.7m of the £19.8m WECA grant for Hengrove Park redevelopment allocated across Housing and Transport programmes (Cabinet 3rd October 2023).
- £1.3m of the £1.6m WECA grant allocated for Ashley Down Rail Access infrastructure (Cabinet 6th June 2023)
- Low value grants and adjustments totalling £0.9m to support Transport (£0.3m) and Housing (£0.6m).

6.2. The budget comprises £174.9m for General Fund (excluding the corporate and other technical adjustments) and £121.5m for the HRA. The forecast variation against budget at Period 7 is a £30.4m underspend, £17.5m underspend on General Fund and £12.9m underspend on HRA.

Table 8: P7 2023/24 Capital Programme Forecast Summary By Directorate

Approved Budget (Feb 23)	Budget Changes upto P7	Directorate	Revised Budget	Actual Spend to date	Budget Spend to date	P7 Forecast Outturn	Variance
£m	£m		£m	£m	%	£m	£m
2.6	3.7	Adults & Communities	6.3	0.3	5%	5.2	(1.1)
24.7	(3.4)	Childrens & Education	21.3	7.1	34%	17.7	(3.6)
7.7	(0.6)	Resources	7.1	2.2	31%	5.7	(1.4)
114.5	25.7	Growth and Regeneration	140.2	51.1	36%	128.8	(11.4)
149.5	25.4	GF service Total	174.9	60.7	35%	157.4	(17.5)
133.3	(11.8)	Housing Revenue Account	121.5	33.6	28%	108.6	(12.9)
133.3	(11.8)	HRA service Total	121.5	33.6	28%	108.6	(12.9)
282.8	13.6	HRA & GF Service Total	296.4	94.3	32%	266.0	(30.4)
15.3	(11.1)	Corporate Contingencies & Funds	4.2	0.0	0%	4.2	0.0
298.1	2.5	Capital Programme Grand Total	300.6	94.3	31%	270.2	(30.4)

Last Year 2022/23 Comparison at end of Period 7

300.5	(47.3)	Capital Programme Grand Total	253.2	84.3	33%	245.9	(7.3)
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Actual Expenditure achieved - 2022/23 Outturn Report £199m

- 6.3. The spend for the first seven months of the year (£94.3m) is low compared to the annual budget (32%) which suggests that a large number of schemes in the programme will need to be re-profiled into future years. Should this trajectory follow the same path over the remaining months of the year this predicts a spend deficit of £104.3m (39%) compared to the latest forecast. However, this does not take account of the council's pattern of higher expenditure towards the end of the financial year that would indicate an outturn in the region of £210m (21% slippage).
- 6.4. The £30.4m forecast variation reflects re-profiling and alignments with the latest expected programme delivery schedule. Delays are generally linked to planning and procurement processes that are taking longer than anticipated along with continuing shortage of skilled labour and capacity to deliver. The programmes to which these primarily relate are summarised within Table 9 amounting to circa £30.7m.

Table 9: Capital Programme re-profiling by value (Top 10)

2023/24 Capital Programme re-profiling schedule		Current Year 2023/24 - Period 7				Performance to budget	
Ref	Scheme	Budget	Expenditure to Date	Forecast	Variance	Expenditure to date	Forecast
						%	%
£000s							
CRF2	South Bristol Youth Zone	5,786	225	1,600	(4,186)	4%	28%
Total Children & Education		5,786	225	1,600	(4,186)	4%	28%
Growth & Regeneration							
GR01	Strategic Property – Temple Meads Development	6,053	2,554	8,151	2,097	42%	135%
PL04	Strategic Transport	14,405	2,629	10,042	(4,362)	18%	70%
PL05	Sustainable Transport	3,079	728	2,063	(1,017)	24%	67%
PL18	Energy services - Renewable energy investment scheme	3,545	1,386	892	(2,653)	39%	25%
PL24	Bristol Beacon	26,469	13,174	22,469	(4,000)	50%	85%
PL30	Housing Delivery Programme	20,026	4,793	17,579	(2,447)	24%	88%
Total Growth & Regeneration		73,577	25,264	61,196	(12,381)	34%	83%
Resources							
RE01	ICT Refresh Programme	1,795	0	500	(1,295)	0%	28%
Total Resources		1,795	0	500	(1,295)	0%	28%
Total General Fund Service Total		81,158	25,489	63,296	(17,862)	31%	78%
Housing Revenue Account							
HRA1	Planned Programme - Major Projects	56,571	16,977	50,369	(6,203)	30%	89%
HRA2	New Build and Land Enabling	63,093	16,625	56,465	(6,628)	26%	89%
Total Housing Revenue Account Service Total		119,664	33,602	106,834	(12,831)	28%	89%
HRA & GF Service Combined Total		200,822	59,091	170,130	(30,692)	29%	85%

6.5. The alignment of budgets to the latest forecast will ensure the budgets that form the basis for Medium Term Financial Plan continue to reflect the latest delivery timeframe of the Capital Programme.

6.6. The Capital Programme will continually be reviewed and updated. Further details will be provided at Q3/P8, with approval sought for any further budget re-profiling adjustments to reflect any revised expectations should these have a material impact on the base budget for the medium-term financial plan.

Cabinet is recommended to approve the reprofiling of the underspend forecast at Period 7 of £30.4m from 2023/24 into future periods. Approval is being sought within this P7 report in order to enable a more accurate baseline to support the rebuilding of the capital programme budget. Further details of the programme by scheme will be provided in Appendix A2 of the Q3/P8 detailed report.

6.7. At Period 10 2022/23, Cabinet approved the council's acceptance and spend of the Local Authority Housing Fund (LAHF) Round 1 allocation of £4.18m capital grant funding. This funding is being utilised to provide homes for resettled families on the Homes for Ukraine Scheme and for resettled Afghan families living in bridging hotels. After 5 years the properties can then be used for nominees from the Bristol Housing

register. A Round 2 allocation of £1.52m capital grant funding was applied for in June 2023 and accepted in October 2023. Approval is sought for acceptance of this funding. An MOU has been signed (see Appendix A6). Following receipt of this funding it will be necessary to revise the capital programme budget accordingly.

Cabinet is recommended to approve acceptance of this funding and revision of the Capital Programme budget to incorporate the LAHF's allocation of £1.52m capital grant funding.

6.8. On 1 November 2022, as part of the report brought to Cabinet regarding the temporary accommodation partnership with UHBW Hospital trust, Cabinet approved expenditure of up to £600k to bring empty residential properties back in to use as temporary accommodation for homeless families. However, due to unplanned electrical requirements for the flats there is now an anticipated overspend of £242k. It is proposed that this £242k is funded from commuted funds. At the same time, following the rollover of the operational start date from 2022/23 in to 2023/24, repayments of borrowing require reprofiling so that they commence in 2024/25. Further details are available at Appendix A4.

Cabinet is recommended to approve the decision to cover the pressure on this project by adding new commuted funds of £242k and updating the capital programme budget accordingly. Cabinet is also recommended to note the re-profiling of repayments.

7. OTHER DECISIONS

7.1. Appointment of Grant Thornton as BCC's external auditor for five years from 2023/24 2027/28

On 11 January 2022, Full Council, approved the signing up to a statutory contracting arrangement with Public Sector Audit Appointments (PSAA) for the appointment of the Council's external auditor. On 16 December 2022 the PSAA appointed Grant Thornton as the Council's external auditor for five years from 2023/24.

In October 2023, the PSAA consulted on the 2023/24 scale of audit fees. The results are to be published at the end of November 2023. The revised fee will be based on the scale fee for the previous year (2022/23) as the starting point, incorporating additional fees for any changes in the audit work now required. This will then be adjusted to reflect market rates flowing directly from the PSAA recruitment process. This is likely to lead to an across the board increase of 151%. Total fees for 2022/23 are currently not finalised. However, based on past fees, the revised annual cost is likely to be circa £0.5m, with a total contract cost over 5 years of £2.5m.

Cabinet is recommended to approve contract award for the procurement of external audit services provided by Grant Thornton. The recommended route is via direct award following extension of the existing contract. The probable upper limit to the cost is likely to be £2.5m.

7.2. Re-procurement of financial ledger 3rd party hosting arrangement (officer executive decision) and council's payment system (urgent key decision)

In mid-October, the Council's 'Business World' financial ledger system contractor, Unit 4, issued a notice advising that all customers must move to an alternative method for hosting their product. Data security remains exactly as before. The impact of this unforeseen situation is that the re-procurement of a 3rd party hosting arrangement cannot meet usual procurement timelines by 31st December but, once decided, further planning can take place to ensure the right long term technical solution is implemented after the move. Following internal technical review, the Council is recommended to sign up for this arrangement by 31st December. In addition, the contract for the Council's system for receiving payments via several different channels ends in March 2024, the transaction charges and transaction volumes are increasingly expensive, the council will seek to secure best value in a future contract.

The next step will be for the Executive Director for Resources to bring a report to the meeting of Cabinet in January outlining the evidence base, options and recommended decision for the future of the Council's 'Business World' and payments systems. Further details are included in Appendix A8.

Cabinet is asked to note the urgent officer executive decisions in respect of council financial systems; these being, a) a contract variation in the council's ledger system b) the re-procurement of financial ledger 3rd party hosting arrangement for the Council's ledger.

Cabinet is also asked to authorise the finance key decision to c) extend expenditure of up to £510k of the council's payments system funded from the combined budgets within the Resources and G&R Directorates and to d) re-procure the council's internet payment service.

7.3. Excess layer insurance for Bristol Beacon

The Bristol Beacon capital construction project is on course for completion on 30 November 2023. The council's insurers, Zurich, maintain cover for the building insurance based on an asset under construction. The council's broker, Gallaghers, has advised that following the completion of the construction phase the difference in value will need to be addressed via an excess layer of cover for the remaining contract period to ensure appropriate building cover is in place from completion. Further details are included in Appendix A9.

Cabinet is asked to approve that the council, via its broker, procure and direct award a contract for the 'excess layer' insurance covering the Bristol Beacon venue to a value not exceeding £90,000 to be funded from the council's corporate insurance account.

Cabinet is asked to note that this will take the total premium value for the Bristol Beacon venue up to a potential £250,000.