

Annual Report and Financial Statements

for the year ended 31 March 2022

2021/22

Providing person-centred care,
housing and support for later life.

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01 CHAIR AND CHIEF EXECUTIVE'S INTRODUCTORY STATEMENT

Brunelcare celebrated its 80th year of operation in 2021, and, just like our founding in the aftermath of the Blitz on Bristol, this year has once again been dominated by a crisis: the Covid-19 pandemic.

The year began with the easing of restrictions following a third national lockdown, followed by a 'ping-demic' summer, with high levels of colleague absence, which in turn was followed by the arrival of the Omicron variant in the winter.

But, despite the ongoing pressures of Covid, and frequent changes to government guidance, we began to emerge and recover from the pandemic in early 2022.

The most significant milestone of this recovery was the opening up of our care homes to more visitors and the lessening of restrictions. Our care homes once again feel more like real homes, busy with family and friends, and while masks are still being worn and precautions followed, we are in a much better position.

Despite Covid continuing to loom large, we still made progress in a number of significant areas.

Customer engagement was a key focus for the year, with the launch of our 'Together with Customers' initiative. Customer surveys, focus groups, and meetings helped to create our 'Together with Customers Charter'. Containing six key commitments designed to improve the relationship Brunelcare has with its tenants, residents, clients and guests.

Another significant focus has been recruitment and retention. We simply wouldn't be able to provide our vital services without our 1,101-strong workforce. In April 2022, we officially became a Real Living Wage Employer, guaranteeing every employee a starting rate of pay of at least £9.90 per hour. We are the largest social care provider in Bristol to have achieved this so far.



We have also pushed ahead with an ambitious IT and digital transformation programme. The single biggest project in this programme is the replacement of our legacy housing management system. This is a truly significant piece of work, both in terms of its scope and scale and its ability to improve the way we work with more and better information at our fingertips.

In 2021, we welcomed two new Trustees. Jo Makinson, Chief Financial Officer at GreenSquareAccord, a registered provider of social housing with a significant care and support portfolio, joined us as a Trustee. Andrew Sloman, Director of Financial Services for housing provider LiveWest, joined us as a Trustee and became Chair of

our Audit, Risk and Finance Committee. We also said goodbye to Ian Turner, who stepped down as a Trustee in September 2021.

Our total income for the year increased from

£36.96M
TO
£40.38M

Our total income for the year increased from £36.96m in 2020/21 to £40.38m. Our operating surplus was reduced from £2.65m to £1.31m. Income benefited from additional Government Covid funding, but we incurred additional agency costs as well as increased bad debt provisions.

Looking ahead to 2022/23 and beyond, while the Covid pandemic may be largely behind us now, a new crisis is not far away. The rising cost of living and energy prices will significantly impact Brunelcare, our customers and our colleagues in the months, if not years, ahead. While Brunelcare alone does not have the means to help everybody, this will become a key focus of our work.

Linked to this will be our efforts on sustainability and ensuring that our homes and properties are as energy efficient as possible - both saving customers money and reducing our carbon footprint.

Brunelcare has weathered many storms in its 80-year history, but the pandemic and the new cost of living crisis are possibly the most significant yet. We know that these will be worrying and challenging times, but our first priority will continue to be, as it has been since 1941, the people we provide care and support for and those who enable us to do it.

Oona Goldsworthy
Chief Executive



Oona

Deborah Evans
Chair



A.D. Evans

02

ABOUT THIS ANNUAL REPORT

What information will you find in our annual report

Our Annual Report provides information about how we performed in 2021-22, describes what we will do during the next 12 months to improve further the services we provide and explains how important it is for us to work with and listen to our tenants, clients and commissioners so that we can continue to deliver services that meet their needs.



As a company limited by guarantee, a registered charity and a social housing provider, Brunelcare is required to prepare its annual report and financial statements in accordance with:

- FRS 102; the Financial Reporting Standard applicable in the UK and Republic of Ireland;
- The Statement of Recommended Practice (SORP) for social housing providers 2018;
- The Accounting Direction 2019;
- The Companies Act 2006;
- The Charities Act 2011 and relevant Charity Commission guidance; and
- The Charities (Protection and Social Investment) Act 2016.

This Annual Report, therefore, comprises:

- A report from the Board of Trustees that includes disclosures required by appropriate legislation and regulation;
- A section on the structure, governance and management of Brunelcare;
- Legislative and regulatory disclosures;
- A statement of the responsibilities of Trustees;
- An independent auditor's report; and
- The Financial Statements.



03 TRUSTEES REPORT



**BRUNELCARE
WAS EST. IN
1941**

Established in 1941, Brunelcare is a Bristol-based charity providing high-quality housing, care and support for later living in the South West.

How our activities deliver public benefit

As reported in previous annual reports, Brunelcare offers a complete care and support pathway in our communities, starting in residents' own homes and right through to our care homes. This means we can offer the best choices for later living, which fit with what residents want or need.

We have nearly 1,000 sheltered homes across 31 sites, three extra care housing schemes, and a retirement village



1,000+

To deliver all of its vital services **BRUNELCARE EMPLOYS A DEDICATED TEAM OF OVER 1,000 PEOPLE.**

within the greater Bristol area. Care is provided in people's own homes, in five specialist care homes and two reablement facilities across Bristol, South Gloucestershire and Somerset. Brunelcare works to support over 2,000 people to remain as independent as possible, in their communities, for as long as possible.

To deliver all of its vital services, Brunelcare employs a dedicated team of over 1,000 people.

How we are funded

Our principal sources of funding are the monies we receive from our social housing and extra care housing rents, shared ownership schemes and care fees from the Local Authorities we partner with through long-term block contracts or spot placements, and from individuals who fund their own care.

As a Charity, we are focused on investing any surplus back into making us a quality provider and great employer. Most of our expenditure is either for the direct provision of care (mainly staff costs) followed by the provision of suitable home environments (such as repairs and maintenance costs) plus funding of the relevant support services (for example, recruitment and training).

What our customers say about us

Influenced by the National Housing Federation's work on 'Together with Tenants', in 2021-22, we undertook a major customer engagement initiative which we called 'Together with Customers', and it included a full customer satisfaction survey, events and focus groups, which culminated

in the creation of a 'Together with Customers Charter'.

Together 
with **Customers**

The Charter was developed with customers and reflects what matters most to them, and it was approved at the Board meeting held on 29 June 2022 together with a delivery plan.

The Charter aims to embed a culture that values the voice and experience of customers and strengthens the relationship Brunelcare has with them.

The Charter contains six commitments. They are:

- 1 Relationships** - Our relationships with our customers will be based on openness, honesty and transparency.
- 2 Communication** - Customers will receive clear, accessible and timely communication on the issues that matter to them, including information about where they live, how the charity is run and how we are improving our services.
- 3 Voice and influence** - We will seek and value the views of customers, and we will use this information to inform the decisions we make. Every customer will feel listened to on the issues that matter to them.
- 4 Accountability** - Customers will work in partnership with Brunelcare to scrutinise and hold

us to account for the decisions we make that affect the quality of the services they receive.

- 5 Quality** - Customers can expect the services they receive to be good quality, safe and well-managed. Services will be delivered in a person-centred way, and customers will always be treated with respect.
- 6 When things go wrong** - Brunelcare recognises that things can go wrong. When they do, our customers can expect a simple and accessible way to raise any issues they have and will receive timely advice and support to resolve them.

Work is underway to commence delivery of the Charter, including officially launching it to our customers and colleagues. The success of the Charter will be measured through:

- Surveys:** Customer feedback will be measured through satisfaction surveys. We will review our approach to surveying customers and consider a more regular 'pulse' or 'tracker' survey in addition to the anticipated requirement (Regulator of Social Housing) for a full annual survey.
- Self-assessment:** Completion of an annual self-assessment against the delivery of each Charter commitment capturing all actions taken in the year. This will include a customer scrutiny 'sense-check'.
- Involved customers:** A record of the number of involved customers from each service from which we can track growth in future years.

- **Events:** A record of the number of Together with Customers events and other engagement opportunities.

Customer Satisfaction Survey

Satisfaction surveys were sent to key customer groups in October 2021. Six different surveys were sent in total. They were:

- Sheltered Housing
- Extra Care Housing
- Retirement Village (Woodland Court)
- Care Home
- Community
- Help When You Need It (community)

A total of 825 completed surveys were returned, representing a 44% response rate with a sampling error of +2.6%.

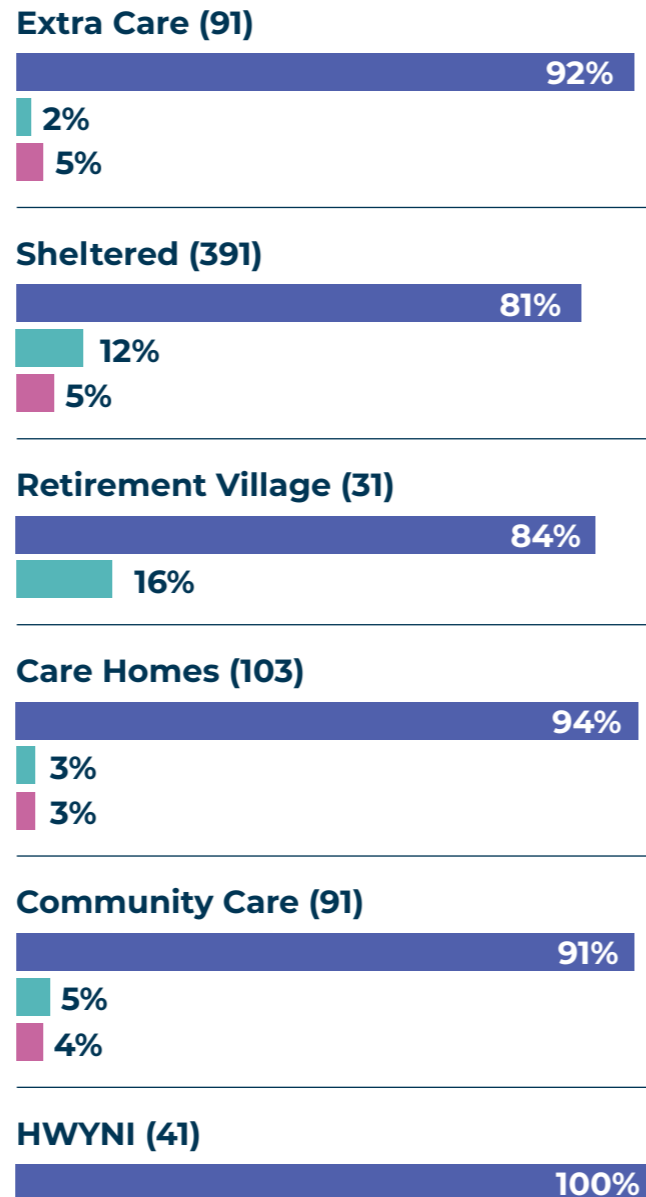
Overall, 87% of customers said they are satisfied with the services provided by Brunelcare.



KEY:

- Satisfied
- Neither
- Dissatisfied

Below are details of the satisfaction with services provided by type:



We were delighted to see that 91% of all customers feel the staff are friendly and approachable - our highest area of satisfaction.

The full report on the satisfaction survey can be found at www.brunelcare.org.uk/about-us/reports-publications/customer-satisfaction-survey/

The survey was conducted on our behalf by 'Acuity', who specialise in providing services to the social housing sector.

Our vision, mission and strategic objectives

In 2020-21 we finalised a new strategic plan for the charity: **'Brunelcare: Our Future.'**

The plan includes a new mission, vision, set of values and three new strategic aims - all designed to achieve better outcomes for our customers as articulated in a set of 'outcome measures' which have been produced in consultation with them.

Our Mission

To provide person-centred care, housing and support for later life. To do this, we will embrace new partnerships and engage with our communities, to achieve better outcomes for all.

Our Vision

Later living that makes the most of every moment.

Our Values

We are positive and passionate

We approach our work with positivity: as individuals, as teams and as one organisation. We are passionate about what we do and who we do it for.

We are caring and kind

We care about every interaction: with our customers and their loved ones, our colleagues and our partners, our communities and our planet.

We are diverse and one team

We are one team, and we see our diversity as our strength. We aim to celebrate it, promote it and encourage it.

We go the extra mile

We're prepared to go the extra mile to deliver for our customers. We challenge ourselves to think differently: we listen to others, we learn, and we're open to change and new ideas.

We act with honesty and integrity

We do the right thing, we speak up, we are honest, and we are respectful.

Outcome Measures

Our customers have told us that it is important for them to be able to say:

- I have a place to live I am proud to call my home
- I have a home in which I feel safe and secure
- I have a home that gives me long term stability
- I feel financially comfortable living in a Brunelcare property
- I have a home where I am warm and comfortable
- Receiving care and support from Brunelcare enables me to live an independent life
- I feel healthier and happier due to the care and support I receive
- I feel that my dignity and privacy are always respected when I receive care and support
- I have peace of mind knowing I will be cared for should my needs change
- I feel reassured knowing there is always support and assistance when I need it
- Brunelcare helps me to feel safe and welcome in my local community
- Living in a Brunelcare property enables me to have the social life I want

Our Strategic Aims

Aim 1: A place to call home

Whether we're helping our customers to retain or regain their independence at home, to return home, or to live well in one of our homes, we believe everyone should feel comfortable and safe wherever they call home.

Aim 2: The right care and support

Achieving the best possible outcomes means putting our customers at the heart of everything we do. By understanding each person's needs now and anticipating how they might change, we'll work with our colleagues, customers and our partners to provide the care and support that's right for everyone.

Aim 3: A good quality of life in the community

We aim to help our customers achieve the best possible quality of life, so that they can make the most of every moment. Whether it's through the services we provide directly or by making connections in their community, we want our customers to thrive and live life well.

THE QUALITY OF OUR CARE SERVICES

Delivering care that is person-centred and focused on ensuring a positive experience for our clients and their families is always our main focus and priority.

Our care homes, extra care homes and community domiciliary services are regulated by the Care Quality Commission (CQC). They assess whether services are providing care that's safe, caring, effective, responsive to people's needs and well-led.

CQC awards ratings to homes and services based on their inspections in four categories: Outstanding, Good, Requires Improvement, and, Inadequate.

As of 31 March, 2022, all our care homes, reablement, community and extra care housing services had achieved ratings of good or above (see table 1 and 2 below) for full details of the outcome of CQC inspections - links to inspection reports are available on our website.

Little Heath Care & Reablement was successfully opened in April 2020, and an inspection was undertaken by CQC in April 2022. The report was published in July 2022, and disappointingly a rating of 'Requires Improvement' was awarded. An action plan to address all of the issues raised is in place and the CQC have confirmed that they will be undertaking a re-inspection at the earliest opportunity.

Table 1: CQC rating for Care Homes and Reablement Centres

Care Home	Latest CQC Inspection Details			Ratings for Key Areas				
	Took place on	Report Published on	Overall Rating	Safe	Effective	Caring	Responsive	Well led
Deerhurst	13, 15 & 19 Aug 2019	5 Dec 2019	Outstanding	G	O	O	O	O
Glastonbury	18 & 19 Dec 2018	17 Jan 2019	Good	G	G	O	G	G
Orchard Grove	19 June 2018	18 July 2018	Good	G	G	G	G	G
Robinson House	21 & 27 Jan 2020	3 Feb 2020	Good	G	G	G	G	G
Saffron Gardens	8 & 12 Nov 2018	4 Dec 2018	Good	G	G	G	O	G
Little Heath Care	6 April 2022	5 July 2022	Requires Improvement	RI	G	G	G	RI

Table 2: CQC ratings for Extra Care Housing

Extra Care Housing	Latest CQC Inspection Details			Ratings for Key Areas				
	Took place on	Report Published on	Overall Rating	Safe	Effective	Caring	Responsive	Well led
ABC Centre	27 Feb 2020	29 May 2020	Good	G	G	G	G	G
Colliers Gardens	21 Nov 2019	19 Dec 2019	Good	G	G	G	G	G
Waverley Gardens	6 Dec 2018	10 January 2019	Good	G	G	G	G	G
Woodland Court	24 Apr 2018	25 May 2018	Good	G	G	G	G	G

Table 3. CQC ratings for Domiciliary services

Community Services	Latest CQC Inspection Details			Ratings for Key Areas				
	Took place on	Report Published on	Overall Rating	Safe	Effective	Caring	Responsive	Well led
Brunelcare Domiciliary Services: Bristol and South Glos	11,12,13 & 14 Sept 2018	12 Oct 2018	Good	G	G	G	G	G
Brunelcare Domiciliary Services: Somerset	1 April 2022	23 April 2022	Good	G	G	G	G	G

As we reported last year, an inspection of our domiciliary services delivered in Somerset was undertaken in early 2019, and two areas were found to require improvement. Since the inspection, a number of changes have been made to structures and staffing to ensure safe services that are well-led. We are delighted to report that an inspection undertaken by CQC on 1 April 2022 resulted in a rating of 'good' which is a testament to the amount of hard work and dedication of our community services team.

Quality Clinical Care

Our Care Homes continue to strive to provide a high standard of clinical care. We have been recognised with accreditation from the Gold Standards Framework for our excellence in End of Life Care. Using advanced care planning, we are able to identify people's preferred priorities of care at the earliest opportunity. This enables us to ensure that unplanned, unnecessary hospital admissions are avoided, and people can remain in the place that has become home, cared for by people who are familiar to them, with the ability for loved ones to be with them in the last days of life. Good deaths are facilitated in the homes, with only a small number of deaths occurring in a hospital setting.

Excellent relationships with partner GPs in all of our Care Homes ensure that regular treatment and health reviews take place on a weekly basis, e.g. medication, long-term condition, nutrition, pain management etc. Clients and their families are involved in decision-making wherever possible.

Clinical training for our Nursing and Senior Care Teams is delivered by an external nurse educator from St George's NHS Trust, London. By using

this external educator, we ensure that we are in line with current best practices whilst creating a clinical training plan that fits with our Care Homes' policies and procedures.

Dementia Care - a Human Rights-based approach

We are fortunate to have the skillset of our Dementia Care Lead, Stuart Wright, who shares his expertise across the charity. Training is delivered based on a Human Rights approach. This ensures that individualised, person-centred care is at the core of what we do for people living with or without Dementia. Monitoring the 'Lived Experience' of the people in our Care Homes enables us to understand how we can improve wellbeing and the social aspects of the care that we provide.

Community Care and Extra Care Housing

Our community division strives to deliver person-centred care and support services into individuals' own homes across South Gloucestershire, Bristol and Somerset.

Over the past year, we continued to work in partnership with Somerset County Council to provide and grow a new discharge to assess service, allowing people to leave the hospital in a timely manner and receive an assessment of their needs within their own environment.

OUR HOUSING SERVICES

We want all of Brunelcare’s customers to feel proud of their homes and where they live, but we know this isn’t always the case. A number of our homes are in need of investment to bring them up to a more energy-efficient standard, and local environments also need improvement.

Our homes are ageing, and some are beyond economic repair, with changing demographics and expectations, which combined with the results from the stock condition survey, point to a need for significant investment, remodelling or in some cases, disposal. Brunelcare’s Asset Management Strategy (AMS) 2020-2025 was approved and launched in June 2020 recognises and responds to this. It is a critical business tool that aligns Brunelcare’s property assets with business needs. It is a key strand of the strategic golden thread that links the Board’s Strategic Plan to the delivery of improved outcomes for our tenants and clients, and it is supported by the 30 year Business Plan.

In 2021-22 we progressed the AMS Action Plan by:

1. Catching up with planned works that were delayed because of Covid. Completed all budgeted planned works (£1.6m) replacing identified kitchens, bathrooms heating and fire alarms.
2. Completing the 2021-22 programme of planned building safety and compliance works, including fire safety within the budget (£1.25m), including fire door replacement and alarm upgrade.

3. Using the new Property Standard to develop the Voids standard, in consultation with residents, and assess all homes against this new standard. Prepared a project plan identifying the required investment and a programme to achieve this.
4. Providing financial investment and redevelopment data to inform the 30 year Long Term Finance Plan.
5. Completing a revised planned works contract for the replacement heating units, smoke detectors and kitchens.
6. Continuing with the fire door replacement programme; at the time of writing the sheltered housing sites were 100% completed, with the remainder in Extra Care and Care to be completed by the end of the 2022/23 financial year.
7. Completing four fire alarm upgrade programmes across our sites, by March 2022.
8. Starting to draft a new Property Energy, Environment and Sustainability Strategy.



9. Completing 300 stock condition surveys.
10. Completing detailed site feasibility studies for the 10 identified priority sheltered sites to identify alternative uses, costings and options for the site.
11. Completing the sheltered feasibility preferred redevelopment and disposal options and project plans for the delivery of top three priority sites, with outline plans for remaining six.
12. Appointing a new Development Manager to work with our stakeholders to progress the top three priority sheltered sites to obtain funding approval and planning permission.
13. Agreeing measures to assess the efficiency and effectiveness of the responsive repairs service as well as customer feedback. 87% of residents were satisfied with the repairs service in 2021-22.
14. Reviewing the efficiency of the delivery of the repairs service through an internal audit. The audit outcome was that of ‘reasonable assurance’. The audit has identified areas to focus on in 2022-23, including costs and procurement of materials.

During the last 12-months, we faced difficult circumstances with the continuing COVID-19 restrictions and also recruiting new staff to the asset team. Following consultation with the Resident Involvement Group, Resident Repair Responsibilities were introduced from 1 September 2021.

We also reviewed the skills and roles of the Direct Labour Organisation with a view to creating a multi trade team as part of the steps we are taking to strengthen and develop the timeliness of our responsive repairs service and increase customer satisfaction. Each operative has a bespoke development package in order to maximise the potential of the repairs service and continue to bring in house works which would usually be assigned to a contractor.

Progress has been made in relation to making our contribution to mitigating the climate emergency by improving the energy efficiency of our most difficult to heat homes, with the appointment of Ambue (PAS 2035 Assessors and Designers) in late 2021-22 to support Brunelcare in developing three archetype energy improvement solutions for our schemes with EPC’s below C, to support our bid for SHDF Wave 2.1 funding in late summer 2022,

Decent Homes Standard (DHS)

Ensuring that all our properties comply with the DHS is a key target. Over the next five years potentially 654 dwellings will fail the decent homes standard, 70.9% of these failures occur in year one and two.

Decent homes failures affect all aspects of our properties; sheltered housing, ECH and Care Homes. While Care Homes are not governed by the DHS a number of properties will have reached the end of their expected life cycle and are in need of major investment.

Brunelcare has reached a critical point in non decency which has been influenced by a combination of factors; lack of historic investment in infrastructures such as wiring and heating systems - kitchens and bathrooms have been replaced at void with using an ad hoc approach. A number of sites are of the same age and are at risk of reaching non-decency at the same time. In addition to this the pandemic introduced delay with planned works projects previously procured and we are still in a position of working through the backlog.

There are long-term strategic plans and budgets in place to resolve the non-decency in the most appropriate way.

In 2021-22, the Board was made aware of 90 properties that did not meet the DHS. Brunelcare ended the year with two non-decent properties, the failing component being the front door. These two addresses have been captured in the continued fire door replacement programme.

Tenant Involvement

Brunelcare encourages tenant involvement in decision-making by promoting mechanisms for their involvement. We employ a wide range of methods to communicate with our tenants, including:

- Issue of an annual report to tenants
- Suggestion boxes in all sheltered sites
- Site notice boards
- Quarterly site meetings
- Our quarterly Grapevine magazine
- Information on our website
- Repairs call back survey
- Exit survey for departing tenants
- Brunelcare Tenant Feedback Group

The sheltered housing sites' quarterly site meetings enable tenants to raise concerns and discuss ideas for their site. In 2022-23, the 'Together with Customers Charter' will drive engagement with all customer groups with the goal of further strengthening our relationships with them.

Property Health and Safety Data Integrity Audit

Brunelcare's Internal Auditor, RSM, undertook a follow-up review of 'Property Health and Safety Data Integrity' in November 2021. The findings of this audit were reported to the Audit and Risk Committee.

RSM concluded that:

- The Board could take reasonable assurance that the controls in place to manage the integrity of property health and safety data were suitably designed and consistently applied.
- There was a defined process in place for the completion of and monitoring of inspections.

RSM reported that there was one circumstance of non-compliance with controls which was linked to Gas Safety and Fire Risk Assessments. This generated a medium action which has since been addressed.

Property Compliance Works

Despite the continuing impact of the COVID-19 pandemic on staffing and the ability of staff and contractors to get access to properties, in 2021- 22 we completed the following health and safety compliance works and checks;

Health and safety Compliance Check	Number Completed
Fixed Wire Testing - Domestic & Communal	114
Domestic Gas Services	74
Commercial Gas Services	18
Fire Risk Assessment	32
Lifting Operations and Lifting Equipment Regulations 1998 (LOLER) Checks	84

The matter of Cloned Asbestos Surveys was brought to the Board's attention on 10 March 2020, as a potentially serious breach. Brunelcare subsequently made the Regulator for Social housing aware of this matter.

During 2021-22 we continued to work with Tersus, an Asbestos Survey provider, to survey all previously cloned properties. Originally 276 unsurveyed

properties were identified, as at the end of March 2022 the figure had been reduced to 14 properties. The on-going issues related to COVID-19 and access to properties continues to impact on the timeline for this survey work.

As reported last year, during 2020-21 all common area landlord asbestos management surveys were undertaken and Brunelcare was found to be fully compliant.

Reports from the Regulator of Social Housing

In May 2021, the Regulator for Social Housing (RSH) upgraded their assessment of Brunelcare's governance arrangements, confirming Brunelcare's upgrade to 'G1' - the regulator's highest grade of governance compliance.

In its judgement, the RSH said Brunelcare had: *'strengthened its corporate risk management and internal controls framework' and 'has appropriate systems and processes for providing assurance on compliance with landlord health and safety requirements.'*

The full judgement can be found here:

www.gov.uk/government/publications/regulatory-judgement-brunelcare--2/current-regulatory-judgement-brunelcare-26-may-2021

As reported in previous Annual Reports, in January 2020, the RSH also decided to regrade the Charity's financial viability assessment, from V1 to V2 to reflect the additional forecast expenditure on our housing stock as well as the risk of sales within our new Extra Care scheme in South Bristol.

The Regulator's judgement confirmed that Brunelcare complies with the financial viability element of the Governance and Financial Viability Standard and that it has an adequately funded business plan and sufficient security in place.

The updated gradings issued by the Regulator are:

Measure	Previous grade	New grade
Governance	G2	G1
Viability	V2	V2



OUR COLLEAGUES

The strength of Brunelcare lies in the quality of its employees

We recognise the importance of investing in our colleagues and supporting them to develop and achieve their personal and career aspirations. We offer a range of apprenticeships, health and social care qualifications, leadership skills training and other development.

Brunelcare's Workforce Strategy was launched in January 2022, it was developed in consultation with the SLT, the Remuneration & Nominations Committee, various divisional leadership teams, the Colleague Voice Committee and the Equality Forum. There has been overwhelming support for the content and in response to feedback some helpful additional activities have now been included.

The Strategy incorporates ongoing HR activities and projects in addition to a range of specific interventions focused on improving Brunelcare's ability to recruit and retain a highly motivated and well trained workforce, which in turn will have a positive impact on the services delivered and results achieved.

Planned activities include partnership working to attract interest from 'hard to reach groups' and develop new talent pipelines.

Contract of Employment

During 2020-21, all Terms and Conditions were combined into one document - the Contract of Employment. A suite of contract templates for all types of employment situations are available on the digital

recruitment platform, allowing a streamlined and automated process which will increase our efficiency, lessen the environmental impact and ensure compliance with the latest employment law. The review of the Contract of Employment was carried out in partnership with Burges Salmon LLP.

The new Contract of Employment is in line with changes to the law which requires employees to be provided their Terms and Conditions before day one of their employment. Brunelcare's previous system provided Terms and Conditions in two parts, some of which are provided once employment has commenced.

Ensuring the wellbeing of our colleagues is as important as it is for our residents and tenants and so we have introduced a number of arrangements, including:

Mental Health First Aiders



Brunelcare has **trained 48 Mental Health First Aiders** (MHFA) who are able to provide first line **support to colleagues** who may be in need of assistance.

Brunelcare is committed to treating mental health as seriously as physical health and general employee wellbeing. As part of this continuing commitment, there are 48 Mental Health First Aiders across the Charity who are able to provide first-line support to colleagues who may be in need of assistance.

We will be aiming to train additional colleagues now that COVID-19 restrictions are being eased.

Mental Health First Aiders have:

- An understanding of mental health and the factors that can affect wellbeing;
- Practical skills to spot the triggers and signs of mental health issues;
- Confidence to step in, reassure and support a person in distress;
- Enhanced interpersonal skills such as non-judgemental listening; and
- Knowledge to help someone recover their health by guiding them to further support - whether that's self-help resources, through their employer, the NHS, or a mix.

Care First

As part of our commitment to our colleagues we continue to provide Care First.

Care First offers comprehensive advice, information and articles covering personal and work-related issues. They offer 24-hour telephone access where every call is answered immediately by a Care First directly employed and qualified counsellor who can immediately begin providing support for personal or work-related issues.

They also offer online and face-to-face counselling, which includes real-time one-to-one secure access to support through their online messenger style

service. Confidentiality, security and anonymity are guaranteed. The online service connects individuals with one of their qualified counsellors.

Finally, they offer an information service providing telephone and online access to a team of dedicated, professionally qualified information specialists who can provide practical information and advice on all common topics including – Consumer, Legal, Finance, Housing, Benefits, Family and much more besides.

Lone Working Devices

We continue to use the lone working app called Stay Safe, This has replaced the older Solo Protect devices. The app links a lone worker with 24/7/365 support. Users are able to log on and off the system and it will automatically raise an alarm if the user does not log off following an appointment. In addition, it has a panic facility that can be used should a colleague experience verbal abuse or physical aggression.

The devices have been distributed within the property, housing and community teams and their use of them is monitored internally by the appropriate manager.

Colleague Voice



In 2019-20 we responded to colleagues' views by completely changing our approach to colleague engagement, and introduced 'Colleague Voice'. Colleague Voice is the consultative body representing the interests of all employees, and ensures that there is an opportunity for genuine involvement for all in the Charity's activities and plans. There were three Colleague Voice

Groups, one for Community Services and ECH, one for Care Homes and one overarching committee for the whole charity. Members were elected or nominated by colleagues and received full training on how to effectively carry out the role. Senior Leadership Team members attend each meeting and are able to listen and respond to any colleague's concerns and ideas.

New elections took place in autumn 2021 and the three Colleague Voice Groups stood down. The newly constituted Colleagues Voice Committee represents all directorates.

Speaking Up Policy

In December 2020, the Board approved its Speaking Up Policy. This sets out the principles and approach to be followed by those working for or on behalf of Brunelcare when they have a concern about client and/or tenant safety, malpractice or wrongdoing. It is one element of a wider set of arrangements we have in place to uphold high standards and prevent wrongdoing. In particular, these arrangements also include our Fraud, Corruption and Bribery Policy. Other parts of our governance framework also frame and direct our approach, including the Code of Conduct, our Standing Orders, Register of Interests, Gifts and Hospitality Policy, Financial Regulations and our commitment to transparency.

Gender Pay



Brunelcare is committed to **delivering equality of opportunity** regardless of gender and has a **pay and grading structure** to support this.

Brunelcare is committed to delivering equality of opportunity regardless of gender and has a pay and grading structure to support this.

We aim to treat everyone fairly at work, across all levels and locations. This includes making sure everyone has the same opportunities for recognition, reward and career development. Thanks to our pay grading system, we know that we provide men and women with equal pay for the roles they hold. We are committed to ensuring that leadership positions are available to the widest pool of talent regardless of gender. We are proud that our leadership team has an excellent gender balance; of our seven executives, four are women including our Chief Executive.

In April 2022, we published our gender pay gap report for 2021-22. Our mean pay gap for 2021-22 was 13.15%; this is higher than 2000-21 by 0.32%. Our median pay gap was 4.79% which is 1.61% lower than the previous year and over 10% better than the national figure of 15.4% in 2021.

Equality, Diversity and Inclusion

We value our employees and promote equality and diversity wherever we can. Equality, Diversity and Inclusion (EDI) is an integral part of our employee induction programme, letting new starters know from the outset its importance and how to represent this within Brunelcare. To support this we have an Equality and Diversity Policy and Acceptable Behaviour Policy in place.

An Equality, Diversity & Inclusion Plan was launched in January 2022, this has nine specific areas of activity, including overarching activities such as delivering all eight pledges contained within the City of Bristol Equality Charter.

Partnerships have been set up with a range of organisations to promote diversity in recruitment. These include:

1. ACH - a refugee and employment organisation who are supporting us to understand the cultural aspects of employing refugees and asylum seekers as well as providing support to employ refugees.
2. City of Bristol College supporting continuous professional development, language skills and work experience
3. Mums Worklab supporting long term unemployed (often single) mothers to return to the workplace
4. The Apprenticeship Diversity Champions Network (ADCN)

We have retained Investors in People accreditation for the past 19 years and have remained a Disability Confident employer (previously known as Two Ticks) for the past 16 years. A management development programme has been rolled out to ensure the principles of person centred care are applied to the management

of our employees (to treat everybody as an individual and to understand their individual needs). These principles encompass the true meaning of inclusion and embrace diversity within our workforce

As an inclusive employer, we are committed to recruiting and retaining employees from all backgrounds and ethnicities; 23% (235) of colleagues have said that they identify within a minority ethnic group. Our selection processes are competency based and equality training is included within our induction process and ongoing development activities. Our pay grades and job families ensure that all employees are paid the correct rate of pay for the role irrespective of any other factors. Succession planning and career progression are based on merit and available to all employees. We continue to consider all additional opportunities to do more.

Following the Black Lives Matters protests in 2020, the Board and SLT realised that the organisation needed to do much more to address EDI issues across the Charity. A colleague-led Equalities Forum was established to oversee and strengthen EDI arrangements.

Remuneration

The remuneration of the Senior Leadership Team and colleagues is reviewed annually by the Remuneration and Nominations Committee. We do not operate any incentive schemes. The Trustees give their time freely but are entitled to claim out of pocket expenses.

Real Living Wage

We are delighted that, as of 1 April 2022, Brunelcare became an accredited Real Living Wage Employer.

The Board agreed that one of its priorities for 2021-22 would be to 'Assess the viability of becoming a Real Living Wage employer by the end of 2021-22'. At that time, 704 of Brunelcare's employees were on pay bands where the hourly rate was below the Real Living Wage rate of £9.50.

From 1 April 2022, all colleagues at Brunelcare are paid at or above the Real Living Wage of £9.90 per hour. Set by the Living Wage Foundation, the Real Living Wage has been independently calculated according to the real cost of living, which is based on a basket of household goods and services. This wage applies to all workers over the age of 18.

The need to improve the overall employment package has become increasingly compelling. Brunelcare is experiencing significant difficulty in recruiting and retaining employees, with a risk that this will worsen with a predicted severely challenging winter in health and social care ahead. Brunelcare's experiences echo the 'Social Care Funding and Staffing Crisis' highlighted in the national press.



HEALTH, SAFETY AND WELLBEING

We are committed to driving continuous improvement in our health, safety and wellbeing arrangements and are constantly reviewing and strengthening its arrangements to achieve this.

There were a total of 76 reported accidents/incidents in 2021-22.

29 of these resulted in injury, including cuts and bruises. Of the 76 some 50 or (66%), were related to slips, trips and falls. 16 falls required treatment and 7 clients attended hospital following a fall.

There was one dangerous occurrences related to a potential carbon monoxide (CO) leak at an ECH site. The Fire service, gas board and our approved contractor attended, the area was tested resulting in a normal reading.

The majority of accidents/incidents reported related to slips, trips and falls, the majority of these were as a result of a clients frailty and clinical presentation. Work is ongoing with the Director of Nursing and Care Services to look at how we report client falls that are due to their clinical presentation and those that were due to a health and safety matter.

There are currently two ongoing claims against Brunelcare that relate to accidents that occurred on Brunelcare premises, investigations and documentation have been submitted. We are awaiting feedback from our liability provider.

Health and Safety Enforcement (Statutory Breaches)

The ABC Centre was visited by Bristol City Council on 2 February 2022. At this time a food hygiene audit was undertaken and the site disappointingly received a food hygiene rating of 1, indicating that major improvement was necessary. Three areas were inspected at this time, that included:

- How hygienically the food is handled (4 C's Cooking, Cooling, Cleaning, and Cross Contamination).
- The condition of the structure of the premises, including cleanliness and layout.
- How the premises manages and records what it does to ensure food is safe to eat. Safer Food Better Business (SFBB).

Immediate action was taken to address the issues raised in the report and strengthened assurance arrangements have been put in place.

RIDDOR Reportable Incidents

Brunelcare had two reportable accidents in 2021-22. Both were due to manual handling incidents which resulted in strained backs.

Personal Injury Claims

There was one employee liability claim made in relation to accidents at work and injuries to members of the public during 2021-22.

PROCUREMENT

Over the past 12 months, we continued to review our approach to procurement and mapped out the requirements of a centre-led procurement function which reflects the future needs of the Charity and best practice. We reviewed our procurement policies, training, systems, support and reporting arrangements.

ENERGY CONSUMPTION AND EMISSIONS

We take our impact on the global climate seriously. We are aware that a significant proportion of our sheltered homes are inefficient, with Energy Performance Certificates (EPC) which can be as low as E. Our aim is to provide homes with affordable energy and reduce carbon and greenhouse gas emissions and reduce fuel poverty. The priority is to deliver a fabric-first solution and ensure all our homes meet the Government's EPC C by 2030 target, as part of our journey to deliver Net Zero carbon by 2050. This will include developing alternative solutions, like on site energy generation and storage from renewables. We currently have 487 homes (43% of sheltered and extra care homes) in 15 schemes, with an average EPC below C.

Our bid for the West of England Combined Authority low carbon challenge scheme retrofit grant (£200,000 ERDF grant) to improve

the energy performance of 25 units at Spinney Croft to EPC C, was not successful, but we learnt a great deal from this experience and we are now developing our Social Housing Decarbonisation Fund (SHDF) Wave 2.1 bid with our appointed consultants Ambue following the PAS 2035 process (see details below), including assessment, coordination and design.

Brunelcare's Long Term Financial Plan currently includes £3.2m over the next 8 years to deliver EPC C by 2030, but its success will rely on securing SHDF funding from the Department for Business, Energy and Industrial Strategy (BEIS). Our SHDF wave 2.1 bid proposal will potentially include 3 sheltered housing sites that reflect the majority of our property archetypes with EPC's below C, as detailed below:

1. Garden Close (39 units)
2. Spinney Croft (35 units)
3. Chestnut Close (67 units)

The outcomes from the PAS 2035¹ design process will allow us to:

- Finalise the scope of works and then clone these solutions across all our other schemes with EPC's below C.
- Stress test the impact of the design solutions and likely grant funding on our current business plan assumptions.
- Finalise our SHDF Wave 2.1 bid proposal and bid consortium arrangements.

SECTION 172 STATEMENT

In addition, we have completed commercial EPC surveys of our Care Homes (non-domestic surveys) and will use these findings in future option appraisals.

Electricity accounts for 91% of our total energy consumption. Natural gas consumption accounts for 9% of the total energy consumption. We have five minibuses and the majority of employees use their own vehicles for business use.

We have completed commercial EPC surveys of our Care Homes (non-domestic surveys) and will use these findings in future option appraisals.

¹ PAS 2035 is the new overarching document being used to support funding bids and essentially provides a specification for the energy retrofit of domestic buildings, and details best practice guidance for domestic retrofit projects and part of the Department for Business, Energy and Industrial Strategy (BEIS) Social Housing Decarbonisation Fund (SHDF) funding requirements. To complete the bid to WAVE " we propose that we appoint a specialist consultant to complete the required PAS 2035 assessments and design to determine potential Net Zero Carbon Solutions and deliver on EPC C by 2030. PAS 2035 is a specification for what is called 'whole-house' or 'whole building' retrofit. This is an approach to the installation of energy efficiency measures (EEMs) which takes into account the requirement of the entire building, both from a technical standpoint and considering factors like occupancy comfort.

Brunelcare qualifies as a large company under the Companies Act 2006 as it meets at least two of the following criteria:

- Turnover of more than £36m;
- Balance sheet total of more than £18m;
- More than 250 employees.

We are therefore required to disclose in this strategic report a "Section 172(1) Statement" describing how directors have had regard to the matters set out in sections 172(1)(a)-(f) of the Companies Act 2006 when performing their duty under the section. This states that:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term;*
- (b) the interests of the company's employees;*
- (c) the need to foster the company's business relationships with suppliers, customers and others;*
- (d) the impact of the company's operations on the community and the environment;*
- (e) the desirability of the company maintaining a reputation for high standards of business conduct; and*
- (f) the need to act fairly between members of the company.*

The following is a statement by the Trustees in performance of their statutory duties in accordance with s172(1) of the Companies Act 2006.

The Board of Trustees of Brunelcare consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Charity for the benefit of its members as a whole (having regard to the stakeholders and the matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ending 31 March 2020. On page 27 we have set out how we have engaged with key stakeholders during the 2021-22 financial year.

The principal decisions taken by the Board during the year were:

Principal decision 1: *Sale of land at Trendlewood Way, Nailsea*

The three-acre site at Trendlewood Way, located in a residential suburb of Nailsea, was bequeathed to the Charity and St Peter's Hospice by Miss Shepstone, a local resident, in 2002, on a one third/two-thirds split. In June 2021, the Board approved the sale of the site subject to:

- a)** Entering into a S.106 Agreement with North Somerset Council as part of the planning approval for the site.
- b)** Completing a Surrender Agreement with a Mr Billy Smith to compensate him for the forfeiture of his agricultural occupation of the land with an associated payment of £30,000 as compensation.

- c)** Legal advice that the Charity had followed all the required charitable statutory procedures in disposing of the land.
- d)** The Charity's marketing agents following an open marketing exercise, and confirming that best value had been received.

Following the marketing of the Trendlewood site an offer of £3.2m was received and accepted. The Charity's receipt of this fund was £2,133,333 due to the ownership of the site being split 60/30 with St Peter's Hospice.

The Board approved the sale of the site at Trendlewood Way, Nailsea for a sum of £3.2 million to (BRIP 6 (Nailsea BC) LLP trading as Acorn Property Group). The Board agreed to the transfer of the three acre site at Trendlewood Way, Nailsea BS48 4PQ under title number ST215442 to Acorn Property Group (subsidiary). The sale was concluded in early 2022-23.

Principal decision 2: *Sale of the community services offices at High Street, Kingswood*

The Kingswood Office had been in the Charity's ownership since 1995. It was originally a Brunelcare charity shop. The Community Services South Gloucestershire home care service had operated from its shop front and offices on Kingswood High St. since 2012. Over the last few years it had become apparent that there was no longer a need for the whole three storey building, with most of the building unoccupied. It has no parking and is in need of investment. In April, the Kingswood Community Services team

moved to new offices in Woodland Court, which meant that the Kingswood offices were surplus to operational requirements.

In June 2021, the Board approved the sale of the site subject to:

- a) an open marketing exercise that met the requirements of the Charity Commission to achieve best value for the building.
- b) legal advice on contract disposal terms.
- c) the Charity's marketing agents following an open marketing exercise, and confirming that best value has been received.

Principal decision 3:

Approval of Revised Long-Term Financial Plan

The Long Term Financial Plan (LTFP) forms a key part of Brunelcare's financial governance arrangements. In June 2021, the Board confirmed the 2021-22 iteration of the LTFP.

In line with Brunelcare's Stress Testing Policy and the requirements of the Regulator for Social Housing (RSH), stress tests relevant to Brunelcare's business model were applied, these also reflected its key risks and those from the sector risk profile, and link to the asset and liability register.

Both single stress tests and multivariate scenarios were applied to demonstrate the resilience or otherwise of the plan to a variety of changing circumstances.

Principal decision 4:

Energy Suppliers

The Board agreed to start consultations with tenants, under section 20 of the Landlord and Tenant Act 1985 (amended by section 151 of the Commonhold and Leasehold Reform Act 2002), with a view to lengthening the term of energy contracts from one to three years and moving to individual meters where possible.

Principal decision 5:

Adoption of an Outcomes Framework

In June 2020, the Board approved a new Outcomes Framework (the Framework). Housing LIN were commissioned to develop the Framework to guide the development of a standard set of outcome measures that could be used to track the impact that the services provided by Brunelcare have on the quality of life and wellbeing of people receiving care, support and housing services.

Through stakeholder engagement, outcomes that are valued by Brunelcare's customers were identified and a 'theory of change' statement developed for each of Brunelcare's strategic aims, see below:

- **'A place to call home':** Brunelcare wants to be able to demonstrate that by providing a home, the outcome for customers is that they have a place to live they are proud to call home, feel safe and secure in their home, have a home that gives them long term stability, feel that where they live is good value for money and have a home where they can be warm and comfortable.

- **'The right care and support':**

Brunelcare wants to be able to demonstrate that by providing the right care and support the outcome for the customer is that they are able to live as independently as possible, feel as healthy and happy as they can be, feel that their dignity and privacy are always respected, feel reassured and have peace of mind.

- **'A good quality of life in the community':**

Brunelcare wants to be able to demonstrate that by providing a good quality of life in the community the outcome for the customer is that they have a sense of purpose in their life, have the social life they want, feel safe and welcome in their local community, and feel accepted and included within the Brunelcare community.

The Framework applies to all activities across all parts of the Charity. The key purpose of the framework is to:

- Support the move towards an assessment and management process centred around service quality, effectiveness and efficiency measures;
- The establishment of a benchmarking process to underpin continuous performance improvement; and
- The strengthening of performance and accountability arrangements.

Principal decision 6:

Development and adoption of a Together with Customers Charter

The Board agreed the approach to developing a 'Together with Customers' charter in June 2021.

Throughout 2021-2022, we worked closely with our customers to help us better understand what matters most to them.

Influenced by the National Housing Federation's 'Together with Tenants' initiative, the outcome of this work was the Brunelcare 'Together with Customers Charter' (The Charter), which was approved by the Performance, Quality and Experience Committee in May 2022 and the Board in June 2022.

The Charter aims to embed a culture that values the voice and experience of customers and strengthens the relationship Brunelcare has with them.

Each of the six Charter commitments aim to ensure our customers are involved in the delivery of our services and demonstrates how Brunelcare will meet these commitments.

Principal decision 7:

Reduction of the number of operational directors

Included in the CEO's objectives for 2020-21 was a requirement to undertake a full review of the organisational design of the Senior Leadership Team (SLT). A review process was implemented in December 2020 and an external consultant was engaged to provide support.

The pandemic delayed progress but following a series of workshops, in which the full SLT was engaged, a set of organisational principles were agreed to inform the new structure.

The Board approved the recommendation made by the CEO and supported by the Remuneration, Nominations and Workforce Committee to reduce the number of operational directors from three to two i.e. a Director of Housing Services and a Director of Care Services.

The new structure brought the following benefits:

- Bring Care services under one lead Director to help rationalise support, avoid duplication and widen expertise across all care services (e.g. clinical and dementia leads).
- Consolidate Housing and ECH expertise within one Directorate to bring together landlord and customer services.
- Empower all Registered Managers to run their service.
- Create cross-cutting responsibilities within all Director roles.
- Ensure that all operational managers are fully involved in decision-making.
- Capture responsibility for all required services and activities.

Principal decision 8:

Adoption of a new Trustee Code of Conduct

The Board approved a revised Code of Conduct to replace that adopted in 2013. The revised Code of Conduct respects and endorses the principles of good governance in the Charity Governance Code (updated 2020), and incorporates the seven principles of public life (the Nolan Principles).

It includes a series of statements that Trustees of Brunelcare will be expected to adhere to and Trustees are required to confirm that they have read the Code, fully understand it and accept the requirements set out in the Code.

Principal decision 9:

Adoption of a Contract of Employment

The approved a new Contract of Employment that combined all Terms and Conditions into one document - the Contract of Employment.

The new Contract of Employment is in line with recent changes to the law which requires employees to be provided their Terms and Conditions, before day one of their employment.

Principal decision 10 and 11:

Changes to existing Lloyds lending

In October 2021, The Board approved a change to the existing Lloyds lending to interest pricing reflecting SONIA where applicable (fixed rates) given the abolition of LIBOR on 31 December 2021.

Later in the financial year the Board approved a New Barclays Facility Agreement.

Principal decision 12:

New Vice Chair

The Board approved the appointment of Harry Hayer, Trustee, to the role of Vice Chair.

Principal decision 13:

Rent Increases

In January 2022, the Board agreed a rent increase of 4.1%, based on the CPI of 3.1% in September 2021 plus 1%, for all social rented properties, effective from 4 April 2022 (for tenancies with April dated uplifts).

Principal decision 14:

Wide Area Network supplier

The Board agreed to the selection of High-Speed Office as the Wide Area Network supplier after a fully compliant tender process had identified them as having matched Brunelcare's price and quality requirements. It also agreed that the contract be awarded for a period of 5 years, this differs from the tender's 4+2 as after discussions with suppliers it was more economically advantageous for Brunelcare.

Principal decision 15:

New IT Strategy

Recognising that technology can be a key driver for transformational change, the Board approved a new IT Strategy in December 2021. The Strategy focuses on ensuring we have the right infrastructure and systems to provide the best possible service to our customers. An IT and Digital Transformation Programme and Project Group has been established led by the Director of Strategy and Transformation with a dedicated project manager.

Principal decision 16:

Procurement and Implementation of a new Housing System

A key element of our digital transformation is investment in a replacement Housing Management System. In December 2021, the Board approved the procurement and implementation of the Civica Cx modules to provide a cloud-hosted integrated system to replace Universal Housing, PIMSS and the Responsive Repairs System through the direct award process.

Principal decision 17:

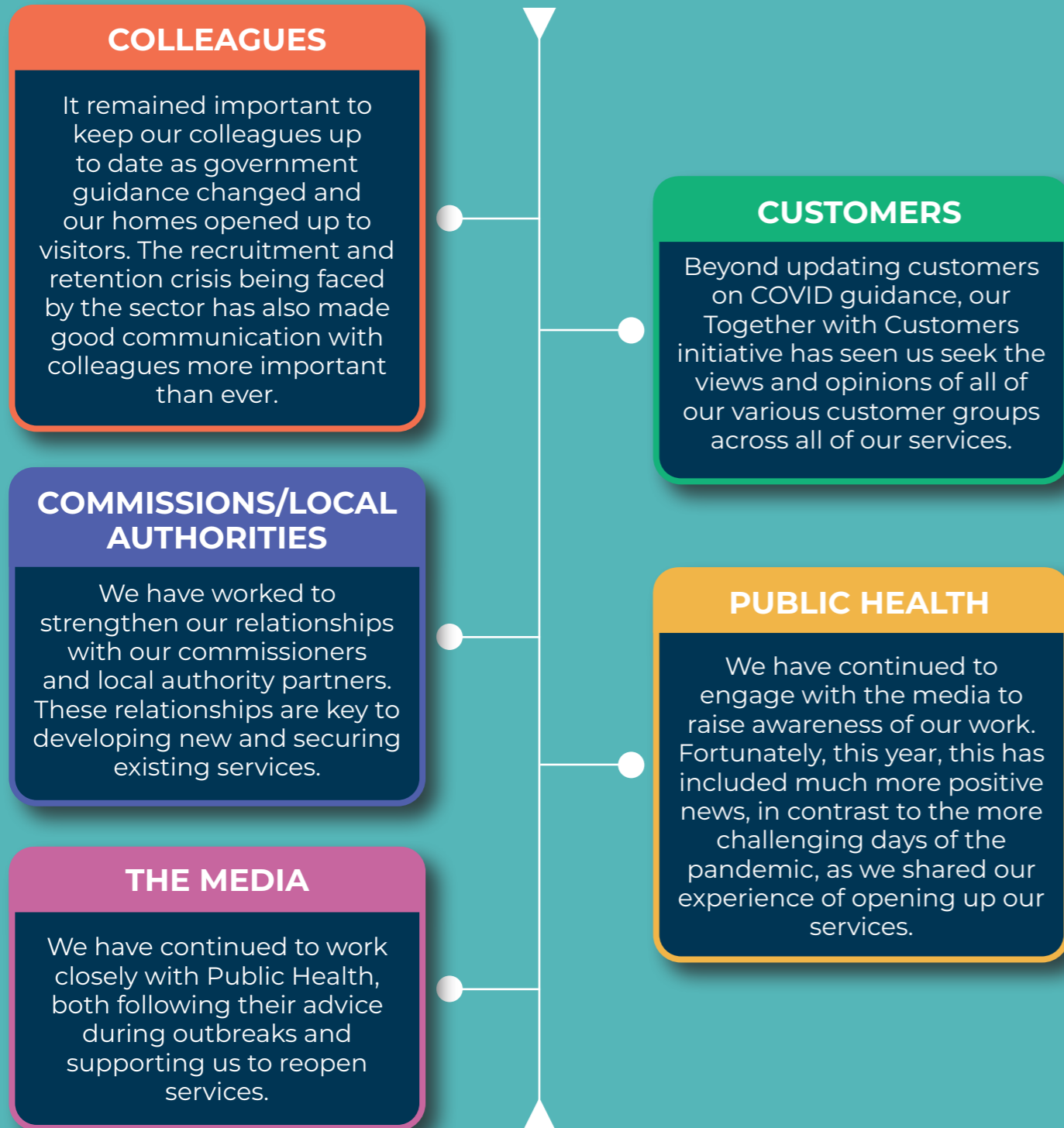
Cote Paddock

The Board agreed to draft Terms of Reference provided to guide a partnership with the Society of Merchant Venturers (SMV) to determine the long-term options for the Cote Paddock sheltered housing site. It also agreed to jointly commission with SMV a valuation for the site to inform redevelopment options and that following receipt of a commercial valuation and a viability assessment, it would further consider options for the site.



STAKEHOLDER ENGAGEMENT

Our COVID-19 response and recovery and our focus on customer engagement have dominated our stakeholder communications in 2021-2022.



RISK MANAGEMENT

Embedding effective risk management remains a key priority for the Board.

Our approach to risk management has been designed to ensure that risks are identified, assessed and prioritised and appropriate mitigating actions taken. Systems implemented to manage risk at various levels of the organisation include:

- A comprehensive Corporate Risks Register (CRR);
- Review of the CRR at Senior Leadership, Audit and Risk Committee and Board meetings;
- The monitoring of the internal control system by the corporate governance team, internal and external audit functions that can provide an independent perspective on the management of risk;
- Audit, Risk and Finance Committee meetings with the auditors, in the absence of management, at least once a year.

The Corporate Risk Register is updated regularly and highlights the top risks facing Brunelcare, changes to existing risks and any new risks identified together with actions to manage these risks, further action to be taken and assurance arrangements.

Principal Risks and Controls

At the start of each financial year, a detailed assessment of the risks impacting on the Charity is undertaken, this includes a review of the Sector Risk Profile published by the Regulator for Social Housing, sector risks highlighted by the Care Quality Commission and the Health and Safety Executive.

The Board together with the Senior Leadership Team identified the major strategic risks to which Brunelcare could be exposed and the Senior Leadership Team ensured controls were in place to mitigate/manage them. The Corporate Risk Register (CRR) was reviewed at each Audit, Risk and Finance Committee and Board meeting.

The principal areas of risk to which the Charity was exposed in 2021-22 were identified and reviewed throughout the year and, for each of these, an assessment was made as to their impact, severity, and probability.

Each risk on the CRR was reviewed at a Board Strategy and Development Session held in January 2022, alongside the Sector Risk Profile developed by the Regulator for Social Housing and the World Economic Forum's Global Risk Report for 2021. Relevant health and social care risks were also discussed.

Board members raised the following points which they wished to be further considered as part of the development of the next iteration of the CRR:

- The clear categorisation of risks i.e. financial, workforce, quality, safety etc.;
- The impact of a possible change in government;
- Changes to regulatory requirements;
- Whether opportunities to borrow when interest rates were low should be considered in order to mitigate against financial risks;
- Brunelcare's ability to respond to cyber security threats;

- How proposed reforms to adult social care may impact on commissioning and care costs;
- How the Together with Tenants initiative may result in more complaints and impact on Brunelcare's reputation; and
- The safety of services.

In light of the above feedback, the consideration of the outline priorities for 2022-23 and recent issues identified in relation to service charges, an updated CRR was presented to the Audit, Risk and Finance (AR&F) Committee when it met on 16 February 2022 and approved by the Board on 22 March 2022.



The table below provides an overview of the risks set out in the Corporate Risk Register at 31 March 2022:

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Brunelcare is unable to recruit or retain, staff in key positions	<ul style="list-style-type: none"> • Quality and safety of service compromised • Increase in agency costs 	<ul style="list-style-type: none"> • Workforce Strategy agreed by the Board in December 2021 • Increases in spine point rates taking the organisation closer to being a RLW employer • Recruitment of a Candidate Attraction officer • Review of HR structure and roles to further improve support for managers in relation to recruitment and retention • Number of initiatives (including the issue of vouchers, purchase of electric bikes) to ensure staff feel valued
Further COVID outbreaks	<ul style="list-style-type: none"> • Closure of admissions to care homes and ECH facilities resulting in a high number of voids • Quality, safety, sustainability and financial viability or services 	<ul style="list-style-type: none"> • Outbreak Plan - regularly updated • Infection control measures • Regular lateral flow tests • Vaccinations and vaccination policy • Continued use of PPE • Visitor temperature checks and LFTs
Increasing costs of insurance premiums	Costs of insuring services prohibitive leading to financial loss if claims made	Early negotiations with insurance brokers have started
Brunelcare's carbon footprint is not reduced	Brunelcare's impact on climate change not mitigated against	<ul style="list-style-type: none"> • Green energy contracts for gas and electricity have been secured • Funding for improvements to Brunelcare's carbon footprint being built into 2022-23 financial plans • Development of a energy and sustainability strategy scheduled for 2022-23 • Asset Management Strategy in place • Purchase of electric bikes for community staff

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
The cost of running domiciliary services is higher than the income received	Financial sustainability of services	<ul style="list-style-type: none"> • External change management expertise secured • Improvement action plan in place but not all steps implemented or embedded yet • New rostering system being purchased • Increase in hourly rates for carers - should help with recruitment • Review of individual staff contracts to make hours worked more family friendly and flexible • Review of travel routes to reduce travel costs • Offer of electrical bikes • Funding from SG (250k) for recruitment and retention • Negotiations ongoing with LA's re. contracts and fees • Investment in training • Working with SG to look at options for the provision of reablement in the community
The expectations of our customers are not understood	<ul style="list-style-type: none"> • Satisfaction levels fall • Complaints increase 	<ul style="list-style-type: none"> • Customer satisfaction surveys provide a baseline of customer satisfaction. • Outcome framework and measures in place • More proactive tenancy management and engagement • Development of Customer Charter and the Together with Customers work • Engagement with residents re. service charges • Exploration of the securing of longer energy contracts

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Inadequate or out-of-date IT systems	<ul style="list-style-type: none"> • Service effectiveness, efficiency • Poor data and cyber security and management. 	<ul style="list-style-type: none"> • IT Strategy approved by the Board in December 2021 • Directorate of Strategy and Transformation established which will lead on the programme management of projects, including IT projects • Appointment of an external project manager to oversee the Housing Management System project • Housing Management System supplier/contract approved and work on implementation started. • New rostering system secured and implementation in progress • Contract for WAN supply awarded • WiFi contract being finalised.
Interest Rate rises	Poor financial sustainability	Consideration to be given to borrowing prior to any further increases
Brunelcare's properties and services do not meet customer expectations	<ul style="list-style-type: none"> • Increased voids, • Increased complaints 	<ul style="list-style-type: none"> • Asset management Strategy in place and prioritised actions being taken forward as part of the Annual Business Plan • Compliance dashboard in place with regular reports being reviewed and scrutinised by the SLT, HS&W Committee and PQ&E Committee • Contracts for planned compliance work for future years being tendered • Regular audits and checks being completed by the Compliance team and the H&S Advisor

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Bunelcare's properties do not meet regulatory requirements	<ul style="list-style-type: none"> • Harm to customers. • Regulatory sanctions. • Prosecution. • Loss of reputation impacting on ability to grow the business. 	<ul style="list-style-type: none"> • Asset management Strategy in place and prioritised actions being taken forward as part of the Annual Business Plan • Compliance dashboard in place with regular reports being reviewed and scrutinised by the SLT, HS&W Committee and PQ&E Committee • Contracts for planned compliance work for future years being tendered • Regular audits and checks being completed by the Compliance team and the H&S Advisor

As we moved into 2022-23 we began to evaluate the longer term impact of rising energy prices, inflation increases and the reform of social care, as a result, the following additional risks were agreed by the Board when it met in June 2022.

Social Care Reform: in September 2021, the Department for Health and Social Care (DHSC) published "Building Back Better"; this contained its plan for reforming the funding of Health and Social Care reform. This was followed in November 2021 by the publication of the White Paper for reforming the delivery of Adult Social Care "People at the Heart of Care". There are four main proposals within the consultation - a care cap, means testing, fair cost of care and care brokerage. Initial scenario modelling completed by the Finance Team highlights that the changes proposed could have a significant negative impact on income.

Rising Energy Costs: Brunelcare purchases energy on behalf of tenants in the majority of our extra care and sheltered housing sites. This means that residents are not protected by the April energy price cap of £1,971 a year. The Cap is likely to rise again in October to £2,062.

Capacity to Handle Risk

Ensuring effective risk management is a key priority for the Board as it is integral to enabling the delivery of our objectives, both strategic and operational, and most importantly to the delivery of safe, high-quality services.

The Risk Management and Assurance Framework sets out the processes and mechanisms for the identification, assessment and escalation of risks. It has been developed to create a robust risk management culture across Brunelcare by setting out the approach and mechanisms by which the Board will:

- Make sure that the principles, processes and procedures for best practice risk management are consistent across the Charity and fit for purpose;
- Ensure risks are identified and managed through a robust organisational Assurance Framework and accompanying Corporate and Directorate Risk Registers;
- Embed risk management and established local risk reporting procedures to ensure an effective integrated management process across the Board's activities;
- Ensure strategic and operational decisions are informed by an understanding of risks and their likely impact;
- Ensure risks to the delivery of the Board's strategic objectives are eliminated, transferred or proactively managed; and
- Keep the Board and its Committees suitably informed of significant risks facing the Board and associated plans to treat the risk.

Risk Appetite

HM Treasury (2006) define risk appetite as:

'The amount of risk that an organisation is prepared to accept, tolerate, or be exposed to at any point in time.'

In December 2021, the Board revisited its Risk Appetite Statement. This set out the Board's strategic approach to risk-taking by defining its risk appetite thresholds. It is a 'live' document that is regularly reviewed and modified, so

that any changes to the organisation's strategies, objectives or its capacity to manage risk are properly reflected.

In reviewing and updating the Risk Appetite Statement careful consideration was given to Brunelcare's capacity and capability to manage risk.

The Risk Appetite Statement will be re-visited again in December 2022.



INFORMATION GOVERNANCE

Brunelcare continues to work towards a culture of compliance with the UK GDPR, DPA 2018, Privacy and Electronic Communications Regulations and official guidance based on the above. During 2020-21, the Charity achieved entry-level status to the NHS Data Security and Protection Toolkit, contributed to making this toolkit more relevant to the social care sector, and contributed to two pilots run by the National Cyber Security Centre (NCSC). This status was maintained in 2021-22.

Risks relating to information are managed and controlled in accordance with the Charity's Information Governance Policies.

All information governance issues are escalated to Brunelcare's Corporate Governance Team who reviews and assesses each one to ensure any breaches are identified and concerns addressed.

ASSESSMENT OF FINANCIAL AND OPERATIONAL PERFORMANCE

The 2021-22 financial year saw the emergence of the UK from the Covid pandemic but the effects of the measures taken to suppress the later waves of infection continued to have an impact on the business.

Our sites were frequently closed to new admissions due to Covid cases, which suppressed occupancy throughout the year; we experienced increased costs, particularly in staffing and agency expenditure, because Covid caused increased absences from work, additional workload to comply with isolation requirements plus an inability to move staff between locations.

However, we also received Covid support through our local authority partners, which was welcome, which amounted to £1.3m and helped to offset some of the additional costs incurred.

In the year, we sold the remaining five shared ownership flats at our Waverley Gardens extension plus we let all the remaining flats at what has proved to be a popular and successful scheme. Our Little Heath care home continued to increase the number of residents and has reached full occupancy as at the date of signing of these accounts.

We also extended our services in the year to provide support to the NHS and help it reduce occupancy pressures by taking older patients from hospitals and helping them rehabilitate and return home.

Recruitment has continued to be difficult but has improved since we moved to paying the Real Living Wage as a minimum and we continue to see the benefits of this pay policy as retention of staff has also improved and we have been able to reduce our reliance on agency staffing.

We have also invested in central IT systems, replacing and upgrading our payroll, HR and finance systems in the year.

Value for Money Matrix

Brunelcare utilises data within both the Regulator for Social Housing Value for Money metrics and the Housemark Sector Scorecard to monitor its activities in order to ensure that we continue to deliver value for money and make progress towards our strategic objectives.

The Scorecard sets out a number of indicators covering business health, outcomes delivered, effective asset management and operating efficiencies. An analysis of Brunelcare's score against each of these indicators is set out below. The prevalence of the COVID-19 pandemic has naturally had a significant impact on these indicators.

In addition to these sector-wide benchmarks, we also have a series of internal metrics that monitor key risks to the business.

All of these metrics are monitored regularly by the Senior Leadership Team and Trustees to ensure that we focus on delivering the best value for our stakeholders.



Key Metrics

Metric 1: Reinvestment

Reinvestment %	Measure	Brunelcare		Lower quartile	Median	Upper quartile
		2020-21	2021-22			
Reinvestment as a percentage of existing stock	%	1.0%	2.3%	2.6%	5.1%	8.0%

Since the completion of our Waverley Gardens extension, we are reviewing our housing sites with a view to redeveloping the worst performers.

Metric 2: New Supply

Reinvestment %	Measure	Brunelcare		Lower quartile	Median	Upper quartile
		2020-21	2021-22			
Social housing units developed as % of owned	%	5.4%	0.0%	0.0%	0.9%	1.9%
Non-social housing developed as % of owned	%	0.0%	0.0%	0.0%	0.0%	0.0%

In 2020-21 we added our Waverley Gardens extension, but there won't be further additions in the next few years.

Metric 3: Gearing

Gearing %	Measure	Brunelcare		Lower quartile	Median	Upper quartile
		2020-21	2021-22			
Gearing	%	13.7%	9.8%	17.7%	33.8%	47.2%

Gearing remains relatively low compared to the Housing sector but we will be taking on more debt in due course when we start redeveloping several of our older sites.

Metric 4: EBITDA interest cover

EBITDA MRI Interest Cover %	Measure	Brunelcare		Lower quartile	Median	Upper quartile
		2020-21	2021-22			
EBITDA MRI as % of interest	%	606.8%	299.5%	156.0%	216.0%	343.7%

Interest cover is strong given low overall borrowing but the cover is lower than last financial year due to a lower surplus and higher capitalised repairs in 2021-22.

The strong EBITDA-MRI combined with low gearing highlights the opportunity for positive inward re-investment. The current prudent position is appropriate to the Charity's sustainability and long term goals of providing vital community services.

Metric 5: Headline Social Housing Cost per Unit

Headline Social Housing Cost Per Unit	Measure	Brunelcare		Lower quartile	Median	Upper quartile
		2020-21	2021-22			
Total cost per unit	£	5,573	7,523	3,233	3,891	5,101

Our costs per housing unit remain high compared to the sector average and the large increase in the latest year is driven by higher fuel costs and additional capital investment in our housing units.

Metric 6: Operating Margin

Operating Margin	Measure	Brunelcare		Lower quartile	Median	Upper quartile
		2020-21	2021-22			
Operating margin social housing lettings	%	13.3%	6.6%	17.5%	25.5%	31.3%
Operating margin overall	%	7.1%	3.8%	15.7%	23.5%	28.8%

Our overall operating margins are low due to the mix of housing and care plus within housing we buy services for our residents that the average doesn't include and this includes, in particular, fuel which has increased considerably and is a main reason for the reduction from the previous year.

Metric 7: Return on Capital Employed

Return on capital employed %	Measure	Brunelcare		Lower quartile	Median	Upper quartile
		2020-21	2021-22			
Return on capital employed	%	4.3%	2.1%	2.2%	3.1%	4.0%

Return on capital employed is boosted by being calculated on depreciated historical cost, which is below the assets' current value.

Pension

Our financial result includes a significant reduction of £1.6m in the net liability valued by the scheme actuary for the Charity's share of the SHPS defined benefit pension scheme.

This reverses a large increase in the previous financial year that reduced our operating surplus in that year to an outturn deficit for the year.

Whilst these large movements are outside the control of the Charity and non-cash flow we continue to support enhanced deficit funding (£0.7m in the prior year). We have also ensured our forward financial plans fund a likely extended period meeting the additional cost of managing this deficit.

The Charity has also mitigated the risk of increased future deficits by closing our defined benefit scheme to new and current members at the end of March 2019.

We expect the impact of the triennial review will be reported in next year's results

New Developments

There were no new developments in the year. The Waverley Gardens extension opened in April 2020 reached full occupancy, plus the remaining shared ownership flats were sold, with each staircasing to the maximum 75% ownership. The Little Heath Care Home also opened in April 2020 and continued to build occupancy throughout the year.

In the year, Brunelcare upgraded or replaced its finance, HR and payroll systems plus started work on replacing its housing and care management systems, work on which was ongoing at the year-end.

Now that our two most recent developments, the expansion of our Waverley Gardens extra care scheme and our Little Heath Care Home are open and operating successfully, we have turned our attention to our next development objectives. We have reviewed our existing housing stock and identified several sites with poorer build quality, space standards, energy performance and lower satisfaction levels and we are developing plans to rebuild or change these schemes to

make them fit for the future. Current high-level proposals indicate a total projected spend of around £34m including displacement and financing costs with the first rebuild starting in the 2023-24 financial year.

Cash Flow And Working Capital Management

Cash balances at the year-end were strong at £7.1m, an increase of £1.5m in the year due to strong cash generation from operations plus delays in fulfilling our capital programme.

Since the year-end, we have completed the sale of the land at Trendlewood for slightly more than the year-end carrying value which has increased our cash holdings by a further £2m and we are in negotiations with potential lenders to boost cash further to fund our planned redevelopment of several sites in the next few years.

Accounting Policies

Brunelcare's principal accounting policies are set out on pages 71 to 77 of the financial statements and have been prepared in accordance with the Statement of Recommended Practice 2018.

Payment Of Creditors

In line with government guidance, Brunelcare's policy is to pay purchase invoices within 30 days of receipt or earlier if agreed with the supplier. To achieve this, we perform weekly payment runs and one-off payments where required.

We have submitted a return to the Government's Payment Practices Service with the following outputs:

Percentage of invoices paid within 30 days	65%
Percentage of invoices paid between 31 and 60 days	26%
Percentage of invoices paid after 60 days	09%

We paid 37% of our invoices outside of the agreed time but the majority of these were due within a week or sooner and we are working to improve our turnaround times for authorising invoices for payment to reduce this figure. The average number of days taken to pay our invoices in the period was 35.

Fixed Assets

Details of changes to Brunelcare's fixed assets are shown in notes 10 and 11 to the financial statements.

Reserves

At the end of the year, Brunelcare had total reserves of £29.63m (2021: £26.05m). Within that figure the Revenue Reserves ("Free" Reserves) totalled £27.96m (2021: £24.33). The main reasons for this improvement are the pension movement and the surplus achieved in the year.

Brunelcare generates net surpluses in each financial year which are reinvested in existing properties and services alongside new projects, and to provide reserves with which to meet any emergency funding requirements that may arise.

The Board is satisfied that the level of reserves reported is reasonable.

Treasury Management & Strategy

Brunelcare has a formal Treasury Management Policy which is approved by the Board. The purpose of the policy is to agree and maintain a framework within which the exposure to risk related to cash investments and borrowings can be managed.

The policy requires an Annual Report to the Board setting out the application of the policy for the past 12 months and the strategy for the next financial year.

Brunelcare's current debt profile shows term loan borrowings from two lenders: Lloyds TSB and Capita Plc (Orchardbrook Limited).

During the year, Brunelcare renegotiated the £5.0m revolving credit facility provided by Barclays in 2019. The original ten-year facility, which had seven years to run, was replaced by a five-year facility on the same terms but omitting one of the three covenants that was restricting the Charity's decision-making. There were no drawings or repayments on the facility in the year.

Going Concern

Our long term financial plan confirms the Board has a reasonable expectation that Brunelcare has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed.

For this reason, it continues to adopt the going concern basis in the financial statements. Additional details are provided in the strategic report starting on page 3.



Board Internal Targets

The Board also uses internal operational targets as follows:

Target 1: Quality of care

Internal Measure	2019-20	2020-21	2021-22
1. 100% of our CQC regulated services are rated as 'Good' or 'Outstanding'	90.9%	90.9%	90.9%

Please see the section on the quality of our care services above which provides a table showing our current CQC ratings. All care services were rated 'Good' in the year with the exception of Somerset Homecare Services which was rated 'Requires Improvement'. Following the year end, a CQC inspection was undertaken at Somerset Homecare in April 2022. This resulted in the service being rated as 'Good'.

Target 2: Head Office performance

Internal Measure	2019-20	2020-21	2021-22
2. Central support services spend to be managed up to 10% of income	6.6%*	7.0%	7.9%

*adjusted from the figure of 6.4% included in the 2019-20 report

Brunelcare's support costs continue to be managed well and are low by sector standards and overheads are below other social housing providers. This reflects efficiencies necessary for value for money services.

Target 3: Sickness absence

Internal Measure	2019-20	2020-21	2021-22
2. Reduce sickness absence in line with the social care sector average	5.1%	3.99%	5.48%

Sickness absence levels have increased in the year mainly due to the continued impact from COVID-19 related absence.

Target 4: Employee retention

Internal Measure	2019-20	2020-21	2021-22
4. Achieve an employment retention level of higher than 75%	72.4%	72.44%	65.47%

This target has not been achieved and has reduced compared to 2020-21 and 2019-20. Employee retention remains a key issue in the care sector and continues to be a key part of our corporate strategy with a range of activities being taken to improve this figure. Internal workforce data has shown a positive trend with an increase in starters compared to leavers during the current financial year.

Target 5: Occupancy

Internal Measure	2019-20	2020-21	2021-22
5. Achieve a level of occupancy in Care Homes of higher than 92%			
Occupancy in Care Homes	95.6%	89.8%	94.7%

Occupancy in our care homes met its 92% target by the end of 2021-22. This has shown a significant increase over the previous year with there having been less restrictions in place with regards to care home admissions during 2021-22 due to the COVID-19 pandemic.

Brunelcare's Legal Structure

Founded in 1941, Brunelcare is a company limited by guarantee without share capital (registered company number 601847) and a registered charity (registration number 201555).

The charitable objectives of Brunelcare, as set out in its Articles of Association are

- *the relief of those within the United Kingdom who are in need by reason of age (whether or not that need is exacerbated by ill health, disability and/or financial hardship); and*
- *the relief of those within the United Kingdom who are in need by reason of ill-health, disability and/or financial hardship.*

To fulfill the above objectives, Brunelcare is registered with the Regulator for Social Housing and provides social housing across a range of sites in the Bristol area. It is also registered with the Care Quality Commission as a provider of care homes, extra care housing and a range of community services in Bristol, Somerset and South Gloucestershire. Further details about the care Brunelcare provides and the types of housing and the areas where they are provided can be found by visiting our website: brunelcare.org.uk.

Articles Of Association

Articles of Association are one of the constitutional documents of a company which set out the basic management and administrative structure of the

company. The articles are a public document open to inspection at Companies House.

Companies have freedom in drafting their articles although Brunelcare is subject to relevant provisions of the Charities Act 2011 and Companies Acts. Charities who are also companies limited by guarantee may adopt model articles set out by the Charity Commission.

Brunelcare's Articles of Association were reviewed during 2020-21 and a revised set of Articles were approved by Special Resolution on 28 January 2021, following approval by the Charity Commission.

As far as possible, the draft Articles have been based on the Model Articles of Association for a Charitable Company as issued by the Charity Commission in August 2014 and updated in January 2017.

The Board Of Trustees

The Board sits at the top of the organisation's governance and assurance systems. Its principal role is to exercise effective leadership, provide strategic direction and control.

The Board is accountable for governance and internal control in the organisation, and the Chief Executive is responsible for maintaining appropriate governance structures and procedures.

In summary, the Board:

- Sets the strategic direction of the organisation;

- Establishes and maintains high standards of corporate governance;
- Ensures the delivery of the aims and objectives of the organisation through effective challenge and scrutiny of performance across all areas of responsibility;
- Monitors progress against the delivery of strategic and annual objectives; and ensures effective financial stewardship by effective administration and economic use of resources.

The Trustees, as the directors and charity trustees, are collectively responsible for the affairs of Brunelcare.

Board Meetings

During 2021-22 the Board held four scheduled formal meetings, 4 development sessions and two additional formal meetings. Through these meetings the Board:

- Oversaw the continued arrangements for the management of the organisation's COVID-19 management and monitoring arrangements;
- Agreed a revised Strategic Plan and related corporate objectives;
- Agreed a new Performance Management Framework;
- Agreed an Outcomes Framework and related measures;
- Oversaw the continued development and review of the organisational risk register including the monitoring and management of risks and the assignment of risks to key committees of the Board;

- Received, considered and discussed financial performance and the related risks being managed by the Board;
- Discussed and approved capital projects, contracts and tender proposals in line with agreed delegated authority levels; and
- Routinely received assurance reports from the Committees of the Board.

All formal meetings of the Board held in 2021-22 were appropriately constituted with a quorum. Attendance at Board meetings was formally recorded within the minutes, detailing where apologies have been received.

Attendance at Board meetings in 2021-22 is set out in the following table. Please note attendance is expressed as the number of meetings attended out of the number eligible to be attended.



Trustee	Attendance	29 June 2021	28 Sept 2021	26 Oct 2021*	21 Dec 2020	25 Jan 2022*	22 Mar 2022	
Alison Comley ²	5/6	✓	✓	✓	✓	✓	x	
Deborah Evans	6/6	✓	x	x	✓	x	✓	
Harry Hayer	3/6	✓	✓	x	✓	✓	✓	
Nick Hooper	5/6	✓	✓	✓	✓	✓	✓	
Phil Hope	6/6	✓	✓	✓	✓	✓	✓	
Kate Innes (Still)	6/6	✓	✓	✓	✓	✓	✓	
Jo Makinson ³	3/3	-	-	-	✓	✓	✓	
Anthony Oldfield	6/6	✓	✓	✓	✓	✓	✓	
Andrew Sloman	5/6	x	✓	✓	✓	✓	✓	
Ian Turner	2/2	✓	✓	-	-	-	-	
Tony Wilson	5/6	x	✓	✓	✓	x	✓	
Executive Directors:								
Oona Goldsworthy	6/6	✓	✓	✓	✓	✓	✓	
Chris Wall ¹	6/6	✓	✓	✓	✓	✓	✓	

1. Chris Wall took up the role of Director of Finance on 27 April 2020

2. Alison Comley took up the role of Trustee on 22 September 2020

3. Anthony Oldfield took up the role of Trustee on 27 September 2020

* Denotes an additional formal meeting

Standing Orders, Scheme Of Reservation And Delegation Of Powers And Standing Financial Instructions

In March 2020, the Board agreed to the Standing Orders for the regulation of proceedings and business. Together with the adoption of a Scheme of Reservation and Delegation of Powers matters reserved to the Board and Standing Financial Instructions they provide the regulatory framework for the business conduct of the Board and define its 'ways of working'.

These documents, together with a range of corporate policies set by the Board contribute to the organisation's governance framework.

In alignment with the development of Standing Orders and Committee terms of reference, a detailed review of the Board's Scheme of Reservation and Delegation of Powers was also undertaken. The document, which was approved by the Board in March 2020, therefore sets out the matters that are:

- reserved for the full Board;
- delegated to Committees of the Board;
- delegated to Trustees; and
- delegated to the CEO.

Standing Orders, the Scheme of Reservation and Delegation of Powers and the Standing Financial Instructions are subject to annual review; the last review being undertaken in December 2021.

There is a clear demarcation between executive and non-executive roles. The Trustees delegate day-to-day executive control of the Charity to the Chief Executive Officer and the Senior Leadership Team, which meets regularly.

The Chief Executive Officer is

responsible for running the charity in accordance with the direction set by the Board and the powers delegated to them by the Board. The Chief Executive Officer is accountable to the Trustees for their performance and that of the Senior Leadership Team.

Trustee Terms of Appointment

Brunelcare's Articles of Association allow for the appointment of up to 12 Trustees.

Trustees are appointed on the basis of the skills and experience they can bring to overseeing the activities of the Charity. The skills and backgrounds collectively represented on the Board should reflect the population it serves.

New appointments are made on merit, taking account of the specific skills and experience, knowledge, personality and approach needed to ensure a well-rounded Board.

In terms of diversity, the objectives are to:

- Consider aspects of diversity when reviewing the composition and balance of the Board;
- Ensure that candidate lists for Trustee positions are compiled by drawing from as diverse a range of candidates as possible who possess suitable skills and qualities;
- Aspire to increase Board diversity without setting specific targets or compromising on the calibre of Trustees.

All Trustees are appointed for terms not exceeding three years and are eligible for re-appointment for a maximum of three terms. To be eligible for appointment Trustees must meet eligibility requirements as specified in Article 21 of Brunelcare's Articles of Association. The Charity's Standing Orders [see 5.2.4] require Board members to confirm in writing their continued eligibility on an annual basis.

Trustee Resignations and Appointments

There were two new Board appointments made during the year, Andrew Sloman on 1 September 2021, bringing housing and financial expertise to the Board and Jo Makinson

on 7 October 2021, bringing expertise in social housing and finance. There was one resignation during the year, Ian Turner on 28 September 2021.

Name	Role	Took up Appointment on	Area of Interest
Deborah Evans	Chair of the Board	9 June 2017 as Trustee and was appointed as Chair 1 January 2019	Relative/carer Health
Nick Hooper	Trustee and Chair of the Performance, Quality and Experience Committee	13 March 2018	Strategic Development - Housing
Tony Wilson	Trustee	4 January 2019	Tenant Engagement
Harry Hayer	Trustee, Vice Chair and Chair of the Remuneration, Nomination and Workforce Committee	15 February 2019	HR and OD
Phil Hope	Trustee	28 February 2019	Health and Social Care, Strategy Development
Kate Innes (Still)	Trustee	8 May 2019	Housing
Alison Comley	Trustee	22 September 2020	Social care
Anthony Oldfield	Trustee	22 September 2020	Property, investment and funding opportunities
Andrew Sloman	Trustee and Chair of the Audit, Risk and Finance Committee	1 September 2021	Housing Finance
Jo Makinson	Trustee	7 October 2021	Social housing Finance
Oona Goldsworthy	Chief Executive Officer	19 May 2020	Housing
Chris Wall	Director of Finance	12 November 2020	Finance

OUR TRUSTEES

Appointed 9 June 2017

Deborah Evans - Chair

Deborah has worked as a manager and Chief Executive in the NHS for 35 years. She was Primary Care Trust Chief Executive in Bristol, working closely with the City Council and with many third sector organisations. Within the last five years, Deborah was Managing Director of the West of England Academic Health Science Network, an NHS-funded body whose role is to stimulate innovation in the NHS and to spread best practice in care. Deborah was appointed as Chair of Trustees in January 2019. She has extensive experience as a carer.

Appointed 13 March 2018

Nick Hooper

Nick has spent most of his career in local government, but has also worked in the voluntary and private sectors. His background is in housing development and in the nearly 30 years he spent with Bristol City Council – the last 12 as Director of Housing Solutions – he developed expertise in homelessness, private housing renewal, commissioning, strategy and policy development as well as organisational development. Nick is Chair of 16:25 Independent People, a youth homelessness charity.

Appointed 4 January 2019

Tony Wilson

Tony, an octogenarian and great grandfather, became a tenant of Brunelcare in 2013. His career background includes extensive engineering risk management on behalf of clients such as Network Rail, Dublin LUAS tram main contractor, MoD Navy and suppliers such as BAe Filton. He also ran a recruitment agency, followed by practice as a counsellor and group facilitator. Tony also volunteers as a Trustee with Bristol Older People's Forum, as a youth mentor with 1625 Independent People, a board member with Driving and Mobility West of England, and is a community navigator with Bristol Community Health.

Appointed 15 February 2019

Harry Hayer

Harry has been on the boards of numerous companies and organisations for 25 years. His experience spans the NHS, the charity sector, national and local government, academia, regulation and the music industry. He has travelled extensively with his work, leading large-scale transformation, restructuring, merger, acquisition, closure and change programmes. He has specialist experience in HR and organisation design and development. He is currently HR Director of Sustrans, the national cycling charity.

Appointed 28 February 2019

Phil Hope

Phil is a partner in Hope Consultancy and Training that works with health and social care organisations to help them navigate the changing landscape of the health and care sector; and to develop excellent and sustainable care services for older people. He is also visiting professor at the Institute for Global Health Innovation at Imperial College, London and chaired the Imperial College report 'Creating Sustainable Health and Care Systems in Ageing Societies'. Phil is a former Member of Parliament (1997-2010) and served in a number of Ministerial roles with responsibilities for local government, skills, charities, social enterprise and social finance. As Minister of State for Care Services his work included development of the White Paper 'Building a National Care Service', the National Dementia Strategy, the National Mental Health Strategy 'New Horizons', and the National Autism Strategy.

Appointed 8 May 2019

Kate Innes

Kate has worked in social housing for around 15 years. Her career has covered rent and service charge management for small and medium housing associations in London and Bath. Kate has carried out previous trustee roles with Bristol-based housing associations and so has a good understanding of what the role requires.

Appointed 22 September 2020

Alison Comley

Alison, a native Bristolian, has combined a 30-year senior local authority career in the city, with an artistic life as co-artistic director of Theatre West. Having started life as a social worker in the city, Alison has managed social care services and been the Director of Adult Social Services. She has also managed housing, community safety, safeguarding and was a Non Exec Director for The National Treatment Agency for 6 years. She was awarded an MBE in 2011 for Services to Local Government for her work in tackling substance misuse in Bristol.

Appointed 22 September 2020

Anthony Oldfield

Anthony is a Chartered Surveyor and leading expert in the care home and retirement living property markets having worked in the UK healthcare market for over 15 years. Anthony is a Director at Jones Lang LaSalle with particular responsibility for facilitating investment into the extra care and care home markets through new sites, forward funding opportunities, disposals, and acquisitions of operational healthcare assets and real estate-backed businesses.

Appointed 1 September 2021

Andrew Sloman

Andrew is the Director of Financial Services for LiveWest and has over 15 years of housing experience in associations of various sizes. Professionally qualified as a chartered accountant and corporate treasurer, he has experience of leading both finance and procurement teams and has worked extensively on aligning culture and working practices for finance teams and the wider organisation following several mergers. He has detailed knowledge of asset management reviews, including options for improvement, regeneration or disposal, the insourcing and outsourcing of maintenance services and fleet services.

Appointed 7 October 2021

Jo Makinson

Jo is a qualified accountant and has worked in the health and social housing sectors for the past 15 years. Jo started her career in London working with a social development consultancy before moving to Bristol and spending six years in PwC's public sector team. During that time, Jo trained as a chartered accountant and worked alongside a range of purpose-driven organisations working to make lives better for vulnerable people and communities. She is currently Chief Financial Officer at GreenSquareAccord, a registered provider of social housing with a significant care and support portfolio.

Conflicts of Interest

Trustees are aware of their legal duty to act in the best interests of Brunelcare and to make a declaration when they have a Conflict of Interest. Any Trustee who has a conflict of interest in relation to any matter discussed by the Board must declare this at the start of a meeting. The meeting chair in consultation with the Company Secretary makes a decision in relation to how the conflict will be managed and this is recorded in the minutes of the meeting.

In addition, Trustees are required to complete a declaration of interest form on an annual basis, any declarations made are recorded in a Register of Interests. Declarations are updated as and when a Trustees circumstances change.

Trustee Remuneration

All of our Trustees are volunteers and therefore receive no remuneration. Trustees are entitled to be reimbursed for reasonable travel and subsistence costs and Brunelcare arranges indemnity insurance cover on behalf of the Board.

BOARD COMMITTEE ARRANGEMENTS

The Board is clear that robust governance is reliant upon effective and efficient Board Committee arrangements, which ensure a balance of focus between strategic development, gaining assurance and scrutiny and driving the right culture.

During 2021-22 the following Board Committees were in place:

- The Audit, Risk and Finance Committee;
- The Remuneration, Nomination and Workforce Committee;
- The Performance, Quality and Experience Committee; and
- The Health, Safety and Wellbeing Committee

AUDIT, RISK AND FINANCE COMMITTEE

During 2021-22, the Committee met six times:

- 18 May 2021
- 9 June 2021
- 19 August 2021
- 21 September 2021
- 18 November 2021
- 16 February 2022

All meetings were quorate. The meeting held on 18 May 2021 was chaired by former Trustee, Richard Gaunt, due to the absence of the Committee Chair.

As at 31 March 2022, the Committee comprised the following Trustee Members:

Member	Role	Attendance
Ian Turner	Committee Chair (appointed August 2018 / resigned September 2021)	3/4
Andrew Sloman	Committee Chair (appointed October 2021)	2/2
Kate Innes	Member (appointed March 2019)	5/6
Anthony Oldfield	Member (appointed October 2020)	5/6
Jo Makinson	Member (appointed November 2021)	2/2

The Chief Executive Officer and Director of Finance attend (the Chief Executive Officer by invitation) but are not members of the Committee. The Chair and members of the Committee are appointed by the Board.

Committee meetings were regularly attended by representatives from:

- RSM, Brunelcare's Internal Auditors (18 May 2021, 19 August 2021, 21 September 2021, 18 November 2021 and 16 February 2022); and
- KPMG, Brunelcare's External Auditors (18 May 2021, 21 September 2021 and 16 February 2022).

Amongst the key issues considered by the Committee during 2021-22 were the following:

- ✓ Annual Report and Financial Statements for 2020-21 and narrative report
- ✓ Annual review of key governance documents and Standing Orders including Articles of Association, Scheme of Reservation and Delegation and Financial Regulations
- ✓ Approval of policies aligned to the Committee's remit
- ✓ Approved the Internal Audit Plan for 2022-23
- ✓ Assets and Liabilities Register: annual review and progress updates
- ✓ Audit recommendations: progress reports
- ✓ Business Planning: stress testing and development
- ✓ Capital spend
- ✓ Charitable Governance Code: compliance review
- ✓ Corporate Governance and assurance update (including self-assessment against the RSH Governance and Viability Standard)
- ✓ Corporate Risk Register
- ✓ Draft and Final Budget for 2022-23 (including process, timetable and assumptions)
- ✓ Economic Standards: self-assessment
- ✓ External Auditors report on the audit of the Financial Statements and draft Letter of Representation
- ✓ External Governance Review: progress update
- ✓ Financial Statements: quarterly updates
- ✓ Governance and assurance progress updates (including external reviews of governance arrangements, Board Assurance Framework and fraud, bribery, corruption and money laundering action plan)
- ✓ Hardship Fund: policy and process
- ✓ Insurance arrangements
- ✓ Integrated financial performance report
- ✓ Loans and funding arrangements (including covenant reviews)
- ✓ Long Term Financial Business Plan
- ✓ Losses and Special Payments Annual Report for 2020-21
- ✓ Management Accounts: Quarterly updates
- ✓ Mid-year budget revisions for 2021-22 (including workforce pay reviews)
- ✓ Register of Interests annual report for 2020-21
- ✓ Rent, Service Charge and Fee Review process for 2022-23
- ✓ Review and development of the 30 Year Business Plan
- ✓ Review of Debtors
- ✓ Review of policies and procedures for preventing and detecting fraud, bribery, corruption and money laundering (annual)
- ✓ Review of Risk Appetite Statement (annual)
- ✓ Treasury Management Report and strategy: quarterly updates
- ✓ Treasury Strategy and Policy (annual review)

A Committee Chair's Assurance Report was submitted to the Board following each meeting, outlining matters considered by the Committee, decisions made and matters that it wished to escalate to the Board for information or consideration.

The Committee reviewed and approved the audit strategies and plans for the auditors as listed below and received audit reports produced in support of them during 2021-22:

- External Auditors, KPMG
- Internal Auditors, RSM

In approving the strategies and plans, the Committee ensured that they were robust and linked to the Charity's risk profile.

The Committee approved the internal plan for 2022-23 on 16 February 2022. During the year the Committee received Internal Audit reports in line with the agreed programme for 2021-22, including the management response from the relevant member of the Senior Leadership Team.

Where reports received a less than reasonable assurance audit rating or where there were specific areas of concern, the appropriate members of the Senior Leadership Team were requested to attend Committee meetings. This process provided opportunities to discuss the reports more fully, and for the Committee to satisfy itself that the findings and recommendations raised in the reports were being addressed in a timely manner and implemented to address control weaknesses or compliance issues.

The Committee also received regular reports on progress with the implementation of the recommendations arising from internal audits. Authority to extend the deadline for the implementation of recommendations or to close audits where all recommendations

were considered to be implemented was sought from the Committee where necessary.

The membership of the Committee is kept under continual review to ensure that the membership presents an appropriate skill set to monitor, address and lead on those areas aligned to the Committee's remit and the ongoing risks the Charity faces.

REMUNERATION, NOMINATION AND WORKFORCE COMMITTEE

During 2021-22, the Committee met three times:

- 15 June 2021
- 14 October 2021
- 13 January 2022

All meetings were quorate. The meeting held on 14 October 2021 was chaired by Nick Hooper, Trustee, due to the absence of the Committee Chair.

Member	Role	Attendance
Harry Hayer	Committee Chair (appointed August 2020)	2/3
Deborah Evans	Member (appointed October 2018)	3/3
Tony Wilson	Member (appointed August 2020)	3/3
Jo Makinson	Member (appointed March 2022)	N/A

Amongst the key issues considered by the Committee during 2021-22 were the following:



REMUNERATION

- ✓ Horizon scanning
- ✓ Policies: approval of HR related policies
- ✓ Real Living Wage: progress updates and next steps
- ✓ Review of CEO's performance, achievements and annual objectives
- ✓ Senior leadership Team: annual review of objectives and achievements
- ✓ Senior Leadership Team remuneration and rewards review
- ✓ Updated contract templates and terms and conditions
- ✓ Updates from the Director of HR&OD
- ✓ Workforce Performance Reports, including Key Performance Indicators
- ✓ Workforce Strategy: progress updates and workforce planning
- ✓ Gender Pay 2021-22

NOMINATIONS



- ✓ Board Committee membership for 2022-23
- ✓ Nomination of Trustee Leads in Safeguarding and Speaking Up/Complaints
- ✓ Review of the Chair of the Board's achievements and annual objectives
- ✓ Trustee Code of Conduct
- ✓ Trustee recruitment update and remuneration discussion
- ✓ Trustee achievement reviews and summary of development issues arising
- ✓ Selection and Appointment of New Board Members



COMMITTEE GOVERNANCE

- ✓ Annual Review of Committee Terms of Reference
- ✓ Committee Work Programme for 2021-22
- ✓ Equality, Diversity and Inclusion action plan
- ✓ Modern Slavery and Human Trafficking Statement for the 2020-21 Financial Year
- ✓ Remuneration, Nominations and Governance Committee Annual Report for 2020-21

PERFORMANCE, QUALITY AND EXPERIENCE COMMITTEE

During 2020-21, the Committee met four times:

- 3 June 2021
- 7 September 2021
- 7 December 2021
- 7 March 2022

All meetings were quorate.

As of 31 March 2022, the Committee comprised the following Trustee Members:

Member	Role	Attendance
Nick Hooper	Committee Chair (appointed May 2020)	4/4
Phil Hope	Member (appointed May 2020)	4/4
Alison Comley	Member (appointed October 2020)	4/4
Tony Wilson	Member (appointed July 2020)	4/4



Amongst the key issues considered by the Committee during 2021-22 were the following:



The Committee has a specific responsibility for providing accurate, evidence based (where possible) and timely advice to the Board in respect of:

- the ongoing development of an improving performance culture which continuously strives for excellence and focuses on improvement in all aspects of the Charity's business, in line with the Board's Framework for Improving Performance; and
- an operating model which aligns resources effectively to support the achievement of the Board's strategic aims, objectives and priorities.

Given the remit of the Board in relation to overseeing the delivery of the Charity's mission and vision, and also ensuring compliance with regulatory and legislative requirements, the Board recognised that performance measures reviewed by the Board should be developed further so that they are:

- aligned to the delivery of Brunelcare's strategic objectives and hence incorporate realistic but stretching outcome measures;
- embrace the standards set by the Care Quality Commission (CQC) and the Regulator for Social Housing (RSH); and
- appropriately reflect relevant sector scorecards.

In line with the above aims, the Committee scoped and recommended a refreshed Integrated Performance Report and Dashboard which was used throughout 2021-22 to monitor and track performance across the Charity. It was recognised that this would be an ongoing process and be refined through future iterations of the report.

During 2020-21 the Performance, Quality and Experience Committee was given the remit to develop an Outcomes Framework and concise set of outcome measures that encompass the full re-

mit of Brunelcare (delivery of social care and housing). This work was completed during 2020-21. The Outcomes Framework was approved by the Committee and ratified by the Board in June 2021.

HEALTH, SAFETY AND WELLBEING COMMITTEE

The Board recognises that its employees understand the risks in the workplace best. Therefore, to ensure timely and appropriate engagement and consultation the Board of Brunelcare has established a Health, Safety and Wellbeing Committee.

The Committee takes a strategic overview of health, safety and wellbeing issues affecting Brunelcare. It also ensures best practice in health and safety, by promoting communication, co-operation and consultation across the Charity.

The Committee is chaired by the Chair of the Board and has representatives from all areas of the Charity. Representatives have been elected to the Committee to act as contact points within their service areas on matters of health, safety and wellbeing.

The Committee met 4 times in 2021-22 on 22 April 2021, 22 July 2021, 21 October 2021, 20 January 2022.

Regulator for Social Housing Governance and Financial Viability Standard

Brunelcare undertakes annual self-assessments to monitor its on-going compliance with both the Governance, Economic and Consumer Standards. These self-assessments are reviewed by Committees of the Board before being approved by the Board. Any changes or implications arising within the year are reported on an ad-hoc basis. The self-assessments at the time of reporting showed that the Charity continues to be materially compliant with Governance, Economic and Consumer Standards. Any areas for refinement or improvement have been identified and transferred to the Integrated Governance Improvement Plan. The Charity has the capability and capacity to meet all the compliance standards.

Statement of adherence to the fundraising regulator code

Brunelcare seeks to comply fully with all regulations and relevant codes of practice.

Fundraising is not a significant income stream for Brunelcare and therefore we are not required to report under section 162A of the Charities Act 2011. However it applies the principles of the Code of Fundraising Practice. For example, by directing all supporters to use the JustGiving platform to ensure funds are raised in a transparent manner and quickly transferred to Brunelcare.

Brunelcare does not, at present, proactively run fundraising campaigns or initiatives. Instead, the charity

responds to the generosity of supporters by facilitating their efforts to raise funds in aid of the charity. The option to support Brunelcare is promoted on the charity's website.

Brunelcare does not employ or engage third party professional fundraisers and is not aware of any complaints being made about its fundraising activities. All employees strive to protect the rights and promote the interests of our clients and tenants. It is the policy of Brunelcare that under no circumstances should any employees offer advice or act as a witness to the Will of a resident.

The board's self-assessment of its effectiveness

In March 2021, the Board undertook an assessment against the NHF Code of governance, The Charity Governance Code and UK Corporate Governance Code. The outcome of this was that the Board agreed to adopt the Charity Governance Code from 1 April 2021.

The Charity Code of Governance is reflected within key policies and procedures. Further, within our system of internal control, there are a range of mechanisms in place which are designed to monitor our compliance with the code. These include self-assessment, internal and external audit, and independent reviews.

The Board is clear that for the year ending 31 March 2022, it complied with the main principles of the Code, and conducted its business openly and in line with the Code. A self-assessment against the recommended practice

set out in the Code was undertaken in February 2022 and 10 improvement actions were agreed by the Board when it met in March 2022. These improvement actions are being taken forward as part of the Corporate Governance Team's Improvement Plan for 2022-23.

External review of Governance arrangements

An external review of Brunelcare's governance was undertaken by 21st Century Housing Governance and the findings were reported to the Board in December 2020. The report concluded that

Brunelcare had been on a journey over the last couple of years. Issues arising from the IDA and the consequential regulatory downgrade have resulted in a programme of work aimed at delivering both enhanced governance performance and regulatory alignment to the standards. The board has demonstrated good oversight of the deliverables from the Integrated Governance Improvement Plan (IGIP) and whilst it is undoubtedly true that the impact of the COVID-19 pandemic has constrained the ability of the board and the executive, the vast majority of the actions on the IGIP have been completed. Given that there is always a time lag between activities being completed and outcomes being achieved, there is still some way to go before the overall objectives of the IGIP are both realised and embedded.

That being said, there are a number of areas where the governance

arrangements are still in the process of being strengthened, and these are set out below. However, it is clear that without possible exception, these areas are already known to the board and executive and work is either pending or already underway to address any weaknesses. The challenge for the board, in an uncertain and volatile operating environment, is how to prioritise them and allocate the appropriate resources.

Eight recommendations were made in the report, relating to:

1. Strategy
2. IT, systems and data
3. Customer experience and the work of the Performance, Quality and Experience Committee
4. Cross-subsidy
5. New Code of Governance
6. Equality, Diversity and Inclusion Strategy
7. Scope of the Audit, Risk and Finance Committee
8. Voice of the Customer

All recommendations were accepted by the Board and addressed in 2021-22.

Review of effectiveness of system of internal control

The Board put mechanisms in place for the review, on an on-going basis, of the effectiveness of the systems of internal control operating across all functions of the Charity. A review and evaluation of the adequacy of the system of internal control has been informed by the Senior Leadership Team who have responsibility for the development, implementation and maintenance of the internal control framework; the work of the committees established by the Board; the Board's internal auditors and the feedback and views of external auditors set out in their annual audit letter and other reports.

The processes in place to maintain and review the effectiveness of the system of internal control includes:

- The maintenance of an overview of the overall position with regard to internal control by the Board and its Committees through routine reporting processes and the engagement of all Board members in the development and maintenance of the Board Assurance Framework and Corporate Risk Register;
- The embedding of the Assurance Framework and the receipt of internal and external reports on the internal control processes by the Audit, Risk and Finance Committee; and
- Audit, Risk and Finance Committee oversight of audit, risk management and assurance arrangements.

We are satisfied that the mechanisms in place to assess the effectiveness of the system of internal control are working well and that we have the right balance between the level of assurance

received from the Senior Leadership Team, Board and Board Committee arrangements and Internal Audit Services.

Steps to further strengthen and continuous improvement of the system of internal control are in place and this is aligned to the work being taken forward to embed the Board Assurance Framework and Risk Management Framework.

Internal audit

Internal audit provides the Board through the Audit and Risk Committee with a flow of assurance on the system of internal control.

A programme of audit work was commissioned in 2021-22 and the scope of this work was agreed by the Audit, Risk and Finance Committee and was focussed on significant risk areas and local improvement priorities.

In total seven internal audit assignments were undertaken during the year;



Audit	Opinion	Actions Agreed			Status at Time of Reporting
		H	M	L	
Safeguarding	Reasonable Assurance	--	--	3	Final Report Agreed
Business Planning	Substantial Assurance	--	--	2	Final Report Agreed
Cyber Security	Reasonable Assurance	--	2	2	Final Report Agreed
DLO Efficiency and Effectiveness	Reasonable Assurance	--	3	--	Final Report Agreed
Community Services Income	Partial Assurance	1	2	1	Draft Report Issued
Follow-up Audit	Reasonable Progress				Final Report Agreed
Advisory Audit and Training Support:					
General Data Protection Regulations (GDPR) Governance Framework	Advisory	2	9	1	Final Report Agreed

THE HEAD OF INTERNAL AUDIT HAS CONCLUDED:

Based on work carried out in 2021-22:

'The organisation has an adequate and effective framework for risk management, governance and internal control.'

However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.'

As well as the audit assignments referenced above the following areas helped to inform the Head of Internal Audits opinion:

- Acceptance of internal audit management actions; and
- Implementation of internal audit management actions

While Brunelcare's internal auditor's did not deliver a specific review of Brunelcare's governance arrangements consideration was given to assurance reporting and monitoring arrangements in each audit and they attended each meeting of the Audit, Risk and Finance Committee, where they observed the review of the risk register, stress testing and financial performance monitoring reports.

Statement of trustees' responsibilities in respect of the annual accounts

The Trustees of Brunelcare (who are also Directors of the Charity for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees Annual Report and the Financial Statements in accordance with relevant law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006 [Scotland: the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006]. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to auditors

On behalf of the Board of Trustees, I confirm that in so far as the trustees are aware at the time of reporting:

- There is no relevant audit information of which the Charity's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

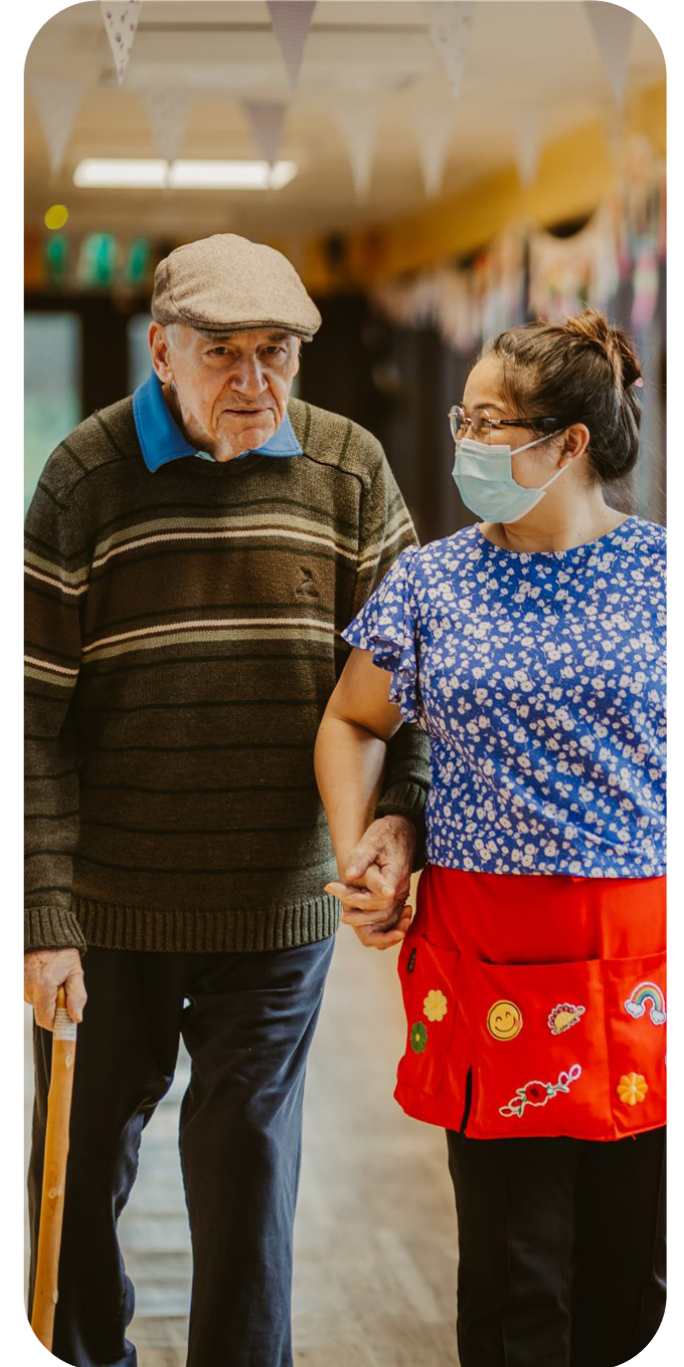
Approval

The Trustees' report, including the Strategic Report and Financial Statements, was approved by the Trustees at a Board meeting held on 28 September 2022 and signed on its behalf by:

Deborah Evans
Chair

A. D. Evans

28 September 2022



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRUNELCARE

Opinion

We have audited the financial statements of Brunelcare ("The Charity") for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, Cash Flow Statement and related notes, including the accounting policies in Note 2.

In our opinion the financial statements:

- Give a true and fair view of the state of affairs of The Charity as at 31 March 2022 and of its surplus for the year then ended;
- Have been properly prepared in accordance with UK accounting standards, including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities

under, and are independent of the Charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the Charity or to cease its operations, and as they have concluded that the Charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Trustees' conclusions, we considered the inherent risks to the Charity business model and analysed how those risks might affect the Charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively,

may cast significant doubt on the Charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Trustees, the audit committee and internal audit as to the Charity's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Charity's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Obtaining a copy of the Charity's fraud register.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit

As required by auditing standards, and taking into account possible pressures to meet loan covenants and regulatory performance targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition in particular:

- the risk of bias in accounting estimates such as pension assumptions, development assumptions and valuation of financial instruments;
- the risk that income from property sales and non social housing income is recorded in the wrong period; and
- the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Charity-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts involving a fraud risk, journals posted by senior members of staff, unusual combinations of journal posting to cash and/or borrowings and unexpected debit posting to community service income.
- Assessing whether the judgements made in the accounting estimates are indicative of potential bias including assessing the assumptions used in pension valuations and the value of housing stock held in current assets.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Trustees (as required by auditing standards), and from inspection of the Charity's regulatory and legal correspondence and discussed with the Trustees the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the

financial statements including financial reporting legislation (including related Companies Act legislation), taxation legislation, pension legislation, disclosures required by Housing legislation and requirements imposed by the Regulator for Social Housing. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law and liquidity, and certain aspects of company legislation recognising the financial and regulated nature of the Charity's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and

transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Trustees are responsible for the other information, which comprises Annual Report and Trustees Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- We have not identified material misstatements in the other information;
- In our opinion the information given in Annual Report and Trustees report for the financial year is consistent with the financial statements; and
- In our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- The Charity financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 59, the Trustees are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Harry Mears

(Senior Statutory Auditor)

for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
66 Queen Square,
Bristol,
BS1 4BE

28 September 2022

08

STATEMENT OF COMPREHENSIVE INCOME

Statement of Comprehensive Income

For the year to 31 March 2021

	Notes	2021-22	2020-21
		£000	£000
Turnover	3	40,379	36,963
Operating costs	3, 5, 8	(39,067)	(34,316)
Operating surplus		1,311	2,647
Interest receivable	6	1	2
Interest payable	7	(581)	(590)
Change in fair value of investment properties	12	1,247	73
Surplus for the year		1,978	2,132
Actuarial gain/(loss) in respect of pension schemes	22	1,618	(3,336)
Total comprehensive income for the year		3,596	(1,204)

All the above results derive from continuing operations.

These financial statements were approved by the Board on 28 September 2022 and signed on its behalf by:

Deborah Evans
Chair

Mandy Collins
Company Secretary

A. D. Evans

M & Collins

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year to 31 March 2022

	Accumulated capital fund	Revenue Reserve	Total
	£000	£000	£000
At April 2021	1,729	24,326	26,055
Surplus for the year	-	1,978	1,978
Other comprehensive income	-	1,618	1,618
Transfers	(62)	41	(21)
Total funds at 31 March 2022	1,667	27,963	29,630



09

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION

Statement of financial position at 31 March 2022

	Notes	2022	2021
		£000	£000
Tangible fixed assets			
Tangible fixed assets - properties	10	54,892	55,496
Tangible fixed assets - other assets	11	1,542	1,493
Investment properties	12	2,000	720
Total fixed assets		58,434	57,709
Current assets			
Properties held for sale	13	453	687
Stock		0	69
Trade receivables	14	3,100	3,702
Cash		7,115	5,580
		10,668	10,038
Creditors: amounts falling due within one year	15	(7,525)	(6,675)
Net current assets		3,142	3,363
Total assets less current liabilities		61,576	61,072
Creditors: amounts falling due after more than one year	16	(28,721)	(29,661)
Provisions: pensions deficit	21	(3,225)	(5,356)
Net current assets		29,630	26,055

STATEMENT OF FINANCIAL POSITION CONTINUED

	Notes	2022	2021
		£000	£000
Equity			
Designated reserves		1,667	1,729
Revenue reserves		27,963	24,326
Total funds		29,630	26,055

These financial statements were approved by the Board on 28 September 2022 and signed on their behalf:

Deborah Evans
Chair



Mandy Collins
Company Secretary



10 CASH FLOW STATEMENT

CASH FLOW STATEMENT

Cash flow statement for the year to 31 March 2022

	Notes	2021-22	2020-21 restated
		£000	£000
Cash flow from operating activities		4,138	3,901
Interest received		1	2
Interest paid		(471)	(548)
Cash outflow from financing activities		(470)	(546)
Cash outflow to capital expenditure			
Purchase or construction of housing properties		(1,245)	(502)
Purchase or construction of nursing properties		(40)	(38)
Purchase of other fixed assets		(453)	(140)
Capital grants received		0	611
Expenditure on stock		0	(69)
Fixed asset disposal proceeds		325	275
Total cash (out)/in flow from capital activities		(1,413)	(137)
Financing			
New loans drawn		0	0
Housing capital loans repaid		(720)	(2,558)
Total cash outflow from financing		(720)	(2,558)
Net change in cash and cash equivalents		1,535	934
Total cash outflow from financing		5,580	4,464
Total cash outflow from financing		7,115	5,580

Reconciliation of operating surplus to net cash inflow from operating activities for the year to 31 March 2022

	Notes	2022	2021 Restated
		£000	£000
Operating surplus before interest		1,311	2,647
Depreciation and impairment of tangible fixed assets		1,747	1,758
Grant amortisation		(321)	(322)
Deficit on disposal of tangible fixed assets		220	(39)
Pension movement		(513)	(580)
Cash inflow from financing activities		2,445	3,464
Working capital movements			
(Increase) in debtors		(341)	(770)
Increase in creditors		841	1,135
Less fair value changes in assets and liabilities		1,193	73
Net cash inflow from operating activities		4,138	3,901

STATEMENT OF CHANGES IN NET DEBT

For the year to 31 March 2022

	Cash and cash equivalents	2022	2021 Restated
Net debt at 1 April 2021	5,580	(13,204)	(7,624)
Cash flow in the year	1,535	720	2,255
Net debt at 21 March 2022	7,115	(12,484)	(5,369)

1. Legal Status

Brunelcare is a charity registered with the Charities Commission, under the Companies Act 2006, and with the Regulator for Social Housing as a social landlord. It is a company limited by guarantee, registered in England and Wales and, as such, has no share capital. The liability of the members, in the event of winding up, is limited to an amount not exceeding £1 per member. Brunelcare meets the definition of a public benefit entity.

2. Accounting policies

2.1. Basis of accounting

The financial statements have been prepared in accordance with Financial Reporting Standard 102 - the applicable financial reporting standard in the UK and Republic of Ireland (FRS102) and the Statement of Recommended practice: Accounting by Registered Social Housing Providers 2018 and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

2.2. Accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The organisation based its estimates and assumptions on parameters available at the time the financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market circumstances, legislation or other circumstances beyond the organisation's control. Such changes are reflected in the assumptions and estimates when they occur.

The judgements on estimated useful lives of property, plant and equipment have had the most significant effect on amounts recognised in the financial statements.

2.3. Estimated lives of Property, Plant and Equipment

At the date of capitalising tangible fixed assets, the organisation estimates the useful life of the asset based upon management's judgement and experience.

2.4. Impairment of trade and other receivables

The company makes an estimate of the recoverable value of trade and other account receivables. When assessing the impairment, management considers factors including the current credit rating of the account, the ageing

profile and historical experience. See note 14 for the net position of debtors and associated provision.

2.5. Valuation of housing properties

The Company tests annually whether there are any impairment triggers that would require the company to undertake a full impairment review of housing properties or other cash generating unit activities under FRS 102.

The recoverable value is assessed as the higher of fair value or value in use. The SORP 2018 – Social Housing Providers considers depreciated replacement cost as a reasonable estimate for value in use taking into consideration the service potential of social housing. The valuation of housing properties at the year-end have therefore been assessed using depreciated replaced cost. These calculations require the use of assumptions and estimates, in particular in relation to the identification of cash generating units, expected replacement cost and the service potential of the asset.

2.6. Measurement convention

The financial statements are prepared on the historical cost basis with Investment Properties and the Pension Deficit marked to Fair Value based on external valuations.

2.7. Going Concern

Brunelcare has sufficient financial resources based on forecasts and current expectations of future sector conditions. As a consequence, the Board believes that Brunelcare is well placed to manage their business risks successfully. The Board considers that Brunelcare has adequate resources to continue in operational existence for the foreseeable future. The Board therefore continues to adopt the going concern basis in preparing these financial statements.

2.8. Turnover

Turnover represents housing property rental income and service charges receivable, care home fees, day centre and domiciliary care fees receivable, fees receivable for home care services provided based on care hours provided and income from donations, and Social Housing Grant amortisation.

2.9. Revenue Recognition

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting. Income from first tranche sales and sales of properties built for sale is recognised at the point of legal completion of the sale. Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

2.10. Value added tax

Brunelcare charges value added tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by Brunelcare and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

2.11. Land and buildings

Works to existing properties are works which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business are capitalised. Subsequent additions have been, and future additions will be, taken in at cost, and

a policy of periodic valuation has not been adopted.

2.12. Investment properties

Investment properties are fixed assets that we intend to sell for a capital gain. They are held at fair value and revalued annually until sale by an experienced third-party valuer.

2.13. Shared Ownership properties held for sale

Shared ownership first tranche sales, completed properties for outright sale and property under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal. Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion of shared ownership properties is classed as a current asset in the Balance Sheet. Related sale proceeds will be included in Turnover in the year of sale. The remaining element of shared ownership properties is held in fixed assets and included in Shared Ownership Properties Held for Letting.

2.14. Leasehold properties held for sale

Buyback properties are valued at current market rates by an independent estate agent, prior to buyback. These are stated in the financial statements at the cost of the buyback. Buybacks are recognised in the accounts as a creditor when the deed of surrender has been received. Cash sales are recognised on completion with any sale proceeds included in Turnover and Costs of sales in expenditure.

2.15. Impairment

Housing properties which are depreciated over a period in excess of 50 years are subject to impairment reviews annually. Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down is charged to the income and expenditure account.

2.16. Depreciation

Social housing properties are depreciated on a straight-line basis over their estimated useful lives under component accounting. These components are:

Component	Useful life
Structure	75 years
Pitched roof	50 years
Flat roof	15 years
Doors & windows	30 years
Bathrooms	15 years
Kitchens	10 years
Wiring	30 years
Heating	20 years
Alarm/Call System	15 years
Lifts	25 years
Ground Works	30 years
Leasehold land	Lease Term

Freehold land is not depreciated.

Care homes are depreciated on a straight-line basis over their estimated useful lives under component accounting. Land is not depreciated. The land element for each property has been estimated at 15% of the total value, where not known.

2.17. Other fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight-line basis over their useful estimated lives:

Asset group	Useful life
Computer equipment	4 years
Motor vehicles	5 years
Office equipment	5 years
Fixtures and fittings	5 years
Offices	75 years

2.18. Capitalisation limit

The 'de minimis' limit for the capitalisation of purchased fixed assets was £1,000 per item during the year.

2.19. Social housing grants

Social housing grant (SHG) is receivable from Homes England (formerly the Homes and Communities Agency) and is utilised to reduce the capital costs of housing properties, including land costs. SHG due or received in advance is included in creditors. SHG received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with the Homes England. SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a Recycled Capital Grant Fund and included in the balance sheet in creditors.

2.20. Other capital grants

These include grants from local authorities and other organisations. Other grants are initially recognised at fair value as a long-term liability, specifically as deferred grant income and released through the statement of consolidated income as turnover over the life of the structure of housing properties in accordance with the accrual method applicable to social landlords accounting for housing properties at cost.

Grants in respect of revenue expenditure are credited to the statement of consolidated income in the same period as the expenditure to which they relate.

2.21. Interest payable

Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development, if it represents either:

- a) Interest on borrowings specifically financing the development programme after deduction of interest on social housing grant (SHG) in advance; or
- b) Interest on borrowings of the company as a whole after deduction of interest on SHG in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the income and expenditure account in the year.

2.22. Leases

Where Brunelcare enters into a lease, which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is the shorter.

Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account, and the capital element, which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and rentals are charged to the income and expenditure account on a straight-line basis over the life of the lease.

2.23. Service charge sinking funds

Included within the housing units managed by the organisation are 15 leasehold units. Sinking funds are maintained for the two sites involved to cover medium-term cyclical maintenance. In addition, a maintenance fund is maintained to cover day-to-day services. Within Community Services there are 56 units which also have a sinking fund.

2.24. Pension costs

Brunelcare is a member of the Social Housing Pension Scheme defined contribution section. In the year was also a member of the defined benefit section which provided benefits based on final pensionable pay or career average salary for some employees but was closed to new and existing staff in March 2019

For the Social Housing Pension Scheme defined benefit section, scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the Group through reduced contributions or through refunds from the plan.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Remeasurements are reported in other comprehensive income.

2.25. Supporting People

Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

2.26. Cyclical repairs and maintenance

Due to the number of properties held and the establishment of regular programmes of repair and maintenance, Brunelcare does not make provision for future works but charges actual costs incurred to the income and expenditure account unless capitalised under component accounting.

2.27. Tax

Brunelcare is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.28. Liquid resources

Liquid resources are readily disposable current asset investments. They include some money market deposits, held for more than 24 hours, which can only be withdrawn without penalty on maturity or by giving notice of more than one working day.

2.29. Reserves

Brunelcare establishes restricted reserves for specific purposes where their use is subject to external restrictions and designated reserves where reserves are earmarked for a particular purpose.

Brunelcare has a designated reserve which is the Accumulated Capital Funds reserve. Donations to capital appeals are accounted for as non-operating, ordinary activities in the Income and Expenditure Account and then taken to the designated Accumulated Capital Funds reserve. Transfers from the reserve are then made annually in proportion to the depreciation charge for the assets, which were purchased using the proceeds of the appeal.



3. Turnover, cost of sales, operating costs and operating surplus

TABLE A	Turnover	Cost of sales	Operating costs	Operating surplus/ (deficit)
	£000	£000	£000	£000
Social housing lettings (Table B)	8,652	0	(8,141)	511
Other social housing activity				
First tranche home ownership sales	550	(412)	0	138
Charges for support services	223	0	(165)	58
Other income	357	0	90	447
Activities other than social housing				
Care homes	23,197	0	(23,500)	(303)
Market rent	53	0	(62)	(9)
Other	7,347	0	(6,878)	469
Total	40,379	(412)	(38,656)	1,311

TABLE B	General needs	Supported Housing	Shared ownership	Total 2021-22	Total 2020-21
	£000	£000	£000	£000	£000
Turnover from social housing lettings					
Rent receivable net of identifiable service charges	18	5,486	133	5,637	5,139
Service charges receivable	4	2,564	55	2,623	2,386
Other income	0	49	6	55	73
Amortised Government grants	1	228	7	236	238
Government grants in income	0	18	0	18	9
Other grants amortised	0	71	12	83	82
Turnover from social housing lettings	23	8,416	213	8,652	7,927
Expenditure on social housing lettings					
Management services	6	1,823	45	1,874	1,095
Service charge costs	6	2,729	63	2,798	2,772
Routine maintenance	4	546	12	562	362
Planned maintenance	1	52	1	54	57
Major repairs expenditure	1	170	1	172	198
Depreciation	2	1,098	52	1,152	1,122
Bad debts	0	10	0	10	2
Other costs	2	1,445	72	1,519	1,311
Operating expenditure on social housing lettings	22	7,873	246	8,141	6,820
Operating surplus on social housing lettings	1	543	(33)	511	1,007
Void losses	0	85	0	85	121

Void losses are rental income lost as a result of property not being let, although it is available for letting.

4. Accommodation in management and development

At the end of the year units owned for each class of accommodation were:

	2021-22	2020-21
Social housing		
Social rent general needs housing	4	4
Social rent supported housing and housing for older people	1,110	1,110
Low cost home ownership	9	14
Social leasehold units owned	30	25
	1,143	1,153
Social housing units owned but not managed		
Social housing units owned but not managed	10	0
Non-social housing		
Total non-social housing rental units owned	301	301
Non-social rental housing units managed but not owned	88	88
Non-social leasehold units owned	56	56
	445	445

5. Operating surplus

	2021-22	2020-21
	£000	£000
Depreciation of fixed assets	1,747	1,758
Operating lease rentals		
Plant and machinery	21	71
Land and buildings	801	793
Vehicles	77	78
Auditor's remuneration		
Audit of these financial statements	48	39
Other services	3	3

6. Interest receivable and other income

	2021-22	2020-21
	£000	£000
Income from short term deposits	1	20
	1	20

7. Interest payable and similar charges

	2021-22	2020-21
	£000	£000
Bank loans and overdrafts	471	534
Pension remeasurement interest	110	56
	581	590

8. Employees

	2021-22	2020-21
	Number	Number
Average monthly number of employees	1,110	1,110
Average monthly employees, expressed as FTEs	854	846
	£000	£000
Employee costs		
Wages and salaries	20,135	19,396
Social security costs	1,745	1,594
Defined benefit pension costs	0	91
Pension costs	509	409
	22,389	21,490

The average monthly employees, expressed as full-time equivalents, is calculated from monthly data collected by Brunelcare's HR department which records starters, leavers, hours worked, gender etc. The data are circulated monthly to aid managers' decisions.

Brunelcare employees are entitled to membership of the Social Housing Pension Scheme (SHPS). Some members of the SHPS also contribute additional voluntary contributions to The Pension Trust's Growth Plan. Brunelcare also complies with the Government scheme of auto-enrolment and has legal duties to enrol eligible job-holders into a qualifying workplace pension scheme and make contributions towards it. Further information on the scheme is given in Note 23.

Brunelcare has the following numbers of employees earning £60,000 or more, shown in bands of £10,000.

	2021-22	2020-21
	Number	Number
£60,000 to £70,000	1	3
£70,000 to £80,000	3	2
£80,000 to £90,000	1	1
£90,000 to £100,000	1	0
£120,000 to £130,000	1	1

9. Board members and executive directors

The key management personnel are deemed to be the board members and executive directors.

	Remuneration	Pension contributions	2021-22 total	2020-21 total
	£000	£000	£000	£000
Oona Goldsworthy	120	4	124	115
	120	4	124	115

None of the non-executive board members received emoluments. The emoluments of the highest-paid executive director, the Chief Executive, was £120,405 (2021: £115,640).

The Chief Executive is a member of the Charity's defined contribution pension scheme on the same basis as other staff. She is entitled to three months' notice and is required to give the same.

The total emoluments of the executive directors, including pension contributions, were £601,922 for the year ended 31 March 2022 (2021: £568,590). The £601,922 was made up of salaries of £585,687 and pension contributions of £16,235.



10. Tangible fixed assets – properties

	Social housing properties	Shared ownership properties	Community services	Care homes	2021-22 total
	£000	£000	£000	£000	£000
Cost					
At April 2021	63,886	1,543	482	17,531	83,442
Additions in year	1,244	1	0	40	1,285
Disposals	(468)	0	0	(6)	(474)
At balance sheet date	64,662	1,544	482	17,565	84,253
Depreciation					
At April 2021	(22,477)	(136)	(58)	(5,275)	(27,946)
Charge for the year	(1,209)	(34)	(13)	(349)	(1,605)
Released on disposal	186	0	0	4	190
At balance sheet date	(23,500)	(170)	(71)	(5,620)	(29,361)
Net book value					
At April 2021	41,409	1,407	424	12,126	55,496
At balance sheet date	41,162	1,374	411	11,945	54,892

	2021-22		2020-21	
	Social housing properties	Care homes	Social housing properties	Care homes
	£000	£000	£000	£000
Fixed assets with restricted title - leasehold land	1,406	0	1,420	0
Fixed assets pledged as security	17,390	3,145	18,202	3,265

10. Tangible fixed assets – properties (Continued)

	Sale proceeds	Cost of sales	Disposal of fixed assets	Gain on sale 2021-22	Gain on sale 2020-21
	£000	£000	£000	£000	£000
Cost					
Shared ownership - first tranche sales	550	(412)		138	123
Shared ownership - staircasing	325		(227)	98	73
	875	(412)	(227)	236	196



11. Tangible fixed assets – other assets

	Assets under construction	Offices	Fixtures and Fittings	Computer equipment	Motor vehicles	2021-22 total
	£000	£000	£000	£000		£000
Cost						
At April 2021	30	1,333	2,682	1,661	157	5,863
Additions in year	0	0	13	440	0	453
Transfers	(30)	0	0	30	0	0
Disposals	0	(334)	(19)	(931)	(31)	(1,315)
At balance sheet date	0	1000	2,676	1,200	126	5,002
Depreciation						
At April 2021	0	(163)	(2,592)	(1,465)	(151)	(4,371)
Charge for the year	0	(15)	(42)	(82)	(3)	(142)
Released on disposal	0	74	18	930	32	1,054
At balance sheet date	0	(104)	(2,616)	(617)	(123)	(3,460)
Net book value						
At April 2021	30	1,170	90	196	6	1,493
At balance sheet date	0	896	60	583	3	1,542

12. Investment properties

	2021-22	2020-21
	£000	£000
Land cost at start of period	720	647
Additions at cost in the year	33	0
Changes in fair value in the year	1,247	73
	<u>2,000</u>	<u>720</u>

The land held as an investment property is two-thirds of the value of a plot of land in Nailsea, North Somerset, that was gifted without restriction to Brunelcare and St Peter's Hospice by the late Mrs Mary Sophia Shepstone. The two charities have been granted planning permission and, at the year-end, had agreed to sell the land to a developer for around £2.0m.

After the year-end, the land was sold for £2.017m.

13. Properties held for sale

	2021-22	2020-21
	£000	£000
Properties held for sale	<u>453</u>	<u>687</u>
	<u>453</u>	<u>687</u>

14. Debtors

	2021-22	2020-21
	£000	£000
Rents, fees and service charges receivable	3,230	3,027
Less provisions for bad debts	(1,353)	(571)
	<u>1,878</u>	<u>2,456</u>
Prepayments	728	785
Accrued income	494	461
	<u>3,100</u>	<u>3,702</u>

	2021-22	2020-21
	£000	£000
Rent arrears		
Housing current tenants	82	114
Housing former tenants	6	19
Extra care current tenants	29	45
Extra care former tenants	4	1
Gross social housing rent arrears	<u>121</u>	<u>179</u>

15. Creditors: amounts falling due within one year

	2021-22	2020-21
	£000	£000
Bank loans within one year	712	720
Trade creditors	677	739
Rent and service charges received in advance	795	318
Other taxation and social security	621	615
Payroll costs	1,781	1,833
Other creditors	803	1,264
Accruals & Deferred income	2,136	1,186
	<u>7,525</u>	<u>6,675</u>

16. Creditors: amounts falling after more than one year

	2021-22	2020-21
	£000	£000
Bank loans	11,772	12,484
Other long-term creditors	469	351
Social housing grant	11,436	11,759
Other grants	4,954	5,035
Recycled capital grant fund	85	-
Pension liability	5	23
	<u>28,721</u>	<u>29,661</u>

17. Deferred capital grants

	Social Housing Grants	Other Grants
	£000	£000
Balance brought forward	12,000	5,117
Amortised in the year	(240)	(81)
Moved to Recycled Capital Grant Fund	(85)	0
Balance carried forward	<u>11,675</u>	<u>5,036</u>

18. Bank loan analysis

	2021-22	2020-21
	£000	£000
Bank loans due within one year	712	720
Bank loans due after one year	11,772	12,484
Social housing grant	<u>12,484</u>	<u>13,204</u>

The bank loans are secured by individual charges over individual properties.

The bank loans are repayable by instalments at fixed rates of interest ranging from 3.5% and 11.7% with three loans totalling £4,461k on Libor rates. Based on the lender's earliest repayment dates, borrowings are repayable as follows:

	2021-22	2020-21
	£000	£000
Within one year	712	720
Between two and five years	2,893	2,882
After five years	8,879	9,602
	<u>12,484</u>	<u>13,204</u>

19. Financial commitments

Capital expenditure commitments were as follows:

	2021-22	2020-21
	£000	£000
Authorised by the Board but not contracted	4,870	1,584
Contracted but not delivered by the year-end	2,462	1,345

The above commitments will be financed using existing cash reserves and drawings from our £5m revolving credit facility.

The future lease payments payable under non-cancellable leases are as follows:

	2021-22	2020-21
	£000	£000
Land and buildings		
Less than one year	788	789
One to five years	3,079	3,067
Beyond five years	13,752	14,515
	<u>17,619</u>	<u>18,371</u>
Office equipment, computers and vehicles		
Less than one year	91	90
One to five years	118	168
	<u>209</u>	<u>258</u>

19. Financial commitments

There were 10 Woodland Court properties remaining as 31st March 2022 which are owned by the current residents where their lease includes a buyback obligation clause. As such, Brunelcare may be obliged to buy back these properties at some future date and the properties would then be resold. On 31st March 2022 no buyback clauses had been activated. These transactions are uncertain and therefore an amount has not been disclosed (2021: nil).

On 5th April 2022 we suffered a fire in a flat at one of our housing properties, where the occupant sadly lost their life. The fire defences at the site operated as planned and the fire was contained within the single flat and the running of the block is otherwise unaffected. At the moment, no detrimental financial effects are expected from the incident.

21. Related parties

The Social Housing Pension Scheme, managed by The Pensions Trust, is a related party. The details of the relationship are set out in Note 22.

22. Pension schemes

The Charity participates in two defined benefit pension schemes, the Social Housing Pension Scheme and the Growth Plan, both of which are multi-employer final salary schemes. Both schemes are now closed to members.

It is not possible for the Charity to obtain sufficient information to enable it to account for the Growth Plan as a defined benefit scheme. Therefore, it

accounts for the scheme as a defined contribution scheme. The Charity's current liability for the Growth Plan is £8k (2021: £42k).

Brunelcare has been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but given the current level of uncertainties, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

22.1 Social Housing Pension Scheme – Defined Benefit section

The Charity participates in the scheme, a multi-employer scheme which provides to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK and The Pension Trust, which administers the Social Housing Pension Scheme, has undertaken an exercise to disaggregate the assets and liabilities of the fund between the various participating members so that, for both financial years, Brunelcare's full share of the assets and liabilities are shown on the balance sheet. The movement in the year comprises the movements between the opening and closing scheme assets and liabilities attributable to Brunelcare.

The movement in the year in the pension scheme on the defined benefit approach is:

Fair value of plan assets, present value of defined benefit obligation and defined benefit asset/(liability)

	31st March 2022	31st March 2021
	£000	£000
Fair value of plan assets	22,265	21,470
Present value of defined benefit obligation	25,490	26,826
Deficit in plan	(3,225)	(5,356)
Unrecognised surplus	0	0
Defined benefit liability to be recognised	(3,225)	(5,356)

Reconciliation of opening and closing balances of the defined benefit obligation

	2021 - 22
	£000
Defined benefit obligation at start of period	26,826
Expenses	36
Interest expense	578
Actuarial losses due to scheme experience	1,063
Actuarial gains due to changes in demographic assumptions	(415)
Actuarial gains due to changes in financial assumptions	(1,973)
Benefits paid and expenses	(625)
Defined benefit obligation at the end of the period	25,490

Reconciliation of opening and closing balances of the fair value of plan assets

	2021 - 22
	£000
Fair value of plan assets at start of period	21,470
Interest income	468
Experience on plan assets (excluding amounts included in interest income) gain	269
Employer contributions	683
Benefits paid and expenses	(625)
Fair value of plan assets at the end of the period	22,265

Defined benefit costs recognised in Statement of Comprehensive Income

	2021 - 22
	£000
Expenses Fair value of plan assets at start of period	36
Net interest expense	110
Defined benefit costs included in the Statement of Comprehensive Income	146

Defined benefit costs recognised in other comprehensive income

	2021 - 22
	£000
Experience on plan assets (excluding amounts included in interest income) gain	269
Experience gains and losses arising on plan liabilities - (loss)	(1,063)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain	415
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	1,973
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain	1,594
Effects of other changes in the amount of surplus that is not recoverable (excluding amounts included in the net interest cost) - gain/(loss)	0
Total amount recognised in Other Comprehensive Income - gain	1,594



Assets

	31st March 2022	31st March 2021
	£000	£000
Global equity	4,273	3,422
Absolute return	893	1,185
Distressed opportunities	797	620
Credit relative value	740	676
Alternative risk premia	734	809
Fund of hedge funds	0	2
Emerging markets debt	648	867
Risk sharing	733	781
Insurance-linked securities	519	516
Property	601	446
Infrastructure	1,586	1,431
Private debt	571	512
Opportunistic illiquid credit	748	546
High yield	192	643
Opportunistic credit	79	589
Cash	76	0
Corporate bond fund	1,485	1,268
Liquid credit	0	256
Long lease property	573	421
Secured income	830	893
Liability driven investment	6,212	5,456
Currency hedging	(87)	0
Net current assets	62	131
Total assets	22,265	21,470

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Key assumptions

	31st March 2022	31st March 2021
	% per annum	% per annum
Discount rate	2.79	2.18
Inflation (RPI)	3.57	3.27
Inflation (CPI)	3.19	2.87
Salary growth	4.19	3.97
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31st March 2022 imply the following life expectancies:

	Life expectancy at age 65
	Years
Male retiring in 2022	21.1
Female retiring in 2022	23.7
Male retiring in 2042	22.4
Female retiring in 2042	25.2

22.2. Social Housing Pension Scheme – Defined Contribution section

Brunelcare has a legal duty to enrol eligible employees into a qualifying workplace pension scheme and make contributions towards it. The employee is not required to take any action in order to become an active member of the scheme. An employee who has been automatically enrolled is free to opt-out and get a refund of the contributions they have paid.

Brunelcare uses the Social Housing Pension Scheme - Defined Contribution Section to invest these contributions.

22.3. Dementia Care Trust group personal pension scheme

The acquisition of the assets and liabilities of the Dementia Care Trust (DCT) in July 2007 meant that the existing pension arrangements for employees of DCT, who remain on DCT employment contracts, became part of the overall Brunelcare pension arrangements. The scheme is a defined contribution scheme and Brunelcare contributed at the rate of 5% of salary with employees contributing at rates between nil and 5%. Being a defined contribution scheme there are no ongoing liabilities for Brunelcare. As at 31st March 2022 there were no members of the scheme, the final one having retired from Brunelcare's employment.

12 DETAILS OF KEY INDIVIDUALS

Details of key individuals and organisations involved in the leadership, oversight and audit of Brunelcare in the year to 31 March 2022

TRUSTEES

Deborah Evans	Chair of The Board
Ian Turner	Vice Chair of the Board and Chair of the Audit, Risk and Finance Committee (until 28 September 2021)
Andrew Sloman	Chair of the Audit, Risk and Finance Committee (from 1 September 2021)
Nick Hooper	Chair of the Performance Quality and Experience Committee
Harry Hayer	Chair of the Remuneration and Nomination Committee
Phil Hope	Senior Independent Director
Alison Comley	
Kate Innes (Still)	
Anthony Oldfield	
Tony Wilson	
Jo Makinson	(from 7 October 2021)

SENIOR LEADERSHIP TEAM

Oona Goldsworthy	Chief Executive Officer
Brian Whittaker	Director of HR and OD
Chris Wall	Director of Finance (resigned in September 2022)
Matthew Bell	Director of Strategy and Transformation
Michelle Caine	Director of Community Services (until 30 August 2021)
Michelle Richards	Director of Housing Services
Sandra Payne MBE	Director of Nursing and Care Services
Mandy Collins	Company Secretary and Head of Corporate Governance

Registered Office

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Web: www.brunelcare.org.uk

Registered Numbers

Company – 601847 (registered by guarantee)

Charity – 201555

Regulator for Social Housing – LH0269

Care Quality Commission registration no. CRT1-579008632

External Auditors

KPMG LLP 66 Queen Square Bristol BS1 4BE

Internal Auditors

RSM Risk Assurance Services LLP Hartwell House 55-61
Victoria Street Bristol BS1 6AD

Head Office

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Registered Charity 201555.



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