

Bristol City Council: Productivity Plan

July 2024



Introduction

Bristol City Council's (BCC) productivity plan is produced at the request of the Department for Levelling Up, Housing and Communities (DLUHC)¹.

In this document we set out the council's approach to maximising value for money; making our services as efficient and effective as possible; making good use of data, technology and innovation; and how central Government can help remove barriers impeding future progress.

Productivity, or productive effort, is defined as the rate of output per unit of input. What this means for us is how we get the most out of the resources the organisation has - including our people, buildings, technology, and income - to deliver the services that matter to our residents.

Included is work already carried out or underway to address productivity issues, alongside options and proposals for future work where we know productivity and efficiency can still be improved. In a tight fiscal environment, it is vital for us that whilst looking for ways to improve efficiency, this is done with our citizens in mind, and that sustaining good outcomes, wherever possible is paramount.

We note the newly-elected Government's five missions and its interest in working collaboratively with local and regional partners. Direct engagement with local authorities on our unique role and services is a necessary part of a successful government eco-system. Enabling continued devolution and autonomy of economic development and empowering us a local level to move at pace with projects and programmes which can deliver local benefit is integral to achieving the outcomes the Government has set itself.

With this in mind, we believe it is paramount that the Government resolves the systemic financial, economic and social pressures that are holding local government back from playing the role it should. With the right funding model, resource and freedom we can play a much bigger role in helping people in our community reach their full potential and address the drivers of poverty and deprivation.

Bristol City Council has recently been judged by the Regulator of Social Housing as having 'serious failings in delivering the outcomes of the consumer standards and significant improvement is needed': [Self-referral to the Regulator of Social Housing \(bristol.gov.uk\)](https://www.bristol.gov.uk/news/2024/04/24/regulator-social-housing). We are committed to a wide-ranging improvement programme to ensure our housing is of a decent quality and meets required levels of safety.

Long-term underinvestment in social housing needs resolution, which is why we are working in coalition with other local authorities who are large housing providers and housing organisations: [Joint open letter to Deputy Prime Minister, Angela Rayner - Southwark Council](#).

¹ Letter from Simon Hoare MP, Minister for Local Government, 16 April 2024

This productivity plan is published on the council's website and can be read alongside other reports, which outline our approach to achieving our outcomes. A full list can be found in the Supporting Information section and include:

- [Corporate Strategy](#) and [Business Plan](#)
- [Annual Statement](#)
- [Budget Report 2024-2025](#)
- [Annual Governance Statement](#)
- [Equity and Inclusion Strategic Framework](#)
- [One City Plan](#)

About Bristol – a city of contrasts

Bristol – with a population of 479,200 – is the largest city in the West of England and wider South-West. It is the second fastest growing city of the UK's 11 'Core Cities' over the last decade, and is projected to reach nearly half a million by the end of the decade. Bristol is a thriving and innovative global city, with residents from 185 countries of birth and 90 main languages spoken.

Bristol's attractions are well known worldwide, particularly its iconic Clifton Suspension Bridge and the floating harbour. Our theatre and culture span from the historic Bristol Old Vic to St Paul's Carnival, avantgarde street and circus performance alongside the home to two major football clubs – Bristol Rovers and Bristol City - Gloucestershire cricket club and Bristol Bears Rugby Club.

But we are also a city of contrasts, where some of the most deprived areas border the most affluent. Data shows the city has 41 areas in the most deprived 10% in England, including three in the most deprived 1%.

We recognise that estimating 'need' is not a straightforward task. But we do know that poorer households tend to be more reliant on public services and that these poorer households are concentrated in cities. Bristol's overarching success and reputation for innovation and high growth sectors should not be mistaken for universal affluence, as it is sometimes reflected in government formulae. Deprivation is not just an issue in the north of the country.

Over 70,000 people in our city live in the top ten per cent most deprived areas in England, with nearly 18,000 of them being children and young people. Significantly fewer young people in Bristol go on to Higher Education (31.6% compared to 42.2% in England) despite having two world class universities, with the figure dropping to less than 9% in Hartcliffe, one of our most deprived areas. This reality sits alongside our city's £15 billion economy, thriving business sector, and one of the highest retention rates for graduates in the country.

Despite delivering more than 12,500 new homes between 2016 and 2023, the supply of housing in the city is not meeting demand which has led to a housing crisis; this has led to an increase in homelessness in the city, with temporary accommodation use rising by 87 percent since the pandemic. The increase in temporary accommodation use, alongside sharp increases in demand for adult and children's social care, and special educational needs – all of which are mirrored across other cities and local authorities across the UK – has led to the council's expenditure rising to an unsustainable level. This combination of pressures has led to the council needing to deliver an estimated £46.8m of savings by the end of 2024/25.

Transformation and change

The council continues to operate in a challenging economic climate with global uncertainty, high levels of inflation combined with an increased demand for council services, against the context of constrained core funding, where we've seen year on year real terms cut in level of funding from central government.

Demographic changes or changes as a result of national political decisions, such as No Recourse to Public Funds (NRPF) conditions on immigration status are outside of a council's control, but often result in material impacts on demands on our services, and rarely come with recognised financial resource. Deprivation and poverty are some of the biggest drivers resulting in people requiring additional support.

Viewing all of these issues together – the reduction in core funding, increased demand, significant changes globally and nationally, inflationary pressures – fuse together to create especially challenging circumstances for a major city such as Bristol.

In particular, we must address the following:

- The increase in demand for both adult and children's social care in the short and long term. In the last year alone, there has been a 3.7% increase in the number of adults using long-term care services and a 10.9% increase in the number of children and young people being assessed for or receiving care
- Market stability and pricing issues in the independent sector (providing adults' and children's services)
- Increasing number and complexity of need of children with Special Educational Needs and Disabilities (SEND), with knock-on impacts for Home to School travel
- Increase in temporary accommodation placements.

As set out in our [Medium Term Financial Plan](#), the council is facing a funding gap of £32m over the next five years.

Transformation and savings programmes

Our MTFP sets out a total of £17.7m of savings required in financial year 2024/24 and delivery of the identified savings on a recurrent and sustainable basis will be critical.

The council has now established five transformation programmes for services that are facing acute demand and inflationary pressures which together account for over 70% of General Fund expenditure. Our programmes aim to deliver services more efficiently within a defined budget whilst meeting our statutory duties. These programmes will focus on mitigating and managing demand and making efficiencies through improved commissioning, system and process redesign as well as identifying cross-departmental opportunities.

Our Families (Children & Education)

The Our Families transformation programme reviews the services we provide and assesses how we can deliver better services to all families. The programme aims to deliver around £14m revenue savings between 2023/24 to 2027/8.

Our Families has three areas of focus:

- **Operating Model:** A whole system change that will ensure that children, young persons and their families are at the heart of assessment and planning to deliver better outcomes e.g. restructure 0-25 service
- **Demand Management:** Achieving efficiencies through better demand management, automation of processes, application of behavioural insight and alternative delivery models e.g. creation of own Electric Vehicle Home To School Travel (HTST) fleet
- **Commissioning & Partnerships:** Harnesses the power of our partnerships to enrich the lives of the children, young people and families we work with to deliver the goal of better early outcomes for children/young people with increasingly greater efficiency e.g. social enterprise model for HTST escorts

Adult Social Care (ASC)

The Adult Social Care programme brings together health and social care system partners across Bristol to:

- identify better systems for assessment and care management decision-making
- improve robust scrutiny of long-term committed spend
- focus on independent living and tech-enabled care.

Projects include a new single commissioning framework for Adult Social Care, streamlining all third-party commissioning activity and creating procurement vehicles for future innovation. As a system we are focused on prevention and population health to stem longer-term demand.

Property

The aim of the Property programme is to deliver £4.8m of revenue savings and secure capital receipts. The council is delivering these savings through estate review and disposals of buildings no longer required, office rationalisation, and exploring commercialisation of surplus office space, and the centralising of facilities management services for our property estate.

Tackling homelessness

Bristol currently has over 1,500 households in Temporary Accommodation (TA) and the annual TA subsidy loss for 2023/24 was over £13m. Long-term, the solution to high numbers of households in TA is to increase affordable housing to meet the general needs of the population. BCC is working with our Housing Revenue Account (HRA) and Registered Provider (RP) partners to increase our housing stock at pace. In the short-term, the council is working with private and social landlords and converting existing council buildings.

The review of supply and demand management includes an Acquisitions programme, a small sites strategy, exploring creation of a council-owned Registered Provider, and re-designing the Housing Options service with a focus on creating and embedding a homelessness prevention culture.

Dedicated Schools Grant High Needs Block

The recovery of the Dedicated Schools Grant (DSG) deficit is fundamental to ensuring continued support is available to meet the needs of children and young people and ensure the best possible outcomes for all are successfully achieved.

In the last few years across the country there has been a rise in the number of children identified as having special educational needs and disabilities and Bristol is no exception. Funding has not kept pace with the rise in demand and two thirds of local authorities have deficits in their DSG grant budget as a result of High Needs cost pressures.

This programme provides a valuable opportunity to work collaboratively with our citizens and partners to take a deep dive into the services currently provided and move towards positive improvements such as greater outcomes for the people who draw on our services.

In July 2023, the Department for Education (DfE) invited the council to participate in its Safety Valve intervention programme to address historic deficits within the DSG High Needs Block and reach an in-year balance to ensure ongoing sustainability. Local authorities on the programme are expected to ultimately eliminate any accumulated deficit in their DSG reserve. Alongside wider transformation, the council is now working to present a Deficit Management Plan to identify how we will manage our future DSG spend, with the Safety Valve programme agreed by Cabinet on 5 March 2024.

Transformation – monitoring and assurance

The council has established a fixed-term Transformation Portfolio Director role with responsibility for co-ordinating delivery of the programmes and developing demand forecasting as a central function.

A robust governance framework is in place to effectively manage resources, make decisions, and ensure strategic goals are met. All programmes have rigorous monitoring and assurance in place using project management best practice and governance arrangements. This includes project and programme boards chaired by strategic leads, with assurance provided by corporate support functions such as finance. Higher risk projects include embedded assurance from Internal Audit. Savings and benefits delivery are tracked and reported monthly to the Corporate Leadership Board (CLB); the Delivery Executive, consisting of political leads, CEO and S151 Officer (Finance Director), and to the political members of the Strategy and Resources Committee.

Whilst monitoring and assurance is critical and helps improve the chances of successful programme and savings delivery, it is vital to note that it does not remove risk or change the fundamental scale and complexity of the challenges, nor the external factors which can impact our outcomes.

Partnerships

One City

The drive for greater productivity is intrinsically linked to how the council provides place leadership for the city. The council recognises it can only achieve its Corporate Strategy (2022-2027) goals and savings by working in partnership with other organisations, an approach reflected in the long-term **One City Plan and its 2050 vision**. This provides a framework for how public, private, voluntary and third sector partners can work together to tackle some of the key challenges facing the city, with a focus on early intervention and prevention.

The One City approach we have developed over the past five years has allowed us to leverage meaningful collaboration with hundreds of partners, with approximately 1,200 hours per year spent by partners engaging in its activities. The model has attracted wide-ranging partner funding for a small City Office, which coordinates the system and enables partners to plan and deliver outcomes together through its range of One City Boards.

Integrated Care System

We also work closely with partners in statutory agreements, for example working with health partners and neighbouring authorities as part of the **Bristol, North Somerset and South Gloucestershire Integrated Care System** (BNSSG ICS). This approach improves efficiency by enabling closer integration of health and care services which in turn enables us to target resources more effectively, avoid duplication and tailor services to the population needs of a local area a lot more efficiently.

By working with a range of partners and at scale also allows us to focus on population health and prevention, enabling us to get upstream preventing diseases and poor health.

An example of where our collaborative efforts have created efficiencies and improved outcomes for patients, is addressing the real problem of expensive discharge arrangements from hospital to care settings. Our joint work through the ICS to reform hospital discharge pathways has resulted in a 36% reduction in expensive long term hospital bed use over 12 months.

The ICS is now looking at joint procurement and commissioning models to drive efficiencies by reducing variation of services, share resources to enhance organisational resilient, and providing specialist services where this brings better outcomes and value for money.

Keeping Bristol Safe Partnership

This is the statutory crime and disorder partnership which BCC are members of, alongside Avon & Somerset Police and Bristol, North Somerset and South Gloucestershire Integrated Care Board, Avon Fire & Rescue Service and the Probation Service.

Through collaborative partnership working we have strengthened our multi-agency responses to serious violence across the city, providing improved targeted interventions to young people and the disruption and prosecution of organised crime networks. Working through multi-agency partnership has enabled us to prevent crime and safeguarding issues from arising but also create aligned processes, polices and approaches that prevent gaps in service and a more holistic person-centred approach to support and intervention.

This year we have focused on improvements in practice, this has included working with the National Centre of Expertise in Child Sexual Abuse to improve our multi-agency skills and practice in safeguarding and supporting children and their families. There has been the development of new trauma-informed programmes across the city including Changing Futures, which has provided us with opportunities to put into practice our ambitions to improve outcomes for individuals experiencing multiple and complex disadvantage, particularly those young people transitioning into adulthood. We successfully secured £750k of Home Office Safer Streets funding (round 4) enabling interventions such as improved CCTV and lighting and the expansion of our Safety for Women at Night initiative within our city centre.

Looking forward, the Keeping Bristol Safe Partnership is developing a Multi-Agency Safeguarding Hub (MASH) to increase the number of children supported under this

framework, and promoting improved practice in child protection enquiries which we hope will lead to more timely access to specialist health services and medicals; reductions in repeat referrals; and improved outcomes for children across the system.

West of England Combined Authority (WECA)

We work closely with our directly elected Mayor and neighbouring authorities on shared issues, such as strategic transport, high streets, business support, skills and employment. Our joint work with WECA, Homes England and Network Rail has resulted in the development of Temple Quarter – one of the largest regeneration programmes in the UK, which will deliver 10,000 homes and 22,000 new jobs.

However, WECA is currently subject to a Best Value Notice [West of England Combined Authority: Best Value Notice \(March 2024\) - GOV.UK \(www.gov.uk\)](#). We want to support WECA to address the issues raised in the Best Value Notice and get us back on a path delivering for the residents of Bristol. Meeting transport needs and spatial planning agreements with our direct neighbours are essential to meet government growth and housing targets.

Western Gateway

Through the **Western Gateway partnership** we work with partners across an economic functional area spanning south Wales and western England to approach long term solutions to major global challenges, notably net zero and the climate emergency. This allows us to participate in research and projects, which we couldn't manage on our own, such as the current Commission investigating the potential for sustainable energy from the Severn Estuary; and Rail Vision 2050 to develop an integrated network through a single, deliverable programme.

Technology and data

Digital, data and technology (DDaT)

The council is currently refreshing its [Digital Strategy](#) for 2024-2029 to reflect the significant progress it has made upgrading its core systems and infrastructure, and to look ahead to exploiting its new platforms and technologies to enable a more systematic and systemic digitisation of its services. This will include service and process design proposals, recognising that it would be wasteful to digitise processes which shouldn't exist.

A known barrier to productivity is processes across back-office and front-line services, some of which still rely on Word and Excel form filling, email attachments etc., when modern methods such as online forms with automated system integrations would be much more efficient. The reasons for these range from cultural to technological to policy-based ones.

Even once technology barriers have been addressed, a remaining challenge is to resource new technology across the council. Often, daily service pressures and managing current demand are cited as blockers to tackling this and this key challenge must be addressed.

The council has a long-standing commitment to publishing a range of performance products and key data, including quarterly performance dashboards and formal reports to officer, Scrutiny and Cabinet meetings. Details including the latest published dashboards are available online at [Performance](#).

The council also maintains an [Open Data Platform](#) and publishes a range of strategic intelligence products, which are available to staff, partners and the public. Internally, interactive tools such as the [Quality of Life dashboard](#) are frequently used as an effective way to provide evidence bases for policies, strategies, assessments and project proposals. A guide to the council's strategic intelligence products is available here: [Bristol Strategic Intelligence Guide](#).

In recent years the council has invested significantly in its Digital, Data and Technology foundations, including:

- Moving most on-premises infrastructure, platforms, systems and data to the cloud, including all core systems and introducing a cloud-based Microsoft 365 service
- Drastically reducing demand for IT support by introducing more stable platforms, self-service password management, and an IT Chatbot. We have reduced the time it takes to provide or reset equipment by improving our remote device management; and we have made logging in quicker and easier by introducing Windows Hello
- Working to replace outdated network infrastructure, whilst managing to reduce originally predicted one-off costs by £1m and ongoing running costs by £0.6m
- Replacing traditional telephony platforms and planning for new customer channels in 2024, including generative AI-enabled Interactive Voice Response and live chat, with an aim to reduce call centre costs by circa £680k p/a by 26/27
- Transforming our Data & Insight service and platform, creating a data lake with Enterprise Data Management and master data matching; enabling the production of automated insight products for services including Children's, Adults, and Housing. The council has also pioneered predictive analytics techniques including a collaboration with the Police to support early intervention for at-risk children and young people
- Producing corporate performance and organisational health dashboards using PowerBI visualisation, providing both council-wide overview and departmental detail on key areas including KPIs, project milestones, finances, workforce and various compliance areas such as procurement, FOI, risk and audit action completion
- Data is frequently and systematically shared with some key partners via approved Data Sharing Agreements. This includes with various partners in the Health system, including children's social care data with the Integrated Care System via Care First. Work is underway on developing a Shared Data and Planning Platform operating across the ICS, offering enhanced sharing and analysis including instances of federated data. There is also some sharing with the Police, including data on road traffic collisions, knife-crime and more

- Restructuring IT and Digital teams with validated savings of £0.74m p/a, whilst also reviewing third party IT contractual spend, delivering nearly £0.7m of cost reduction with plans being developed for a further £0.35m in 2024/25

The council's current [Digital Transformation Programme](#) runs until the end of 2024, and since its Full Business Case was approved in 2022, it has improved its financial position, forecasting lower expenditure by £1.29m (of an originally approved £17.99m envelope), and with cashable financial benefits of circa £0.9m p/a by 2026/27; compared to circa £0.3m anticipated when the programme was approved. The Digital Transformation Programme Board includes embedded Internal Audit assurance and monthly financial validation from the programme's accountant and Finance Business Partner.

To help develop in-house skills for digital transformation and to make good use of data, last December the council launched an Apprenticeship Levy-funded Data Academy in partnership with specialist training providers. The **Data Literacy and Data Fellowship programmes** develop technical skills on Excel and Power BI to transform data into insights, and softer skills like building narratives and presenting findings. The **Business Transformation programme** develops skills including defining business objectives, exploring process improvement, adopting agile ways of working, and collaborating between teams in a hybrid workplace. Nearly 80 employees are taking part in its first phase, and to date 95% of these agree they have delivered organisational value as a result of skills learnt on the programme, with 86% of line managers agreeing that these new skills have delivered organisational impact.

Looking ahead, options are being developed to expand the council's digital transformation and service design capability and capacity; as the centralised IT and Digital service has historically been a more traditional technology-support function. It may be possible to fund this from invest-to-save, central transformation reserves and/or via existing transformation programmes, enabling the council to build internal capacity to deliver improved digital transformation without costly case-by-case use of external consultancies, which is currently the only viable alternative.

An updated Digital Strategy (also bringing together an updated Data Strategy and Technology Strategy), proposed programme of works and a costed operating model is due to be produced by September 2024, though in the meantime several of its aims will be delivered through transformation programmes currently underway, where tactical opportunities arise. This includes a £1m investment in hybrid technology, enabling more productive use of office and virtual spaces, and enhancing accessibility and public participation in democratic meetings.

Within these future options will be:

- Consideration of the need for a Service Design and expanded Business Analyst and Process Design capabilities
- The establishment of a technology roadmap and workforce planning to develop a Robotic Process Automation practice, building on successful proof-of-concepts delivered in 2024

- A roadmap for making best use of generative AI and other emergent technologies, recognising successful implementation of these will likely require other improvements to source data quality, line-of-business systems and reviewed business processes
- Options for an enhanced IT and Digital Business Partnering practice to best support council-wide digital transformation
- Options to improve cyber security posture via a third-party managed service which would provide 24/7 threat detection and response at a fraction of the cost of an in-house Security Operations Centre
- Consideration of legacy and critical line-of-business systems, which can present a variety of operational, security and efficiency challenges
- A roadmap for future data and insight priorities and products, building on the successful development of various PowerBI dashboards and other products through the council's existing Data and Insight programme

Equality, diversity and inclusion

Bristol is a diverse city with a complex demography. For us to meet the various needs of our communities and fulfil our legal obligations under the Equality Act 2010, it is vital we understand our communities well and carefully consider the impact of our decisions. The council retains a small Equalities Team to provide coordination, support and subject matter expertise to services and decision makers across the council, and to help foster good relationships with various partners, communities and networks across the city. This helps ensure that there is effective partnership working on key issues, helping remove duplication of effort across different public and third sector organisations.

The council's work is guided by a Full Council-approved [Equity and Inclusion Strategic Framework](#) designed to ensure that the council:

- eliminates unlawful discrimination, harassment and victimisation
- advances equality of opportunity between people who share a protected characteristic and those who do not
- fosters good relations between people who share a protected characteristic and those who do not

The council uses Equality Impact Assessments to analyse and understand how its proposals will affect people with different Protected Characteristics, providing a proportionate and transparent process in meeting its statutory requirements. Many proposals for change will also involve public consultation and engagement which helps inform our assessments and decision-making, ensuring the council understands and involves residents and other interested parties as a vital step in ensuring its interventions are effective.

All council services have been subject to budget reductions in an attempt to meet our financial challenge and our Equality, Diversity and Inclusion (EDI), communication and engagement work is no exception to this. Whilst continuing to provide the core services required to fulfil our Public Sector Equality Duty, we have also made reductions in budget:

the Equality and Inclusion function was reduced by £60k (12%) in 2023/24 and for communications, consultation and public affairs functions by £220k (11%) across 2023/24 and 2024/25.

Invest to Save

Through capital invest to save we aim to target investment that will financially improve and transform our services. Our current schemes include a focus on improving sufficiency in the city for additional special needs school places, increase of children's homes provision, supported accommodation for Adult Social Care, and temporary accommodation provision through the repurposing of existing assets or new builds in partnership with registered housing providers.

We are delivering:

- an additional 22 residential places through the provision of 8 children's homes
- a crisis/same day home and assessment centre
- Unaccompanied Asylum Seeking Children (UASC) under 18 and over 18 Move-On Accommodation
- Crash Pad – to prevent 16/17 year olds judged as homeless coming into care for the first time
- Provision of grants/loans for current and potential foster carers which offer financial support to make adaptations to their existing home, or financial assistance towards the purchase of a larger or more suitable property to provide placements for our children/young people

Workforce

Across 22/23 and 23/24 we achieved £5.5m efficiencies in workforce costs following a review of structures and reduction in management spans of control. Measures included:

- a reduction in posts in the senior leadership structure
- offering a voluntary severance scheme for managers
- a reduction in posts and management layers throughout the council
- deleting budgeted vacancies

Appropriate consultation took place for any roles subject to change. Compulsory redundancies are avoided, wherever possible, and a redeployment scheme matches employees to other opportunities in the council.

Recruitment controls are still in place, any vacancies need HR and Finance approval before advertising. A regular cleanse of the HR system identifies long-term vacancies for

considering deletion from the establishment. A regular review of agency staff placements requires approval before extension.

In 2022/23, a review of cross-cutting functions generated £1m savings by bringing staff together in centralised teams. This created efficiency, consistent standards of practice and removed duplication. Its legacy involves a prioritisation process, to agree what to do and what not to do, and checks on new recruitment, in order to run these services within the resource available.

The council has also introduced Strategic Partners in several back-office services, enabling fast, flexible commissioning of additional support or niche skill sets where required. This reduces time and money spent on repeated temporary recruitment and procurement activities, whilst also benefitting pace by having partners who know the council and its processes, hitting the ground running on any given assignment.

Skills and employment

Like many other councils, Bristol faces recruitment and retention challenges in areas such as social care, occupational therapists, planners and finance.

In social care and occupational health, we have seen a significant turnover and increased vacancy rates in the context of a serious national workforce sufficiency problem. In response we have reviewed the pay for these roles through job and market re-evaluation and now offer a more competitive salary for these roles. A range of other measures include an international recruitment programme, a referral scheme including a payment for a colleague who refers an applicant who is appointed to a role, and a number of non-pay benefits to improve retention – such as paying professional fees. This work is proving successful with the most recent round of recruitment generating double the number of candidates and a higher level of experience.

We have also experienced recruitment and retention issues with planning roles which have contributed to a backlog in processing applications. Measures include bringing in more graduates and restructuring are now in place and are beginning to have an impact.

Both our direct workforce and the wider workforce we rely on to deliver for the whole community is limited through recruitment gaps, retention and lack of long-term skills training.

We are seeing recruitment shortages in early years, teaching, the care sector, social work, IT, buildings and fire safety, trades and green jobs, such as retrofitting and clean energy.

Skills shortages impact the cost of necessary external commissioning, for example, services related to the production of safety case reports for buildings (18+ meters high). The [government acknowledges](#) the unacceptably high charges being quoted and charged for this type of work which is essential for building safety. This is largely owing to demand for these skills significantly outstripping demand.

Central Government can play a role through developing national strategies to address national skills shortages. We would urge Government to keep the immigration salary list (ISL) under review and to consider creating new visa routes, exempt from the salary threshold requirement, for those sectors with skills shortages.

More devolved employment and skills funding, such as the recently announced Universal Support programme, is essential for councils, schools and colleges to establish localised and specific career pathways.

Changes to the rules for the Apprenticeship Levy to include skills training alongside apprenticeships, and retaining unspent levy locally would provide greater opportunity to focus on people not yet in work, and offer a greater number of Level 2 (intermediate level) apprenticeships.

Funding arrangements

Releasing the constraints which restrict local government would allow us to innovate at pace and become more effective and efficient. Our transformation journey could be accelerated through having greater flexibility on spend to save or being able to capitalise more effectively. We would also benefit from greater controls on private sector providers, to prevent them from profiteering on essential services, such as within the care sector for adults and children.

The short-term, fragmentary, and competitive funding approach which has typified recent funding arrangements between central and local government creates uncertainty – and prevents us from long-term planning which hinders maximising best value for money - and represents a considerable barrier to productivity, particularly in terms of recruitment and retention.

To tackle the challenges ahead and maximise productivity, we recommend a simplified funding system between central and local government which includes:

- A funding methodology that follows need and deprivation and addresses the overall amount of funding required
- **Greater autonomy and flexibility** for councils to determine and prioritise how investment can best meet local demands and deliver national priorities
- Offers **multi-year funding** to enable councils to better plan services and our capital programme.
- Creates long-term solutions for complex services, in particular funding for adult social care, children's social care, SEND and social housing

Long term financial assurance

Business rates – make 100% business rate local retention permanent

- To incorporate as part of continued or new devolution deals the current arrangement that 100% of business rates are locally retained
- Building this in as a permanent arrangement will offer us surety of income, allowing us to plan long term and not reach a cliff-edge when current arrangements are due to finish in 2025/26
- This will ensure that locally raised income is used to meet local needs, and embeds the permanency of the devolution model, with corresponding financial levers

Statutory instrument - DSG reserves

- Assurance that the ability for local authorities to retain the DSG deficit on reserves is continued
- To enable deficit management plans to be implemented over the long-term time scale anticipated through programmes such as the Safety Valve Programme, it is vital that our ability to retain the DSG deficit on reserves is maintained
- Without this, local authorities will quickly reach a cliff-edge of funding and the purpose of the Safety Valve Programme will be undermined

Measuring and reporting progress

In keeping with our aims to remove unnecessary duplication, the council will not introduce any new measuring or reporting regime attached to this plan, as this is amply covered within its existing Performance Framework and regular public reporting cycles for projects, programmes and finances.

The council will, however, summarise its progress on continued transformation activities as part of our annual performance reporting process, starting in June 2025.

Supporting information

- [Corporate Strategy](#) and [Business Plan](#)
- [Annual Statement](#)
- [Annual Governance Statement](#)
- [Budget Report 2024-2025](#)
- [Equity and Inclusion Strategic Framework](#)
- [Procurement and Contract Strategy 2023-2027](#)
- [One City Plan](#)
- [BCC Employment, Skills and Lifelong Learning Plan](#)
- [Key Facts](#)
- [Quality of Life survey](#)

Further background

- [West of England Combined Authority](#)
 - [Western Gateway](#)
 - [Oflog](#)
-