BRUNELCARE

England & Wales · Charity number 201555

Details

Other names	BRISTOL AGE CARE, BRISTOL OLD PEOPLE'S WELFARE INCORPORATED
Status	Registered
Legal form	Charitable company
Company number	00601847
Registered	1962-03-05
Register	View on the Charity Commission register

Contact

Address	Brunelcare Offices Saffron Gardens Prospect Place Bristol BS5 9FF
Phone	07795822250
Email	INFO@BRUNELCARE.ORG.UK
Website	www.brunelcare.org.uk

Activities

Objects: THE OBJECTS FOR WHICH THE ASSOCIATION IS ESTABLISHED ARE: SPECIFICALLY RESTRICTED TO THE FOLLOWING:5.1.1 THE BUSINESS OF PROVIDING AND MANAGING HOUSING AND CARE, INCLUDING SOCIAL HOUSING AND PROVIDING ASSISTANCE TO HELP HOUSE PEOPLE AND ASSOCIATED FACILITIES, AMENITIES AND SERVICES FOR PEOPLE OF LESSER MEANS OR FOR THE CARE OF AGED, DISABLED (WHETHER PHYSICALLY OR MENTALLY) OR CHRONICALLY SICK PEOPLE;AND 5.1.2 ANY OTHER CHARITABLE OBJECT THAT CAN BE CARRIED OUT FROM TIME TO TIME BY A CHARITY OR PROVIDER OF CARE REGISTERED WITH THE CARE QUALITY COMMISSION AND PROVIDER OF SOCIAL HOUSING REGISTERED WITH THE REGULATOR.

Activities: Brunelcare is a registered charity and social landlord providing choice and care for older people in Somerset, North Somerset, Gloucestershire, South Gloucestershire and Bristol. Brunelcare provides sheltered and extra care housing, care homes and domiciliary care and support.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, Accommodation/housing
- **Who:** Elderly/old People, People With Disabilities

Geography

- **Area of benefit:** BRISTOL AND DISTRICT
- Bristol City
- North Somerset
- Somerset
- South Gloucestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£49,626,000	£46,253,000	£36,837,000	1106
2024-03-31	£48,030,000	£43,267,000	£33,424,000	1112
2023-03-31	£43,270,000	£42,022,000	£29,809,000	1118
2022-03-31	£40,379,000	£39,067,000	£29,631,000	1110
2021-03-31	£36,965,000	£34,906,000	£26,055,000	1110

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Trustees

Name	Role	Appointed
Alison Hilda Comley		2020-09-22
Andrew George Sloman		2021-09-01
Anthony Charles Oldfield		2020-09-22
Carol Slater		2024-07-01
GRAHAM ANDREW RUSSELL		2023-07-01
Joanna Makinson		2021-10-07
John Leslie Rew		2023-03-10
Mandip Singh Hayer		2019-02-15
Michael Anthony Grist		2025-07-01
Nicholas Stuart Hooper		2018-03-13
Oona Mary Goldsworthy		2020-05-19
Philip Ian Hope		2019-02-28

Linked charities

- BELGRAVE HOME OF REST FUND (201555-1)
- ELIN TRUST (201555-2)

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BRUNELCARE

England & Wales - Charity number 201555

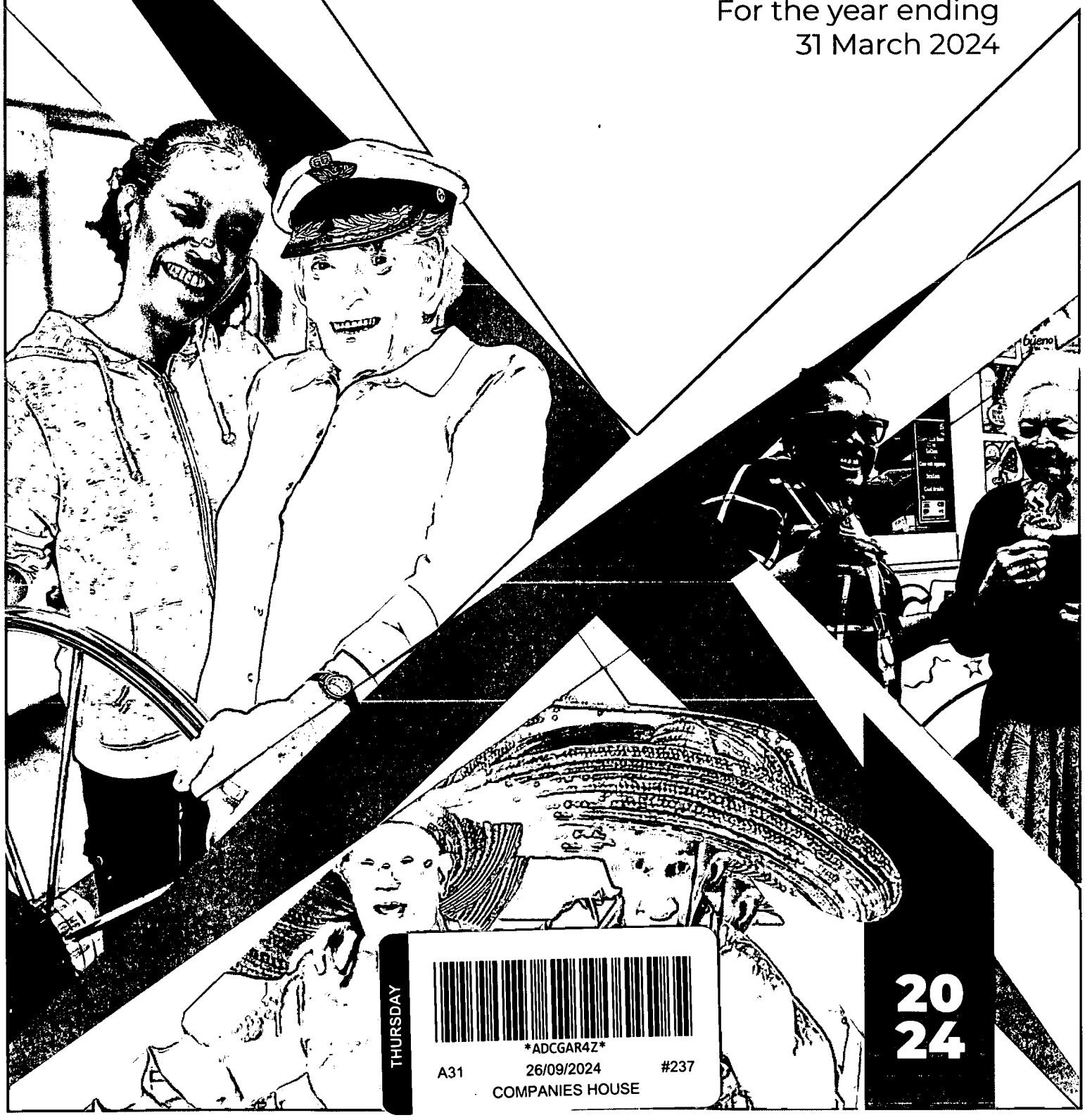
Accounts

brunelcare

Annual Report

and Financial Statements

For the year ending
31 March 2024



THURSDAY
ADCGAR4Z
A31 26/09/2024 #237
COMPANIES HOUSE

2024

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01 CHAIR AND CHIEF EXECUTIVE'S INTRODUCTORY STATEMENT

We are proud to present this overview of 2023-24, which was very much a year of two parts, with the start a time of continued pressures and hardship as a result of rising energy costs and the latter part a period of greater optimism and improvement.

Brunelcare's most recent strategic plan, 'Brunelcare: Our Future' ends in 2024. It was devised during COVID-19 and reflected the crisis caused by the pandemic. The external and internal environments are now very different, and so during the year we took the opportunity to reflect on the impact and outcomes of that strategy in order to inform a new, more progressive one. Our new Strategic Plan is ambitious and set over the next six years to allow for significant investment in our existing homes and a step change in how we deliver services so that they better reflect the changing needs and expectations of our customers and meaningful engagement in our governance.

Meeting the needs of our customers within the homes they live in and providing quality care and support is our key priority, therefore customer engagement and feedback is a fundamental strand running through the Strategy. Our Residents First Group has provided us with invaluable insight on what's most important to them in respect of our approach and the services we provide. We are committed to working even more collaboratively with our customers across all our sites and services to modernise and transform our services. Building on the learning from our Residents First Group, we have established a similar group for those who access our care services and look forward to working with both groups in the year ahead.

The increase in energy prices over the last two years has been a big challenge for us all. Last year, Brunelcare applied for the higher rate of the Energy Bills Discount Scheme (EBDS) related to heat networks on behalf of our residents. We found out in late 2023 that our application was successful. This discount has now been passed on directly to our customers.

To help improve the efficiency and effectiveness of the services, we continued to push ahead with an ambitious programme of IT and digital transformation. The continued development of our new housing management system has been a significant piece of work which will assist in improving the services we provide to our housing and extra care housing residents.

We endeavour to provide excellent homes and services to our customers while maintaining a good position financially. We ended the financial year in a sustainable financial position and this has enabled us to move forward in relation to our plans for developing and updating our sites. This is an exciting step and we will move forward with the full involvement and engagement of our customers.

We are extremely proud of our colleagues who work tirelessly to deliver and improve our homes and services. We know that there is much more to do, but would like to thank them for their continued commitment and support.

Finally, we would like to welcome Carol Slater to the Board. Carol joined us in July 2024 and will be a real asset to the team, bringing a wealth of experience in public health and community engagement.

Oona Goldsworthy
Chief Executive

Graham Russell
Chair

02 ABOUT THIS ANNUAL REPORT

What information will you find in our annual report

Our Annual Report provides information about how we performed in 2023-24, describes what we will do during the next 12 months to further improve the services we provide and explains how important it is for us to work with and listen to our customers, clients and commissioners, so that we can continue to deliver services that meet their needs.

This Annual Report comprises:

- A Performance Overview
- 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
- The Financial Statements

03 PERFORMANCE OVERVIEW

A summary of how we performed against the key performance measures set by the Board and the Regulator for Social Housing can be found below:

The Regulator for Social Housing introduced tenant satisfaction measures (TSMs) in April 2023 as a metric by which to assess the performance of social landlords in providing quality homes and services. There are 22 tenant satisfaction measures and 12 of these are measured through tenant perception surveys (please see below).

A further 10 are measured through the collection and analysis of management information (see page 8).

The Tenant satisfaction measures (TSM's) allow us to monitor and benchmark our performance against our peers as the information is published by HouseMark. Where measures do not meet our targets, we will focus resources to improve performance in 2024-25.

TENANT SATISFACTION MEASURES	2024 RESULT (% OF TENANTS SATISFIED)
Taking everything into account, how satisfied or dissatisfied are you with the service provided by Brunelcare?	**83.0**
How satisfied or dissatisfied are you with the overall repairs service from Brunelcare over the last 12 months?	**85.1**
How satisfied or dissatisfied are you with the time taken to complete your most recent repair after you reported it?	**84.4**
How satisfied or dissatisfied are you that Brunelcare provides a home that is well maintained?	**86.7**
Thinking about the condition of the property or building you live in, how satisfied or dissatisfied are you that Brunelcare provides a home that is safe?	**87.2**

TENANT SATISFACTION MEASURES	2024 RESULT (% OF TENANTS SATISFIED)
How satisfied or dissatisfied are you that Brunelcare listens to your views and acts upon them?	**67.6**
How satisfied or dissatisfied are you that Brunelcare keeps you informed about things that matter to you?	**79.6**
To what extent do you agree or disagree with the following "Brunelcare treats me fairly and with respect"?	**81.4**
How satisfied or dissatisfied are you with Brunelcare's approach to complaints handling?	**52.1**
How satisfied or dissatisfied are you that Brunelcare keeps communal areas clean and well maintained?	**83.0**
How satisfied or dissatisfied are you that Brunelcare makes a positive contribution to your neighbourhood?	**64.6**
How satisfied or dissatisfied are you with Brunelcare's approach to handling anti- social behaviour?	**63.6**

Click here to find out more information about these results or follow the link below to our website
www.brunelcare.org.uk/about-us/reports-publications/customer-satisfaction-survey/

Aim: A Place to Call Home

The performance measures that link in with the Tenant Satisfaction Measures are highlighted in blue.

	2023-24 TARGET	Q4 2023-24 PERFORMANCE
Average Let Times for ECH Properties	28 days	18 days
Average Let Times for Housing Properties	21 days	23 days
Asbestos Management Surveys/Re-inspections	100%	100%
Electrical Fixed Wire Testing (Domestic)	100%	97.5%
Electrical Fixed Wire Testing (Communal)	100%	92.9%
Fire Risk Assessments	100%	100%
Gas Safety Checks	100%	100%
Legionella Risk Assessments	100%	100%
Lift Safety Checks	100%	100%

Carbon Monoxide Alarms (% in Place and Maintained)	100%	100%
% of Responsive Repairs Completed First Time	85%	88%
Care Home Occupancy	95%	95.5%
Proportion of Homes That Do Not Meet the Decent Homes Standard	0%	4.1%
Proportion of Non-Emergency Responsive Repairs Completed within the Landlord's Target Timescale	100%	90.5%
Proportion of Emergency Responsive Repairs Completed within the Landlord's Target Timescale	100%	71.4%

Aim: The Right Care and Support

	2023-24 TARGET	Q4 2023-24 PERFORMANCE
Outcome of CQC Inspections (% Good)	100%	100%
Employee Sickness Rates (for the 12 months preceding April 2024)	4.5%	5.36%
Employee Retention Levels (for the 12 months preceding April 2024)	>85%	83.7%

Aim: A Good Quality of Life in the Community

	2023-24 TARGET	Q4 2023-24 PERFORMANCE
Complaints Raised to Stage 2	≤2	2
Complaints Raised to Stage 2 (% of Complaints)	0%	8%
Stage 1 Complaints Acknowledged Within 3 Working Days %	100%	96%

Proportion of Stage 1 complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales	100%	79.3%
Stage 1 Complaints Responded to Within 10 Working Days %	100%	76%
Stage 2 Complaints Responded to Within 20 Working Days %	100%	54.6%
Number of Stage 1 Complaints per 1000 Housing Units (Whole of 2023-24)	No target agreed	50
Number of Stage 2 Complaints per 1000 Housing Units (Whole of 2023-24)	No target agreed	9.4
Number of ASB Cases Opened	40	5
Number of ASB Cases Closed as Resolved as % of Cases Opened	85%	60%
Number of ASB Cases per 1000 Housing Units (Whole of 2023-24)	No target agreed	86.1
Number of ASB Cases that Involve Hate Incidents per 1000 Housing Units (Whole of 2023-24)	No target agreed	0.8

We have detailed how we are acting on each of these measures throughout the rest of the report.

04 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

Brunelcare offers a complete care and support pathway in our communities, starting in residents' own homes, 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, with three extra care housing schemes and a retirement village, all within the greater Bristol area. Care is provided in people's own homes, in six specialist care homes and one reablement facility 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 1,100 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).

Our vision, mission and strategic objectives

Brunelcare's most recent strategic plan, 'Brunelcare: Our Future' ended in April 2024. The new Strategic Plan, approved by the Board in June 2024, is ambitious and set over the next six years to allow for significant investment in our existing homes. It is a step change in how we deliver services so that they better reflect the changing needs and expectations of our customers and provide meaningful engagement in our governance.

Brunelcare's mission, vision, and values drive the strategy. They are aligned to Outcome Measures developed in consultation with our customers. In preparing our new strategy, these Outcome Measures helped us understand what matters most to our customers.

Mission:

To provide person-centred care, housing, support and community living for later life.

Vision:

'Later living that makes the most of every moment'.

Outcomes:

- 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

These outcomes are measured through an annual survey of all our customers. The latest survey results are summarised on page 17.

Strategic AIMS

Our three strategic aims have been designed to help ensure we can achieve the outcomes set out above for our customers. They are:

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.

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 and partners to provide the care and support that's right for everyone.

A Good Quality of Life in the Community:

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

A series of Enabling Strategies will support the delivery of the Strategy.

The Strategy is a key governance document for Brunelcare and the delivery of the Strategic Objectives and aims is monitored by the Board. Each year, the Board agrees an Annual Business Plan and related Integrated Performance Plan. Each Committee takes responsibility for scrutinising the actions, targets and key performance indicators that are aligned to its Terms of Reference.

Click here for the new Strategy and Annual Business Plan for 2024-25 or follow the link below

www.brunelcare.org.uk/about-us/who-we-are/our-strategy

Equity, Equality, Diversity and Inclusion

In 2022, Brunelcare set out to develop a strategy to drive equity, equality, diversity, and inclusion (EEDI).

The EEDI strategy is for all colleagues, customers, tenants and residents across the charity and ensures Brunelcare is an inclusive place to live and work.

Our EEDI vision is simple, we will:

a. Be a fair and inclusive employer, landlord and care provider.

b. Put our residents' needs first and understand that their needs are varied and different.

c. To meet those needs, we will truly listen to residents' feedback and consider how our work impacts them.

d. Create a working environment that is inclusive and free from discrimination or harassment.

e. Embed good EEDI practice across the organisation, recognising the importance of ensuring development and action(s) are cross-cutting.

Brunelcare colleagues and residents contributed to the EEDI strategy with help from internal staff groups such as The Brunelcare Equality Forum and the Colleague Voice Committee.

Click here for our EEDI Strategy or follow the link below:

www.brunelcare.org.uk/about-us/reports-publications/equality-and-diversity-strategy/

Together with Customers Charter

The importance we place on improving our services led to the development of a 'Together with Customers Charter'.

Together with Customers

As reported last year, 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'.

The Charter was developed with customers and reflects what matters most to them. It 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.

Residents First Group

A Residents First Group, which was first established in early 2023, has continued to develop and is playing an important role in shaping the services Brunelcare provides and its relationship with residents. Over the course of the last year, the group has met regularly and covered a range of topics including ongoing concerns around communication, understanding service charges and the Charity's Lettings and Allocations Policy.

The Group has made key contributions in the following areas:

- **Strategic Plan:** the Group was engaged at every stage of developing Brunelcare's new Strategic Plan for 2024 to 2030. Its emphasis on the importance of community and customer service is reflected in the final Strategy.
- **Customer Satisfaction Survey:** members took part in a focus group to ensure this year's survey was as clear, accessible and relevant as possible. The Group is working closely with Brunelcare to analyse the results of the survey and develop the actions the Charity will take as a result.
- **Communication:** concerns raised by the Group have led to direct changes within Brunelcare, including a clearer glossary of terms being provided with service charge letters to residents and changes to the format of resident site meetings to offer resident 'surgeries' to address specific individual issues.

Along with Brunelcare's Head of Communications and Engagement, Group member Janet Cruickshank attended the National Housing Federation's Customer Engagement Conference in February 2024. Janet of Cote Paddock said:

> **"It was a great experience to go to an event like this, and meet people working at all levels within the housing sector, and hear how they are focused on every aspect of helping their residents."**

The work of the Group is being shared with residents more widely through the Grapevine magazine and in site meetings.

The Residents First Group is comprised of people living on our sheltered and extra care housing sites. It is crucial that people Brunelcare supports in its care services also have the opportunity to influence and shape our work. We are establishing a new care-focussed reference group, comprised of both care customers and relatives, to ensure their voice is also heard.

What our customers say about us

Brunelcare commissioned a new external provider - ARP Research - to conduct our Customer Satisfaction Survey for 2024. The survey was available to all customers across Brunelcare's services, and could be completed as a paper questionnaire or online. In total, we received more than 800 individual responses, which was a 45% response rate.

Tenant Satisfaction Measures

87%

feel that their home is **safe**

87%

feel that their home is **well maintained**

85%

are **satisfied with Brunelcare's repair service** over the last 12 months

Suggestions for improvements

The proportion of respondents who said they were satisfied Brunelcare makes a positive **contribution to their neighbourhood** fell to

85%

satisfaction with the approach to **handling antisocial behaviour** dropped to

64%

Quality and responsiveness of care

99%

in community care said they were **satisfied** with the quality of care they received

95%

in care homes were **satisfied** with the level of involvement in deciding their care and support needs

94%

enjoyed activities in our care homes, including entertainment and outings

Satisfaction over time

Since 2021/22 the **overall satisfaction has remained stable** at

87%

Compared to 2021/22 there has been **significant improvements** in customers':

PEACE OF MIND

↑ 4%

HEALTH AND HAPPINESS

↑ 9%

however

fewer residents now feel **proud of their home**

↓ 5%

and fewer residents now feel **financially comfortable**

↓ 9%

Suggestions for improvement

The most commonly requested single improvement amongst tenants is

more availability of on-site staff

↑ 6%

of all survey respondents (30 individuals).

When housing customers were asked how communication should be improved, the joint most commonly mentioned change is for Brunelcare to

answer the phone when they call

5%

of all survey respondents (27 individuals) thought this.

Click here for the full report on the Customer Satisfaction Survey or follow the link below:

www.brunelcare.org.uk/about-us/reports-publications/customer-satisfaction-survey/

Our Customers said and we did

Feedback from our customers is vital to help improve our services, maintain their homes and support them better.

Here are some recent examples of issues raised by residents at Quarterly Site Meetings and how we have responded to them...

THEY SAID

The residents at St Michael's Close advised us that they were unsure how to work their new heaters and told us that the large instruction manual they were given was not user-friendly.

WE DID

Our Asset Manager, Elly Weale, together with Chris Verrinder from Dimplex, attended a coffee morning with the residents in January to chat with them about their concerns and help them understand how to use the new storage heaters.

THEY SAID

The residents at Garden Close requested that CCTV be installed following a recent break-in at the site.

WE DID

Following consultation with all residents, the CCTV was installed and has been active since 22 January 2024.

THEY SAID

The residents at Willow Bank requested that additional signage be installed around the site's entrance, following concerns that delivery drivers couldn't easily see the current signs.

WE DID

The marketing team designed two new signs, which local company Rockwell Signs installed on 9 January 2024.

THEY SAID

The residents at Spinney Croft requested that additional signage be placed at the entrance to the site to reinforce the speed limit whilst driving on site.

WE DID

New signage was placed on the front gates of the site on 21 November 2023.

THEY SAID

Improvements needed to be made in relation to site cleaning.

WE DID

We ended the previous cleaning contract in January 2024 and are trialling a new contractor called 'Supreme Cleaning'.

Complaints, Concerns and Compliments

Brunelcare considers all feedback to be a gift as it drives continuous improvement; this includes comments, concerns, complaints and compliments. Without feedback from our customers, we have fewer opportunities to develop as an organisation and as individuals.

Our Complaints Officer oversees the complaints process and ensures that complaints and concerns are reviewed, resolved and learnt from. The Board's Performance, Quality and Experience Committee reviews trends, compliance with key performance measures and our Managing Comments, Concerns, Complaints and Compliments Policy on a quarterly basis.

Between 1 April 2023 and 31 March 2024, 79 Stage 1 complaints were received. Brunelcare's Policy states that complaints will be acknowledged within 3 working days of receipt. Of the 79 Stage 1 complaints received, 77 (97%) were acknowledged within 3 working days.

Our Policy also states that we will aim to investigate and respond to complaints within 10 working days of the complaint being received. Of the 79 Stage 1 complaints received, 63 (80%) were responded to within 10 working days. This was a deadline that colleagues found difficult to meet due to a range of issues, including:

- The complexities of the complaint leading to more time required to fully investigate.
- Feedback being required from a number of individuals in order to fully investigate the complaint.
- Annual leave/bank holiday requiring an extension to complete the complaint investigation.

Our Complaints Officer continues to work with colleagues to support improved compliance with response deadlines. Where we are unable to meet deadlines, the Complaints Officer will ensure that the complainant is kept up to date with progress and an extension is agreed with the complainant, where possible.

199

compliments

about the services provided by Brunelcare and its employees were received and recorded centrally within the year.

We continue to work to further improve the recording and reporting of compliments.

Further information on our complaints process and how complaints were managed in 2023-24 can be found here: **www.brunelcare.org.uk/contact-us/make-a-complaint/**

05 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 is safe, caring, effective, responsive to people's needs and well-led.

The CQC monitors, assesses and rates care services with four ratings available: Outstanding; Good; Requires Improvement; and, Inadequate.

As at 31 March 2024, 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.

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	9 Feb 2022	17 March 2022	Outstanding	G	◎	◎	◎	◎
Glastonbury	18 Dec 2018	17 Jan 2019	Good	G	G	◎	G	G
Orchard Grove	6 Nov 2020	28 Nov 2020	Good	G	G	G	G	G
Robinson House	21 Jan 2020	14 Feb 2020	Good	G	G	G	G	G
Saffron Gardens	16 June 2022	30 July 2022	Good	G	G	G	◎	G
Little Heath Care & Support	9 Feb 2023	8 March 2023	Good	G	G	G	G	G
Little Heath Reablement	11 Jan 2023	14 Feb 2023	Good	G	G	G	G	G

The CQC has adopted a new Single Assessment Framework for the monitoring and inspection of care services. This framework primarily uses a range of information and intelligence gathering methods such as feedback from service users and families, submission of notifiable events received from the provider, external healthcare professional feedback. Key Lines of Enquiry (KLOEs) have been replaced with quality statements, still based upon the five areas of Safe, Effective, Responsive, Caring and Well Led. These statements are termed 'We statements' and detail what providers will do in line with the regulator's standards.

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

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	24 Nov 2020	18 Dec 2020	Good	G	G	G	G	G
Brunelcare Domiciliary Services: Somerset	1 April 2022	23 April 2022	Good	G	G	G	G	G

Quality Clinical Care

We continue to provide high quality nursing care and support in our care homes. These standards are monitored by the Centre Care Support Team led by the Director of Nursing and Care.

End of Life Care within our care homes is externally accredited by the Gold Standards Framework, ensuring excellence in this area.

Our reablement services provided at our Orchard Grove Centre, out in the community in South Gloucestershire and by our D2A team in Somerset have an excellent reputation for achieving positive outcomes for the people accessing these services. All three services are quoted as exemplars of good practice by commissioning partners.

Dementia Care - a Human Rights-based approach

We continue to roll out Focused Interventions Training and Support (FITS) as our dementia standard. This university accredited programme ensures that there is a consistent person centred approach to all that we do.

We have Dementia Coaches based in all of our care homes and in our Community Services teams. This enables 'on the floor' day to day modelling of best practice in dementia care and has less of a classroom based approach to training of teams.

Community Care and Extra Care Housing

Our community services based in Somerset and South Gloucestershire work effectively with our colleagues in Health and Adult Social Care in order to maintain people's independence at home. This is a challenging marketplace with many new providers coming into both areas. We have fostered good links with our colleagues in commissioning in both local authorities, and we are cited as the 'Provider of choice'.

Our three Extra Care Housing schemes continue to work closely with Bristol City Council and are on the single framework. We continue to work with our external partners to ensure we can provide a home for life and can adapt to the ever-changing needs of the individuals to support and encourage them to remain independent in their own homes.

OUR HOUSING HOMES AND SERVICES

We want all of Brunelcare's customers to feel proud of their homes and where they live, but we know this is not 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 with changing demographics and expectations which, combined with the results from a stock condition survey, point to a need for significant investment, remodelling or in some cases, disposal. Brunelcare's Asset Management Strategy (AMS) 2020-2025, 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. During 2024-25, we will draft a new Asset Management Strategy that will be launched in June 2025.

In 2023-24 we progressed the AMS Action Plan by:

1. Continued investment in building safety and compliance works including fire safety within the budget, including fire door replacement and alarm upgrades
2. Providing financial investment and redevelopment data to inform the 30-year Long Term Finance Plan
3. Completing detailed investment plans and budgets for 2024-25
4. Developing a new Housing Management System for property and compliance management
5. Completing detailed development appraisal on sites to achieve EPC C by 2030
6. Progressing the (SHDF) Wave 2.1 project, appointing a project manager, completing a tender exercise, advanced tenant involvement
7. Applying for Community Resilience Funds through Bristol City Council in order to install sensor controlled LED lighting
8. Achieving Board approval to install solar panels in partnership with Bristol Energy Cooperative across our Extra Care schemes and Care Homes

In 2023-24 we also invested in a range of health and safety compliance works and checks;

Health and Safety Compliance Works

At the time of reporting, property health and safety compliance performance was:

Health and Safety Compliance Check	Percentage Completed
Fixed Wire Testing - Domestic	97.5%
Fixed Wire Testing - Communal	92.9%
Domestic Gas Services	100%
Commercial Gas Services	100%
Fire Risk Assessment	100%
Lifting Operations and Lifting Equipment Regulations 1998 (LOLER) Checks	100%

In 2024-25 we will invest in:

- Wave 2.1 retrofit project at Chestnut Close & Maple Close
- Replacing kitchens that have come to the end of their life,
- Electric heating,
- Fire detection systems,
- Fire door improvements and replacements,
- Fire compartmentation and breaks,
- Replacing windows,
- External decorations.

Decent Homes Standard (DHS)

During the life of the current Asset Management strategy, potentially 727 dwellings were forecast to fail the decent homes standard.

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 are in need of investment.

A long-term strategic plan and budget are in place to resolve the nondecency in the most appropriate way.

We ended the financial year with 46 nondecent components. These related to the age of front doors (40) and heating (6).

During 2024-25 we anticipate 188 non-decent components (including the 46 stated above), these are accredited to heating, kitchen and bathroom replacements and are in the planned works programme.

Climate Change

We appointed an Energy Project Officer during the year, who leads on reducing energy usage and carbon emissions.

Ensuring that our homes are low carbon and energy efficient is not only an objective within the 'Asset Management Strategy', but also a Government target for social housing providers through their 'Clean Growth Strategy'. By 2050 we have to achieve net zero for all of our homes.

Following a detailed application, Brunelcare was awarded £1.2 million of Wave 2 (Social Housing Decarbonisation Fund) funding. We have to spend this over a two-year period on improved insulation, space and water heating. Brunelcare will match this funding with new windows and explore renewable energy across two of our sites.

As we develop our approach to improved energy performance, we are much clearer on how we can achieve this. However, we also hope that we will be able to take advantage of future technology and design changes.

We will start to retrofit our poorest-performing properties with an Energy Performance Certificate (EPC) rating of D and below in 2024.

We have approval for solar panels to be installed across five schemes:

- Robinson House, Glastonbury and Deerhurst care homes - BEC has been appointed to progress the design and installation of solar PV arrays on the roofs with BEC funding 50% of the capital cost and Brunelcare contributing 50%.
- Waverley and Colliers Gardens - BEC funds 100% of the installation.

Residents benefit from energy at a reduced cost while BEC recovers its investment through charging for the energy produced.

Tenant Involvement

In addition to the work of the Residents First Group, referred to on page 16 of this report, Brunelcare also 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:

- The publication of an annual report focused on those things that matter to our residents
- Suggestion boxes in all sheltered sites
- Site notice boards - including trialling the use of a 'digital noticeboard' at our Willow Bank site
- Quarterly site meetings and individual resident 'surgeries'
- Our twice-yearly Grapevine magazine
- Information on our website
- Repairs call back survey
- Exit survey for departing tenants

The sheltered housing sites' quarterly site meetings enable tenants to raise concerns and discuss ideas for their site.

Brunelcare's 'Together with Customers Charter' drives engagement with all customer groups, including through involvement in processes to select and evaluate new contractors. We have used focus groups to engage customers in a wide range of topics, from improving how Brunelcare communicates to reviewing key new policies.

Energy bills

The large increase in energy costs was a big shock for everyone last year.

For some people, energy bills went up by 300%. Whilst we were able to pass on the government subsidy introduced in October 2022, as well as tenants being able to claim the £400 payment, removal of the government subsidy meant that tenants were facing another big hike from April. To avoid this, we were able to negotiate a new deal with our energy supplier EDF, whereby they spread the increase over 18 months, so that tenants could benefit from the fall in energy prices.

Improving Access to Information Technology

To help our residents manage their tenancies, access advice and benefits, we have upgraded the PCs on all of our sites. We have also renewed the IT infrastructure, such as the Wi-Fi, to ensure the reliability of access.

Supporting Residents to Maintain their Tenancy

During the year we restructured and strengthened our housing team, so that we are able to support and work with vulnerable residents to maintain their tenancy and avoid the threat of eviction. Our Tenancy and Income Officers work with residents to address their individual circumstances through practical plans of action, as well as ensuring they are claiming any benefits they may be entitled to. All members of the housing team have received training in welfare benefits so that they can provide help and advice.

Our Tenancy Officers are also able to work with residents to address matters such as Anti-Social Behaviour and on-site conflicts.

The financial pressures faced by our residents as a result of rising energy costs and inflation led to the development of a 'cost of living help' page on our website which is used to inform our residents of

the latest schemes, help and advice being offered by the Government - see here: **www.brunelcare.org.uk/about-us/help-and-guidance/cost-of-living-help/.** We also introduced a 'Financial Support Fund' to support residents facing difficulty with the increasing cost of living and rising energy bills, which allocated over £30,000 in crisis payments to residents.

Regulatory Assessment and Review

At least every four years, Brunelcare is inspected by the Regulator for Social Housing.

On 29 March 2023, the Regulator for Social Housing (RSH) published its regulatory judgement of Brunelcare following an 'In-Depth Assessment' (IDA). Based on evidence gained from the IDA, the RSH confirmed that it was assured that Brunelcare continued to comply with the governance and financial viability elements of the Governance and Financial Viability Standard.

The published outcomes were:

G1

The provider meets our governance requirements [ratings are G1 and G2 - compliant; G3 and G4- non-compliant]

V2

The provider meets viability requirements; it has the financial capacity to deal with a reasonable range of adverse scenarios but needs to manage material risks to ensure continued compliance [ratings are V1 and V2 - compliant; V3 and V4- non-compliant

Piloting new consumer standards

As reported in last year's annual report as part of the inspection process, Brunelcare worked with the RSH to pilot its new arrangements to review compliance with the five RSH Consumer Standards:

- **Home Standard** – quality of accommodation and repairs and maintenance
- **Tenancy Standard** – how properties are allocated/exchanged and terms around tenure
- **Neighbourhood and Community Standard** – issues around neighbourhood and communal areas and anti-social behaviour
- **Tenant Involvement and Empowerment Standard** – customer service and complaints, tenant rights and involvement
- **Tenant Satisfaction Measures Standard (TSMs)**– reporting against the TSMs, which covers information on areas such as repairs, safety checks and complaints (applies from 1 April 2023)

The RSH concluded that there was good evidence of Brunelcare meeting the new Consumer Standards but identified areas where improvements need to be made:

- understanding diversity of tenants
- understanding satisfaction rates better
- transparency and involving tenants more in decisions

Click for the full judgement or follow the link below:

www.gov.uk/government/publications/regulatory-judgement-brunelcare--2

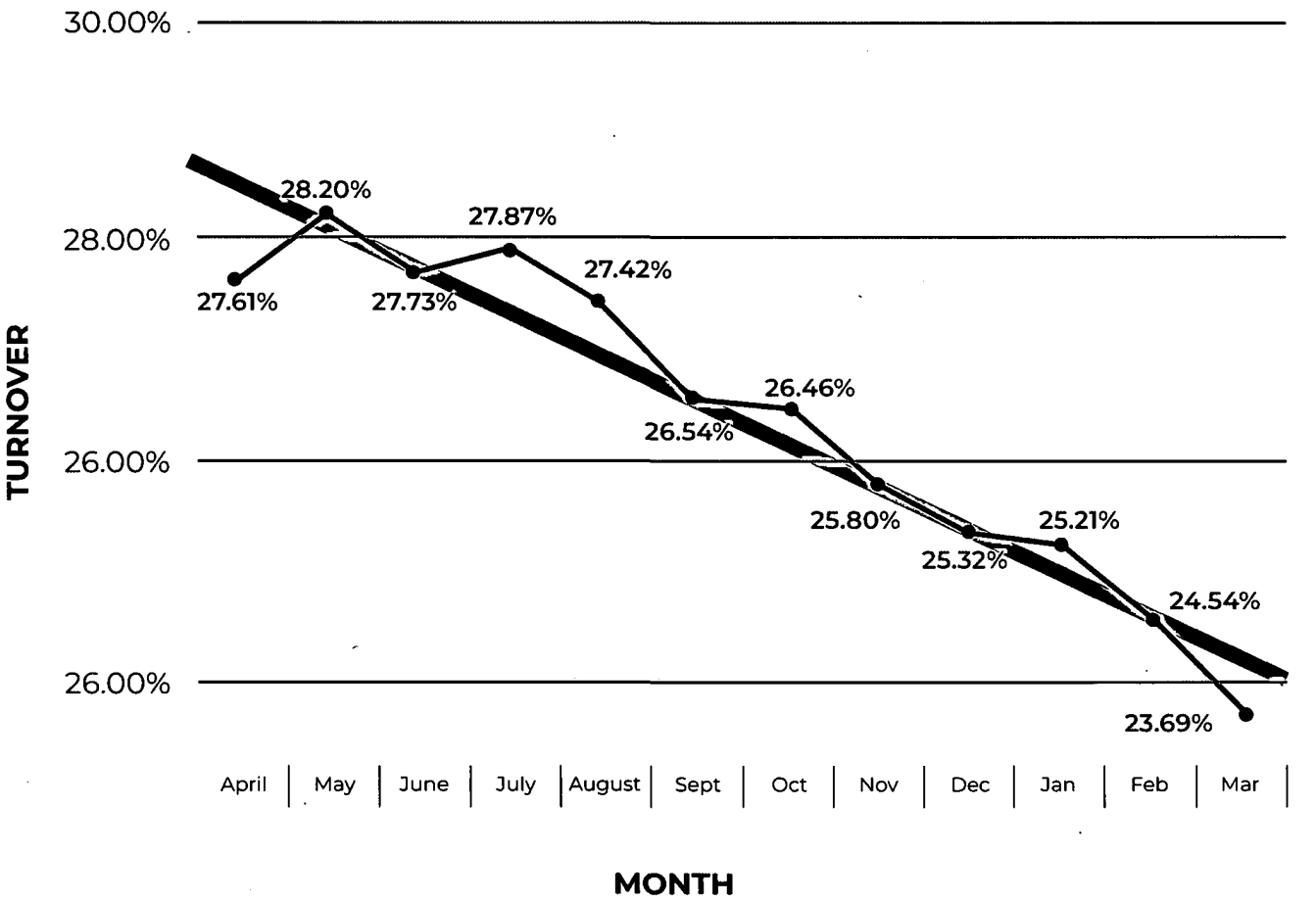
OUR COLLEAGUES

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 opportunities.

Brunelcare experienced significant difficulties in 2022-23 in recruiting and retaining employees. The People Plan, launched in January 2023, included a range of specific interventions focused on improving Brunelcare's ability to recruit and retain a highly motivated and well-trained workforce, which is having a positive impact on the services delivered and results achieved.

The following chart shows the reduction of employee turnover during 2023-24:

Turnover vs Month



In the last quarter of 2023-24, under 3.5% of positions were unfilled, which is well below the NCF Survey average of 11% of positions being vacant.

A range of improved benefits including the introduction of the real Living wage (RLW) has seen our employee turnover reduce from 28% at the beginning of the year to under 24%. These include:

- **Real Living Wage:** Since April 2022, all colleagues at Brunelcare have been paid at or above the real Living Wage (RLW). Alignment to the RLW resulted in a 10% pay increase in April 2023 for our lowest paid colleagues and a similar increase at the end of March 2024.
- **Buying and selling holidays:** The facility for employees to buy additional annual leave or sell an amount of annual leave was introduced in 2024.
- **Medicash Health Plan:** The Medicash Plan was launched in August 2023 and is available to all employees. It provides a range of positive healthcare benefits including cash back to cover costs such as dental and optical bills, physiotherapy and consultancy charges.

Gender Pay

Brunelcare is committed to delivering equality of opportunity regardless of gender and has a pay and grading structure to support this. In April 2024, we published our gender pay gap report for 2022-23. Our average mean pay gap was 14.99%; this is lower than the previous year by 2.49% and indicates that the number of males holding higher paid roles overall has decreased slightly. Our average median pay gap is 4.17% which is 3.65% lower than the previous year, and it remains below the national figure of 14.3% in 2023. The full report can be accessed here.

Ethnicity Pay

There is no indication of an obvious concern in regard to the Brunelcare ethnicity pay gap. The average rate of pay for those who identify as an ethnic minority is 97.1%, which is 2.9% lower than the same calculation for those declaring themselves as white.

The ethnicity gap overall has widened over the last year by 4.6% to 2.9% (ethnic minority pay rates were 1.7% higher in 2022). This will have been influenced by our much improved data collection, continued focus on recruiting overseas nurses and carers and also our activities to attract applications from all communities across Bristol and the South West.

We have been an Investors in People employer for the past 20 years and retained our accreditation again in February 2024 following a full assessment and employee survey.

We have been a Disability Confident employer (previously known as Two Ticks) for the past 16 years. A colleague-led Equalities Forum has been established to oversee and strengthen EEDI arrangements.

Remuneration

The remuneration of the Senior Leadership Team and colleagues is reviewed bi-annually by the Remuneration and Nominations Committee following external benchmarking. We do not operate any incentive schemes.

Brunelcare registered in 2023 as a member of the Bristol Financial Resilience Action Group (BFRAG) which is a network of employers aimed at boosting the financial resilience of Bristol, coordinated by Hargreaves Lansdown in response to the cost of living crisis.

Actions taken as a result of membership includes an increase in employer pension contributions and the distribution and signposting to a range of webinars providing advice and information on managing family finances.

Internal Agency Solution

A project is underway to provide an internal agency platform to allow all managers to post vacant shifts that they are seeking to cover. The 'app' issues alerts to all registered employees to notify them of the opportunity. Colleagues can accept the shift through the platform with one-click.

The product is named Bemlo and during 2023-24 it was piloted at Little Heath Care and Waverley Gardens. Robinson House and the ABC Centre have been running this platform successfully since October 2023. This is being delivered in partnership with Care & Support West with funding from Bristol City Council and is helping to reduce agency use.

1 Set by the Living Wage Foundation, the RLW is independently calculated according to the real cost of living based on a basket of household goods and services.

HEALTH, SAFETY AND WELLBEING

We remain dedicated to enhancing our health, safety, and well-being arrangements, consistently reviewing and refining our practices to ensure a safe environment for all.

In 2023-24, there were 52 reported accidents/incidents. Of these, approximately 69% resulted in some form of injury, primarily minor but notable, such as cuts and bruises. This underscores the ongoing need for preventive measures and vigilance. However, there was a significant reduction in incidents related to slips, trips, and falls, which constituted 29% of all reported cases.

Health and Safety Enforcement (Statutory Breaches)

No statutory breaches were recorded for the year 2023-24, reflecting the effectiveness of action plans. We continue to work closely with Avon Fire and Rescue in both housing and care settings, fostering a strong relationship with the fire safety officers. Inspections and internal audits have been maintained, ensuring compliance with fire safety and other statutory requirements. Any minor issues identified were promptly addressed to uphold high safety standards.

RIDDOR Reportable Incidents

Brunelcare reported three RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents in 2023-24, all involving staff members who were off work for more than seven days:

- One incident involved an injury sustained during maintenance work
- Another occurred due to an interaction with machinery
- The third involved an accident with a moving device

These incidents have been thoroughly investigated, and appropriate measures have been implemented to prevent recurrence.

Personal Injury Claims

One liability claim was made by a staff member related to a workplace accident during 2023-24. No injuries to members of the public were reported, and there were no major incidents. Continuous monitoring and proactive measures remain priorities to mitigate risks and enhance safety across all sites.

The significant reduction in reported incidents this year reflects our ongoing efforts to improve health and safety measures and reporting. We continue to focus on creating a safe and supportive environment, underpinned by informed reporting, regular training, and safety awareness.

SECTION 172 STATEMENT

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.

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 2024. Below it is set out how we have engaged with key stakeholders during the 2023-24 financial year.

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

Principal decision 1:

Agreeing the appointment of a new Chair of Trustees.

Graham Russell's appointment as Chair of the Board of Trustees was approved by the Board when it met on 21 June 2023 and he took up the position on 1 July 2023.

Principal decision 2:

Agreeing that the offer of BUPA membership to those employees of Grade E and above be discontinued from the end of July 2023 and replaced with a healthcare solution for all employees as part of a wider re-launch of employee benefits.

Principal decision 3:

Approval of the Long Term Financial Plan

The Long Term Financial Plan (LTFP) forms a key part of Brunelcare's financial governance arrangements. In June 2023, the Board approved the 2023-24 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:

Agreement to proceed with the development of a new 70-home extra care housing scheme at New Fosseway Hengrove

Agreement was subject to a range of criteria, including confirmation of final development costs and grant funding levels. The Board later agreed to not continue with this development.

Principal decision 5:

Agreement to Bristol Energy Cooperative being appointed to progress the feasibility, viability and design of the installation of solar PV arrays on the roofs of a selection of Brunelcare's care homes and extra care schemes.

Principal decision 6:

Approval of four sites for the installation of solar panels, in partnership with the Bristol Energy Co-operative, to be completed by 31 March 2025:

a. Robinson House and Deerhurst care homes. BEC was appointed to progress the design and installation of solar PV arrays on the roofs with BEC funding 50% of the capital cost and Brunelcare contributing 50%.

b. Waverley and Colliers Gardens - BEC funded 100% of the installation. Residents benefit from energy at a reduced cost while BEC recovers its investment through charging for the energy produced.

Principal decision 7:

Approval of a programme of Option Appraisals on 15 sites with a Net Present Value of less than £25k, to be carried out over the next year on a priority basis with recommendations reported to Board on the strategies and investment levels required to retain Decent Homes Standard and a minimum EPC of C by 2030.

Principal decision 8:

Approval of the aims and objectives of a project to look at the future of Brunelcare's care provision, 'Care Futures'.

Principal decision 9:

Agreement to the payment of an honorarium to all Trustees with the level of payment being aligned to the role played on the Board.

Further information on this decision can be found on page 51.

STAKEHOLDER ENGAGEMENT

During 2023-24, Brunelcare focussed on embedding engagement with our key stakeholders - our customers and colleagues - into the charity's processes. This work is underpinned by a Together With Customers Charter which was launched in 2022, and sets out how Brunelcare will prioritise the voice and influence of its customers. To support this work, Brunelcare appointed a Head of Communications, Engagement and Marketing in October 2023, and a Customer Engagement First Lead in March 2024. This work has included:

COLLEAGUES

It has been important to maintain communication with colleagues on key internal announcements, via internal bulletins, all-colleague calls, and meetings of Brunelcare's Equality Forum and Colleague Voice group. We were delighted to announce Brunelcare's commitment to remaining a Living Wage Employer, which has made a significant difference to wages for some of the Charity's lowest paid colleagues.

CUSTOMERS

Alongside the ongoing work of the Residents First Group, customers from across Brunelcare engaged in events and focus groups to develop the organisation's new Strategic Plan. Customers have played a key role in the review of internal policies and processes to select new contractors, for example in Brunelcare's external cleaning services and the Wave 2 retrofit project on two of our sheltered housing sites.

THE MEDIA

Following the appointment of a new Head of Communications, Engagement and Marketing, Brunelcare has successfully engaged with the broadcast and print press on a number of occasions to highlight the positive work being done across Brunelcare, and the difference it makes to the lives of the people we support.

COMMISSIONERS/LOCAL AUTHORITIES

We have continued to strengthen our relationships with our commissioners and local authority partners. These relationships are key to developing new and securing existing services.

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 2022-23.

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.

06 VALUE FOR MONEY AND BENCHMARKING

ASSESSMENT OF FINANCIAL AND OPERATIONAL PERFORMANCE

The Board is committed to providing high-quality services and achieving Value for Money (VFM). The Board has set efficiency objectives and utilises housing sector metrics to ensure that there is a focus on:

- improving customer experience and satisfaction;
- the quality and safety of all services;
- the safety and suitability of our homes;
- improving the efficiency and effectiveness of services;
- increasing financial capacity

Recruitment 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.

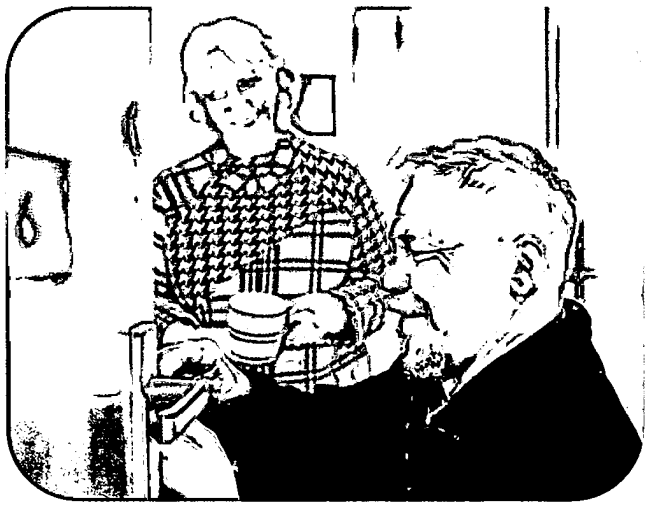
We have also invested in central IT systems, replacing and upgrading our IT infrastructure and housing and rostering systems in the year.

Value for Money Matrix

Brunelcare utilises data within both the Regulator for Social Housing Value for Money metrics and Housemark benchmarking data 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.

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		Benchmark		
		2022-23	2023-24	Lower quartile	Median	Upper quartile
Reinvestment as a percentage of exisitng stock	%	1.9%	3.2%	4.3%	6.7%	9.4%

Reinvestment measures expenditure on our existing estate to improve the quality of longevity of the buildings. We increased our spending in 2023-24 and have another increase planned for 2024-25 as we improve the energy efficiency of our buildings.

Metric 2: *New Supply Delivered*

New Supply Delivered %	Measure	BRUNELCARE		Benchmark		
		2022-23	2023-24	Lower quartile	Median	Upper quartile
Social housing units developed as % of owned	%	0.0%	0.0%	0.6%	1.3%	2.2%
Non-social housing units developed as % of owned	%	0.0%	0.0%	0.0%	0.0%	0.1%

This measure looks at the number of new social and non-social housing units developed in the year compared to the size of the entity. Brunelcare does not regularly develop new housing schemes but we expand our services when suitable opportunities arise.

Metric 3: *Gearing*

Gearing %	Measure	BRUNELCARE		Benchmark		
		2022-23	2023-24	Lower quartile	Median	Upper quartile
Gearing	%	5.3%	-0.1%	33.4%	45.3%	53.7%

Gearing compares our net debt position to our net assets and is a measure of financial stability. Brunelcare currently has relatively low levels of debt which have reduced further following repayments in the year. Cash balances are currently high and offset the long term loans. These reserves are needed for investment in our properties over the next strategy period as we improve energy efficiency.

Metric 4: *Headline Social Housing Cost Per Unit*

Headline Social Housing Cost Per Unit %	Measure	BRUNELCARE		Benchmark		
		2022-23	2023-24	Lower quartile	Median	Upper quartile
Total cost per unit (housing for older people)	£	8,043	9,967	4,082	4,586	5,847

This measures the efficiency with which we provide housing services to our residents by calculating an average cost per housing unit. Our costs are relatively high compared to the sector average, partly due to Brunelcare purchasing and recharging our residents' energy.

***Metric 5:** Operating Margin*

Operating Margin	Measure	BRUNELCARE		Benchmark		
		2022-23	2023-24	Lower quartile	Median	Upper quartile
Operating margin social housing	%	8.4%	14.4%	14.4%	19.8%	25.5%
Operating margin overall	%	2.8%	7.6%	12.0%	18.2%	23.0%

The operating margin is an indication of profitability. It expresses operating surplus as a percentage of turnover. Our overall operating margins are low compared to the housing sector due to the inclusion of lower-margin care services plus, within housing, our purchase and recharge of energy on behalf of our residents. Brunelcare's overall operating margin percentage has increased from last year - partly due to a fall in fuel costs from the previous year, when it spiked following the war in Ukraine, much of which we were not able to recover from our customers.

***Metric 6:** Return on Capital Employed*

Return on capital employed %	Measure	BRUNELCARE		Benchmark		
		2022-23	2023-24	Lower quartile	Median	Upper quartile
Return on capital employed	%	2.2%	7.5%	2.2%	2.8%	3.6%

The return on capital employed compares our surplus to our assets less current liabilities (so excluding longer term liabilities such as loans and deferred capital grants). The figure for Brunelcare is higher in 2023-24 than the benchmark for housing associations due to our mix of services provided.

Financial Performance

Cash Flow And Working Capital Management

Cash balances at the year-end were strong at £10.4m, an increase of £1.5m in the year due to good cash generation from operations plus delays in fulfilling our capital programme. Most of these funds will be used over the next two financial years to invest in our properties, for example, in retrofitting sites to improve their energy efficiency and enable them to meet EPC C by 2030.

We invest balances in rolling money market deposits to maximise interest received.

Accounting Policies

Brunelcare's principal accounting policies are set out on pages 71 to 76 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.

Our latest return to the Government's Payment Practices Service included:

Percentage of invoices paid within 30 days	51%
Percentage of invoices paid between 31 and 60 days	44%
Percentage of invoices paid after 60 days	6%

We paid 29% of our invoices outside of the agreed time. We are working to improve our turnaround times for authorising invoices for payment. The average number of days taken to pay invoices was 36.

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 £33.5m (2023: £29.8m). Within that figure, Revenue Reserves ("Free" Reserves) totalled £31.9m (2023: £28.2m).

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).

Brunelcare also has a Rolling Credit Facility with Barclays which provides funding of £5m should it be required. There were no drawings or repayments on the facility in the year.

We are investigating new loan options in order to fund the investments required in our housing and care sites over the next 10 years.

Pension

The net liability valued by the scheme actuary for the Charity's share of the SHPS defined benefit pension scheme increased slightly in the year to £3.3m (2023: £3.2m), despite the Charity making contributions into the scheme of £0.8m in the year.

The movements in the pension scheme funding are largely outside of the Charity's control, but we continue to pay into the scheme, with other employers, to reduce the deficit over time. We ensure that our long term financial plans include a prudent view on how long these payments may be required for.

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.

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 60.

Board Internal Targets

The Board also uses internal operational targets as follows:

Target 1: *Quality of care*

Internal Measure	2021-22	2022-23	2023-24
1. 100% of our CQC regulated services are rated as 'Good' or 'Outstanding'	90.9%	100%	100%

Please see the section on the quality of our care services above, which provides a table showing our current CQC ratings. At the end of 2023-24, all care services were rated 'Good' or 'Outstanding'.

Target 2: *Sickness absence*

Internal Measure	2021-22	2022-23	2023-24
2. Reduce sickness absence in line with the social care sector average	5.48%	5.76%	5.36%

Sickness absence levels have decreased slightly in the year, however this remains above our internal target (4.5%).

Target 3: *Employee retention*

Internal Measure	2021-22	2022-23	2023-24
3. Achieve an employment retention level of higher than 85%	65.47%	72.54%	83.7%

This target has not been achieved but has increased significantly compared to 2021-22 and 2022-23. 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 having been taken to improve this figure.

Target 4: *Occupancy*

Internal Measure	2021-22	2022-23	2023-24
4. Achieve a level of occupancy in care homes of higher than 95%	94.7%	97.3%	95.5%

Whilst occupancy in our care homes fluctuated across the year, the Board's agreed target of 95% was met at the close of 2023-24.

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 Risk Register (CRR);
- Review of the CRR at Senior Leadership, Audit, Risk and Finance 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 Senior Leadership Team is responsible for reporting to the Board and Audit, Risk and Finance Committee (AR&FC) on critical risk areas and scrutinising all operational risks, gaining assurance from management structures that those risks are managed adequately. Additionally, each of the Committees of the Board have their own risk register.

The AR&FC also approves and oversees the annual internal audit programme, providing assurance that the controls in place are both well-designed and operating effectively.

Additionally, the AR&FC and the Board receive reports from management on specific risk areas, including fire safety, landlord health and safety compliance, cyber security, and the implementation of new IT systems.

The Corporate Risk Register is updated quarterly 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 2023-24 were identified and reviewed throughout the year and, for each of these, an assessment was made as to their impact, severity, and probability.

Risks included on the CRR were reviewed at each Board Strategy and Development Session held during 2023-24 alongside the development of the Charity's Strategy for 2024-2030. This included horizon scanning exercises for emerging risks facing the Charity against documents such as the Sector Risk Profile developed by the Regulator for Social Housing and the World Economic Forum's Global Risk Report for 2024, and a reassessment of existing risks included within the CRR. This included discussion of health and social care risks. In light of these reviews, an updated CRR was presented to each meeting of the Audit, Risk and Finance Committee throughout the year followed by discussion and approval by the Board.

As at 31 March 2024 there was one risk in the Corporate Risk Register:

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Risk of cyber attack	• Service effectiveness, efficiency • Poor data and cyber security and management.	• IT Strategy approved by the Board in December 2021 and will be subject to update in 2024 • IT Team restructured to ensure an emphasis on cyber security • Working onwards Cyber Essentials accreditation • Employee training and awareness increased

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:

- Makes sure that the principles, processes and procedures for best practice risk management are consistent across the charity and fit for purpose;
- Ensures risks are identified and managed through a robust organisational Assurance Framework and accompanying Corporate and Directorate Risk Registers;
- Embeds risk management and established local risk reporting procedures to ensure an effective integrated management process across the Board's activities;
- Ensures strategic and operational decisions are informed by an understanding of risks and their likely impact; and
- Ensures risks to the delivery of the Board's strategic objectives are eliminated, transferred or proactively managed.

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 March 2024, 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. A copy of Brunelcare's Risk Appetite Statement can be found here.

The Risk Appetite Statement will be revisited again in March 2025.

07 STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Charity's objectives ('Objects') are specifically restricted to the following:

- *the business of providing and managing housing and care, including social housing, and providing assistance to help house people and associated facilities, amenities and services for people of lesser means or for the care of aged, disabled (whether physically or mentally) or chronically sick people; and*
- *any other charitable object that can be carried out from time to time by a charity or provider of care registered with the Care Quality Commission and provider of social housing registered with the Regulator*

To fulfil 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.**

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

Our governance arrangements are set out in Brunelcare's Standing Orders and Financial Regulations, and these include the terms of reference and the roles and responsibilities of Board and committee members. Our Scheme of Reservation and Delegation of Power sets out the matters reserved to the Board for decision or delegated to its committees and the Senior Leadership Team.

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

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.

The Board Of Trustees

The Board comprises up to 12 Trustees, ten non-executive and the Chief Executive Officer and the Director of Finance & Digital Services. 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.

The Trustees, as the directors and charity trustees, are collectively responsible for the affairs of Brunelcare. Trustees have a wide range of skills, experience and understanding in all aspects of our operations which enable them to be able to set and actively drive our social purpose, mission and values.

All Board and committee members have annual appraisals, which include the use of 360-feedback, as appropriate, to allow us to monitor Board and committee performance and ensure transparency and accountability.

Board Meetings

During 2023-24, the Board held four scheduled formal meetings and three development sessions. Through these meetings, the Board:

- 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 2023-24 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 2023-24 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	21 June 2023	13 Sept 2023	13 Dec 2023	20 Mar 2024
Alison Comley	4/4	✓	✓	✓	✓
Deborah Evans	1/1	✓	-	-	-
Harry Hayer	3/4	✓	✓	✓	x
Nick Hooper	3/4	x	✓	✓	✓
Phil Hope	3/4	x	✓	✓	✓
Kate Innes (Still)	4/4	✓	✓	✓	✓
Jo Makinson	3/4	✓	x	✓	✓
Anthony Oldfield	4/4	✓	✓	✓	✓
Graham Russell	3/3	-	✓	✓	✓
Andrew Sloman	4/4	✓	✓	✓	✓
Executive Directors:					
Oona Goldsworthy	4/4	✓	✓	✓	✓
John Rew	4/4	✓	✓	✓	✓

Trustee Terms of Appointment

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.

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 was one resignation during the year, Deborah Evans, who stood down from the role of Chair of the Board on 1 July 2023. Graham Russell took up the role of Chair of the Board on 1 July 2023.

The Board Composition as at 31 March 2024 was:

Name	Role	Took up Appointment on	Area of Specialism
Nick Hooper	Trustee and Chair of the Performance, Quality and Experience Committee	13 March 2018	Strategic Development - Housing
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
Graham Russell	Chair of the Board	1 July 2023	Housing and strategy
Oona Goldsworthy	Chief Executive Officer	19 May 2020	Housing
John Rew	Director of Finance & Digital Services	20 March 2023	Finance

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 Trustee's circumstances change.

Trustee Remuneration

During the year, the Board agreed to Trustees being paid an honorarium. The Charity Commission agreed to a clause being included in Brunelcare's Articles of Association that allowed the payment of Trustees.

Brunelcare is unusual in being primarily a charity, but also a registered provider of social housing. Payment was introduced in recognition of the complexity of the property, landlord and finance functions and as the custodians of significant public capital funding.

An independent review was commissioned and the resulting report recommending payment considered benchmarking data for the social housing sector as well as charities of a similar size to Brunelcare. The majority of housing associations are exempt charities and have paid Board members for over a decade.

Payments to our trustees range from £3,500 to £8,000 per year.

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 2023-24 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 Well-being Committee

AUDIT, RISK AND FINANCE COMMITTEE

The Audit, Risk and Finance is responsible for monitoring and reporting to the Board on the Charity's systems of internal control and risk assurance, regulatory compliance and for overseeing internal and external audit. The committee met five times during the year. Membership of the committee comprises four Trustees and is chaired by Andrew Sloman. At least one member of the committee is required to have recent and relevant financial experience suited to reviewing the work of audit.

The Chief Executive Officer and Director of Finance & Digital Services 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 ; and
- KPMG, Brunelcare's External Auditors (replaced by Crowe in January 2024).

A Committee Annual Report was submitted to the Board in March 2024 for ratification and can be found here. This provides further details about the Committee and how it met its terms of reference in 2023-24.

REMUNERATION, NOMINATIONS AND WORKFORCE COMMITTEE

The Remuneration, Nominations and Workforce Committee is responsible for setting the reward and recognition strategies for our employees and for overseeing the processes for succession planning, recruitment and selection to the Board and its committees, making recommendations to the Board on these matters. The committee also sets the level of Board pay and the remuneration of the Chief Executive Officer.

Membership of the committee comprises three Trustees. The Chief Executive and the Director of HR & OD attend each meeting. The committee met three times during the year.

A Committee Annual Report was submitted to the Board in March 2024 for ratification and can be found here. This provides further details about the Committee and how it met its terms of reference in 2023-24.

PERFORMANCE, QUALITY AND EXPERIENCE COMMITTEE

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.

Membership of the committee comprises four Trustees. The Chief Executive Officer and Operational Directors attend each meeting.

A Committee Annual Report was submitted to the Board in March 2024 for ratification and can be found here. This provides further details about the Committee and how it met its terms of reference in 2023-24.

HEALTH, SAFETY AND WELL-BEING 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 Well-being Committee.

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

In 2023-24, the Committee was chaired by the Chief Executive Officer and included 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 well-being.

The Committee met 3 times in 2023-24 and its Annual Report which sets out how the Committee met its terms of reference in 2022-23. Click here or follow the link below:

www.brunelcare.org.uk/about-us/who-we-are/our-committees-and-membership

OUR SENIOR LEADERSHIP TEAM

Our Senior Leadership Team through the Chief Executive Officer has delegated authority from the Board for:

- the day-to-day operations of the charity
- monitoring operational and financial performance
- corporate culture
- implementing and ensuring compliance with policies and strategies agreed by the Board. Further information on the members of the Senior Leadership Team can be found on our website: **www.brunelcare.org.uk/about-us/who-we-are/senior-leadership-team**

GOOD GOVERNANCE

Performance Management

Key performance indicators are used to continually monitor our performance against financial and non-financial targets. Performance dashboards have been developed for each of our Committees to ensure a sharp focus on performance. A summary of performance as at 31 March 2024 can be found at section 3 of this report.

Regulator for Social Housing Governance and Financial Viability Standard

Brunelcare undertakes annual self-assessments to monitor its ongoing 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.

The Board's self assessment of its effectiveness

The Board has adopted the Charity Code of Governance and this 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 2024, it complied with the main principles of the Code, and conducted its business openly and in line with the Code. Regular self-assessments against the Code are completed.

08 BOARD REPORT

The Brunelcare Board presents its report and audited consolidated financial statements for the year ended 31 March 2024.

INTERNAL CONTROLS AND TRUSTEES RESPONSIBILITIES

Review of effectiveness of system of internal control

The Board put mechanisms in place for the review, on an ongoing basis, of the effectiveness of the systems of internal control operating across all functions of the Charity.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against fraud, material misstatement or loss.

In meeting its responsibilities, the Board has adopted a risk-based approach to establishing and maintaining internal controls, which are embedded within day-to-day management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the company is exposed.

The process for identifying, evaluating and managing the significant risks faced by the group is ongoing. It has been in place throughout the period commencing 1 April 2023 up to the date of approval of the annual report and financial statements.

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.

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 2023-24 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 8 internal audit assignments were undertaken during the year;

Audit	Opinion	Actions Agreed			Status at Time of Reporting
		H	M	L	
Data Integrity - Property Safety	Reasonable Assurance	–	4	1	Final Report Agreed
Payroll	Partial Assurance	–	4	11	Final Report Agreed
Data Quality	Reasonable Assurance	–	1	–	Final Report Agreed
Debt Recovery	Reasonable Assurance	–	2	3	Final Report Agreed
Risk Management	Reasonable Assurance	–	1	–	Final Report Agreed
Medicines Management	Partial Assurance	–	7	2	Final Report Agreed
Follow Up - Payroll	Reasonable Progress				Final Report Agreed

In addition, an advisory audit of Contract Management and Value for Money was completed.

A series of recommendations to strengthen the controls in place were made by the auditors and regular updates on the progress made to implement these are reported to the Audit, Risk and Finance Committee.

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

THE HEAD OF INTERNAL AUDIT HAS CONCLUDED:

Based on work carried out in 2023-24:

'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 Audit's opinion:

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

While Brunelcare's internal auditors RSM 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 the Board's responsibilities in respect of the Board's report and the financial statements

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.

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 Statement of Recommended Practice (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 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.

Going Concern

The financial statements have been prepared on a going concern basis, which the Trustees consider to be appropriate for the following reasons.

The Charity prepares a 30-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in June 2024 by the Board. As well as considering the impact of a number of scenarios on the business plan, the Board used a stress testing framework to carry out sensitivity testing against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the Charity's budgets for 2024-25 and the medium term financial position as detailed in the 30-year business plan, including the ongoing impact of high inflation and recruitment challenges, is of the opinion that the Charity has adequate resources to continue in business for the foreseeable future. In reaching this conclusion, the Board has considered:

- inflation
- maintenance costs
- decarbonisation costs
- rent and service charge receivable
- liquidity
- the Charity's ability to withstand other adverse scenarios such as higher interest rates, the loss of care contracts and number of void properties

The Board believes the Charity has sufficient funding in place and expects it to be in compliance with its debt covenants even in severe but plausible downside scenarios. Consequently, the Directors are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Disclosure of Information to auditors

The Trustees who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are 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 18 September 2024 and signed on its behalf by:

Graham Russell - Chair
18 September 2024

09 INDEPENDENT AUDITOR'S REPORT

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 2024 which comprise the statement of comprehensive income, statement of changes in equity, statement of financial position, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of the charity's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Matters on which we are required to report by exception

As explained more fully in the Board' responsibilities statement set out on page 58, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for 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 the Board either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, The Statement of Recommended Practice (SORP) for social housing providers 2018; United Kingdom Generally Accepted Accounting Practice including Reporting Standard 102 and the Accounting Direction for Private Registered Providers of Social Housing 2022. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and Safety and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management and the timing of recognition of care, support and other contract income. Our audit procedures to respond to these risks included enquiries of management and the Audit, Risk and Finance Committee about their own

identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing internal audit reports, designing audit procedures over the timing of the above income streams, reviewing regulatory correspondence and reading minutes of meetings of those charged with governance.

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 (irregularities) 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 irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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 trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP.

Crowe U.K. LLP
Statutory Auditor
St James House
St James Square
Cheltenham,
GL50 3PR

Date: 20 September 2024

FRESH
CREAM
Lollies
Cones with flake
Sundaes
Cold drinks
bueno
Sundae
bueno
Sherbet

10 STATEMENT OF COMPREHENSIVE INCOME

Statement of Comprehensive Income

For the year to 31 March 2024

	Notes	2023-24	2022-23
		£000	£000
Turnover	3	48,030	43,270
Operating costs	3,5,8	(43,267)	(42,022)
Gain on disposal of investment property	13	0	87
Operating surplus		**4,763**	**1,335**
Interest receivable	6	356	80
Interest payable	7	(773)	(615)
Surplus for the year		**4,346**	**800**
Actuarial gain/(loss) in respect of pension schemes	23	(731)	(621)
Total comprehensive income for the year		**3,615**	**179**

All the above results derive from continuing operations.

These financial statements were approved by the Board on 18 September 2024 and signed on its behalf by:

Graham Russell
Chair

Mandy Collins
Company Secretary

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year to 31 March 2024

	Accumulated capital fund	Revenue Reserve	Total
	£000	£000	£000
Total funds at 1 April 2022	1,667	27,963	29,630
Surplus for the year	0	800	800
Other comprehensive income	0	(621)	(621)
Transfers	(61)	61	0
Total funds at 31 March 2023	1,606	28,203	29,809
Surplus for the year	0	4,346	4,346
Other comprehensive income	0	(731)	(731)
Transfers	(61)	61	0
Total funds at 31 March 2024	**1,545**	**31,879**	**33,424**

11 STATEMENT OF FINANCIAL POSITION

Statement of Financial Position

Statement of financial position at 31 March 2024

	Notes	2024	2023
		£000	£000
Fixed Assets			
Tangible fixed assets - properties	10	54,349	54,268
Tangible fixed assets - other assets	11	2,115	1,589
Intangible fixed assets	12	605	603
Total		**57,069**	**56,460**
Current assets			
Properties held for sale	14	97	341
Other current assets		1	4
Debtors	15	4,192	3,418
Cash at bank and in hand		10,395	8,882
		14,685	**12,645**
Creditors: amounts falling due within one year	16	(8,276)	(8,308)
Net current assets		**6,409**	**4,337**
Total assets less current liabilities		**63,478**	**60,797**
Creditors: amounts falling due after more than one year	17	(26,777)	(27,801)
Provisions: pensions deficit	23	(3,277)	(3,187)
Net assets		**33,424**	**29,809**

Statement of Financial Position (cont)

Statement of financial position at 31 March 2024

	Notes	2024	2023
		£000	£000
Reserves			
Designated reserves		1,545	1,606
Revenue reserves		31,879	28,203
Total funds		**33,424**	**29,809**

These financial statements and accompanying notes were approved by the Board on 18 September 2024 and signed on their behalf:

Graham Russell
Chair

Mandy Collins
Company Secretary

The accompanying notes form part of these financial statements.

12 CASH FLOW STATEMENT

Cash Flow Statement

Cash flow statement for the year to 31 March 2024

	Notes	2023-24	2022-23
		£000	£000
Net cash inflow from operating activities	Note A	4,481	2,702
Cash flow from investing activities			
Interest received		328	80
Purchase of tangible fixed assets Purchase of		(1,754)	(1,030)
other fixed assets		(736)	(795)
Proceeds from sale of tangible fixed assets		554	2,114
		(1,608)	**369**
Cash flow from financing activities			
Interest paid		(636)	(590)
Repayments of borrowing		(724)	(714)
		(1,360)	**(1,304)**
Net change in cash and cash equivalents		**1,513**	**1,767**
Cash and cash equivalents at the start of the year		8,882	7,115
Cash and cash equivalents at the end of the year		10,395	8,882

Reconciliation of operating surplus to net cash inflow from operating activities for the year to 31 March 2024

	2023-24	2022-23
Note A	£000	£000
Surplus of the year	4,346	800
Adjustment for non-cash items:		
Depreciation and impairment of tangible fixed assets	1,806	1,699
Amortisation of intangible fixed assets	58	79
Decrease/(increase) in stock	2	(4)
Increase in debtors	(502)	(206)
(Decrease)/increase in creditors	(148)	872
Amortisation of government grants	(321)	(321)
Pension costs less contributions payable	(641)	(659)
Adjustments for investing and financing activities:		
Proceeds from the sale of tangible fixed assets	(536)	(93)
Interest payable	773	615
Interest receivable	(356)	(80)
Net cash inflow from operating activities	**4,481**	**2,702**

Statement of changes in net debt

For the year to 31 March 2024

	Cash and cash equivalents	Borrowings	Total
Net debt at 1 April 2023	8,883	(11,770)	(2,887)
Cash flow in the year	1,512	724	2,236
Net debt at 31 March 2024	**10,395**	**(11,046)**	**(651)**

13 NOTES TO THE FINANCIAL STATEMENTS

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 15 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 has 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

TThe 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. 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. Intangible fixed assets

Intangible fixed assets relate to computer software and are stated at historical cost, less accumulated amortisation and any provision for impairment. Amortisation is charged over the estimated useful economic life of up to seven years.

2.19. Capitalisation limit

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

2.20. 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.

2.21. 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.

2.22. 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.

2.23. 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 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.

2.24. 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.

2.25. 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..

2.26. Supporting People

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

2.27. 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.

2.28. 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.

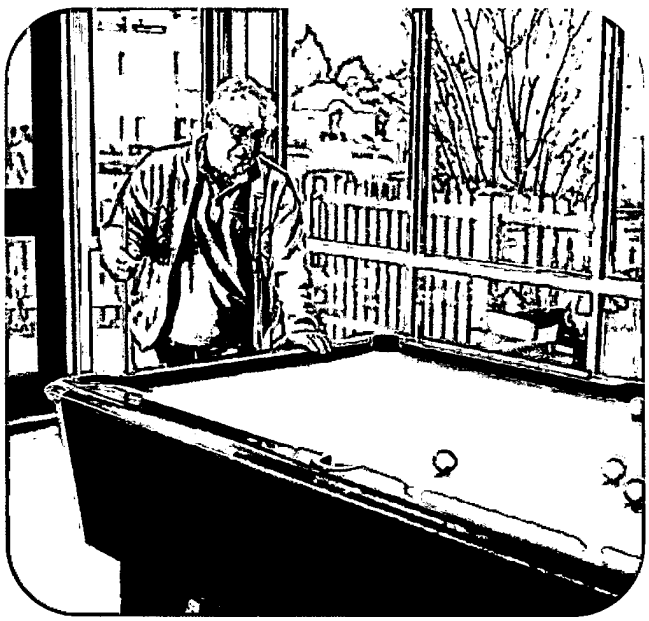
2.29. Liquid resources

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.

2.30. 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)	Operating surplus/ (deficit) 2022-23
	£000	£000	£000	£000	£000
Social housing lettings (Table B)	11,300	0	(9,488)	1,812	821
Other social housing activity					
Charges for support services	359	0	(228)	131	145
Other social housing	0	0	0	0	(6)
Activities other than social housing					
Care homes	28,712	0	(26,128)	2,584	162
Market rent	79	0	(85)	(6)	(7)
Other	7,580	(384)	(6,954)	242	133
Total	**48,030**	**(384)**	**(42,883)**	**4,763**	**1,248**
Gain on disposal of investment property	0	0	0	0	87
Total	**48,030**	**(384)**	**(42,883)**	**4,763**	**1,335**

Other non-social activities in the table consist mainly of delivering care to older people in their own homes.

TABLE B	General needs	Supported Housing	Shared ownership	Total 2023-24	Total 2022-23
	£000	£000	£000	£000	£000
Turnover from social housing lettings					
Rent receivable net of identifiable service charges	20	6,163	28	6,211	5,592
Service charges receivable	5	4,396	71	4,472	3,772
Other income	0	275	21	296	123
Amortised Government grants	1	231	8	240	237
Other grants amortised	0	69	12	81	81
Turnover from social housing lettings	**26**	**11,134**	**140**	**11,300**	**9,805**
Expenditure on social housing lettings					
Management services	5	2,037	66	2,108	2,069
Service charge costs	9	4,057	83	4,149	4,094
Routine maintenance	1	1,135	20	1,156	862
Planned maintenance	2	433	8	443	316
Major repairs expenditure	0	5	7	12	93
Depreciation	4	1,227	56	1,287	1,133
Bad debts	0	58	0	58	4
Other costs	1	264	10	275	413
Operating expenditure on social housing lettings	**22**	**9,216**	**250**	**9,488**	**8,984**
Operating surplus on social housing lettings	**4**	**1,918**	**(110)**	**1,812**	**821**
Void losses	0	94	0	94	87

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:

	2023-24	2022-23
Social housing		
Social rent general needs housing	4	4
Social rent supported housing and housing for older people	1,100	1,100
Low-cost home ownership	24	24
Social leasehold units owned	15	15
	1,143	**1,143**
Social housing units owned but not managed		
Social housing units owned but not managed	10	10
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

	2023-24	2022-23
	£000	£000
Depreciation of fixed assets	1,864	1,778
Operating lease rentals		
Plant and machinery	188	247
Land and buildings	922	839
Vehicles	59	69
Auditor's remuneration		
Audit of these financial statements	60	72
Other services	0	3

6. Interest receivable and other income

	2023-24	2022-23
	£000	£000
Income from short-term deposits	356	80
	356	**80**

7. Interest payable and similar charges

	2023-24	2022-23
	£000	£000
Bank loans and overdrafts	636	536
Pension remeasurement interest	137	79
	773	**615**

8. Employees

	2023-24	2023-24
	Number	Number
Average monthly number of employees	1,112	1,118
Average monthly employees, expressed as FTEs	919	862
	£000	£000
Employee costs		
Wages and salaries	24,087	21,640
Social security costs	2,331	2,084
Pension costs	627	553
	27,045	**24,277**

The average monthly employees, expressed as full-time equivalents, is calculated from monthly data collected by Brunelcare's HR team.

Brunelcare has the following numbers of staff (including directors) who received emoluments (excluding pension) of £60,000 or more, shown in bands of £10,000:

	2023-24	2022-23
	Number	Number
£60,000 to £70,000	9	0
£70,000 to £80,000	0	1
£80,000 to £90,000	3	3
£100,000 to £110,000	1	0
£120,000 to £130,000	1	0
£130,000 to £140,000	0	1

9. Board members and executive directors

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

Non-executive board members received honorarium payments totalling £8,047 during the year. Payment was introduced during 2023-24 in recognition of the complexity of the regulatory regime, property, landlord and finance functions and as the holders of substantial responsibilities in regard to safety of tenants and those receiving care.

The Charity Commission agreed to a clause being included in Brunelcare's Articles of Association that allowed the payment of Trustees.

The emoluments of the highest paid executive director, the Chief Executive, excluding pension contributions, was £125,555 (2023: £126,218).

	Remuneration	Pension contributions	2023-24 total	2022-23 total
	£000	£000	£000	£000
Oona Goldsworthy	126	4	130	130
	126	**4**	**130**	**130**

The Chief Executive is a member of the Charity's defined contribution pension scheme on the same basis as other staff.

The total emoluments of the executive directors, including pension contributions, were £569,871 for the year ended 31 March 2024 (2023: £551,789). The £569,871 was made up of salaries of £552,766, pension contributions of £16,510, and Benefits in Kind of £595.

10. Tangible fixed assets – properties

	Social housing properties	Shared ownership properties	Community services	Care homes	2023-24 total
	£000	£000	£000	£000	£000
Cost					
At April 2023	65,351	1,547	482	17,687	85,067
Additions in year	1,423	0	0	332	1,755
Disposals	(236)	0	0	0	(236)
At balance sheet date	**66,538**	**1,547**	**482**	**18,019**	**86,586**
Depreciation					
At April 2023	(24,527)	(222)	(81)	(5,969)	(30,799)
Charge for the year	(1,249)	(51)	(9)	(347)	(1,656)
Released on disposal	218	0	0	0	218
At balance sheet date	**(25,558)**	**(273)**	**(90)**	**(6,316)**	**(32,237)**
Net book value					
At April 2023	**40,824**	**1,325**	**401**	**11,718**	**54,268**
At balance sheet date	**40,980**	**1,274**	**392**	**11,703**	**54,349**

11. Tangible fixed assets – other assets

	Offices	Fixtures & Fittings	Computer equipment	Motor vehicles	2023-24 total
	£000	£000	£000	£000	£000
Cost					
At April 2023	1,000	2,694	1,108	126	4,928
Additions in year	7	155	514	0	676
At balance sheet date	**1,007**	**2,849**	**1,622**	**126**	**5,604**
Depreciation					
At April 2023	(118)	(2,628)	(468)	(125)	(3,339)
Charge for the year	(14)	(32)	(103)	(1)	(150)
At balance sheet date	**(132)**	**(2,660)**	**(571)**	**(126)**	**(3,489)**
Net book value					
At April 2023	**882**	**66**	**640**	**1**	**1,589**
At balance sheet date	**875**	**189**	**1,051**	**0**	**2,115**

12. Intangible fixed assets

	Computer software	2023-24 total
	£000	£000
Cost		
At April 2023	851	851
Additions in year	60	60
At balance sheet date	**911**	**911**
Amortization		
At April 2023	(248)	(248)
Charge for the year	(58)	(58)
At balance sheet date	**(306)**	**(306)**
Net book value		
At April 2023	**603**	**603**
At balance sheet date	**605**	**605**

13. Investment properties

	2023-24	2022-23
	£000	£000
Land cost at start of period	0	2,000
Disposals in the year	0	(2,000)
	0	**0**

The land held as an investment property was 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. Brunelcare was granted planning permission and sold the land in May 2022.

14. Properties held for sale

	2023-24	2022-23
	£000	£000
Properties held for sale	97	341
	97	**341**

These are leasehold properties within the Woodland Court retirement village.

15. Debtors

	2023-24	2022-23
	£000	£000
Rents, fees and service charges receivable	2,700	3,274
Less provisions for bad debts	(734)	(1,450)
	1,966	**1,824**
Prepayments	1,228	374
Accrued income	998	1,220
	4,192	**3,418**

	2023-24	2022-23
	£000	£000
Rent arrears		
Housing current tenants	94	93
Housing former tenants	33	10
Extra care current tenants	23	40
Extra care former tenants	9	16
Gross social housing rent arrears	**159**	**159**

16. Creditors: amounts falling due within one year

	2023-24	2022-23
	£000	£000
Bank loans due within one year	717	724
Trade creditors	696	760
Rent and service charges received in advance	1,335	1,373
Other taxation and social security	798	747
Payroll costs	2,065	1,666
Other creditors	491	623
Accruals & Deferred income	2,174	2,415
	8,276	**8,308**

17. Creditors: amounts falling after more than one year

	2023-24	2022-23
	£000	£000
Bank loans	10,330	11,046
Other long-term creditors	614	598
Social housing grant	10,957	11,197
Other grants	4,791	4,873
Recycled capital grant fund	85	85
Pension liability	0	2
	26,777	**27,801**

18. Deferred capital grants

	Social Housing Grants	Other Grants
	£000	£000
Balance brought forward	11,435	4,872
Amortised in the year	(240)	(81)
Balance carried forward	**11,195**	**4,791**

19. Bank loan analysis

	2023-24	2022-23
	£000	£000
Bank loans due within one year	717	724
Bank loans due after one year	10,329	11,046
	11,046	**11,770**

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 £4,171k on Libor rates. Based on the lender's earliest repayment dates, borrowings are repayable as follows:

	2023-24	2022-23
	£000	£000
Within one year	717	724
Between two and five years	2,674	2,903
After five years	7,655	8,143
	11,046	**11,770**

20. Financial commitments

Capital expenditure commitments were as follows:

	2023-24	2022-23
	£000	£000
Authorised by the Board but not contracted	10,268	3,662
Contracted but not delivered by the year-end	285	271

The above commitments will be financed using existing cash reserves and cash generated in the year.

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

	2023-24	2022-23
	£000	£000
Land and buildings		
Less than one year	905	883
One to five years	3,621	3,449
Beyond five years	15,583	14,850
	20,109	**19,182**
Office equipment, computers and vehicles		
Less than one year	206	51
One to five years	532	57
Beyond five years	22	12
	760	**120**

21. Contingent liabilities

There were 9 Woodland Court properties remaining as at 31 March 2024 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 31 March 2024 no buyback clauses had been activated. These transactions are uncertain and therefore an amount has not been disclosed (2023: nil).

22. 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 23.

23. 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.

Brunelcare has been notified by the Trustee of the Social Housing Pension 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 2025 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.

Brunelcare is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

23.1 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 2024	31st March 2023
	£000	£000
Fair value of plan assets	14,388	14,588
Present value of defined benefit obligation	17,665	17,775
Deficit in plan	**(3,277)**	**(3,187)**
Unrecognised surplus	0	0
Defined benefit liability to be recognised	**(3,277)**	**(3,187)**

Reconciliation of opening and closing balances of the defined benefit obligation

	2023-24	2022-23
	£000	£000
Defined benefit obligation at start of period	17,775	25,490
Expenses	35	37
Interest expense	851	702
Actuarial gains due to scheme experience	(25)	(570)
Actuarial gains due to changes in demographic assumptions	(216)	(45)
Actuarial gains due to changes in financial as-sumptions	(45)	(7,189)
Benefits paid and expenses	(710)	(650)
Defined benefit obligation at the end of the period	**17,665**	**17,775**

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

	2023-24	2022-23
	£000	£000
Fair value of plan assets at start of period	14,588	22,265
Interest income	714	623
Experience on plan assets (excluding amounts included in interest income) (loss)	(1,017)	(8,479)
Employer contributions	813	829
Benefits paid and expenses	(710)	(650)
Fair value of plan assets at the end of the period	**14,388**	**14,588**

Defined benefit costs recognised in Statement of Comprehensive Income

	2023-24	2022-23
	£000	£000
Expenses	35	37
Net interest expense	137	79
Defined benefit costs included in the Statement of Comprehensive Income	**172**	**116**

Defined benefit costs recognised in Other comprehensive income

	2023-24	2022-23
	£000	£000
Experience gains and losses arising on plan liabilities - gain	(1,017)	(8,479)
Experience gains and losses arising on plan liabilities - (loss)	25	570
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain	216	45
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	45	7,189
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - (loss)	**(731)**	**(675)**
Effects of other changes in the amount of surplus that is not recoverable (excluding amounts included in the net interest cost) - gain/(loss)	0	0
Total amount recognised in Other Comprehensive Income - (loss)	**(731)**	**(675)**

Assets

	31st March 2024	31st March 2023
	£000	£000
Global equity	1,434	272
Absolute return	562	158
Distressed opportunities	507	442
Credit relative value	471	551
Alternative risk premia	457	27
Private Equity	12	0
Emerging markets debt	186	78
Risk sharing	842	1,074
Insurance-linked securities	74	368
Property	578	628
Infrastructure	1,454	1,666
Private debt	566	649
Opportunistic illiquid credit	562	624
High yield	2	51
Opportunistic credit	0	1
Cash	283	105
Long lease property	93	440
Secured income	430	670
Liability driven investment	5,856	6,719
Currency hedging	(6)	28
Net current assets	25	37
Total assets	**14,388**	**14,588**

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 2024	31st March 2023
	% per annum	% per annum
Discount rate	4.90	4.87
Inflation (RPI)	3.15	3.19
Inflation (CPI)	2.78	2.75
Salary growth	3.78	3.75
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31st March 2024 imply the following life expectancies:

	Life expectancy at age 65
	Years
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.8
Female retiring in 2044	24.4

23.2. 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.

23.3. Social Housing Pension Scheme – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions		
From 1st April 2022 to 31st January 2025	£3,312,000 per annum	(payable monthly)

Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions		
From 1st April 2019 to 30th September 2025	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision	31st March 2024	31st March 2023	31st March 2022
	(£s)	(£s)	(£s)
Present value of provision	2,351	5,033	7,895

Reconciliation of opening and closing positions

	Period ending 31 March 2024 (£s)	Period ending 31 March 2023 (£s)
Provision at start of period	5,033	7,895
Unwinding of the discount factor (interest expense)	192	148
Deficit contribution paid	(2,876)	(2,876)
Remeasurement - impact of any change in assumptions	2	(134)
Remeasurement - amendments to the contribution schedule	0	0
Provision at end of period	**2,351**	**5,033**

Income and expenditure impact

	Period ending 31 March 2024 (£s)	Period ending 31 March 2023 (£s)
Interest expense	192	148
Remeasurement - impact of any change in assumptions	2	(134)
Remeasurement - amendments to the contribution schedule	0	0
Cost recognised in income and expenditure account	**194**	**14**

Assumptions

	31 March 2024 (£s)	31 March 2023 (£s)	31 March 2022 (£s)
Interest expense	5.31	5.52	2.35

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year-end period:

Deficit contribution schedule

	31 March 2024 (£s)	31 March 2023 (£s)	31 March 2022 (£s)
Interest expense	2,397	2,876	2,876
Interest expense	0	2,397	2,876
Interest expense	0	0	2,394

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

23.4. Scheme benefit review

We were notified in 2021 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 is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the end of 2025 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this potential issue.

14 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 2024

TRUSTEES

Graham Russell	Chair of The Board
Harry Hayer	Vice Chair and Chair of the Remuneration, Nominations and Workforce Committee
Phil Hope	Senior Independent Director
Andrew Sloman	Chair of the Audit, Risk and Finance Committee
Nick Hooper	Chair of the Performance, Quality and Experience Committee
Alison Comley	
Kate Innes (Still)	
Anthony Oldfield	
Jo Makinson	

SENIOR LEADERSHIP TEAM

Oona Goldsworthy	Chief Executive Officer
Brian Whittaker	Director of People and OD
John Rew	Director of Finance and Digital Services
Michelle Richards	Director of Housing Services
Sandra Payne MBE	Director of Nursing and Care Services
Mandy Collins	Company Secretary and Director of Corporate Governance

Further information on our Trustees and the Senior Leadership Team can be found on our website - **www.brunelcare.org.uk/about-us/who-we-are/**

Registered Office

Saffron Gardens Prospect Place, Whitehall Bristol, BS5 9FF

Tel: (0117) 914 4200 / **Fax**: (0117) 987 3502

E-mail: info@brunelcare.org.uk

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

Crowe, 4th Floor, St James House, St James' Square, Cheltenham, Gloucestershire GL50 3PR

Internal Auditors

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

Head Office
Saffron Gardens Prospect Place Whitehall
Bristol BS5 9FF
T: 0117 914 4200
E: info@brunelcare.org.uk

www.brunelcare.org.uk

Registered Charity 201555.

Living Wage Employer
disability confident EMPLOYER
INVESTORS IN PEOPLE™ We invest in people Standard

BRUNELCARE

England & Wales - Charity number 201555

Accounts

brunelcare

Annual Report and Financial Statements For the year ending 31 March 2023

Registered charity no. 201555

Registered company no. 601847

Care Quality Commission registration no. CRT1-579008632

Homes England registration no. LH0269

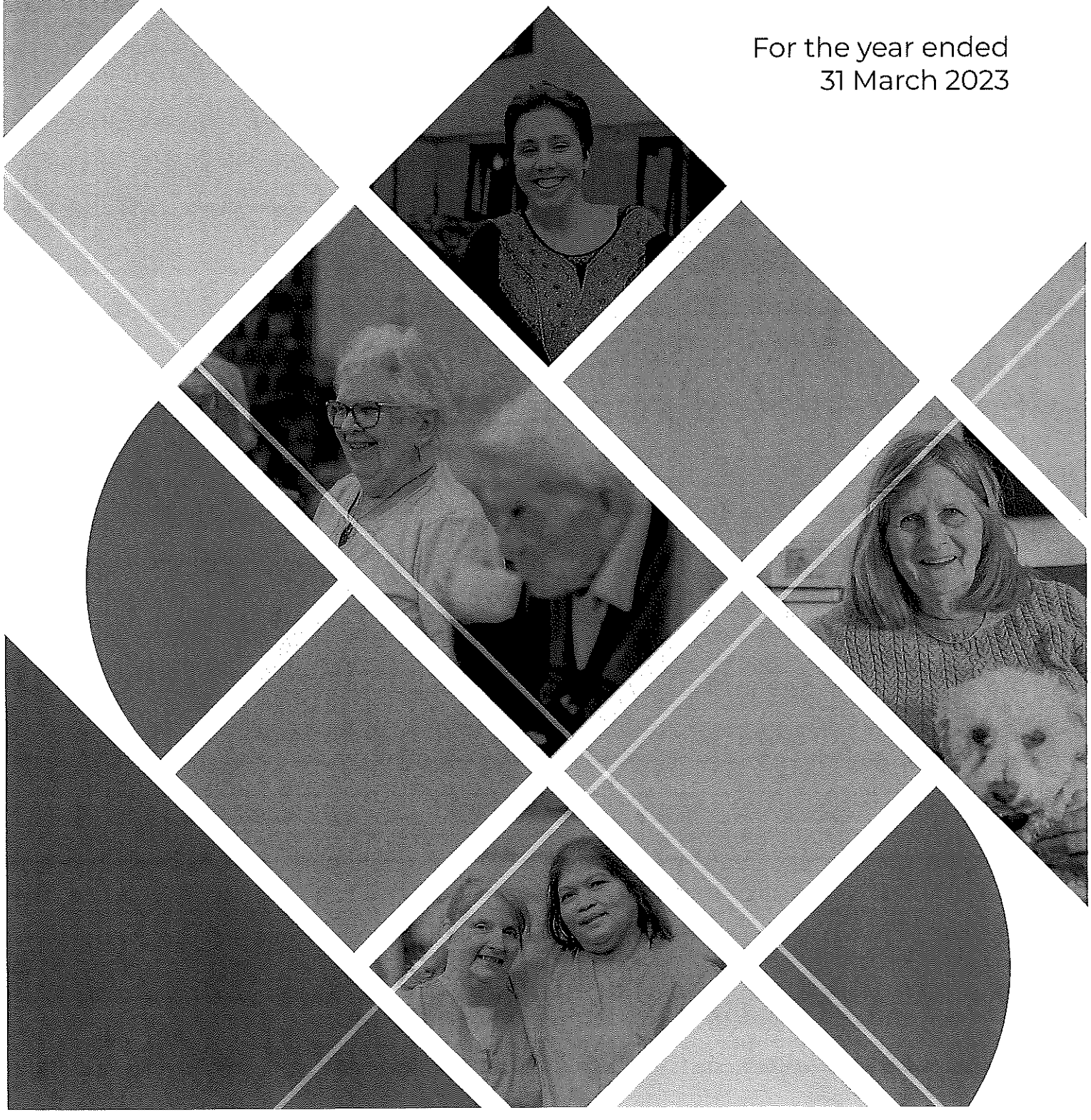
2023

brunelcare

Annual Report

and Financial Statements

For the year ended
31 March 2023



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01 CHAIR AND CHIEF EXECUTIVE'S INTRODUCTORY STATEMENT

Brunelcare has weathered many storms in its 82-year history, but the pandemic followed by the energy and cost of living crisis are possibly the most significant yet. We are very aware of the continued hardship faced by many of our residents and customers as a result of rising bills, and so we will continue to provide additional financial support to those in financial need through our Financial Support Fund.

Despite these pressures we were able to end the year with a small surplus of £1.3m and with a resilient cash balance of £8.9m. This is needed to ensure we can continue to invest in the improvement of all our homes. It also means that we have been able to retain our commitment to the Real Living Wage for all our colleagues and as a result we have seen fewer people leaving with a reduction in our use of agency staff.

Customer engagement was again a key focus in the year, with the establishment of a Residents First Group. Following the approval of the Together with Customers Charter, the Residents First Group was set up by the Board in December 2022. The Group has been put in place to ensure that Charter commitments are fully realised and customers are put at the heart of our governance arrangements, decision making and oversight of the delivery of the Charter delivery plan. The Group has agreed that key areas which it wishes to include within its work plan for the 2023-24 financial year include communication, service charges and Brunelcare's approach to allocations. A key priority for the months ahead will be the establishment of a similar group for those who access our care services.

To help improve the efficiency and effectiveness of the services we continued to push ahead with an ambitious programme of IT and digital transformation. The launch of our new housing management system in December 2022 and its continued development has been a 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.

During the year we said goodbye to Tony Wison who stepped down as a Trustee in March 2023. We welcomed a new Director of Finance & IT in the same month; John Rew joined us from the Wildfowl and Wetlands Trust and brings a wealth of experience and knowledge in financial matters. At the beginning of July 2023, we also said goodbye to Deborah Evans when she stepped down from the role of Chair of the Board after leading it with such care and compassion for the last four years. We are immensely proud of the progress made to improving services and governance arrangements under her leadership. Such improvements were acknowledged by the Regulator of Social Housing who completed an In Depth Assessment (IDA) of the Charity and reaffirmed in March 2023 its highest possible rating of G1 for our governance. Such an achievement would not have been possible without the guidance and expertise of our Board and Senior Leadership Team.

As part of the inspection process, Brunelcare worked with the RSH to pilot its new arrangements to review compliance with the five RSH Consumer Standards. The RSH concluded that there was good evidence of Brunelcare meeting the new Consumer Standards but identified areas where improvements need to be made:

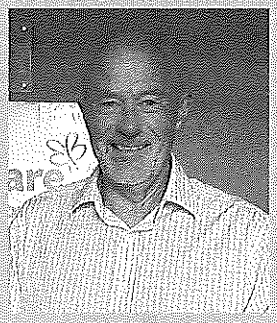
- understanding diversity of tenants
- understanding satisfaction rates better
- transparency and involving tenants more in decisions

Oona Goldsworthy
Chief Executive

A final word from our new Chair:

"I would like to take the opportunity to say it is a great privilege to be invited to be the new Chair of Trustees at Brunelcare and carry on the great efforts that Deborah left. I am keen to get involved, meet lots of people across Brunelcare and become more familiar with the organisation.

Graham Russell
Chair



02 ABOUT THIS ANNUAL REPORT

What information will you find in our annual report

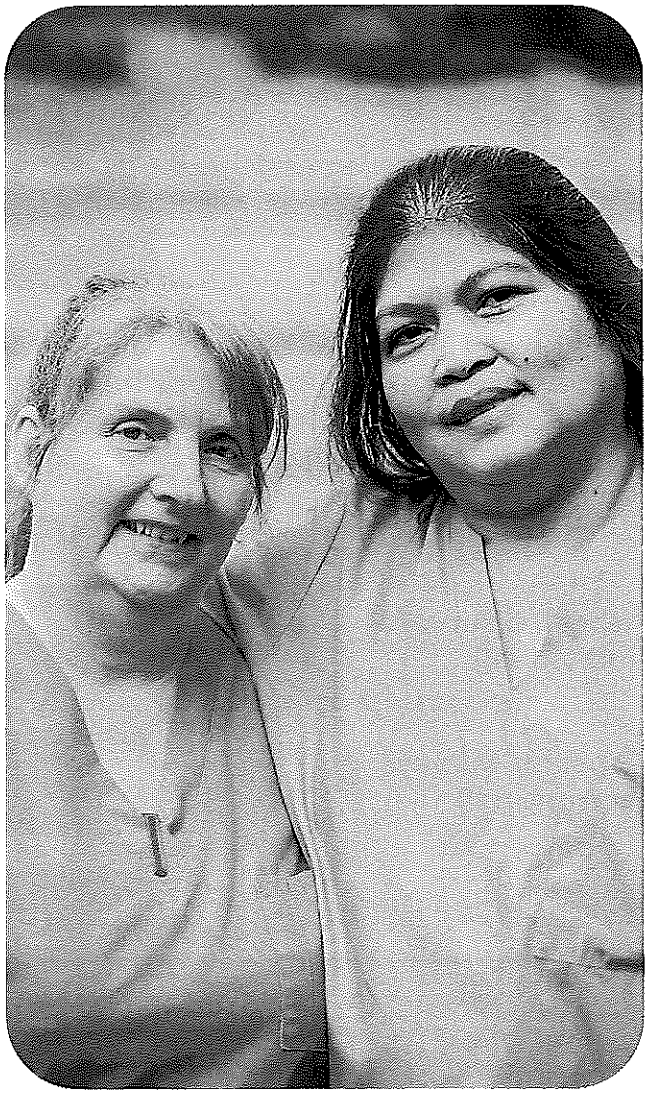
Our Annual Report provides information about how we performed in 2022-23, describes what we will do during the next 12-months to further improve the services we provide and explains how important it is for us to work with and listen to our tenants, clients and commissioners, so that we can continue to 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 for Social Housing Providers 2022;
- 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:

- Performance Overview
- 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 PERFORMANCE OVERVIEW

A summary of how we performed against the key performance measures set by the Board and the Regulator for Social Housing is set out below:

Aim: A Place to Call Home

	OUR AVERAGE 2022-23 PERFORMANCE	OUR TARGET
Average let times for ECH properties	45.74 days	<28 days
Average let times for housing properties	22.18 days	<21 days

Average let times have been impacted during 2022-23 due to particular voids which reduced average let times. Steps have been taken to review re-lets and allocations and a dedicated staff team is in place to manage this process.

Health and Safety Landlord Compliance

Asbestos surveys (individual)	99%	100%
Asbestos surveys (communal)	100%	100%
Electrical fixed wire testing	99.25%	100%
Fire safety	100%	100%

Gas servicing (commercial)	100%	100%
Gas servicing (domestic)	99.5%	100%
Legionella risk assessments (care and ECH settings and sheltered housing)	100%	100%

Access issues during the year have had an impact on the number of surveys and servicing undertaken. Going forward, this will be managed through the Charity's Cx Housing Management system and advice has been sought where access issues remain.

% of responsive repairs completed first time	88.25%	90%

The introduction of the Cx Housing Management System will provide increased monitoring and consistency.

Ratio of responsive repairs to planned maintenance spend	74.45%	<65%

Delays in capital expenditure have impacted this measure. This ratio will decrease as capital works are completed throughout 2023-24.

Care Home Occupancy (at the end of March 2023)	97.3%	94%
Proportion of homes that do not meet the Decent Homes Standard	7.19%	0%

This figure has improved across the year and remaining issues relate to external doors to properties which exceed the recommended Decent Homes lifecycle. Doors are safe and secure and replacement has been planned for 2023-24.

Aim: The Right Care and Support

	OUR AVERAGE 2022-23 PERFORMANCE	OUR TARGET
Outcome of CQC inspections (% good) as at 31 March 2023	100%	100%

As at 31 March 2023, all of the charity's CQC registered properties were rated 'Good' or above.

Employee sickness rates (for the 12 months preceding April 2023)	5.76%	<4.5%
Employee retention levels (for the 12 months preceding April 2023)	72.54%	>75%

Support continues to be provided to colleagues for both long and short term sickness. Retention levels continue to increase following steps taken in line with the Charity's Workforce Strategy.

Aim: A Good Quality of Life in the Community

	OUR AVERAGE 2022-23 PERFORMANCE	OUR TARGET
Complaints raised to second stage in a quarter (number)	1.5	<2
Complaints raised to second stage in a quarter (% of complaints)	5.98%	0%
Average complaint response time (days)	8.10	<10

% of complaints responded to within 10 days	68.5%	100%
Complaints raised to second stage in a quarter (% of complaints)	5.98%	0%
Average complaint response time (days)	8.10	<10
Number of first stage housing complaints per 1000 homes (whole of 2022-23)	50.76	
Number of second stage housing complaints per 1000 homes (whole of 2022-23)	2.16	

Complaints performance continues to improve in line with the Charity's policy and through the dedicated management of the Complaints Officer. Further steps will be taken in 2023-24 to improve knowledge of the complaints process for both colleagues and customers to ensure increased satisfaction and compliance with internal targets.

Number of ASB cases opened in a quarter	50.5	20
Number of ASB cases closed as resolved as % of ASB cases received in a quarter'	73%	85%

Reported ASB cases have increased due to a dedicated team being in place to respond and resolve cases. Steps will be taken during 2023-24 to further improve resolution of cases and to ensure issues are addressed to prevent recurrence.

04 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, 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, with three extra care housing schemes and a retirement village, all 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).

In 2021 we published a new strategic plan for the charity:
'Brunelcare: Our Future.'

The plan includes a 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 were produced in consultation with them.

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.

Later living that makes the most of every moment.

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.

Our Customers

We strive to deliver high-quality services at all times, with our work informed by regular surveys of our tenants and residents. We know we need to continue to improve communication with our customers and this remains our priority

Together with Customers Charter

The importance we place on improving our services led to the development of a 'Together with Customers Charter'.

Together with Customers

As reported last year, 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'.

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 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.

You said/we did

Our Together with Customers Strategy details Brunelcare's commitment to putting our customers at the centre of our values, culture and ethos.

Its aim is to gather feedback on areas that are important to customers, so that we can respond in the best way. The customer issues that arose from the most recent Quarterly Site Meetings are detailed below:

YOU SAID

The information you receive needs to be shared in a more timely / up-to-date way.

WE DID

We are piloting a virtual noticeboard at our Willowbank site, which will provide up-to-date information. The Customer Service Team are monitoring its success

YOU SAID

On-site directional signage is confusing and needs to be clearer.

WE DID

We have removed the confusing signage and we will replace it with new branded

signage. This will be done on a site-by-site basis, based on the feedback we have received from you.

YOU SAID

That you would like to have new grit bins installed at your site(s).

WE DID

For those sites that require a new / replacement bin, we have ordered new grit bins and these will be replaced / installed on sites before the winter. We will also look at relocating some of the bins to make it easier for you to access them.

YOU SAID

We need new laundry machines.

WE DID

Brunelcare procured new laundry contracts with Wolf. The installation of these machines started in July. In addition, we are also reviewing the sites where laundry contracts are next due for renewal.

Residents First Group

A Residents First Group (previously Customers First Group) has been established to help ensure that residents are actively involved in shaping the services Brunelcare provides and its future.

Rosemary of Whitebeam Court said:

'I joined the Residents First Group to help to be part of a solution, working with, not against, Brunelcare. I believe that the thoughts and views I have are valid. There will always be frustrations, but by working together and demonstrating that we are trying to improve the services we use and the homes we live in, I can help with change and improve communications for the benefit of all residents.'

At the time of reporting, the Group had met twice and has agreed to focus on the following areas over the coming months:

- Communication: this was identified as being the major common concern.
- Service charges: the Group felt that there was a lack of clarity in relation to service charges and how they are calculated and so a fundamental review of how they are communicated was important
- Approach to the allocation of homes: a review of the allocations process was felt to be needed.

Meetings have been scheduled for the remainder of 2023-24.

The outcome of all meetings will be shared in future Grapevines, at Quarterly Site Meetings and on our website.

We are exploring ways of involving our care clients and their loved ones in the Residents First work and updates will be provided on our website.

What our customers say about us

Brunelcare commissioned Acuity to conduct a tenant satisfaction survey for 2023. 289 telephone interviews were completed from a total of 1,134 residents, the fieldwork being completed during January 2023.

The survey was designed to act as a baseline using the new Tenant Satisfaction Measures issued by the Regulator of Social Housing for the first time. The survey recorded many good ratings including the repairs service in the last 12 months (90%), the time to complete the most recent repair (90%), the provision of a home that is safe (89%) and that Brunelcare treats its residents fairly and with respect (85%) – all of which is reflected in the finding that 80% of residents are satisfied with the overall services.

Overall Satisfaction

80%

of residents are **satisfied** with the overall services provided by Brunelcare

13%

of residents are dissatisfied with the overall services provided by Brunelcare

8%

are **neither satisfied nor dissatisfied.**

The home & communal areas

85%

The majority of Brunelcare's residents are **satisfied** with the maintenance of their home

89%

say that they feel safe

85%

are **satisfied** that the communal areas are kept clean and well maintained.

Communication and information

80%

of residents are **satisfied** that Brunelcare keeps them informed about things that matter to them.

69%

are **satisfied** that they listen to residents' views and act upon them

think Brunelcare treats them fairly and with respect

BUT JUST

74%

are **satisfied** with the way Brunelcare handles complaints

The neighbourhood

80%

of residents are **satisfied** with the positive contribution made by Brunelcare to their neighbourhood

74%

are **satisfied** with the way Brunelcare handles anti-social behaviour.

Day-to-day repairs and maintenance service

90%

are **satisfied** with the repairs service in the last 12 months

90%

are **satisfied** with the time taken to complete their most recent repair.

Satisfaction over time

Acuity carried out a resident and care survey for Brunelcare in 2020/21. This report includes the differences in satisfaction with the sheltered residents, where questions match.

Overall satisfaction is down

1%

BUT

all of measures show from 1% more for the provision of a safe home to

12%

more for both the contribution made by Brunelcare

The full report on the satisfaction survey can be found HERE.

Suggestions for improvement

A total of

252

comments were received suggesting possible improvements to the service

16%

of these are

positive

suggesting no improvements are needed

Communications received the most comments

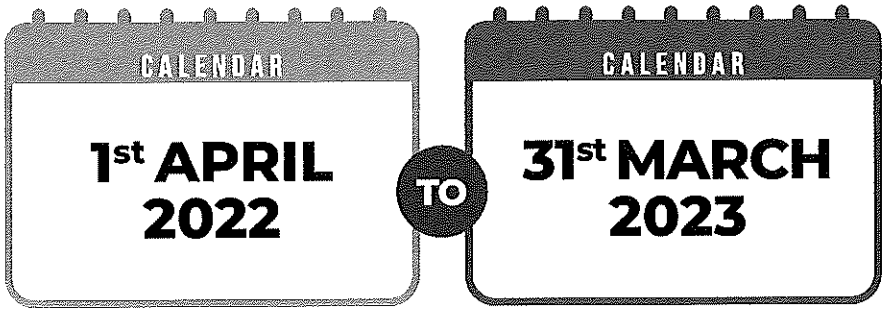
17%

followed by customer service and the upkeep of the communal areas.

Complaints, Concerns and Compliments

Brunelcare takes the approach that complaints, concerns and compliments raised are gifts. Without feedback from our customers, we have fewer opportunities to develop as an organisation and as individuals.

Our Complaints Officer oversees the complaints process and ensures that complaints and concerns are reviewed, resolved and learnt from. The Board's Performance, Quality and Experience Committee reviews trends and compliance with the key performance measures set out in our Managing Comments, Concerns, Complaints and Compliments Policy on a quarterly basis.



102 complaints were received

Brunelcare's policy states that complaints will be acknowledged within **3** working days of receipt

Of the 102 stage 1 complaints received

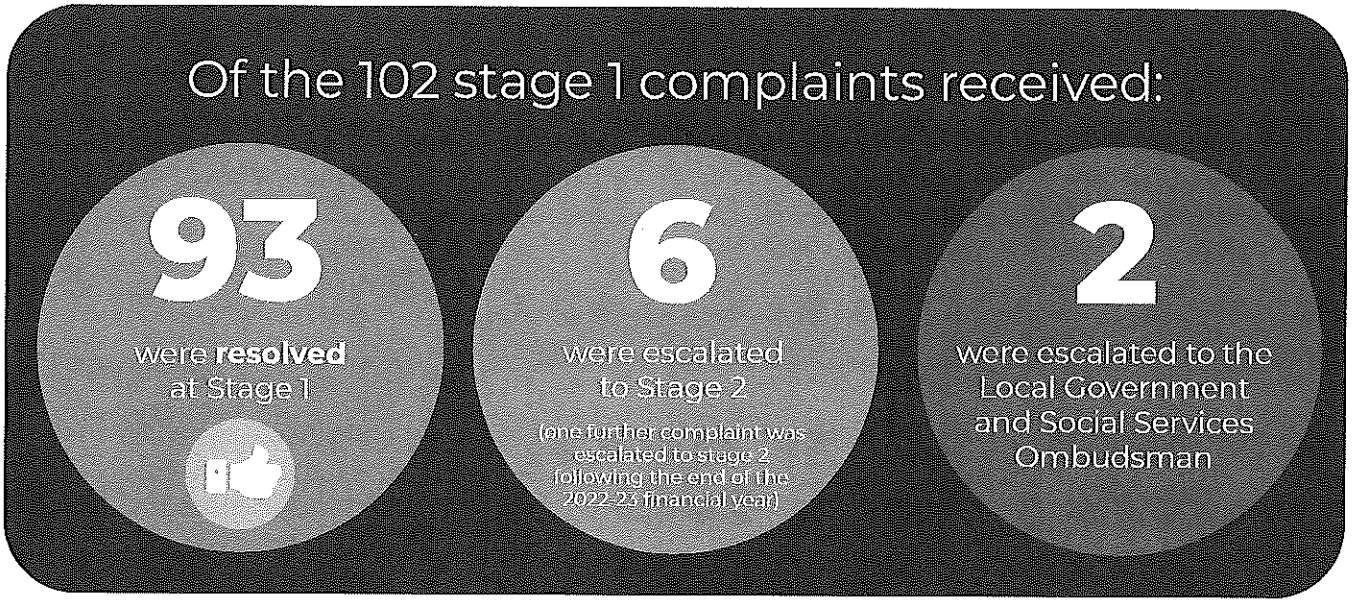
93 (93%) were acknowledged within 3 working days.

Compliance improved during the year from 88% in the period April to June 2022 to 100% in the period January to March 2023.

88% → **100%**

Our Policy also states that we will aim to fully respond to complaints within 10 working days of the complaint being logged. This was a deadline that colleagues found difficult to meet due to a range of issues, including:

- The complexities of the complaint leading to more time required to fully investigate
- Feedback being required from an outside agency as part of the complaints investigation (e.g. a solicitor) and work needing to be completed by a subcontractor
- Further information needing to be sought from the complainant



93

compliments

about the services provided by Brunelcare and its employees were received.

We continue to work to further improve the recording and reporting of compliments.

Further Information

Further information on our complaints process and how complaints were managed in 2022-23 can be found here: **www.brunelcare.org.uk/about-us/our-performance/complaints-performance-reports**

05 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 is 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 at 31 March 2023, 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.

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	9 Feb 2022	17 March 2022	Outstanding	G	O	O	O	O
Glastonbury	18 Dec 2018	17 Jan 2019	Good	G	G	O	G	G
Orchard Grove	6 Nov 2020	28 Nov 2020	Good	G	G	G	G	G
Robinson House	21 Jan 2020	14 Feb 2020	Good	G	G	G	G	G
Saffron Gardens	16 June 2022	30 July 2022	Good	G	G	G	O	G
Little Heath Care & Support	9 Feb 2023	8 March 2023	Good	G	G	G	G	G
Little Heath Reablement	11 Jan 2023	14 Feb 2023	Good	G	G	G	G	G

As we reported last year, an inspection of Little Heath care and Support was undertaken in April 2022 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 9 February 2023 resulted in a rating of 'good' which is testament to the amount of hard work and dedication of the team.

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

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	24 Nov 2020	18 Dec 2020	Good	G	G	G	G	G
Brunelcare Domiciliary Services: Somerset	1 April 2022	23 April 2022	Good	G	G	G	G	G

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.

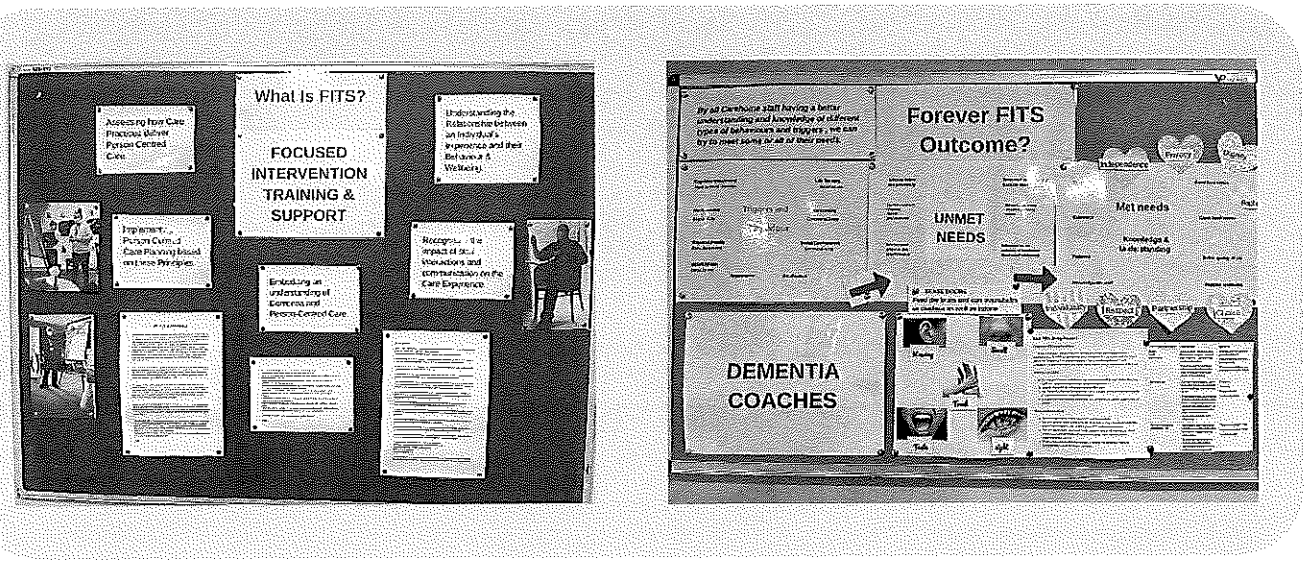
Excellent relationships with partner GPs in all of our Care Homes ensure that regular treatment and health reviews take place on a weekly basis e.g. medication, long term condition, nutrition, pain management etc. Clients and their families are involved in decision making wherever possible.

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 practice 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 upon 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 a Dementia. Monitoring the 'Lived Experience' for 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.

During the year we rolled out Focused Intervention Training and Support (FITS) across our care homes. FITS is designed to create knowledgeable, confident, evidence-based practitioners and coaches and is a programme based on best practice and accredited by the University of Worcester.



Some Feedback from 2023 participants

There were four members of the Westhay team and it has been clear to myself that the dementia care that is being delivered has vastly improved and been consistent since FITS. When feeding back to staff and supporting teams I am using the knowledge and skill I have gained from FITS to improve practice and thought processes.

(TK DM GCH)

I have really thoroughly enjoyed my FITS journey and I am sad it's over. Stuart has really helped me build my confidence and I feel really ready to help improve Glastonbury care home. I have enjoyed the way we have been taught and found every session really informative and being able to print off the power points has made it easy to recap and retain the information. I really wish all the staff could complete the course.

(CH Homemaker GCH)

I am seeing a lot of change in the home and it is so nice to see that people around us are noticing the changes. Staff are seeing the difference and starting to participate in their own ways.

(LS Snr Carer Deerhurst)

FITS has given me the opportunity to gain experience and see things from a different perspective. Within my role I can use the knowledge learnt to coach others.

(LH Carer/Homemaker Deerhurst)

On a personal level I think I have gained so much confidence from this course. I feel I have become a better unit leader, not afraid to challenge things to see and question people as to why they are doing something. I have gained knowledge and understanding which have helped me with producing care plans specifically around behaviours, and been able to formulate support plans with all aspects thought of.

(KM UCL Saffron Gardens)

It made perfect sense for me to undertake this course as I was managing the nursing home with about 80% of residents living with dementia. It provided clear guidance and direction to improve the practices according to the new research and knowledge.

(KM RM Little Heath)

I feel I could ramble about the benefits of FITS but I think the most powerful benefits is you will see change once completing the sessions, not only for the people we support but for the colleagues completing it and the colleagues we work with.

(CR ECH and Community Support Manager)

The FITs course has really allowed me to expand my knowledge and to learn so much more and it's been quite eye opening at times with how easy it is not realise how subtle changes in your own ways of working can make a huge impact on our guests and residents. There's been loads of light bulb moments along the way as things have all linked together!

(BP Business Manager LH R)

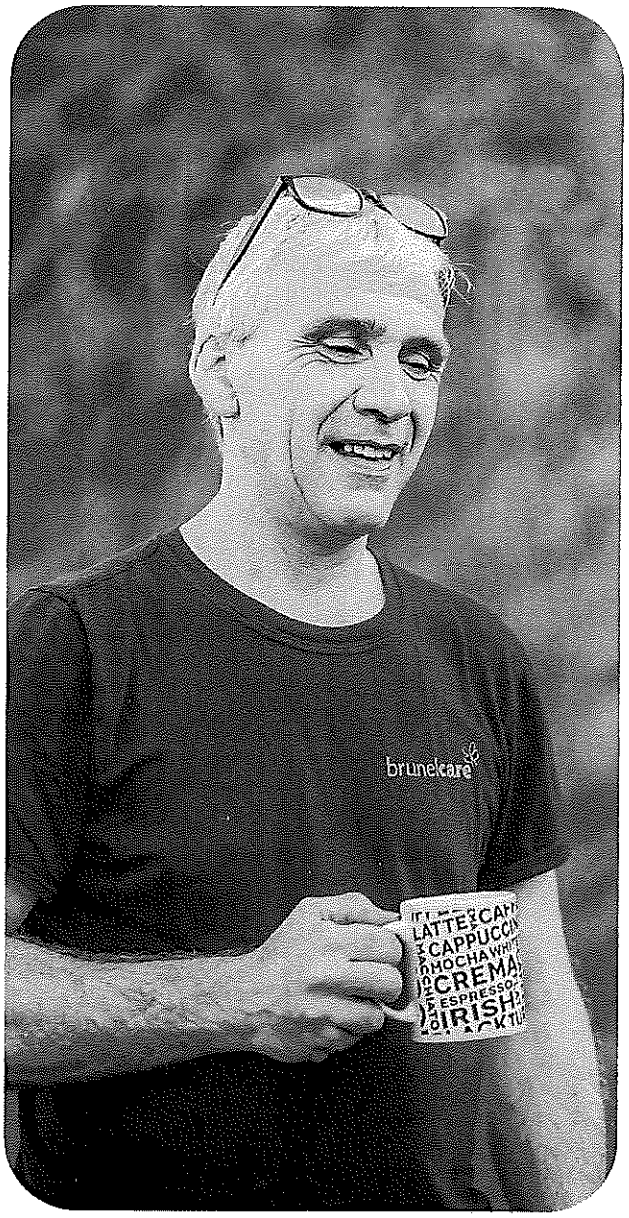
My mind was broadened when assessing the home with the VIPs toolkit. It hit me like a ton of bricks, we were doing so much right, but so much wrong.

(AD Homemaker, Deerhurst)

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 hospital in a timely manner and receive an assessment of their needs within their own environment.



OUR HOUSING HOMES AND SERVICES

We want all of Brunelcare's customers to feel proud of their homes and where they live, but we know this is not 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, which 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 2022-23 we progressed the AMS Action Plan by:

1. Catching up with planned works delayed by contractual performance concerns
2. Continued investment in building safety and compliance works including fire safety within the budget, including fire door replacement and alarm upgrades
3. Providing financial investment and redevelopment data to inform the 30-year Long Term Finance Plan

4. Completing detailed investment plans and budgets for 2023-24

5. Implementing a new Housing Management System for property and compliance management

6. Completing four fire alarm upgrade programmes across five sites

7. Progressing recommendations made by Greener Energy Futures to identify quick carbon reduction wins

8. Establishing a relationship with the Net Zero Group by attending and presenting at both meetings held

9. Advancing the detailed development appraisal on sites having already obtained Board approval

10. Applying for (SHDF) Wave 2.1 funding. Brunelcare has been awarded funding in excess of £1.7m.

11. Applying for Community Resilience Fund through Bristol City Council in order to apply learning from Greener Energy Futures advice related to sensor controlled LED lighting. Aspiring to upgrade all communal lighting across our stock

12. Formalising discussions with Bristol Energy Cooperative relating to the use of solar energy within out Extra Care schemes and Care Homes

13. Presenting a draft sustainability strategy to the Board and Net Zero Group which includes development and retrofit principles in order to contribute to the corporate carbon reduction strategy

14. Developing a damp procedure

15. Providing training on the subject for customer service and customer facing staff

16. Appointing a Responsive Repairs and Property Compliance Manager

17. Mobilising two new contracts with incumbent contractors KIS (Electrical) and Greyman (Gas)

18. Completing 1227 stock condition surveys

The last 12 months saw a huge increase in the cost of wholesale energy prices which had a direct impact on Brunelcare's capital investment budget. This forced a review and subsequent scaling back of budgeted works with some works moved to the 2023-24 financial year.

In 2022-23 we also invested in the following health and safety compliance works and checks.

Health and Safety Compliance Works

At the time of reporting, property health and safety compliance performance was:

Health and Safety Compliance Check	Percentage Completed
Fixed Wire Testing - Domestic & Communal	99%
Domestic Gas Services	100%
Commercial Gas Services	100%
Fire Risk Assessment	100%
Lifting Operations and Lifting Equipment Regulations 1998 (LOLER) Checks	89%

In 2023-24 the main areas of expenditure will be on:

- Replacing kitchens that have come to the end of their life,
- Electric heating,
- Fire detection systems,
- Fire door improvements and replacements,
- Fire compartmentation and breaks,
- Replacing windows,
- External decorations.

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 infrastructure 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.

We end the financial year with 43 non-decent components. The non-decency assessment relates to the age of doors. However, on assessment, these doors remain functional, robust and safe.

Climate Change

Ensuring that our homes are low carbon and energy efficient is not only an objective within the 'Asset Management Strategy', but also a Government target for social housing providers through their 'Clean Growth Strategy'. By 2050 we have to achieve net zero for all of our homes.

Following a detailed application, Brunelcare was awarded £2 million of Wave 2 (Social Housing Decarbonisation Fund) funding. We have to spend this over a two-year period on improved insulation, space and water heating. Brunelcare will match this funding with new windows and explore renewable energy across two of our sites.

As we develop our approach to improved energy performance, we are much clearer on how we can achieve this. However, we also hope that we will be able to take advantage of future technology and design changes.

We will start to retrofit our poorest-performing properties with an Energy Performance Certificate (EPC) rating of D and below.

We have undertaken some detailed property assessments, which has provided us with a much better understanding of how the retrofit will take place. The next stage will be to start consultations with some of our tenants in phase one about what that could mean for them and their homes in the first phase.

Tenant Involvement

In addition to the work of the Residents First Group, referred to on page 13 of this report, Brunelcare also 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

The sheltered housing sites' quarterly site meetings enable tenants to raise concerns and discuss ideas for their site. In 2023-24, the 'Together with Customers Charter' will drive engagement with all customer groups with the goal of further strengthening our relationships with them.

New Welcome Pack

We want to ensure our services are as easy and accessible as possible. We know we need to continue to improve the quality of our services, communications and ease of transacting with us and this remains our priority.

Delivering for our residents starts before they have moved into their homes. During the year, we started work on a new welcome pack to help new residents settle in and get off to the best possible start. We are using the feedback from new residents, as well as those of our colleagues who work directly with them to inform the content and format of the new pack.

Energy bills

The large increase in energy costs was a big shock for everyone last year.

For some people, energy bills went up by 300%. Whilst we were able to pass on the government subsidy introduced in October 2022, as well as tenants being able to claim the £400 payment, removal of the government subsidy meant that tenants were facing another big hike from April.

To avoid this, we were able to negotiate a new deal with our energy supplier EDF, whereby they spread the increase over 18 months, so that tenants could benefit from the fall in energy prices.

Improving Access to Information Technology

To enable our residents to access technology to help manage their tenancies, access advice and benefits we have upgraded the PCs on all of our sites. We have also renewed the IT infrastructure, such as the WiFi, to ensure the reliability of access.

Supporting Residents to Maintain their Tenancy

During the year we restructured and strengthened our housing team, so that we are able to support and work with vulnerable residents needing help to stay in their homes and avoid the threat of eviction. Our Tenancy and Income Officers work with residents to address their individual circumstances through practical plans of action as well as ensuring they are claiming any benefits they may be entitled to. All members of the housing team have received training in welfare benefits so that they can provide help and advice.

Our Tenancy Officers are also able to work with residents to address matters such as Anti Social Behaviour and on-site conflicts.

The financial pressures faced by our residents as a result of rising energy costs and inflation led to the development of a 'cost of living help' page on our website which is used to inform our residents of the latest schemes, help and advice being offered by the Government - see here: **www.brunelcare.org.uk/about-us/help-and-guidance/cost-of-living-help.** We also introduced a 'Financial Support Fund' to support residents facing difficulty with the increasing cost of living and rising energy bills.

Regulatory Assessment and Review

At least every four years, Brunelcare has an inspection of all of our housing services.

On 29 March 2023, the Regulator for Social Housing (RSH) published its regulatory judgement of Brunelcare following an 'In-Depth Assessment' (IDA). This involved a review of documents, interviews with members of the Board and Senior Leadership Team of Brunelcare, and observations of meetings.

Customers involved in the Net Zero Group got the opportunity to give feedback to the inspection team.

Based on evidence gained from the IDA, the RSH has confirmed that it has the assurance that Brunelcare continues to comply with the governance and financial viability elements of the Governance and Financial Viability Standard.

The published outcomes were:

- **G1** - The provider meets our governance requirements

[ratings are G1 and G2 - compliant; G3 and G4- non-compliant]

- **V2** - The provider meets viability requirements; it has the financial capacity to deal with a reasonable range of adverse scenarios but needs to manage material risks to ensure continued compliance

[ratings are V1 and V2 - compliant; V3 and V4- non-compliant]

Piloting new consumer standards

As part of the inspection process, Brunelcare worked with the RSH to pilot its new arrangements to review compliance with the five RSH Consumer Standards:

- **Home Standard** – quality of accommodation and repairs and maintenance
- **Tenancy Standard** – how properties are allocated/exchanged and terms around tenure
- **Neighbourhood and Community Standard** – issues around neighbourhood and communal areas and anti-social behaviour
- **Tenant Involvement and Empowerment Standard** – customer service and complaints, tenant rights and involvement
- **Tenant Satisfaction Measures Standard (TSMs)**– reporting against the TSMs, which covers information on areas such as repairs, safety checks and complaints (applies from 1 April 2023)

The RSH concluded that there was good evidence of Brunelcare meeting the new Consumer Standards but identified areas where improvements need to be made:

- understanding diversity of tenants
- understanding satisfaction rates better
- transparency and involving tenants more in decisions

The full judgement can be found here:

www.gov.uk/government/publications/regulatory-judgement-brunelcare--2/current-regulatory-judgement-brunelcare-29-march-2023

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.

The Workforce Strategy, launched in January 2022, 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.

Activities include partnership working to attract interest from a wide range of groups and develop new talent pipelines.

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

As of 1 April 2022, all colleagues at Brunelcare were 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. This increased further in April 2023 to £10.90 per hour and all colleagues are paid at or above this.

The need to improve the overall employment package has become increasingly compelling. Brunelcare experienced significant difficulties in 2022 in recruiting and retaining employees. A campaign was launched, which combined with the introduction of the Real Living wage, has reduced vacancy rates to under 5% and staff turnover to 28%.

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 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.

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.

Gender Pay

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 2020-21 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 colleague-led Equalities Forum has been established to oversee and strengthen EDI arrangements. A new Equity, Equalities and Diversity Strategy is due to be launched in late 2023 following the involvement of colleagues, trustees and customers.

Remuneration

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

HEALTH, SAFETY AND WELLBEING

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

There were a total of 100 reported accidents/incidents in 2022-23.

Of the reported incidents, over half (54%) resulted in some form of injury. These injuries primarily comprised superficial yet notable ailments, such as cuts and bruises, further highlighting the need for continued emphasis on preventative measures.

There were two dangerous occurrences reported related to a slip on a floor and an electric shock. Both fall under the category of accident.

The majority of reported incidents correlate with slips, trips and falls, with a significant proportion of these owing to the frailty and clinical disposition of our clients. This led to an over-reporting trend in the past, which has now been addressed by the Director of Nursing and Care Services and Health and Safety team. Continued efforts are being made to differentiate between health and safety incidents and clinical requirements, enhancing our reporting accuracy and service delivery.

Health and Safety Enforcement (Statutory Breaches)

There were two Statutory fire safety breaches during 2022/23.

Deerhurst and Robinson House residential care homes were visited by Avon Fire and Rescue Service in 2022. A number of deficiencies were identified:

- insufficient number of fire doors on protected routes used for means of escape.
- Breeches in fire compartment walls
- Fire doors on protected routes that did not meet the required standard (BS 476 pt 22).

An improvement plan for both of the buildings was issued by Avon Fire and Rescue service. 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 six reportable accidents in 2022-23. They were:

- One report was due to a member of staff being found unconscious.
- Five reports were due to members of staff being off work for a period exceeding seven days.

Personal Injury Claims

There were no employee liability claims made in relation to accidents at work and injuries to members of the public during 2022-23. We suffered a fire in one of the flats in Willowbank in April 2022 which sadly resulted in the death of the occupant but we have not yet received the accident investigation report and consider it is unlikely, given the time elapsed, that there will be a claim against Brunelcare.

SECTION 172 STATEMENT

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 2023. Below it is set out how we have engaged with key stakeholders during the 2022-23 financial year.

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

Principal decision 1:

Steps taken to provide support during the cost of living crisis

- Launching of a Brunelcare Financial Assistance Fund in May 2022.
- Successfully working with the National Housing Federation on a national campaign to allow tenants and residents purchasing energy through commercial tariffs to be eligible for government energy support payments, and providing support for tenants and residents to access these funds once made available.
- Linking with Bristol City Council on city-wide action to create warm spaces and access to hardship funds.
- Approval of a cost of living pay increase for colleagues in April 2023 alongside a £100 cost of living payment in December 2022.

Principal decision 2:

Approval of fixed term energy costs to provide certainty for customers

During 2022-23 the Board took steps to secure certainty over the Charity's energy costs amid rising prices and uncertainty caused by global factors.

In February 2023, the Board undertook an exercise to secure energy cost certainty and signed a contract extension with the Charity's energy providers until February 2024.

Principal decision 3:

Approval of the Long Term Financial Plan

The Long Term Financial Plan (LTFP) forms a key part of Brunelcare's financial governance arrangements. In June 2022, the Board approved the 2022-23 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:

Approval of new standardised tenancy arrangements

It was agreed in 2021-22 that from 1 April 2022, all new Brunelcare tenancies would be let on the basis of variable service charges. As part of this process the opportunity was taken to review all details contained in tenancy agreement template documents and produce a suite of new documents for all Sheltered and Extra Care Housing (ECH) sites. In June 2022, the Board agreed to an update to template documents for new tenancy agreements to ensure consistency and provide clarity regarding service charges as well as other clauses within the document.

Principal decision 5:

Damp and mould management

Following the tragic death of Awaab Ishak, who died of a respiratory condition caused by mould in his home, attention has rightly been focused on the responsibility of all registered providers to ensure issues of mould and damp within properties are promptly identified and addressed.

In December 2022, Brunelcare submitted a report to the Regulator of Social Housing setting out our approach to assessing the extent of damp and mould issues affecting our properties as well as our most recent assessment of the extent of damp and mould hazards in our homes. The report states that we do not have any known recorded cases of category 1 or 2 hazards relating to damp and mould. Despite this, we do not want to be complacent and additional reviews, monitoring and assessment checklists have been implemented.

Principal decision 6:

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 was formally launched in August 2022.

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

The roll-out of the Charter has led to the establishment of the Residents First Group (see further principle decision 7, below).

Principal decision 7:

Creation of a Residents First Group

Following the approval of the Together with Customers Charter, the Residents First Group (previously known as the Customers First Group) was set up by the Board in December 2022. The Residents First Group has been put in place to ensure that Charter commitments are fully realised and customers are put at the heart of our corporate governance arrangements, decision making and oversight of the delivery of the Charter delivery plan. The Terms of Reference of the Group was approved by the Board, with the Group's input, in March 2023.

An engagement event for the Group was held in March 2023 with its first formal meeting held following the end of the 2022-23 financial year in April 2023. The Group has decided that key areas which it wishes to include within its work plan for the 2023-24 financial year include communication, service charges and Brunelcare's approach to allocations.

Principal decision 8:

Rent and Service Charge Increases

In January 2023, the Board agreed a rent increase of 11.1%, based on the CPI of 10.1% in September 2022 plus 1%, for all supported housing rented properties, effective from 4 April 2023 (for tenancies with April dated uplifts).

Principal decision 9:

Amendment to the tenure of Trustees

During the year the Remuneration, Nomination and Workforce Committee reviewed the composition, size and structure of Brunelcare's Board.

Brunelcare's Articles of Association (Article 19.4) states that 'The minimum number of Directors shall be 5 but (unless otherwise determined by ordinary resolution) with a maximum of 12 or as set out separately in a code of governance'. It was recommended that no change be made to this Article.

Under Article 21.2 of Brunelcare's Articles of Association Trustees are appointed 'for a term of three years. Directors shall cease to hold office at the end of the fixed term, but shall be eligible for re-election for two further consecutive periods of three years.' New guidance introduced by the NHF Code of Governance 2022, states that, in relation to the tenure of Board members, that 'Maximum tenure will normally be up to six consecutive years (typically comprising two terms of office), but where a member has served six years, and the board agrees that it is in the organisation's best interests, their tenure may be extended up to a maximum of nine years', the Committee agreed to recommend to the Board that the option to re-appoint a Trustee for up to three terms (9 years) be retained, albeit where possible a maximum tenure of six years will be supported. The Board agreed to adopt this position in September 2022.

STAKEHOLDER ENGAGEMENT

The focus of our stakeholder engagement in 2022-23 has been on navigating the cost of living and energy crisis. This has included:

COLLEAGUES

It has been important to maintain communication with colleagues regarding the cost of living through internal bulletins, colleague voice meetings and all-colleague calls.

We were delighted to announce Brunelcare's accreditation as a Living Wage Employer in 2022, particularly in light of the recruitment and retention crisis being faced by the social care sector.

COMMISSIONS/LOCAL AUTHORITIES

We have continued to strengthen our relationships with our commissioners and local authority partners. These relationships are key to developing new and securing existing services.

THE MEDIA

We have engaged with the media in response to the cost of living crisis and energy increases, raising awareness of the impact this has had on our customers.

CUSTOMERS

In response to the cost of living and energy crisis, we have engaged with customers to ensure they are informed of where to receive support. This has included the creation of a 'Cost of Living Help' page on our website with a directory of available financial support, regular written communication with customers to inform them of updates and signposting to support options, including the launch of our financial support fund and warm spaces across Bristol.

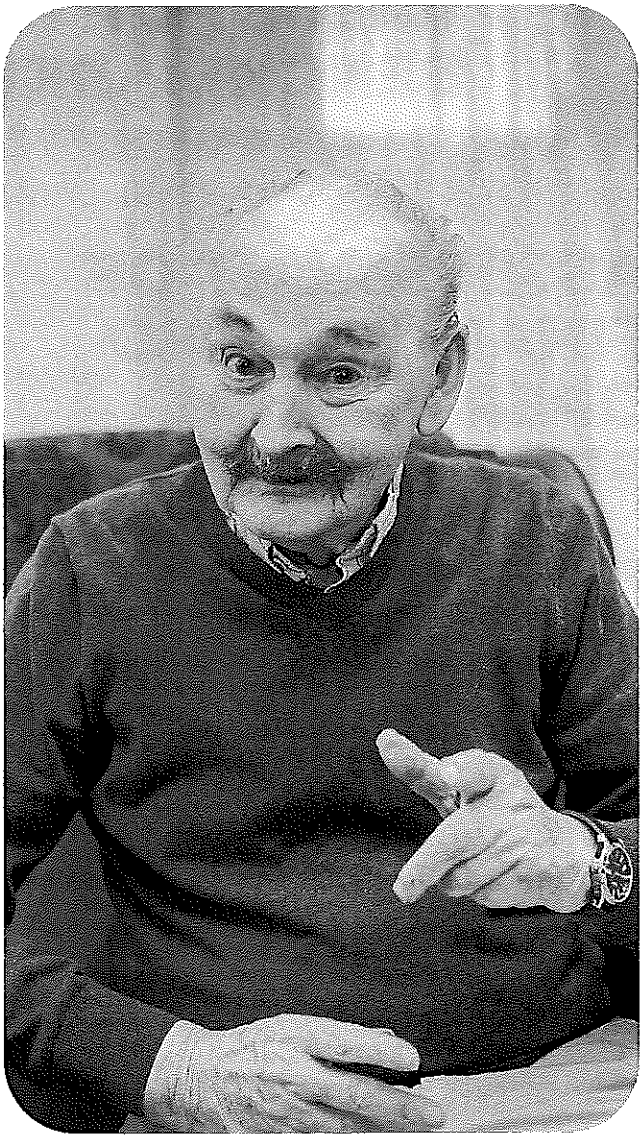
2022-23 also saw the launch of our Together with Customers Charter, containing six commitments to hold us accountable for and strengthen the relationship we have with our customers. We have also launched a Residents First Group to help ensure that residents are actively involved in shaping the services Brunelcare provides and its future.

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 2022-23.

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.



06 VALUE FOR MONEY AND BENCHMARKING

ASSESSMENT OF FINANCIAL AND OPERATIONAL PERFORMANCE

The Board is committed to providing high-quality services and achieving Value for Money (VFM) The Board has set efficiency objectives and utilises the housing sector scorecard and other key business metrics to ensure that there is a focus on:

- improving customer experience and satisfaction;
- the quality and safety of all services;
- the safety and suitability of our homes;
- improving the efficiency and effectiveness of services;
- increasing financial capacity

Recruitment 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 IT infrastructure and housing and rostering 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.

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		2021-22		
		2021-22	2022-23	Lower quartile	Median	Upper quartile
Reinvestment as a percentage of existing stock	%	2.3%	1.9%	0.0%	0.6%	2.2%

Reinvestment measures expenditure on our existing estate to improve the quality of longevity of the buildings. Constraints were encountered in the year in sourcing materials and skilled trades which reduced the amount of improvements we were able to make.

Metric 2: *New Supply Delivered (%)*

New Supply Delivered %	Measure	Brunelcare		2021-22		
		2021-22	2022-23	Lower quartile	Median	Upper quartile
Social housing units developed as% of owned	%	0.0%	0.0%	0.0%	1.2%	2.1%
Non-social housing units developed as % of owned	%	0.0%	0.0%	0.0%	0.0%	0.0%

This measure looks at the number of new social and non-social housing units developed in the year compared to the size of the entity. Brunelcare does not regularly develop new housing schemes, unlike many other housing associations, but we expand our services when suitable opportunities arise. Our most recent increase in housing numbers was an extension to our Waverley Gardens extra care scheme which was opened in April 2020. We are in discussion with a local authority to provide a further expansion to housing services in the Bristol area but these discussions are preliminary at the moment.

Metric 3: *Gearing (%)*

		Brunelcare		2021-22		
Gearing %	Measure	2021-22	2022-23	Lower quartile	Median	Upper quartile
Gearing	%	9.8%	5.3%	19.0%	35.8%	48.6%

Gearing compares our net debt position to our net assets and is a measure of financial stability. Brunelcare has relatively low levels of debt which have reduced further following repayments in the year plus we have increased our cash balances following the sale of our Trendlewood investment property. The lower debt levels are appropriate for our mixture of care as well as housing.

Metric 4: *Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA-MRI) Interest Cover*

		Brunelcare		2021-22		
EBITDA MRI Interest Cover %	Measure	2021-22	2022-23	Lower quartile	Median	Upper quartile
EBITDA MRI as % of Interest	%	299.7%	299.0%	121.5%	181.9%	248.5%

Brunelcare's interest cover is strong due to the relatively low level of borrowing compared to sector averages.

Metric 5: *Headline Social Housing Cost Per Unit*

		Brunelcare		2021-22		
Headline Social Housing Cost Per Unit	Measure	2021-22	2022-23	Lower quartile	Median	Upper quartile
Total cost per unit (housing for older people)	£	7,523	8,043	5,152	5,789	6,281

This measures the efficiency with which we provide housing services to our residents by calculating an average cost per housing unit. Our costs are relatively high compared to the sector average, partly due to Brunelcare purchasing and recharging our residents' energy. The increase from last year reflects the large increase in fuel costs and the post pandemic increases in maintenance material and labour costs plus a reflection of the additional investment in upgrading the quality of our existing housing units.

Metric 6: *Operating Margin*

Operating Margin	Measure	Brunelcare		2021-22		
		2021-22	2022-23	Lower quartile	Median	Upper quartile
Operating margin housing for older people	%	6.6%	8.4%	0.0%	15.8%	25.5%
Operating margin overall	%	3.8%	2.9%	12.7%	20.2%	25.9%

The operating margin percentage expresses our operating surplus as a percentage of our turnover. Our overall operating margins are low compared to the housing sector due to the inclusion of lower-margin care services plus, within housing, our purchase and recharge of energy on behalf of our residents. Brunelcare's overall operating margin percentage has fallen from last year due largely to the increase in fuel costs arising from the war in Ukraine, much of which we were not able to recover from our customers.

Metric 7: *Return On Capital Employed (%)*

Return on Capital Employed	Measure	Brunelcare		2021-22		
		2021-22	2022-23	Lower quartile	Median	Upper quartile
Total cost per unit (housing for older people)	%	2.1%	2.2%	2.0%	2.8%	3.7%

The return on capital employed compares our surplus to our assets less current liabilities so excluding longer term liabilities such as loans and deferred capital grants. The figure for Brunelcare is lower than average for housing associations, again, due to our mix of businesses and services purchased on behalf of our residents.

New Developments

There were no new property developments in the year. However, we continued the review of 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.
The development and implementation of a new housing management system (CIVICA CX) started in 2022. The new system will improve communication with customers and the efficiency and effectiveness of services.
A new rostering system was also introduced in Community Services and Extra Care, which has strengthened our systems for the provision of timely, quality care.

Financial Performance

Cash Flow And Working Capital Management

Cash balances at the year-end were strong at £8.9m, an increase of £1.8m in the year due to good cash generation from operations plus delays in fulfilling our capital programme.
In 2022-23, we completed the sale of the land at Trendlewood which increased our cash holdings by a further £2m..

Accounting Policies

Brunelcare's principal accounting policies are set out on pages 75 to 79 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	76%
Percentage of invoices paid between 31 and 60 days	21%
Percentage of invoices paid after 60 days	3%

We paid 32% 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 29.

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 £29.8m (2022: £29.6m). Within that figure the Revenue Reserves ("Free" Reserves) totalled £28.2m (2022: £28.0m). This reflects the small 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.

Pension

The net liability valued by the scheme actuary for the Charity's share of the SHPS defined benefit pension scheme reduced slightly in the year.

The movements in the pension scheme funding are largely outside of the Charity's control but we continue to pay into the scheme, with other employers, to reduce the deficit over time. We ensure that our long term financial plans include a prudent view on how long these payments may be required for.

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.

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 10.

Board Internal Targets

The Board also uses internal operational targets as follows:

Target 1: *Quality of care*

Internal Measure	2020-21	2021-22	2022-23
1. 100% of our CQC regulated services are rated as 'Good' or 'Outstanding'	90.9%	90.9%	100%

Please see the section on the quality of our care services above which provides a table showing our current CQC ratings. At the end of 2022-23, all care services were rated 'Good' or 'Outstanding'.

Target 2: *Head Office performance*

Internal Measure	2020-21	2021-22	2022-23
2. Central support services spend to be managed up to 8.5% of income	7.0%	7.9%	8.4%

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	2020-21	2021-22	2022-23
3. Reduce sickness absence in line with the social care sector average	3.99%	5.48%	5.76%

Although sickness absence levels have increased, and are above our internal target (4.5%), these increases are low and are consistent with previous years due to the reported increase of colds, flu and viruses during the winter months.

Target 4: *Employee retention*

Internal Measure	2020-21	2021-22	2022-23
4. Achieve an employment retention level of higher than 75%	72.44%	65.47%	72.54%

This target has not been achieved but has increased compared to 2020-21 and 2021-22. 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 continued to show a positive trend with an increase in starters compared to leavers throughout 2022-23 and into the current financial year.

Target 5: *Occupancy*

Internal Measure	2020-21	2021-22	2022-23
5. Achieve a level of occupancy in Care Homes of higher than 94%	89.8%	94.7%	97.3%

Occupancy in our care homes met its 94% target throughout 2022-23. This has shown continued increases year-on-year.

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 Senior Leadership Team is responsible for reporting to the Board and Audit, Risk and Finance Committee (AR&FC) on critical risk areas and scrutinising all operational risks, gaining assurance from management structures that those risks are managed adequately. Additionally, each of the Committees of the Board have their own risk register.

The AR&FC also approves and oversees the annual internal audit programme, providing assurance that the controls in place are both well designed and operating effectively.

Additionally, the AR&FC and the Board receive reports from management on specific risk areas, including fire safety, landlord health and safety compliance, cyber security, and the implementation of new IT systems.

The Corporate Risk Register is updated quarterly 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 2022-23 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 February 2023, alongside the Sector Risk Profile developed by the Regulator for Social Housing and the World Economic Forum's Global Risk Report for 2022. Relevant health and social care risks were also discussed. In light of this review, the consideration

of the outline priorities for 2023-24 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 9 June 2023 and approved by the Board on 21 June 2023.

The table below provides an overview of the risks set out in the Corporate Risk Register at 31 March 2023:

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Brunelcare is unable to recruit or retain, staff in key positions	• Quality and safety of service compromised • Increase in agency costs	• Workforce Strategy agreed by the Board in December 2021 • RLW employer • Equivalent of 3% pay increase for all staff • Review of benefits started • Number of initiatives (including the issue of vouchers, purchase of electric bikes) to ensure staff feel valued
Brunelcare's carbon footprint is not reduced	Brunelcare's impact on climate change not mitigated against	• Green energy contracts for gas and electricity secured • Funding for improvements to Funding for EPC C and net carbon built into the LTFP and 2023-24 financial plans • Asset Management Strategy in place • WAVE II funding secured
The cost of running services is higher than the income received	Financial sustainability of services	• Care Futures Project Started - deep dive into the costs of providing care • Review of costs of maintaining properties undertaken • Staffing Dependency Model introduced • New rostering system introduced • Review of travel routes to reduce travel costs • Offer of electrical bikes

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Bunelcare's properties do not meet regulatory requirements	• Harm to customers. • Regulatory sanctions. • Prosecution. • Loss of reputation impacting on ability to grow the business.	• 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 tendered • Regular audits and checks being completed by the Compliance team and the H&S Advisor
Risk of cyber attack	• Service effectiveness, efficiency • Poor data and cyber security and management.	• IT Strategy approved by the Board in December 2021 • IT Team restricted to ensure an emphasis on cyber security • Working onwards Cyber Essentials • Employee training and awareness increased.

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:

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

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 2022, 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. A Copy of Brunelcare's Risk appetite Statement can be found **HERE**

The Risk Appetite Statement will be re-visited again in December 2023.

07 STRUCTURE, GOVERNANCE AND MANAGEMENT

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 charity's objectives ('Objects') are specifically restricted to the following:

- *the business of providing and managing housing and care, including Social Housing and providing assistance to help house people and associated facilities, amenities and services for people of lesser means or for the care of aged, disabled (whether physically or mentally) or chronically sick people; and*
- *any other charitable object that can be carried out from time to time by a charity or provider of care registered with the Care Quality Commission and provider of social housing registered with the Regulator.*

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.**

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

Our governance arrangements are set out in Brunelcare's Standing Orders and Financial Regulations and these include the terms of reference and the roles and responsibilities of Board and committee members. Our Scheme of Reservation and Delegation of Power sets out the matters reserved to the Board for decision or delegated to its committees and the Senior Leadership Team

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

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 2022.

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.

The Board Of Trustees

The Board comprises up to 12 Trustees, ten non-executive and the Chief Executive Officer and the Director of Finance & IT. 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.

The Trustees, as the directors and charity trustees, are collectively responsible for the affairs of Brunelcare. Trustees have a wide range of skills, experience and understanding in all aspects of our operations which enable them to be able to set and actively drive our social purpose, mission and values.

All Board and committee members have annual appraisals, which include the use of 360-feedback, as appropriate, to allow us to monitor Board and committee performance and ensure transparency and accountability.

Board Meetings

During 2022-23 the Board held four scheduled formal meetings, four additional formal meetings and five development sessions . Through these meetings the Board:

- 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 2022-23 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 2022-23 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	10 May 2022*	29 June 2022	3 Aug 2022*	28 Sept 2022	14 Dec 2022	23 Jan 2023*	22 Feb 2023*	28 Mar 2023
Alison Comley	6/8	✓	✓	x	✓	✓	✓	✓	x
Deborah Evans	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Harry Hayer	7/8	✓	✓	✓	x	✓	✓	✓	✓
Nick Hooper	7/8	✓	✓	✓	x	✓	✓	✓	✓
Phil Hope	7/8	✓	✓	✓	✓	✓	x	✓	✓
Kate Innes (Still)	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Jo Makinson	6/8	✓	✓	x	✓	✓	✓	✓	x
Anthony Oldfield	7/8	✓	✓	✓	✓	✓	✓	x	✓
Andrew Sloman	7/8	x	✓	✓	✓	✓	✓	✓	✓
Tony Wilson	7/8	✓	✓	✓	✓	✓	✓	✓	x
Executive Directors:									
Oona Goldsworthy	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Chris Wall	2/2	✓	✓	–	–	–	–	–	–
John Rew	1/1	–	–	–	–	–	–	–	✓

1. * Denotes an additional formal meeting

Trustee Terms of Appointment

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.

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 was one resignation during the year, Chris Wall, Director of Finance on 1 September 2022. John Rew took up the role of Director of Finance & IT on 20 March 2023.

The Board Composition as at 31 March 2023 was:

Name	Role	Took up Appointment on	Area of Specialism
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
John Rew	Director of Finance and IT	20 March 2023	Finance

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 2022-23 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 Well-being Committee

AUDIT, RISK AND FINANCE COMMITTEE

The Audit, Risk and Finance is responsible for monitoring and reporting to the Board on the charity's systems of internal control and risk assurance, regulatory compliance and for overseeing internal and external audit. The committee met four times during the year. Membership of the committee comprises four Trustees and is chaired by Andrew Sloman. At least one member of the committee is required to have recent and relevant financial experience suited to reviewing the work of audit.

The Chief Executive Officer and Director of Finance & IT 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 ; and
- KPMG, Brunelcare's External Auditors.

A Committee Annual Report was submitted to the Board in March 2023 for ratification and can be found **HERE**.

This provides further details about the Committee and how it met its terms of reference in 2022-23.

REMUNERATION, NOMINATIONS AND WORKFORCE COMMITTEE

The Remuneration, Nominations and Workforce Committee is responsible for setting the reward and recognition strategies for our staff and for overseeing the processes for succession planning, recruitment and selection to the Board and its committees, making recommendations to the Board on these matters. The committee also sets the level of Board pay and the remuneration of the Chief Executive.

Membership of the committee comprises four Trustees. The Chief Executive and the Director of HR & OD attend each meeting. The committee met three times during the year.

A Committee Annual Report was submitted to the Board in March 2023 for ratification and can be found **HERE**.

This provides further details about the Committee and how it met its terms of reference in 2022-23.

PERFORMANCE, QUALITY AND EXPERIENCE COMMITTEE

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.

Membership of the committee comprises four Trustees and the Chief Executive Officer and Operational Directors attend each meeting.

A Committee Annual Report was submitted to the Board in March 2023 for ratification and can be found **HERE**.

This provides further details about the Committee and how it met its terms of reference in 2022-23.

HEALTH, SAFETY AND WELL-BEING 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 Well-being Committee.

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

In 2022-23, the Committee was 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 well-being.

The Committee met 4 times in 2022-23 and its Annual Report which sets out how the Committee met its terms of reference in 2022-23 can be found **HERE**.

OUR SENIOR LEADERSHIP TEAM

Our Senior Leadership Team through the Chief Executive Officer has delegated authority from the Board for:

- the day-to-day operations of the Charity
- monitoring operational and financial performance
- corporate culture
- implementing and ensuring compliance with policies and strategies agreed by the Board. Further information on the members of the Senior Leadership Team can be found on our website:

www.brunelcare.org.uk/about-us/who-we-are/senior-leadership-team

GOOD GOVERNANCE

www.gov.uk/government/publications/regulatory-judgement-brunelcare--2

Performance Management

Key performance indicators are used to continually monitor our performance against financial and non-financial targets. Performance dashboards have been developed for each of our Committees to ensure a sharp focus on performance. A summary of performance as at 31 March 2023 can be found at section 3 of this report.

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

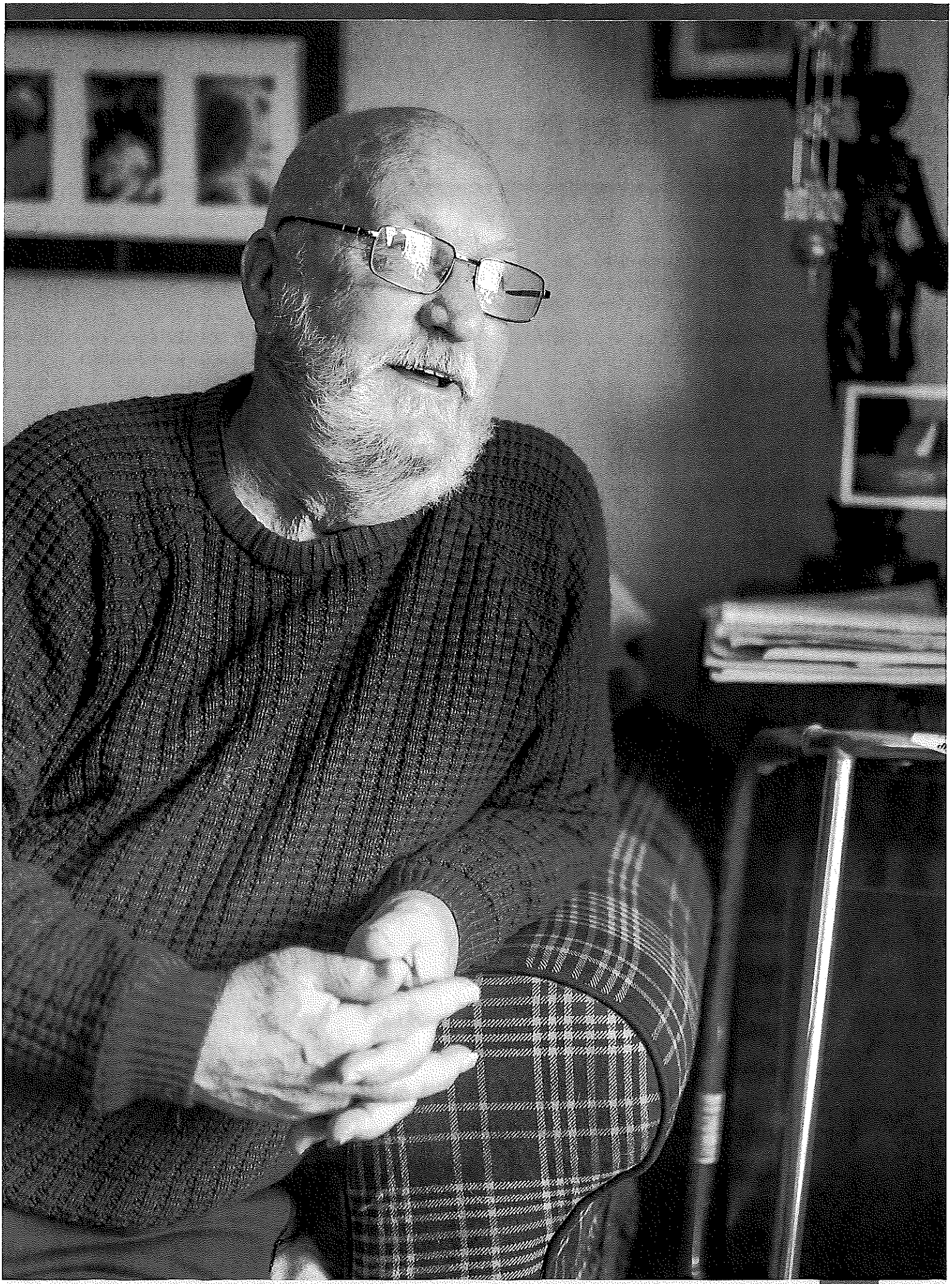
Brunelcare seeks to comply fully with all regulations and relevant codes of practice.

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.

The board's self assessment of its effectiveness

The Board has adopted the Charity Code of Governance and this 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 2023, 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 2022-23 and 10 improvement actions were agreed by the Board when it met in December 2022. These improvement actions are being taken forward as part of the Corporate Governance Team's Improvement Plan for 2023-24.



08 BOARD REPORT

The Brunelcare Board presents its report and audited consolidated financial statements for the year ended 31 March 2023.

INTERNAL CONTROLS AND TRUSTEES RESPONSIBILITIES

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.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against fraud, material misstatement or loss.

In meeting its responsibilities, the Board has adopted a risk-based approach to establishing and maintaining internal controls, which are embedded within day-to-day management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the company is exposed.

The process for identifying, evaluating and managing the significant risks faced by the group is ongoing. It has been in place throughout the period commencing 1 April 2022 up to the date of approval of the annual report and financial statements.

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. Internal Audit Services.

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 2022-23 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 five internal audit assignments were undertaken during the year;

Audit	Opinion	Actions Agreed			Status at Time of Reporting
		H	M	L	
Financial Management	Reasonable Assurance	--	1	3	Final Report Agreed
Complaints	Substantial Assurance	--	--	1	Final Report Agreed
Health and Safety Framework	Reasonable Assurance	--	2	1	Final Report Agreed
Data Integrity - Property Safety and Stock Condition	Reasonable Assurance	--	5	1	Final Report Agreed
Follow-up Audit	Reasonable Progress				Final Report Agreed

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous Improvement.

THE HEAD OF INTERNAL AUDIT HAS CONCLUDED:

Based on work carried out in 2022-23:

'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 Audit's opinion:

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

While Brunelcare's internal auditors RSM 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 the Board's responsibilities in respect of the Board's report and the financial statements

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 requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. 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.

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The Charity prepares a 30-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in June 2023 by the Board. As well as considering the impact of a number of scenarios on the business plan the Board used a stress testing framework to carry out sensitivity testing against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the Charity's budgets for 2023-24 and the medium term financial position as detailed in the 30-year business plan, including the ongoing impact of high inflation and recruitment challenges, is of the opinion that the Charity has adequate resources to continue in business for the foreseeable future. In reaching this conclusion, the Board has considered:

- inflation
- maintenance costs
- decarbonisation costs
- rent and service charge receivable
- liquidity
- the Charity's ability to withstand other adverse scenarios such as higher interest rates, the loss of care contracts and number of void properties

The Board believes the Charity has sufficient funding in place and expects it to be in compliance with its debt covenants even in severe but plausible downside scenarios. Consequently, the Directors are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Disclosure of Information to auditors

The Trustees who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are 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 13 September 2023 and signed on its behalf by:

Graham Russell

Graham Russell
Chair

13 September 2023

09 INDEPENDENT AUDITOR'S REPORT

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 2023 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 2023 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 2022.

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.

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

29 September 2023

10 STATEMENT OF COMPREHENSIVE INCOME

Statement of Comprehensive Income

For the year to 31 March 2023

	Notes	2022-23	2021-22
		£000	£000
Turnover	3	43,270	40,379
Operating costs	3	(42,022)	(39,067)
Gain on disposal of investment property		87	0
Operating surplus		**1,335**	**1,311**
Interest receivable	6	80	1
Interest payable	7	(615)	(581)
Change in fair value of investment properties	12	0	1,247
Surplus for the year		**800**	**1,978**
Actuarial gain/(loss) in respect of pension schemes	22	(621)	1,618
Total comprehensive income for the year		**179**	**3,596**

All the above results derive from continuing operations.

These financial statements were approved by the Board on 13 September 2023 and signed on its behalf by:

Graham Russell

M S Collins

Graham Russell
Chair

Mandy Collins
Company Secretary

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the year to 31 March 2023

	Accumulated capital fund	Revenue Reserve	Total
	£000	£000	£000
Total funds at 1 April 2022	1,667	27,963	29,630
Surplus for the year	0	800	800
Other comprehensive income	0	(621)	(621)
Transfers	(61)	61	0
Total funds at 31 March 2023	1,606	28,203	29,809

11 STATEMENT OF FINANCIAL POSITION

Statement of Financial Position

Statement of financial position at 31 March 2023

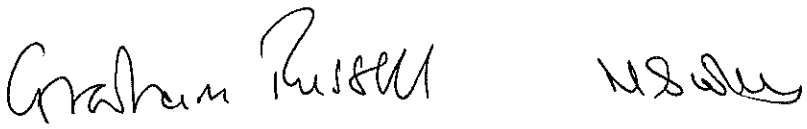
	Notes	2023	2022
		£000	£000
Fixed Assets			
Tangible fixed assets - properties	10	54,268	54,892
Tangible fixed assets - other assets	11	2,192	1,542
Investment properties	12	0	2,000
		56,460	**58,434**
Current assets			
Properties held for sale	13	341	453
Other current assets		4	0
Debtors	14	3,418	3,100
Cash at bank and in hand		8,882	7,115
		12,645	**10,668**
Creditors: amounts falling due within one year	15	(8,308)	(7,525)
Net current assets		**4,337**	**3,143**
Total assets less current liabilities		**60,797**	**61,576**
Creditors: amounts falling due after more than one year	16	(27,801)	(28,721)
Provisions: pensions deficit	22	(3,187)	(3,225)
Total net assets		**29,809**	**29,630**

Statement of Financial Position (cont)

Statement of financial position at 31 March 2023

	Notes	2023	2022
		£000	£000
Funds			
Designated reserves		1,606	1,667
Revenue reserves		28,203	27,963
Total funds		**29,809**	**29,630**

These financial statements were approved by the Board on 13 September 2023 and signed on their behalf:



Graham Russell
Chair

Mandy Collins
Company Secretary

The accompanying notes form part of these financial statements.

10 STATEMENT OF CASH FLOW

Cash Flow Statement

Cash flow statement for the year to 31 March 2023

	Notes	2022-23	2021-22
		£000	£000
Cash flow from operating activities		2,702	4,138
Cash flow from investing activities			
Purchase of tangible fixed assets		(1,825)	(1,738)
Proceeds from sale of tangible fixed assets		2,114	325
Interest received		80	1
Cash flow from financing activities			
Interest paid		(590)	(471)
Repayments of borrowing		(714)	(720)
Net change in cash and cash equivalents		**1,767**	**1,535**
Cash and cash equivalents at the start of the year		7,115	5,580
Cash and cash equivalents at the end of the year		8,882	7,115

Cash flow from operating activities

	2022-23	2021-22
	£000	£000
Operating surplus for the year	800	1,978
Adjustment for non-cash items	0	(32)
Depreciation of tangible fixed assets	1,778	1,747
(Increase) in trade and other debtors	(210)	(341)
Increase in trade and other creditors	872	820
Government grants utilised in the year	(321)	(321)
Pension costs less contributions payable	(659)	(513)
Adjustments for investing and financing activities:		
Proceeds from the sale of tangible fixed assets	(93)	220
Interest payable	615	581
Interest receivable	(80)	(1)
Net cash inflow from operating activities	2,702	4,138

Statement of changes in net debt

For the year to 31 March 2023

	Cash and cash equivalents	Borrowings	Total
Net debt at 1 April 2022	7,115	(12,484)	(5,369)
Cash flow in the year	1,767	714	2,481
Net debt at 31 March 2023	8,882	(11,770)	(2,888)

11 NOTES TO THE FINANCIAL STATEMENTS

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 2022.

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 has 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. Demand is strong for the services that Brunelcare provides with low void rates in care homes and housing schemes and we have successfully passed through cost rises to our customers. Cash balances are healthy and we are identifying and planning the works to improve our housing properties to the latest environmental standards.

As a consequence, the Board believes that Brunelcare is well-placed to manage its 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	30 years
Kitchens	20 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.

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

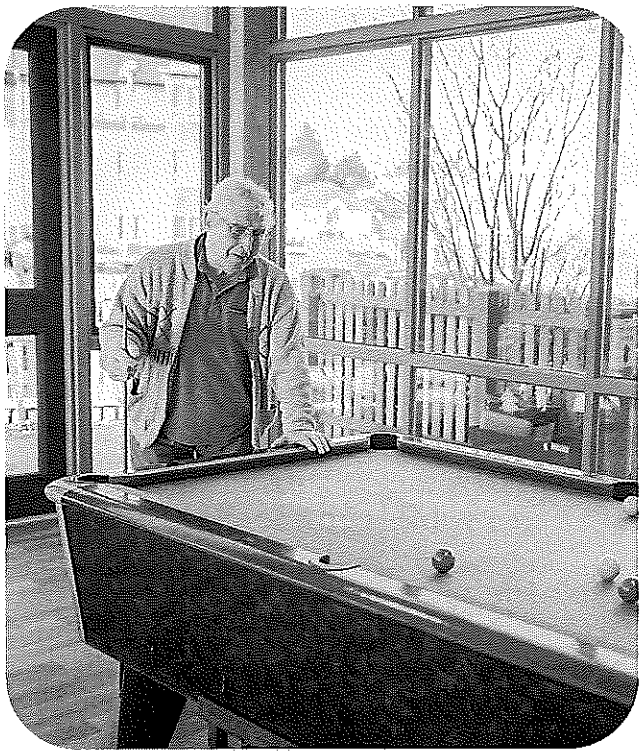
2.28. Liquid resources

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)	Operating surplus/ (deficit) 2021-22
	£000	£000	£000	£000	£000
Social housing lettings (Table B)	9,805	0	(8,984)	821	511
Other social housing activity					
First tranche home ownership sales	0	0	0	0	138
Charges for support services	342	0	(197)	145	58
Other income	12	0	(18)	6	447
Activities other than social housing					
Care homes	25,936	0	(25,774)	162	(303)
Market rent	59	0	(66)	(7)	(9)
Other	7,116	0	(6,983)	133	469
Total	43,270	0	(42,022)	1,248	1,311
Gain on disposal of investment property				87	
Total				1,335	

Other non-social activities in the table consist mainly of delivering care to older people in their own homes.

TABLE B	General needs	Supported Housing	Shared ownership	Total 2022-23	Total 2021-22
	£000	£000	£000	£000	£000
Turnover from social housing lettings					
Rent receivable net of identifiable service charges	19	5,550	123	5,592	5,637
Service charges receivable	6	3,700	66	3,772	2,623
Other income	0	105	18	123	55
Amortised Government grants	1	229	7	237	236
Government grants in income	0	0	0	0	18
Other grants amortised	0	69	12	81	83
Turnover from social housing lettings	26	9,553	226	9,805	8,652
Expenditure on social housing lettings					
Management services	6	2,028	35	2,069	1,874
Service charge costs	10	4,010	74	4,094	2,798
Routine maintenance	3	837	22	862	562
Planned maintenance	2	307	7	316	54
Major repairs expenditure	1	88	4	93	172
Depreciation	2	1,080	51	1,133	1,152
Bad debts	0	4	0	4	10
Other costs	0	358	55	413	1,519
Operating expenditure on social housing lettings	**24**	**8,712**	**248**	**8,984**	**8,141**
Operating surplus on sosial housing lettings	**2**	**841**	**(22)**	**821**	**511**
Void losses	0	87	0	87	85

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:

	2022-23	2021-22
Social housing		
Social rent general needs housing	4	4
Social rent supported housing and housing for older people	1,100	1,100
Low cost home ownership	24	9
Social leasehold units owned	15	30
	1,143	1,143
Social housing units owned but not managed		
Social housing units owned but not managed	10	10
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

	2022-23	2021-22
	£000	£000
Depreciation of fixed assets	1,778	1,747
Operating lease rentals		
Plant and machinery	247	21
Land and buildings	839	801
Vehicles	69	77
Auditor's remuneration		
Audit of these financial statements	60	48
Other services	3	3

6. Interest receivable and other income

	2022-23	2021-22
	£000	£000
Income from short term deposits	80	1
	80	1

7. Interest payable and similar charges

	2022-23	2021-22
	£000	£000
Bank loans and overdrafts	536	471
Pension remeasurement interest	79	110
	615	581

8. Employees

	2022-23	2021-22
	Number	Number
Average monthly number of employees	1,118	1,110
Average monthly employees, expressed as FTEs	862	854
	£000	£000
Employee costs		
Wages and salaries	21,640	20,135
Social security costs	2,084	1,745
Pension costs	553	509
	24,277	22,389

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.

	2022-23	2021-22
	Number	Number
£60,000 to £70,000	0	1
£70,000 to £80,000	1	3
£80,000 to £90,000	3	1
£90,000 to £100,000	0	1
£120,000 to £130,000	0	1
£130,000 to £140,000	1	0

9. Board members and executive directors

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

	Remuneration	Pension contributions	2022-23 total	2021-22 total
	£000	£000	£000	£000
Oona Goldsworthy	126	4	130	124
	126	4	130	124

None of the non-executive board members received emoluments. The emoluments of the highest-paid executive director, the Chief Executive, was £130,005 (2022: £120,405).

The Chief Executive is a member of the Charity's defined contribution pension scheme on the same basis as other staff.

The total emoluments of the executive directors, including pension contributions, were £551,789 for the year ended 31 March 2023 (2022: £601,922). The £551,789 was made up of salaries of £536,240 and pension contributions of £15,549.

10. Tangible fixed assets – properties

	Social housing properties	Shared ownership properties	Community services	Care homes	2022-23 total
	£000	£000	£000	£000	£000
Cost					
At April 2022	64,662	1,544	482	17,565	84,253
Additions in year	905	3	0	122	1,030
Disposals	(216)	0	0	0	(216)
At balance sheet date	65,351	1,547	482	17,687	85,067
Depreciation					
At April 2022	(23,500)	(170)	(71)	(5,620)	(29,361)
Charge for the year	(1,223)	(52)	(10)	(349)	(1,634)
Released on disposal	196	0	0	0	196
At balance sheet date	(24,527)	(222)	(81)	(5,969)	(30,799)
Net book value					
At April 2022	41,162	1,374	411	11,945	54,892
At balance sheet date	40,824	1,325	401	11,718	54,268

	2022-23		2021-22	
	Social housing properties	Care homes	Social housing properties	Care homes
	£000	£000	£000	£000
Fixed assets with restricted title - leasehold land	1,393	0	1,406	0
Fixed assets pledged as security	17,132	3,177	17,390	3,145

11. Tangible fixed assets – other assets

	Offices	Fixtures & Fittings	Computer equipment	Motor vehicles	2022-23 total
	£000	£000	£000	£000	£000
Cost					
At April 2022	1,000	2,676	1,200	126	5,002
Additions in year	0	36	759	0	795
Disposals	0	(18)	0	0	(18)
At balance sheet date	1,000	2,694	1,959	126	5,779
Depreciation					
At April 2022	(104)	(2,616)	(617)	(123)	(3,460)
Charge for the year	(14)	(29)	(99)	(2)	(144)
Released on disposal	0	17	0	0	17
At balance sheet date	(118)	(2,628)	(716)	(125)	(3,587)
Net book value					
At April 2022	896	60	583	3	1,542
At balance sheet date	882	66	1,243	1	2,192

12. Investment properties

	2022-23	2021-22
	£000	£000
Land cost at start of period	2,000	720
Additions at cost in the year	0	33
Disposals in the year	(2,000)	0
Changes in fair value in the year	0	1,247
	0	2,000

The land held as an investment property was 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 were granted planning permission and sold the land in May 2022.

13. Properties held for sale

	2022-23	2021-22
	£000	£000
Properties held for sale	341	453
	341	453

14. Debtors

	2022-23	2021-22
	£000	£000
Rents, fees and service charges receivable	3,274	3,230
Less provisions for bad debts	(1,450)	(1,353)
	1,824	1,878
Prepayments	374	728
Accrued income	1,220	494
	3,418	3,100

	2022-23	2021-22
	£000	£000
Rent arrears		
Housing current tenants	93	82
Housing former tenants	10	6
Extra care current tenants	40	29
Extra care former tenants	16	4
Gross social housing rent arrears	159	121

15. Creditors: amounts falling due within one year

	2022-23	2021-22
	£000	£000
Bank loans due within one year	724	712
Trade creditors	760	677
Rent and service charges received in advance	1,373	795
Other taxation and social security	747	621
Payroll costs	1,666	1,781
Other creditors	623	803
Accruals & Deferred income	2,415	2,136
	8,308	7,525

16. Creditors: amounts falling after more than one year

	2022-23	2021-22
	£000	£000
Bank loans	11,046	11,772
Other long-term creditors	598	469
Social housing grant	11,197	11,436
Other grants	4,873	4,954
Recycled capital grant fund	85	85
Pension liability	2	5
	27,801	28,721

17. Deferred capital grants

	Social Housing Grants	Other Grants
	£000	£000
Balance brought forward	11,675	5,036
Amortised in the year	(240)	(81)
Balance carried forward	11,435	4,955

18. Bank loan analysis

	2022-23	2021-22
	£000	£000
Bank loans due within one year	724	712
Bank loans due after one year	11,046	11,772
	11,770	12,484

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 £4,171k on Libor rates. Based on the lender's earliest repayment dates, borrowings are repayable as follows:

	2022-23	2021-22
	£000	£000
Within one year	724	712
Between two and five years	2,903	2,893
After five years	8,143	8,879
	11,770	12,484

19. Financial commitments

Capital expenditure commitments were as follows:

	2022-23	2021-22
	£000	£000
Authorised by the Board but not contracted	3,662	4,870
Contracted but not delivered by the year-end	271	2,462

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:

	2022-23	2021-22
	£000	£000
Land and buildings		
Less than one year	883	788
One to five years	3,449	3,079
Beyond five years	14,850	13,752
	19,182	17,619
Office equipment, computers and vehicles		
Less than one year	51	91
One to five years	57	118
Beyond five years	12	0
	120	209

20. Contingent liabilities

There were 9 Woodland Court properties remaining at 31st March 2023 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 2023 no buyback clauses had been activated. These transactions are uncertain and therefore an amount has not been disclosed (2022: nil).

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.

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 2023	31st March 2022
	£000	£000
Fair value of plan assets	14,588	22,265
Present value of defined benefit obligation	17,775	25,490
Deficit in plan	(3,187)	(3,225)
Unrecognised surplus	0	0
Defined benefit liability to be recognised	(3,187)	(3,225)

Reconciliation of opening and closing balances of the defined benefit obligation

	2022 - 23
	£000
Defined benefit obligation at start of period	25,490
Expenses	37
Interest expense	702
Actuarial gains due to scheme experience	(570)
Actuarial gains due to changes in demographic assumptions	(45)
Actuarial gains due to changes in financial assumptions	(7,189)
Benefits paid and expenses	(650)
Defined benefit obligation at the end of the period	17,775

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

	2022 - 23
	£000
Fair value of plan assets at start of period	22,265
Interest income	623
Experience on plan assets (excluding amounts included in interest income) (loss)	(8,479)
Employer contributions	829
Benefits paid and expenses	(650)
Fair value of plan assets at the end of the period	14,588

Defined benefit costs recognised in Statement of Comprehensive Income

	2022 - 23
	£000
Expense	37
Net interest expense	79
Defined benefit costs included in the Statement of Comprehensive Income	116

Defined benefit costs recognised in other comprehensive income

	2022 - 23
	£000
Experience on plan assets (excluding amounts included in interest income) (loss)	(8,479)
Experience gains and losses arising on plan liabilities - gain	570
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain	45
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	7,189
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - (loss)	(675)
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 - (loss)	(675)

Assets

	31st March 2023	31st March 2022
	£000	£000
Global equity	272	4,273
Absolute return	158	893
Distressed opportunities	442	797
Credit relative value	551	740
Alternative risk premia	27	734
Fund of hedge funds	0	0
Emerging markets debt	78	648
Risk sharing	1,074	733
Insurance-linked securities	368	519
Property	628	601
Infrastructure	1,666	1,586
Private debt	649	571
Opportunistic illiquid credit	624	748
High yield	51	192
Opportunistic credit	1	79
Cash	105	76
Corporate bond fund	0	1,485
Liquid credit	0	0
Long lease property	440	573
Secured income	670	830
Liability driven investment	6,719	6,212
Currency hedging	28	(87)
Net current assets	37	62
Total assets	**14,588**	**22,265**

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 2023	31st March 2022
	% per annum	% per annum
Discount rate	4.87	2.79
Inflation (RPI)	3.19	3.57
Inflation (CPI)	2.75	3.19
Salary growth	3.75	4.19
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31st March 2023 imply the following life expectancies:

	Life expectancy at age 65
	Years
Male retiring in 2022	21.0
Female retiring in 2022	23.4
Male retiring in 2042	22.2
Female retiring in 2042	24.9

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. Social Housing Pension Scheme – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out on 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The current value of future deficit reduction payments for Brunelcare is £5k which is payable over 2023-24 and 2024-25.

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 2023

TRUSTEES

Deborah Evans	Chair of The Board
Andrew Sloman	Chair of the Audit, Risk and Finance Committee
Nick Hooper	Chair of the Performance Quality and Experience Committee
Harry Hayer	Chair of the Remuneration, Nominations and Workforce Committee
Phil Hope	Senior Independent Director
Alison Comley	
Kate Innes (Still)	
Anthony Oldfield	
Tony Wilson	
Jo Makinson	

SENIOR LEADERSHIP TEAM

Oona Goldsworthy	Chief Executive Officer
Brian Whittaker	Director of HR and OD
Chris Wall	Director of Finance (resigned in September 2022)
John Rew	Director of Finance & IT (from March 2023)
Matthew Bell	Director of Strategy and Transformation (resigned in September 2022)
Michelle Richards	Director of Housing Services
Roger Setchell	Interim Director of Finance (from September 2022)
Sandra Payne MBE	Director of Nursing and Care Services
Mandy Collins	Company Secretary & Director of Corporate Governance

Further information on our Trustees and the Senior Leadership Team can be found on our website - **www.brunelcare.org.uk/about-us/who-we-are/**

Registered Office

Saffron Gardens Prospect Place, Whitehall, Bristol, BS5 9FF
Tel: (0117) 914 4200 / **Fax**: (0117) 987 350
E-mail: info@brunelcare.org.uk
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
Saffron Gardens Prospect Place Whitehall
Bristol BS5 9FF
T: 0117 914 4200
E: info@brunelcare.org.uk

www.brunelcare.org.uk

Registered Charity 201555.

disability confident EMPLOYER

INVESTORS IN PEOPLE™
We invest in people Standard

BRUNELCARE

England & Wales - Charity number 201555

Accounts

brunelcare

Annual Report and Financial Statements
For the year-ended 31 March 2022

Registered charity no. 201555

Registered company no. 601847

Care Quality Commission registration no. CRT1-579008632

Homes England registration no. LH0269

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 programme of IT and digital transformation. 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 in 2020/21 to £40.38m. Our operating surplus 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 have a significant impact on 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.

Deborah Evans

Deborah Evans
Chair

O. Goldsworthy

Oona Goldsworthy
Chief Executive

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 further improve 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

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, 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, with three extra care housing schemes and a retirement village, all 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'.

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 now 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.

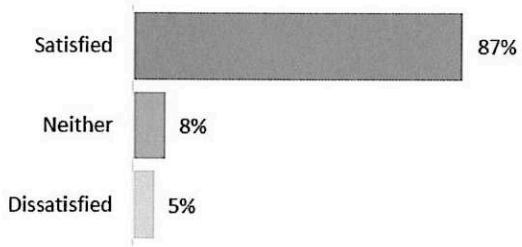
Customer Satisfaction Survey

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

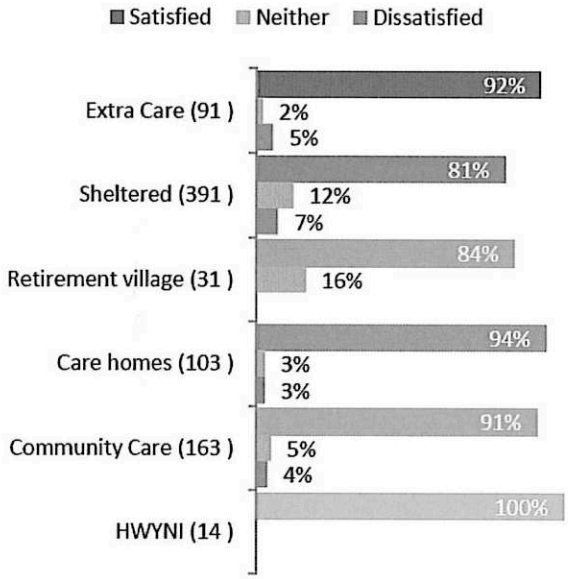
- Sheltered Housing
- Extra Care Housing
- Retirement Village (Woodland Court)
- Care Home
- Community
- Help When You Need It (community)

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.



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 https://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

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 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 is 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 piece 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 at 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 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 occuring 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 etcClients 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 practice 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 upon 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 a Dementia. Monitoring the 'Lived Experience' for 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 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 infrastructure 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:

https://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 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.

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 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 well-being 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 occurrence reported this 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 occured 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 2035[1] 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.

[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.*

- 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.

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.

SECTION 172 STATEMENT

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 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.

- **Colleagues:** it remained important to keep our colleagues up to date as government guidance changed and our homes opened up to visitors. The recruitment and retention crisis being faced by the sector has also made good communication with colleagues more important than ever.
- **Customers:** beyond updating customers on COVID guidance, our Together with Customers initiative has seen us seek the views and opinions of all of our various customer groups across all of our services.
- **Commissions/Local Authorities:** we have worked to strengthen our relationships with our commissioners and local authority partners. These relationships are key to developing new and securing existing services.
- **Public Health:** we have continued to work closely with Public Health, both following their advice during outbreaks and supporting us to reopen services.
- **The media:** we have continued to engage with the media to raise awareness of our work. Fortunately, this year, this has included much more positive news, in contrast to the more challenging days of the pandemic, as we shared our experience of opening up our services.

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.

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	• Quality and safety of service compromised • Increase in agency costs	• 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	• Closure of admissions to care homes and ECH facilities resulting in a high number of voids • Quality, safety, sustainability and financial viability or services	• 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	• 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
The cost of running domiciliary services is higher than the income received	Financial sustainability of services	• 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	• Satisfaction levels fall • Complaints increase	• 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
Inadequate or out of date IT systems	• Service effectiveness, efficiency • Poor data and cyber security and management.	• 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	• Increased voids, • Increased complaints	• 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
Bunelcare's properties do not meet regulatory requirements	• Harm to customers. • Regulatory sanctions. • Prosecution. • Loss of reputation impacting on ability to grow the business.	• 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 Llving 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 2020-21	BRUNELCARE 2021-22	Lower quartile	Median	Upper quartile
Reinvestment as a percentage of existing stock	%	1.0%	2.3%	2.6%	5.1%	8.0%

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

Metric 2: New Supply

NEW SUPPLY DELIVERED %	Measure	BRUNELCARE 2020-21	BRUNELCARE 2021-22	Lower quartile	Median	Upper quartile
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 2020-21	BRUNELCARE 2021-22	Lower quartile	Median	Upper quartile
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 2020-21	BRUNELCARE 2021-22	Lower quartile	Median	Upper quartile
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 2020-21	BRUNELCARE 2021-22	Lower quartile	Median	Upper quartile
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 2020-21	BRUNELCARE 2021-22	Lower quartile	Median	Upper quartile
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 2020-21	BRUNELCARE 2021-22	Lower quartile	Median	Upper quartile
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 through 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	9%

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
3. 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.

04 - STRUCTURE, GOVERNANCE AND MANAGEMENT

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	5/6	✓	✓	✓	✓	✓	X
Deborah Evans	6/6	✓	✓	✓	✓	✓	✓

Harry Hayer	3/6	✓	X	X	✓	X	✓
Nick Hooper	5/6	✓	✓	X	✓	✓	✓
Phil Hope	6/6	✓	✓	✓	✓	✓	✓
Kate Innes (Still)	6/6	✓	✓	✓	✓	✓	✓
Jo Makinson	3/3	-	-	-	✓	✓	X
Anthony Oldfield	6/6	✓	✓	✓	✓	✓	✓
Andrew Sloman	5/6	-	✓	✓	✓	✓	✓
Ian Turner	2/2	✓	✓	-	-	-	-
Tony Wilson	5/6	✓	✓	✓	✓	X	✓
Executive Directors:							
Oona Goldsworthy	6/6	✓	✓	✓	✓	✓	✓
Chris Wall	6/6	✓	✓	✓	✓	✓	✓

1. Andrew Sloman took up the role of Trustee on 1 September 2021
2. Ian Turner resigned as Trustee on 28 September 2021
3. Jo Makinson took up the role of Trustee on 7 October 2021

* 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.

The Board Composition as at 31 March 2022 was:

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 Well-being 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.

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

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 at 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:

- Annual Assessment against the RSH's Consumer Standards
- Annual Business Plan for 2021-22: agreement of key performance measures and targets

- Annual review of the Committee's Terms of Reference
- Committee Annual Report for 2020-21
- Committee Risk Register
- Committee's work programme for 2022-23
- Complaints, Compliments and Concerns updates
- Engagement with our Customers: Together with Customers
- Falls: comparative report for the 2019 and 2020 calendar years
- Findings of audits, reviews and inspections relevant to the Committee's remit
- Information Governance Compliance
- Health, Safety and Well-being updates
- Integrated Performance Report and Dashboard reviews
- Outcome of Charity-wide customer satisfaction surveys
- Outcomes Framework: progress and agreement
- Property Health and Safety Compliance
- Review and approval of policies related to the Committee's remit
- Safeguarding and Mental Capacity Act (MCA) and Deprivation of Liberty Safeguards (DoLs) Compliance

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 remit 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 WELL-BEING 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 Well-being Committee.

The Committee takes a strategic overview of health, safety and well-being 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 well-being.

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

05 - LEGISLATIVE AND REGULATORY DISCLOSURES

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 bard 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 with one 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 strengthening 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	Substantial 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 overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous Improvement.

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.

06 - TRUSTEES' RESPONSIBILITIES STATEMENT

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
28 September 2022

07 - INDEPENDENT AUDITOR'S REPORT

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 2022

	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

M Collins
Mandy Collins
Company Secretary

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 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		51,576	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 assets		**29,630**	**26,055**
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

M Collins

Deborah Evans
Chair

Mandy Collins
Company Secretary

10 - 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**
Cash and cash equivalents at the start of the year		5,580	4,464
Cash and cash equivalents at the end of the year		7,115	5,580

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

		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	Borrowings	Total
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)

11 - NOTES TO THE FINANCIAL STATEMENTS

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**	**6,920**
Operating surplus on sosial 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	1,100		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 month's 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 £604,045 was made up of salaries of £588,688 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

	Sale proceeds	Cost of sales	Disposal of fixed assets	Gain on sale 2021-22	Gain on sale 2020-21
	£000	£000	£000	£000	£000
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 & 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	1,000	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
	2,000		720

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	453		687
	453		687

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)
	1,878		2,456
Prepayments	728		785
Accrued income	494		461
	3,100		3,702

	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	121		179

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
	7,525		6,675

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
	28,721		29,661

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	11,675		5,036

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
	12,484		13,204

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
	12,484		13,204

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
	17,619		18,371

Office equipment, computers and vehicles

Less than one year	91		90
One to five years	118		168
	209		258

20. Contingent liabilities

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	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	3.87
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

Saffron Gardens Prospect Place, Whitehall Bristol, BS5 9FF Tel: (0117) 914 4200 / Fax: (0117) 987 3502

E-mail: info@brunelcare.org.uk 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

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Year end report 2021/22

Brunelcare

October 2022

Key contacts

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Introduction

To the Audit, Risk & Finance Committee of Brunelcare

We were pleased to have the opportunity to meet with you on 13 September to discuss the results of our audit of the financial statements of Brunelcare (as a company limited by guarantee without share capital and as a registered charity who provide social housing, we will therefore refer the entity as the 'Association'), as at and for the year ended 31 March 2022.

We are providing this report in advance of our meeting to enable you to consider our findings and hence enhance the quality of our discussions. This report should be read in conjunction with our audit plan and strategy report, presented on 16 February. We will be pleased to elaborate on the matters covered in this report when we meet.

Our audit is now complete. There have been no significant changes to our audit plan and strategy.

Subject to the Board's approval, we will sign our audit opinion on the Association's financial statements on 28 September 2022.

We expect to issue an unmodified Auditor's Report.

We draw your attention to the important notice on page 4 of this report, which explains:

— The purpose of this report; and

— Limitations on work performed;

— Restrictions on distribution of this report.

Yours sincerely,

Harry Mears

28 September 2022

How we have delivered audit quality

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion.

We consider risks to the quality of our audit in our engagement risk assessment and planning discussions.

We define 'audit quality' as being the outcome when audits are:

— Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls and

— All of our related activities are undertaken in an environment of the utmost level of objectivity, independence, ethics and integrity.

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Important notice

This report is presented under the terms of our audit engagement letter.

Circulation of this report is restricted.

The content of this report is based solely on the procedures necessary for our audit.

This report has been prepared for the Audit, Risk & Finance Committee, in order to communicate matters of interest as required by ISAs (UK), and other matters coming to our attention during our audit work that we consider might be of interest, and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone (beyond that which we may have as auditors) for this report, or for the opinions we have formed in respect of this report.

Purpose of this report

This Report has been prepared in connection with our audit of the financial statements of Brunelcare (the 'Association'), prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and the Republic of Ireland, as at and for the year ended 31 March 2022.

This report summarises the key issues identified during our audit but does not repeat matters we have previously communicated to you.

Limitations on work performed

This Report is separate from our audit report and does not provide an additional opinion on the Association's financial statements, nor does it add to or extend or alter our duties and responsibilities as auditors reporting to the Association's members in accordance with the Charities Act.

We have not designed or performed procedures outside those required of us as auditors for the purpose of identifying or communicating any of the matters covered by this Report.

The matters reported are based on the knowledge gained as a result of being your auditors. We have not verified the accuracy or completeness of any such information other than in connection with and to the extent required for the purposes of our audit.

Status of our audit

Our audit is complete

Restrictions on distribution

The report is provided on the basis that it is only for the information of the Audit, Risk & Finance Committee of the Association; that it will not be quoted or referred to, in whole or in part, without our prior written consent; and that we accept no responsibility to any third party in relation to it.

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Our audit findings

Significant audit risks

Pages 6-8

Significant audit risks	Risk change	Our findings
Valuation of post retirement benefit obligations	● No change	Our testing over this area is ongoing. We are in the process of evaluating the SHPS pension liability
Revenue recognition	● No change	See results of our testing on page 7
Management override of controls	● No change	No issues were identified from our testing in this area

Key accounting estimates

Page 11

SHPS pension asset and liability	Optimistic	Assumptions were found to be optimistic but within our acceptable range

Uncorrected audit misstatements

Page 12

We have not identified any uncorrected misstatements

Number of Control deficiencies

Page 17

Significant control deficiencies	0
Other control deficiencies	3
Prior year control deficiencies remediated	2

Outstanding matters

Our audit is complete

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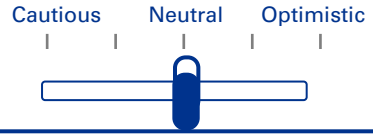
Audit risks



1 **Valuation of post retirement benefit obligations (SHPS)**

Risk of error in relation to the valuation of post retirement benefit obligations

Significant audit risk

The risk

An inappropriate amount is estimated and recorded for the defined benefit obligation.

The valuation of the post retirement benefit obligations involves the selection of appropriate actuarial assumptions, most notably the discount rate applied to the scheme liabilities, inflation rates and mortality rates. The selection of these assumptions is inherently subjective and small changes in the assumptions and estimates used to value the Association's pension liability could have a significant effect on the financial position of the Association.

The effect of these matters is that, as part of our risk assessment, we determined that post retirement benefits obligation has a high degree of estimation uncertainty. The financial statements (note 22.1) disclose the assumptions used by the Association in completing the year end valuation of the pension deficit and the year on year movements.

Our response

We performed the following procedures:

- Evaluate the competency, objectivity of the Scheme actuaries to confirm their qualifications and the basis for their calculations;
- Agree the data provided by the audited entity to the Scheme Administrator for use within the calculation of the scheme valuation;
- Challenge, with the support of our own actuarial specialists, the key assumptions applied, being the discount rate, inflation rate and mortality/life expectancy against externally derived data.
- Confirm that the accounting treatment and entries applied by the Association are in line with FRS102 and the SORP;
- Consider the adequacy of the Association’s disclosures in respect of the sensitivity of the deficit to these assumptions.
- Confirmed that the pension note included all required information as set out in FRS102.

Our findings

- We did not identify any issues with regards to the competency and objectivity of the scheme actuaries.
- The overall set of assumptions used for SHPS are considered to be optimistic but within our acceptable range
- We have not identified any issues as a result of our review of the pensions disclosure.

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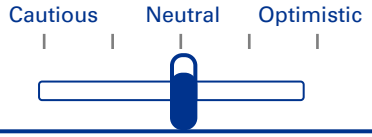
Audit risks



2 Revenue recognition

Fraud risk related to misstatement of revenues

Significant audit risk

The risk

- Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk.
- We do not consider there to be financial incentives that give rise to incentives or pressure that increase the risk of fraudulent revenue recognition.
- We have rebutted the fraud risk in respect of the below revenue streams based on the fixed income value of the streams with limited manual intervention or scope for manual intervention. Due to the predictability of this revenue stream there is deemed to be limited opportunity for the fraudulent revenue recognition. This applies to the following streams
    - Social housing rent receivable;
    - Service charge income;
    - Care home rent receivable

Our response

For community services income stream we shall perform an additional procedure to assess whether transactions either side of the balance sheet date at year end are recognised in the correct period.

We have evaluated the design and implementation of a control to ensure that revenue is recognised when sales legally complete.

We have selected a sample of revenue recognised either side of the balance sheet date and ensure the sale completed in the period where it is recorded.

Our findings

We have evaluated the designed and implementation of the control around revenue recognition with no issues identified.

We performed cut off testing over these revenue streams and noted that all income was recognised in the correct period.

We have identified two audit misstatements relating to care home debtors and deferred fuel income. See page 12 for further details.

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Audit risks

3 **Management override of controls**

Fraud risk related to unpredictable way management override of controls may occur

Significant audit risk

The risk

Professional standards require us to communicate the fraud risk from management override of controls as significant.

Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

We have not identified any specific additional risks of management override relating to this audit

Our response

We performed the following procedures:

- In line with our methodology, we tested the operating effectiveness of controls over journal entries and post closing adjustments.
- Substantively tested identified high risk journals to supporting evidence. In addition we substantively tested all material post closing adjustments.
- Assessed the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates.
- Assessed the appropriateness of the accounting for significant transactions that are outside the component's normal course of business, or are otherwise unusual.

Our findings

- We evaluated the design and implementation of controls over journal entries and post closing adjustments,
- We did not identify any issues from our review of journal entries and post closing adjustments
- We did not identify any significant unusual transactions for the current year

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Audit risks

4 Going Concern

Risk relating to disclosures related to going concern including the judgement of whether there is material uncertainty

Other area of audit focus

The risk

Management's assessment of the entity's ability to continue as a going concern involves significant judgment with respect to future revenues. We have not currently identified a significant risk in relation to going concern but we will continue to assess this during the audit

COVID-19, coupled with the potential ongoing impacts of Brexit may cast significant doubt on the entity's ability to continue as a going concern and may indicate the existence of a material uncertainty.

Management's assessment of the entity's ability to continue as a going concern does not appropriately consider the impact of the COVID 19 pandemic, including plausible but severe downside scenarios.

Disclosures in the financial statement and the annual report are not adequate with regard to the effect of COVID 19 risks on the entity's financial position, performance, business model and strategy

Our response

We performed the following procedures:

- Evaluated how management's risk assessment process identifies business risks relating to events and conditions that may cast significant doubt on the ability to continue as a going concern.
- Evaluated the models management uses in its assessment, including use of the work of experts, and evaluate how the information system captures events and conditions that may cast significant doubt on ability to continue as a going concern.
- Evaluated whether management's assessment has failed to identify events or conditions that may cast significant doubt on going concern and whether the method used by management is appropriate.
- Evaluated whether sufficient and appropriate audit evidence has been obtained to conclude whether a material uncertainty exists and the appropriateness of management's use (or otherwise) of the going concern basis of accounting.
- Evaluated whether there is adequate support for the assumptions underlying management's assessment, whether they are realistic and achievable and consistent with the external and/or internal environment and other matters identified in the audit
- Challenged management's plans for future actions, and verify the reliability and relevance of data used. Determine whether the outcome of these plans is likely to improve the situation and whether management's plans are feasible.

Our Findings

- We reviewed management's assessment and considered the impact on the loan covenants set at the entity
- No going concern issues have been identified through this work

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Audit risks

5 **Regulatory compliance, litigation and claims**

Compliance with reporting requirements in respect of regulatory compliance, litigation and claims.

Other area of audit focus

The risk

The Association will again be required to confirm in their 2021/22 annual report that they comply with all aspects of the Regulator of Social Housing's Governance and Financial Viability Standard.

The Association will also need to be aware of any litigation or claims, which may then require disclosure or provision in the financial statements.

Our response

Our consideration of the Associations' regulatory compliance included the following procedures:

— We reviewed evidence as to how the Association gains assurance that it complies with all aspects of the Regulator of Social Housing's Governance and Financial Viability standard; and

— We made enquiries with key members of management, those charged with governance, and internal audit as appropriate

— We challenged the adequacy and appropriateness of any provisions booked by management. Using our entity level understanding we assessed the completeness and consistency of any provisions with other information such as committee minutes and communications with the regulator.

Our findings

— We performed inquiries with management and reviewed board minutes to ensure there are no material litigation, claims or regulatory issues in progress that could affect the entity materially. We have nothing to report in these respects

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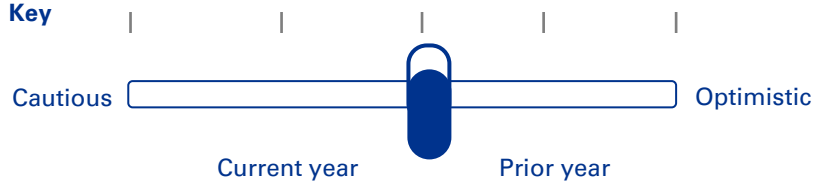
Key accounting estimates - Overview

Our view of management judgement

Our views on management judgments with respect to accounting estimates are based solely on the work performed in the context of our audit of the financial statements as a whole. We express no assurance on individual financial statement captions.

Cautious means a smaller asset or bigger liability; optimistic is the reverse.

Key



Asset/liability class	Our view of management judgement	Balance (£m)	YoY change (£m)	Our view of disclosure of judgements & estimates	Further comments
Pension SHPS Pension Liability	Cautious / Neutral / Optimistic	3.2	(2.2)	Needs improvement / Neutral / Best practice	The assumptions used were deemed to be optimistic but within our acceptable range

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Audit misstatements

Materiality = 950k

Management has approved the correction of the audit misstatements detailed on page 19 and they are reflected in the draft financial statements. A summary of the corrected audit misstatements is detailed on page 19.

The misstatements identified, and their estimated financial impact, are summarised in the table on the right.

The most significant disclosure misstatements relate to

— *An incorrect omission of Mar-22 starters from the average headcount figure*

— *An incorrect omission of 10 x social leasehold properties from the property numbers disclosure (note 4)*

In line with ISA (UK) 450 we request that you correct uncorrected misstatements.

Key comments

— For our views on management estimates – see Page 11 (Key accounting estimates)

— A detailed summary of corrected and uncorrected audit misstatements and omissions and errors in disclosure is included in the appendix

Audit misstatements –Outturn position

	Type	£k	Comment
Draft accounts			
Corrected misstatements			
– Pension movement	Factual	658	See page 19
– Deferred fuel income	Factual	75	See page 19
– Care home debtors P13 journal	Factual	589	See page 19
Our assessment		**1,322**	

Disclosure

Matter	ISA/IFRS ref	Comment
Staff disclosure – Headcount	N/a	29 x individuals employed in Mar-22 incorrectly excluded from annual avg headcount (impact on avg = 1,110 to 1,113)
Property numbers – Social Leasehold	N/a	10 x social Leasehold properties incorrectly excluded from draft stats note 4 summary table. Impact = from 20 to 30 properties

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Other matters

Annual report

We have read the contents of the Annual Report (including the Strategic Report, Directors Report and Statement of Compliance with the Governance and Financial Viability Standard). We are in the process of completing our checks over the financial statements in this area, including checking for inconsistencies between the contents of the Strategic and Director's Reports and the financial statements.

We have reviewed compliance with the Accounting Direction for Private Registered Providers of Social Housing 2022.

As Directors you confirm that you consider that the annual report and accounts taken as a whole are fair, balanced and understandable and provide the information necessary for regulators and other stakeholders to assess the Association's performance, business model and strategy.

Independence and Objectivity

ISA 260 also requires us to make an annual declaration that we are in a position of sufficient independence and objectivity to act as your auditors, which we completed at planning and no further work or matters have arisen since then. We confirm this.

Audit Fees

Our fee for the audit was £39,750 plus VAT (37,950 in 2020/21). We have also completed non audit work at the Association during the year on tax arrangements and have included in appendix four confirmation of safeguards that have been put in place to preserve our independence.

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Appendix

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Appendix one

Required communications with the Audit and Risk Committee

Type		Response
Our draft management representation letter		We have not requested any specific representations in addition to those areas normally covered by our standard representation letter for the year ended 31 March 2022.
Adjusted audit differences		Three adjusted audit difference was identified see page 19
Unadjusted audit differences		We did not raise any unadjusted audit differences
Related parties		There were no significant matters that arose during the audit in connection with the entity's related parties.
Other matters warranting attention by the Audit and Risk Committee		There were no matters to report arising from the audit that, in our professional judgment, are significant to the oversight of the financial reporting process.
Control deficiencies		We communicated to management in writing all deficiencies in internal control over financial reporting of a lesser magnitude than significant deficiencies identified during the audit that had not previously been communicated in writing.
Actual or suspected fraud, noncompliance with laws or regulations or illegal acts		No actual or suspected fraud involving management, employees with significant roles in internal control, or where fraud results in a material misstatement in the financial statements was identified during the audit.

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Appendix one

Required communications with the Audit and Risk Committee

Type		Response
Significant difficulties		No significant difficulties were encountered during the audit.
Modifications to auditor's report		None.
Disagreements with management or scope limitations		The engagement team had no disagreements with management and no scope limitations were imposed by management during the audit.
Other information		No material inconsistencies were identified related to other information in the annual report, Strategic and Directors' reports. The Strategic report is fair, balanced and comprehensive, and complies with the law.
Breaches of independence		No matters to report. The engagement team have complied with relevant ethical requirements regarding independence.
Accounting practices		Over the course of our audit, we have evaluated the appropriateness of the Association's accounting policies, accounting estimates and financial statement disclosures. In general, we believe these are appropriate.
Significant matters discussed or subject to correspondence with management		No significant matters were noted arising from the audit

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Appendix two

Recommendations raised and followed up

The recommendations raised as a result of our work in the current year are as follows:

Priority rating for recommendations					
❶	**Priority one**: issues that are fundamental and material to your system of internal control. We believe that these issues might mean that you do not meet a system objective or reduce (mitigate) a risk.	❷	**Priority two**: issues that have an important effect on internal controls but do not need immediate action. You may still meet a system objective in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.	❸	**Priority three**: issues that would, if corrected, improve the internal control in general but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.

#	Risk	Issue, Impact and Recommendation	Management Response / Officer / Due Date
Financial Statements			
1	❸	**HR retention of key starter documentation** ***(Issue)*** Per controls testing of starters 1 x sampled starter had no retained copy of employment offer letter on file ***(Impact)*** Potential for unauthorised/approved recruitment of employee contracts and addition to payroll ***(Recommendation)*** Enforce and monitor a more rigorous policy around retention of key starter documentation (including signed employment offer letters)	These documents should be on file and a log is kept recording the receipt of all new starter documents (DBS, right to work, signed contract etc.). A process was added recently to the HR system to record the dates where the employee's line manager was chased to obtain missing documentation if they are not received before the employee's start date. Moreover, staff are deemed by law to have accepted the contract terms and contracts by turning up to work.
2	❸	**HR retention of key leaver documentation** ***(Issue)*** Per controls testing of leavers 1 x sampled leaver had no retained copy of communications held between line manager and employee evidencing termination of employment contract ***(Impact)*** Potential for unauthorised/approved termination of employment contracts and incorrect removal from payroll ***(Recommendation)*** Enforce and monitor a more rigorous policy around retention of key leaver documentation (including written communication evidencing termination/resignation)	The leaver process has been streamlined in the financial year to reduce the transfer of paperwork. Now, site managers can notify HR of a new leaver by Google Form or online Help Desk Portal and, while they are requested to forward any email or letter of resignations, these decisions are quite often communicated verbally to the employee's manager. *(HR Department)*
3	❸	**Bank reconciliation – Documentation of reconciling items** ***(Issue)*** Per controls testing of monthly bank recs it was noted no formal documentation is retained with respect to investigation of reconciling items. Further, for 7 x recs sampled, no formal documentation was viewable to evidence appropriate review had taken place ***(Impact)*** Unreconciled items may be inappropriately assumed as timing difference related without proper investigation and review, resulting in cash mis-matches between ledger and bank ***(Recommendation)*** Include documentation around formal investigation of unreconciled items in the monthly bank recs, and evidence of appropriate review/sign-off taking place	Bank rec discrepancies are investigated and resolved and the evidence for this is that they are not present on future bank recs. All bank recs are reviewed and, from the middle of the 2021-22 financial year, annotated to show this fact. *(Finance Department)*

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Appendix two

Recommendations raised and followed up

We have also followed up the recommendations from the previous years audit, in summary:

Total number of recommendations	Number of recommendations implemented	Number outstanding (repeated below):
2	1	1

#	Risk	Issue, Impact and Recommendation	Management Response / Officer / Due Date	Current Status (Aug 2022)
Financial Statements				
1	2	**Community Services control environment** The controls around the community services revenue are not operating effectively. Of our sample test of 64 items, we found 11 misstatements. This includes amounts per the underlying invoices differing from the amounts in the ledger and it includes revenue being recognised for an individual who has been receiving care in hospitals. We recommend that each revenue invoice is matched against cash received for that invoice to identify and correct where variances were highlighted.	In the prior year management agreed controls needed to be tightened to reduce the level of errors.	Resolved – Our work over community services and its control environment has not identified a recurrence in current year audit
2	3	**Bank Reconciliation** No formal investigation of unmatched items in the bank reconciliations It is recommended that all significant unmatched items on the bank reconciliation are investigated	See management response on page 17	Unresolved/Recurring – See current year recommendation no. 3 above

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Appendix three

Audit Differences

Under UK auditing standards (ISA (UK) 260) we are required to provide the Audit and Risk Committee with a summary of unadjusted audit differences (including disclosure misstatements) identified during the course of our audit, other than those which are 'clearly trivial', which are not reflected in the financial statements. In line with ISA (UK) 450 we request that you correct uncorrected misstatements. However, they will have no effect on the opinion in our auditor's report, individually or in aggregate. As communicated previously with the Audit and Risk Committee, details of all adjustments greater than £47.5K are shown below:

We have not identified any unadjusted audit differences.

Under UK auditing standards (ISA (UK) 260) we are required to provide the Audit and Risk Committee with a summary of adjusted audit differences (including disclosures) identified during the course of our audit. The adjustments below have been included in the financial statements.

Adjusted audit differences (£'000s)				
No.	**Detail**	**SOCI Dr/(cr)**	**SOFP Dr/(cr)**	**Comments**
1	Dr Change in Pension (4000) Cr Pension provision (8880)	£657,947.56 -	- £(657,947.56)	Throughout the year Brunelcare debit the deficit reduction payments to the pension provision. These payments are included in the SHPS figures provided by TPT but this year Brunelcare didn't reverse out these in-year journals.
2	Dr Bad debts written off (2990) Dr Bad debt provision (7803) Cr Accrued Income (7510)	£75,043.44 - -	- £68,296.70 £(143,340.14)	Brunelcare accrued income in prior years for fuel in agreement with residents to recharge them over the following three financial years. The agreement ended at the end of the most recent financial year, so there should be no accrued income remaining. Consequently, this income was never invoiced. But the automatic journal posted this balance. Hence this adjustment removes the journal posting
1	**Dr** Care Home Fees (1020) **Cr** Rent Fees and Service Charges receivable (Various)	£588,887.62	-£588,887.62	Error due to care home debtors journal being posted into the current year's P13 instead of last years. Correction journal number 145306 posted following board review
Total		£732,911.00	£732,991.00	

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Appendix four

Confirmation of Independence

We confirm that, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and that the objectivity of the Partner and audit staff is not impaired.

To the Audit, Risk & Finance Committee members

Assessment of our objectivity and independence as auditor of the Brunelcare Charity

Professional ethical standards require us to provide to you at the planning stage of the audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

— General procedures to safeguard independence and objectivity;

— Independence and objectivity considerations relating to the provision of non-audit services; and

— Independence and objectivity considerations relating to other matters.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP partners and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the FRC Ethical Standard.

As a result we have underlying safeguards in place to maintain independence through:

— Instilling professional values

— Communications

— Internal accountability

— Risk management

— Independent reviews.

We are satisfied that our general procedures support our independence and objectivity.

Independence and objectivity considerations relating to the provision of non-audit services

Summary of non-audit services

Facts and matters related to the provision of non-audit services and the safeguards put in place that bear upon our independence and objectivity, are set out in the following table

Description of scope	Threats to independence	Safe guards applied	Value of service and basis of fee
KPMG tax bridge software license	Self-review	Tax is not significant for the audit and therefore there is not considered to be a self-review threat.	Fixed, £3k

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Appendix four

Confirmation of Independence

We have considered the fees charged by us to the organisation and its affiliates for professional services provided by us during the reporting period. Total fees charged by us can be analysed as follows:

	2021/22 (to date)	2020/21
	£'000	£'000
Audit of Brunelcare	39	38
Total audit	**39**	**38**
Tax advisory services	3	3
Total non-audit services	3	3
Total Fees	**42**	**41**

Fee ratio

The anticipated ratio of non-audit fees to audit fees for the year at the time of planning is 0.07:1.

We do not consider that the total non-audit fees create a self-interest threat since the absolute level of fees is not significant to our firm as a whole.

Application of the FRC Ethical Standard 2019

We communicated to you previously the effect of the application of the FRC Ethical Standard 2019. That standard became effective for the first period commencing on or after 15 March 2020, except for the restrictions on non-audit and additional services that became effective immediately at that date, subject to grandfathering provisions.

We confirm that as at 15 March 2020 we were not providing any non-audit or additional services that required to be grandfathered.

Confirmation of audit independence

We confirm that as of the date of this letter, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the partner and audit staff is not impaired.

This report is intended solely for the information of the Audit and Compliance Committee and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully

KPMG LLP

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Appendix five

FRC's areas of focus

The areas of focus from the FRC's Annual Review of Corporate Reporting 2020/21, annual letter to CEOs, CFOs and audit committee chairs along with the five thematic reviews issued in 2021 should be considered for reporting in the current financial period. The reports identify where the FRC believes organisations should be improving their reporting. Below is a high level summary of the key topics. We encourage management and those charged with governance to read further on those areas which are significant to the Registered Provider.

Judgements and Estimates	In the current climate it is particularly important for entities to provide as much context as possible for the assumptions and predictions underlying the amounts recognised in the financial statements, including potential sensitivities or ranges of possible outcomes. Trusts should disclose the carrying amounts impacted by estimation uncertainty. Disclosures of key assumptions and sensitivities could be improved. Preparers are encouraged to clearly distinguish between sources of estimation uncertainty with a significant risk of a material adjustment in the following year and other, perhaps longer-term, uncertainties. Significant accounting judgements should be clearly explained along with factors considered.
Revenue	Having raised a considerable number of queries in relation to revenue recognition policies and related disclosure, the FRC strongly encourage preparers to read their thematic report which includes tips and examples of good and inadequate disclosure. Entities should disclose significant judgements made in accounting for revenue. This could include judgements in relation to performance obligations, transaction price and amounts allocated to performance obligations. Disclosures should clearly identify the methods used to estimate any variable consideration.
Statement of Cash Flows	Organisations need robust reviews of the cash flow statement to ensure consistency with other parts of the annual report and to ensure preparation in line with the accounting standard. Errors continue to be identified, including inappropriate classification of cash flows and inappropriate netting. The FRC also challenges organisations on the composition of cash equivalents and on incomplete or incorrect related disclosures. Organisations are reminded that even in the limited cases where borrowings can be included as a component of cash and cash equivalents in the cash flow statement, the IAS 32 'Financial Instruments: Presentation' criteria need to be applied to determine whether they can be presented on a net basis in the balance sheet.
Alternative Performance Measures (APMs)	APMs should not be given undue-prominence. Preparers should avoid statements appearing to provide APMs with more authority than IFRS measures and are reminded that meaningful commentary on the IFRS figures is required. APMs, including ratios, should be appropriately labelled and reconciled to the most directly reconcilable financial statement line item. It should be clear how reconciling items are determined and companies should explain clearly why amounts are excluded from adjusted measures. Adjusting items should include gains as well as losses, where relevant.

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Appendix five

FRC's areas of focus

Strategic Report	The annual report should provide a fair, balanced and comprehensive analysis of the development and performance of the business in the financial year and of its position at the end of the year. In particular companies are encouraged to include discussion of relevant significant matters and performance against key strategic objectives.
Provisions and contingencies	Provisions and contingencies should be clearly explained including the nature of the exposure, the timeframe and the basis for determining the amount. Any significant judgements and relevant assumptions should be disclosed clearly. There should be consistency between information provided in the annual report and accounts. If material provisions are dependent on the future performance of a business expected to be heavily impacted by climate change, this should be disclosed and detail provided on how climate change had been taken into account in the estimate.
Leases	Lessees and lessors are required to disclose information that gives a basis for users to assess the effect of leases on financial position, financial performance and cash flows. This could include information about variable payment features, for example. Judgements should be disclosed. Entity-specific accounting policies should be disclosed for material transactions.
2021/22 priorities for FRC review: - **Impact of COVID-19**	In addition to the topics summarised above, the FRC have indicated that routine monitoring for the 2021/22 cycle will include a focus on: - judgement and uncertainty in the face of continuing economic and social impact of Covid-19; and - climate-related risks and new disclosures. Disclosure on judgements and assumptions about the future will remain important to users of reports, particularly when considering matters such as going concern and liquidity. Therefore as part of their routine 2021/22 routines, the FRC will continue to consider whether entities: - Explain the significant judgements and estimates made; - Provide meaningful sensitivity analysis or details of a range of possible outcomes; - Describe any significant judgements made in determining whether there is a material uncertainty about their ability to continue as a going concern; and - Ensure that assumptions used in the going concern assessment are compatible with those used elsewhere.

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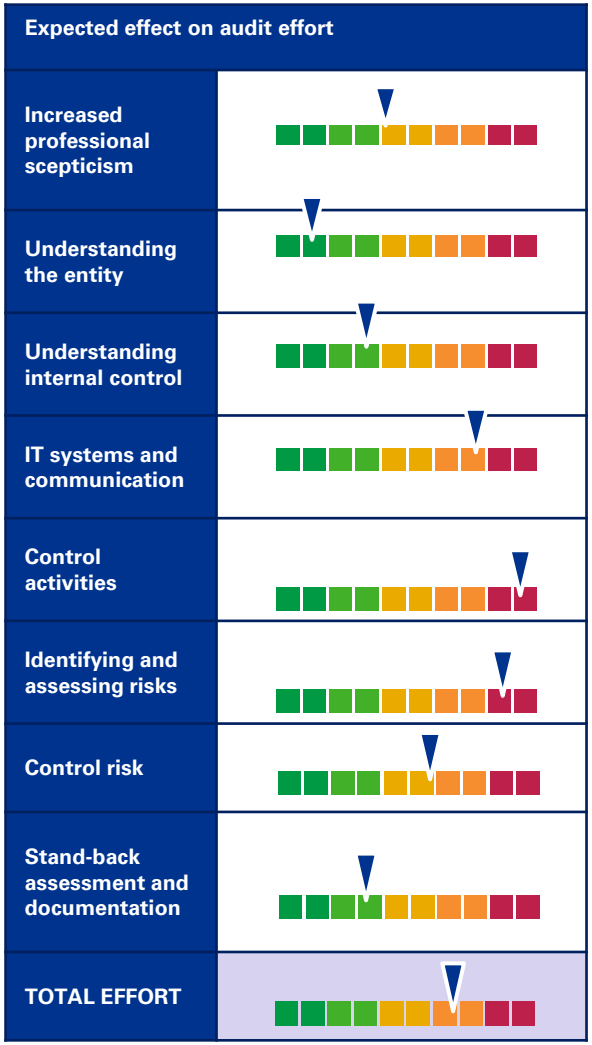
Appendix six

ISA (UK) 315 Revised: Overview



Summary

ISA (UK) 315 *Identifying and assessing the risks of material misstatement* incorporates significant changes from the previous version of the ISA. These have been introduced to achieve a more rigorous risk identification and assessment process and thereby promote more specificity in the response to the identified risks. The revised ISA is effective for the 2022-23 financial year onwards.

The revised standard expands on concepts in the existing standards but also introduces new risk assessment process requirements – the changes will have a significant impact on our audit methodology and therefore audit approach.

Why have these revisions been made?

With the changes in the environment, including financial reporting frameworks becoming more complex, technology being used to a greater extent and entities (and their governance structures) becoming more complicated, standard setters recognised that audits need to have a more robust and comprehensive risk identification and assessment mechanism.

The changes are aimed at (i) promoting consistency in effective risk identification and assessment, (ii) modernising the standard by increasing the focus on IT, (iii) enhancing the standard's scalability through a principle based approach, and (iv) focusing auditor attention on exercising professional scepticism throughout risk assessment procedures.

What does this mean for an audit?

To meet the requirements of the new standard, auditors will be required to spend an increased amount of time across the risk assessment process, including more detailed consideration of the IT environment. We expect these changes to result in significantly increased audit effort levels which will, in turn, affect auditor remuneration. This additional effort is a combination of time necessary to perform the enhanced risk assessment procedures and the anticipated need to involve more technical specialists (particularly IT Audit professionals) in our audits.

Given the level of changes to the standard, debate remains ongoing about the extent of impact on application of some paragraphs. Global regulators have committed to providing further clarification in this area in advance of adoption, and there may therefore be some later updates to our initial assessment of relative impact.

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Appendix six

ISA (UK) 315 Revised: Summary of key changes

Area	Impact on audit effort	Summary of changes and impact
Increased professional scepticism		Increased focus on applying professional scepticism – particularly the need for auditors not to bias their approach towards obtaining evidence that is corroborative in nature or excluding contradictory evidence, which requires more independent evidence to be sought. In all cases, there will be enhanced documentation requirements in this area.
Understanding internal control		The previous standard included requirements for understanding components of the entity's system of internal control. The revisions add another step by requiring auditors perform evaluation procedures over these. This may require additional effort to evaluate the entity's processes over risk assessment and monitoring activities over internal control systems to assess their appropriateness to the entity's size and complexity.
IT systems and communication		The requirements introduce an increased focus on understanding the entity's own management of IT. This may entail performing additional risk assessment procedures and taking a broader view across the IT environment, considering more systems and systems in greater depth, than previously. Given the complexity and specialist knowledge required to perform these procedures, increased use of technical IT Audit specialists will be a natural consequence of this revision.
Control activities		The revised standard enhances the way we identify IT applications and aspects of the IT environment that are subject to assessed risks arising from IT. This may result in significant expansion of risk assessment procedures to obtain and evaluate the necessary information. Further, the standard adds new requirements in control testing activities to mandate evaluation of general IT controls that address risks arising from IT associated with significant risks and certain journal entries. For these controls, the auditor is required to evaluate the design and implementation of the individual controls. This could result in a significant change in approach, with more emphasis and effort spent on evaluating control activities. Again, we anticipate integrating more specialised expertise into our audit team to meet the revised requirements.
Identifying and assessing risks		The changes require more detailed assessment of risks at both the financial statement and assertion levels for classes of transactions, account balances and disclosures than previously. Further, the revisions introduce an inherent risk spectrum and new inherent risk assessment factors, each of which the auditor evaluates to assess the level of risk and thereby shape the audit response. This will increase the audit effort needed to evaluate and document the risks of material misstatement.
Control risk		New requirement to assess inherent risk and control risk separately for each risk of material misstatement identified where the auditor plans to test the operating effectiveness of controls. The separation of assessments will require individual attention, increased documentation and is likely to affect sample sizes for substantive procedures.
Stand-back assessment		New requirement to perform a stand-back assessment for material classes of transactions, account balances or disclosures which have not been identified as significant, to assess whether this determination remains appropriate in the context of the overall audit. This will require increased consideration of aggregation risk and introduce additional documentation requirements.

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Appendix six

ISA (UK) 240 Revised: Summary of key changes

Summary and background

ISA (UK) 240 *The auditor's responsibilities relating to fraud in an audit of financial statements* includes revisions introduced to clarify the auditor's obligations with respect to fraud and enhance the quality of audit work performed in this area. The revised ISA (UK) is effective for periods commencing on or after 15 December 2021. Unlike ISA (UK) 315 which mirrors updates in the international ISA, the updated UK fraud standard is not based on international changes by the IAASB.

The impact of the revisions to ISA (UK) 240 is less extensive compared to ISA (UK) 315, but will nevertheless result in changes to our audit approach. The table below summarises the main changes and our initial assessment of their impact.

Area	Summary of changes and impact	Effect on audit effort
Risk assessment procedures and related activities	[1] Increased focus on applying professional scepticism – the key areas affected are: • the need for auditors not to bias their approach towards obtaining evidence that is corroborative in nature or excluding contradictory evidence, • remaining alert for indications of inauthenticity in documents and records, and • investigating inconsistent or implausible responses to inquiries performed. [2] Requirements to perform inquiries with individuals at the entity are expanded to include, amongst others, those who deal with allegations of fraud. [3] Every audit now requires a specific determination as to whether to involve technical specialists (including forensics) to aid in identifying and responding to risks of material misstatement due to fraud. This will result in increased involvement of specialists and an expanded scope of work for these specialists, on audit engagements.	
Internal discussions and challenge	Enhanced requirements for internal discussions among the audit team to identify and assess the risk of fraud in the audit, including a requirement to determine the need for additional meetings to consider the findings from earlier stages of the audit and their impact on our assessment of the risk of fraud.	
Communications with management / TCWG	New requirements for communicating matters related to fraud with management and those charged with governance, in addition to the reporting in our audit reports.	

What does this mean for an audit?

The changes introduce new requirements which will increase audit effort and therefore the audit fee. The additional work is largely the result of investing more time identifying and assessing the risk of fraud during risk assessment and involving specialists to aid with both risk identification and the auditor's response to risk.

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BRUNELCARE

England & Wales - Charity number 201555

Accounts

Annual Report and Financial Statements For the year-ended 31 March 2021

Registered charity no. 201555

Registered company no. 601847

Care Quality Commission registration no. CRT1-579008632

Homes England registration no. LH0269

01 - CHAIR AND CHIEF EXECUTIVE'S INTRODUCTORY STATEMENT

The last 12-months have been the most challenging for the Charity in its 80 year history. Not since our founding, in the aftermath of the Blitz on Bristol in World War Two, has our organisation, has our country, faced such unprecedented times.

COVID-19 has dominated our lives and our work as a charity. As a key provider of social care in our area, our colleagues have been on the 'frontline' of the pandemic response. We have been truly humbled by the extraordinary efforts of our dedicated teams who have worked tirelessly, at significant personal risk, to help keep those we care for safe.

While our teams have done everything they can to protect some of the most vulnerable people in our society, we have not been untouched by this dreadful illness. Very sadly, a number of our care home residents did fall ill and die as a result of COVID-19. Every death has been a tragic loss felt by families unable to visit for a long time, and by colleagues who work alongside people for months, if not years, and strong bonds are formed. That the numbers were not greater is testament to the hardwork and determination of our care and nursing teams.

COVID-19 has shone a spotlight on social care like never before. We see it as our duty to do what we can to maintain the profile of the sector and seek a better deal, in terms of funding and the integration of health and social care, for the future. This work will continue in the year ahead as Health and Social Care reform takes centre stage.

Away from COVID-19, this year we had cause to celebrate following an upgrade by one of our key regulators: the Regulator of Social Housing (RSH). On Governance, the RSH moved us to a 'G1' position - their highest compliant grade. This is the culmination of many months of hard work and demonstrates the board of trustees' commitment to ensuring the Charity is well run and well governed.

In 2020, we also welcomed two new trustees to our board: Alison Comley joined us with 30 years experience in senior local authority positions, including as a Director of Adult Social Services; and Anthony Oldfield, who is a Chartered Surveyor and leading expert in the care home and retirement property markets.

We also finalised a new strategic plan for the Charity to set our focus for the next three years. 'Brunelcare: Our Future' outlines a new mission, vision and values for the organisation, plus a set of three new strategic aims. In preparing our new strategy, we also spoke to our customers to understand what matters most to them. This has led us to create an innovative set of 'outcome measures' which our strategy has been designed to deliver.

Despite our challenges this year, we successfully opened a brand new 64-bed care home and 24-bed reablement centre at Cadbury Heath called Little Heath. Little Heath has gone from strength to strength, and, in particular, the addition of the extra reablement beds has led to a partnership with the Clinical

Commissioning Group to support earlier discharge from hospital for patients - relieving pressure on the NHS. This serves as a fantastic example of the benefits of closer working between health and social care.

We were also able to complete and open a 62-flat extension of our Waverley Gardens Extra Care Housing Scheme in Bishopsworth. Providing vital additional properties for those seeking to remain independent, but with care and support available should they need it.

Despite the pressures and stresses that the pandemic has brought our operating surplus increased by 33.8% to £2.65m (£1.98m 2020). Income including COVID-19 funding grew by 15% to £36.96m (£32.09m 2020) in the year. We took firm action to keep all our budgets under control, whilst not compromising on staffing levels or infection control measures. Our operating costs rose 14% to £34.32m (£30.11m 2020) largely reflecting the impact of investment in staffing including the essential additional requirements imposed by our response to COVID-19 and also the new developments above.

As we look ahead, we have an exciting new strategy to deliver. This includes a focus on: further strengthening our relationships with our customers, developing our housing sites to ensure we are providing properties fit for the 21st Century, maintaining the highest possible quality across all of our services, reviewing future models of care including a growing emphasis on the community and the use of technology, and exploring new partnerships and opportunities in the evolving health and care landscape.

We must also not forget that COVID-19 is still with us. As we reflect on the experience of the past year and adjust to living with the virus in the longer term, and all the implications this has, we are reminded of our founding 80 years ago. People came together in response to a crisis; in a world of great uncertainty and change. That spirit lives on in Brunelcare today: in its people, who we are proud to call our colleagues.

Deborah Evans
Chair

Oona Goldsworthy
Chief Executive

02 - ABOUT THIS ANNUAL REPORT WHAT INFORMATION WILL YOU FIND IN OUR ANNUAL REPORT

Our Annual Report provides information about the services Brunelcare provides and what we are doing to deliver high quality social care and housing services, as well as planning for the future.

It provides information about how we performed in 2020-21, describes what we will do during the next 12-months to further improve 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

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, 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.

We offer a complete care and support pathway in our communities, starting in residents' own homes, 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 33 sites, with three extra care housing schemes and a retirement village, all within the greater Bristol area. Care is provided in people's own homes, in five specialist care homes and two reablement facilities.

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', we have commenced planning for a large customer engagement initiative we're calling 'Together with Customers'. We know we need to engage in a genuine two-way open dialogue with our customers to understand more fully what matters most to them.

This work will commence in 2021-22 and will include a full customer satisfaction survey, events and focus groups, and will culminate in the creation of a 'Together with Customers Charter'.

To consistently provide quality services that continue to be fit for purpose and fit for the next generation of older people, we recognise the need to change and adapt and respond to the ever changing regulatory environment and economic situation.

In 2020-21 we finalised a new strategic plan for the charity: 'Brunelcare: Our Future', which will serve us for the next three years.

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 is 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 piece 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.

All our care homes, reablement and extra care housing services have 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 we await a full inspection and so there is currently no CQC rating for this service.

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

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					Previous Inspection	
	Took place on	Report Published on	Overall Rating	Safe	Effective	Caring	Respo nsive	Well led	Took Place on	Overall Rating
Brunelcare Domiciliary Services: Bristol and South Glos	11,12,13 & 14 Sept 2018	12 Oct 2018	Good	G	G	G	G	G	11 & 12 Feb 2016	Good

Brunelcare Domiciliary Services: Somerset	26 Feb 2019	7 May 2019	**Requires Improvement**	RI	G	G	G	RI	11 & 12 Aug 2016	Good

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 had anticipated that CQC would undertake an inspection of our Somerset services in 2020-21, however the social distancing restrictions arising from COVID-19 led to CQC halting its inspection programme. We continue to complete quality assurance checks to ensure services are being delivered in line with CQC regulations and await confirmation of CQC's plans for 2021-22.

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 occuring 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 etcClients 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 practice whilst creating a clinical training plan that fits with our Care Homes' policies and procedures. Whilst our ability to provide face to face clinical training was reduced in 2020-21 due to the pandemic, we facilitated virtual sessions and will reintroduce face to face training as restrictions are lifted.

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 upon 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 a Dementia. Monitoring the 'Lived Experience' for the people in our Care Homes enables us to understand how we can improve well-being and the social aspects of the care that we provide.

In 2020-21, work on a Dementia Strategy began and this will lead to the formation of a quality standard for Dementia Care. The Dementia Strategy will be published in late 2021-22.

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 have worked in partnership with Somerset County Council to provide and grow a new discharge to assess service allowing people to leave hospital in a timely manner and receive an assessment of their needs within their own environment.

We were delighted to complete the extension to our Waverley Gardens extra care housing scheme which opened in April 2020, this provides a further 62 extra care flats in the City of Bristol.

Through 2020-21 we have completed a full review of our community domiciliary care services to help us inform the shape of our future service offer

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.

In June 2020, we published a new Asset Management Strategy. This will allow us to focus on the homes in greatest need first, but make sure that our long term financial plan allows improvements to all our homes in priority order.

A key part of our role is to make sure that residents feel safe and secure in their homes and that we provide a quality, honest, customer service, making the best use of digital communication so residents can access services and manage their tenancy. A step towards this is the introduction of 'Alertacall' through a pilot. Bristol City Council have since confirmed to us that they will not fund the 'Alertacall' system as they do not feel it meets their criteria. We have met with tenants on both sites that have the system installed (St. Johns Court and Lilac Close) and to date 10 tenants between the sites have agreed to appeal the decision which we will work with 'Alertacall' to support them fully through the process.

Over the last year, quarterly sheltered housing site meetings have been held remotely due to COVID-19 restrictions. These will recommence in person in September 2021 as restrictions are lifted and will be managed by the customer service team manager to ensure tenants views are heard, this is hoped to improve accountability and shorten decision making times, so that site issues can be resolved faster.

We recognise that we need to transform our customer services which includes our day to day repairs. This review will conclude in 2021-22 and will include investment in a new housing management system as well as a relaunched Direct Labour Organisation (DLO).

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. During the year quarterly site meetings were offered 'virtually' due to ongoing COVID-19 restrictions. In 2021-22, a 'Together with Customers' initiative will engage 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 impact of the COVID-19 pandemic on staffing and the ability of staff and contractors to access properties, as at 31 March 2021 there was 100% Compliance with all key property health and safety requirements.

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 2020-21 we worked with Tersus, an Asbestos Survey provider, to survey all previously cloned properties. Originally 276 unsurveyed properties were identified, as at the end of March 2021 the figure had been reduced to 46 properties. The on-going issues related to COVID-19 and access to properties continues to impact on the timeline for this survey work, which is scheduled to be completed by the end of June 2021.

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.'*

This announcement follows many months of hard work, across the organisation, to return the Charity to G1, following an In Depth Assessment (IDA) in 2019 where the RSH regraded Brunelcare's rating, and issued a regulatory notice regarding health and safety compliance.

This upgrade recognised the transformation of our governance arrangements. It is a seal of approval, from one of our key regulators, that Brunelcare is a well run organisation, with the right measures in place to ensure we're doing everything we can to keep our housing tenants safe.

The full judgement can be found here:

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

As reported in last year's Annual Report, 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

Reports from the Charity Commission

The Charity Commission's Proactive Team selected Brunelcare, along with a number of other charities, for review to seek assurance on the overall governance of the charity. The Commission's particular focus was on risk management and corporate governance arrangements.

A meeting with the Commission, attended by the Chair, Vice Chair, Chair of the Performance, Quality and Experience Committee, CEO and Company Secretary & Head of Corporate Governance, took place on 2 February 2021. The Commission confirmed, in a letter dated 19 March 2021, that it was satisfied with the information, assurance and verification provided by the Charity about its overall governance arrangements.

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.
Ensuring the well-being 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 is committed to treating mental health as seriously as physical health and general employee well-being. 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.

Additional employees will be offered the opportunity to undertake MHFA training when COVID-19 restrictions allow.

Care First

Care First offers comprehensive advice, information and articles covering personal and work related issues. They offer 24 hour telephone access as well as online and face to face counselling, Confidentiality, security and anonymity are guaranteed.

An information service is also provided that offers practical information and advice on all common topics including Consumer, Legal, Finance, Housing, Benefits, Family and much more besides.

Lone Working Device

A new lone working app called 'Staysafe' was introduced in 2020-21; 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 a scheduled appointment. In addition it has a panic facility that can be used should a colleague be on the receiving end of verbal abuse or physical aggression.

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.

The final committee will be held on 27 September 2021 where the committee's will be stood down. New elections will take place in autumn 2021 for new committees representing the new directorates following the Senior Leadership Team restructure.

Speaking Up Policy

We want Brunelcare to be a place where colleagues feel safe to speak up; particularly as it is our colleagues who will often be the first to spot any wrongdoing. Acting with integrity and honesty is about more than avoiding wrongdoing. It is about playing an active role in ensuring these values are upheld.
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.

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 eight members of the Senior Leadership Team in post during 2020-21, five were female including our Chief Executive. Out of the 253 highest paid employees across Brunelcare, 75.1% are female.

In February 2021 we published our gender pay gap report for 2019-20. Our average mean pay gap for 2019-20 was 12.8%; this is 1.5% lower than the previous year. Our average median pay gap was 6.4% which is 0.85% better than the previous year and over 10% better than the national figure of 17.3% in 2019.

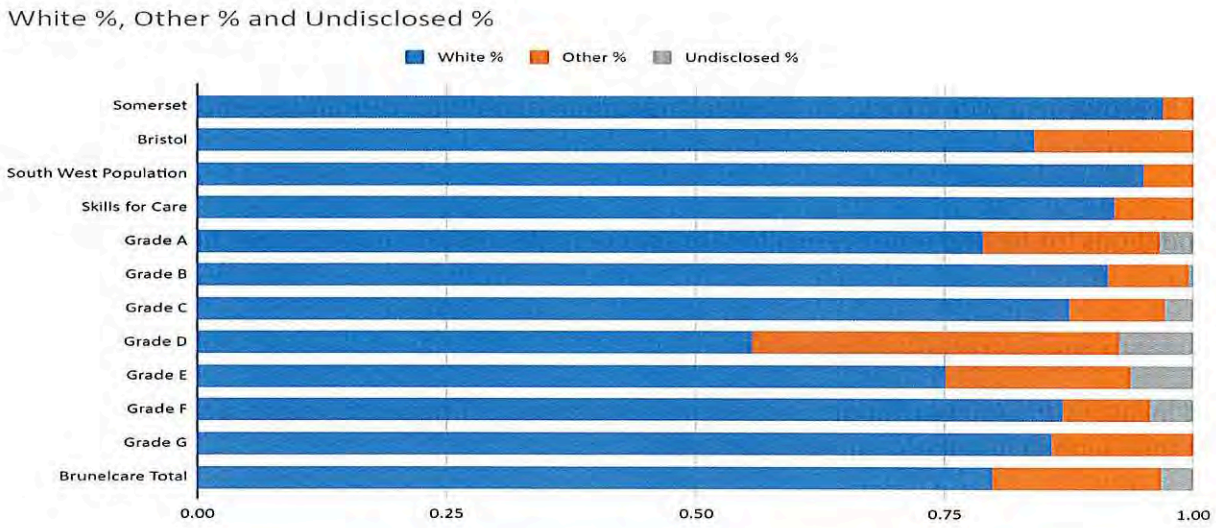
Equality, Diversity and Inclusion

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.

We have retained Investors in People accreditation for the past 18 years and have remained a Disability Confident employer (previously known as Two Ticks) for the past 15 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. 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, in total 17% of our total workforce are either Black, Asian or Minority Ethnic. It is worth noting that the percentage is 37% for our grade D employees (supervisory and junior management). The full breakdown with external comparators are provided in the chart below:



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 and will continue in 2021, overseeing an organisation wide conversation about how leadership can be diversified and strengthened.

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.

National Living Wage

The Brunelcare Pay Policy is underpinned by a Pay and Grading matrix that was introduced in May 2017. Each role within Brunelcare has been evaluated and allocated a grade from A to G.

Newly introduced roles are evaluated to ensure that they are placed in the same grade as roles of equal value. We continue to review current pay levels with the objective of moving towards the Real Living Wage in 2021.

HEALTH, SAFETY AND WELL-BEING

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

In 2020-21, the Board commissioned an external review of health and safety arrangements and the outcome of this was reported to the Board in March 2021. The review undertaken by 21st Century Housing Governance concluded that:

The arrangements for providing assurance on the health and safety arrangements at Brunelcare were effective and have addressed previously identified historic issues, even where these were specifically impacted by the pandemic. Brunelcare has strong and effective governance oversight of the health and safety arrangements.

Some of the key elements within that framework are already being enhanced as part of the normal process of continuous improvement with a focus on the documentation of policies, procedures and processes and ensuring the consistency of learning and development for key roles.

Six recommendations for further improvement were set out in the report and these will be addressed in the year ahead.

Major Changes and External factors in 2020-21

As referenced in last year's Annual Report, Brunelcare's Board and SLT began to keep a watching brief of the emerging situation with COVID-19 in mid-January 2020.

Initially, it was thought that the pandemic would not continue for more than 6-months however it continued throughout the year with a second wave of the virus arriving in October 2020.

In March 2020, a specific *Business Contingency Plan for COVID-19* (Contingency Plan) was developed to prepare for and address three phases of readiness:

- Phase 1: Prepare, Inform, Safeguard and Protect
- Phase 2: Building Resilience
- Phase 3: Recovery Phase.

While the values of Brunelcare are based on empowerment and autonomy, the situation Brunelcare found itself in required a corporate and consistent approach that was centrally driven and directed. Some of the key systems/measures put in place included:

- Weekly meetings of the Board of Trustees
- Daily meetings of the COVID-19 Business Continuity Team which comprised members of the Senior Leadership Team and key senior managers.
- The implementation and scrutiny of a Daily Resilience Dashboard: Key data was collected each morning and fed into the Dashboard. The Dashboard ensured that collectively the SLT understood the impact of the COVID-19 pandemic on the services that Brunelcare provides and discussed and agreed the action to be taken to address any hotspots.

- Weekly Compliance and Property Health and Safety Dashboard Meetings:
- A COVID-19 communications strategy d to ensure that clients, stakeholders and employees were provided with up-to-date and accurate information on the status of the pandemic.
- Standard Operating Procedure (SOP) for Dealing with Outbreaks
- Strengthened Support for our 24-hour Services

As the UK Government eased restrictions risk assessments of the impact of lifting or diluting the measures were undertaken to ensure the continued safety of clients and staff.

Changes in the Legal and Regulatory Environment

Coronavirus Act 2020: This act saw the introduction of a range of emergency provisions in response to the COVID-19 pandemic. The measures included the emergency registration of health professionals, temporary modification of mental health and mental capacity legislation and the power to require information relating to food chains *(March 2020).*

Public Health, England: The Health Protection (Notification) (Amendment) Regulations 2020: These regulations amended the Health Protection (Notification) Regulations 2010 (S.I. 2010/659). They apply to England only. Regulation 2(2) adds COVID-19 to the list of notifiable diseases in Schedule 1. Regulation 2(3) adds SARS-CoV 2 to the list of causative agents in Schedule 2 *(March 2020).*

COVID Secure Guidance: Employers and employees have a responsibility to follow the specific COVID Secure guidelines set out for their sector or industry. There are 14 guides which relate to different kinds of workplaces, it may be that you need to use more than one guide to prevent the spread of Coronavirus.

Extension of the Homes (Fitness for Human Habitation) Act 2019 : From 1 March 2020, all tenancies fell in line with the existing law introduced in March 2019, whereby landlords or agents acting on their behalf can be forced to carry out improvement works to properties or risk being sued.

The Landlord & Tenant Act 1985: This act was amended so that should a landlord rent a property in England with H&S issues then the tenant can seek damages through the courts. Essentially, this legislation forces landlords to promise their properties are fit for human habitation at the start and during a tenancy.

Five Year Electrical Safety Checks: From 1 July 2020 all new tenancies starting on or after the 1st July 2020, required a 5-year Electrical certificate from a registered electrician and all existing tenancies from 1 April 2021.

Building Safety Bill: The Bill is intended to ensure that those responsible for the safety of residents are accountable for any mistakes and must put them right. It will fully establish a regulator that will enforce new rules and take strong actions against those who break them through the court system.

The Fire Safety Bill: This bill was introduced to amend the Regulatory Reform (Fire Safety) Order 2005. The Bill aims to make it clearer where responsibility for fire safety lies in buildings containing more than one

home. The Bill clarifies that for any building containing two or more sets of domestic premises the Order applies to the building's structure and external walls and any common parts, including the front doors of residential areas.

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. This work culminated in the recruitment of an experienced procurement manager.

During 2021-22 we will review 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 Asset Management Strategy sets out an ambition for all our homes to meet the Government target of an EPC of C by 2030. We know this is a stretching target that will require careful planning and investment.

We have completed a survey of all properties and now have a better understanding of the energy consumption and emissions of all of our sites. We will begin a thermal imaging survey of all our properties in 2021-22.

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.

COVID-19 has had a big impact on the travel required for meetings and in commuting to work. In the first three months of 2020-21, we recorded a reduction in mileage which equated to 20 tons of CO2. We envisage this will continue for the rest of the year.

Our ESOS (Energy Savings Opportunities Scheme) energy audit was undertaken by Trident Utilities and developed in accordance with the principles of the ISO 50002 and the British Standards Institution energy audits requirements. Invoices and meter readings were used for electricity and gas and mileage by user for transport (note that the calculations assume that all mileage was diesel. In the next report we will separate diesel and petrol).

In 2020-21, as part of the work we are taking forward in relation to our Asset Management Strategy, we will put mechanisms in place to monitor and improve our energy consumption and carbon footprint. We are due to commence the heater replacement project with an external contractor which will help with the use of energy across identified schemes/units as these units are much more efficient.

SECTION 172 STATEMENT

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 23-24 we have set out how we have engaged with key stakeholders during the 2020-21 financial year.

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

Principal decision 1:

Asset management Strategy for 2020-25

Brunelcare has an ageing property portfolio, with changing demographics, increasing customer expectations and maintenance demands. Some of our homes are beyond economic repair and are no longer in high demand. Many are in need of significant investment to bring them up to a more modern and energy efficient standard.

In June 2020, the Board approved an Asset management Strategy for 2020-2025 (AMS), which set a change in direction in how we will deliver our strategic objectives and priorities over the next 5 years and onwards. We will need to make some difficult decisions to find solutions for those homes that are now beyond economic repair, are no longer in high demand and will not meet our future standards.

By 2025 this means we will:

- Make decisions to improve the quality of our homes including amenity, space and environmental energy standards.
- Agree to sell or remodel homes that we cannot practically or financially improve.
- Deliver updated homes that meet resident expectations for the 2020s.
- Ensure all homes will continue to be safe to live in.
- Provide a repairs service that is easy to use and delivers quality and choice and value for money.
- Devise an investment plan to facilitate the required improvements.

The AMS 2020-2025 is a critical business tool for us to align our property assets with business needs; directly linked to the Strategic Plan and supported by the 30 year Long Term Financial Plan.

We recognise that asset management carries significant risks as identified in the AMS and we will actively manage these risks as part of our established risk management system.

Principal decision 2:
New Performance Framework and Related Measures

In June 2020, the Board approved a new Performance Framework (the Framework). This set the scene for the introduction of a more effective and accountable performance management system within Brunelcare which puts customers at the centre of decision making. The Framework facilitated:

- 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.

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

- set out the roles and responsibilities for planning, managing and improving performance;
- describe the structures required to deliver robust planning, performance management and improvement; and
- outline the processes of planning and performance management which will support the improvement of performance through proactive planning, problem solving and risk management.

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 2020, the Board approved a new LTFP. This was the first review of the LTFP since the Regulatory Judgement received in January 2020 which regraded Brunelcare from V1 to V2 in respect of financial viability. The judgement cited particular risks around increasing reliance on property sales, rising asset management costs and falling headroom in respect of covenant compliance, particularly in relation to interest cover. Attention was given, and progress made on all these risks.

In line with Brunelcare's Stress Testing Policy and the requirements of the Regulator for Social Housing (RSH), we designed and applied stress tests which are relevant to Brunelcare's business model, reflect 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. The tests and their impacts on the plan are summarised below.

Principal decision 4:

Furlough of the new Strategic Plan and Approval of the Annual Business Plan for 2020-21

Due to the continuing pressures of COVID-19, the Board agreed to furlough its new Strategic Plan and the June 2020 Board meeting and the following revised set of priorities were agreed:

Strategic Plan Priority	Focus for 2020/21
Provide homes to feel proud of	Delivery of Phase one of the Asset Management Strategy
Provide quality care	Review and deep dive of Home Care Service: opportunities for growth, challenges and sustainability. Care Home Recovery Plan to include marketing, viability.
Put people first	Pursue reform of social care - to include career progression, employment offer, Real Living Wage, induction and campaigning
Get the basics right	Customer Service Transformation to include IT and new systems for finance and housing service (inc ECH) and provision of tenancy support.
Be financially secure	Embed performance management, procurement, governance systems and foundations to regain G1 and V1 status with RSH and improve financial resilience.

These priorities were developed into an Annual Business Plan for 2020-21 that the Board approved in September 2020.

Principal decision 5:

Provision of internal refurbishment works of void flats at Woodland Court, including replacement of kitchens, bathrooms. electric heating, windows, doors, and floor coverings

Woodland Court is a retirement development of 56 flats in Kingswood. All the flats are privately owned on leaseholds. The leases stipulate that Brunelcare undertake the refurbishment of each apartment when they become vacant, which averages 4 to 6 per annum. The full costs of these are deducted from the sales value of the flats so Brunelcare is reimbursed when sales are completed. To date these refurbishment costs have been procured on an ad hoc basis, rather than within a single contract.

To regularise this and ensure that leaseholders receive the best value for money the Board approved a contract for refurbishment works over five years, with an option to extend for a further 2 years, and an estimated total value of between £400,000 - £800,000. The value will depend on the level of voids and demand.

Principal decision 6:
Lease of Hawthorn Croft to St. Mungos

During the year the Board approved proposals to lease Hawthorn Croft in Withywood to St. Mungos Housing Association for a period of five years.

St Mungos is a national provider of housing and support for homeless people. They approached us with a proposal for temporary use through a lease agreement of the eight units on the site to provide seven units of accommodation (one flat will be a laundry and communal or office space). The flats will be used to house women who have moved through the Homelessness Pathway and are ready for greater independence. St Mungos are fully responsible for all the support and will be receiving revenue funding for this.

The repair obligation states that St Mungos is responsible for all internal repairs and health and safety compliance.

Principal decision 7:
Appointment of Two new Trustees

The Board ratified the appointment of two new trustees in September 2020: Alison Comely with 30 years experience in senior local authority positions, including as a Director of Adult Social Services; and Anthony Oldfield, a Chartered Surveyor and leading expert in the care home and retirement property markets.

Principal decision 8:
Approval of a COVID-19 Outbreak Plan

Throughout the year the Board carefully monitored COVID-19 infection rates across its services and in the local population. An Outbreak Plan was approved by the Board which set out how an outbreak would be managed should one occur on any of the Charity's sites (defined as two or more cases). Prevention measures included: 4.5 months supply of PPE, a block agency agreement so that any agency staff are solely working in one location, weekly testing for all care staff, full pay for anyone who has to self isolate, daily monitoring of infection rates and a weekly Bulletin for all staff to update them on the latest information.

Principal decision 9:
Approval of 'Brunelcare: Our Future Futures': 2021-24 Strategic Plan

In March 2021, the Board approved 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. Further information on the Strategy can be found on page 5.

Principal decision 10:
Approval of a centralised complaints process

In December 2020, a self-assessment against the Housing Ombudsman's Complaint Handling Code (July 2020) was undertaken. The Board approved a new *Comments, Concerns, Complaints and Compliments Policy* in March 2021. The revised Policy:

- improves accessibility and awareness by adopting the approaches recommended by the Housing Ombudsman;
- introduces a centralised complaints process and delegate day to day oversight of the complaints process to the Corporate Governance Team; and
- ensures compliance with the Housing Ombudsman's guidance in relation to the complaints procedure, timeframe for response, communication and putting things right.

STAKEHOLDER ENGAGEMENT

The focus of our stakeholder engagement in 2020-2021 has been firmly on our response to COVID-19. This has included:

- **Colleagues:** keeping our colleagues informed about changes in government guidance, and ensuring their safety and well-being, has been crucial to ensuring an effective response to the pandemic
- **Customers:** engaging with our customers to ensure they have the support they need. This has included holding Zoom meetings with the relatives and loved ones of our care home residents, regularly writing to our customers, and posting frequent updates on a dedicated section of our website.
- **Commissioners/Local Authorities:** we have worked closely with our commissioners to keep them informed about cases across our services, and so we can access additional support, such as funding to help roll out increased testing.
- **Public Health:** we have worked closely with local Directors of Public Health throughout the pandemic. Following their advice during outbreaks and supporting us to reopen services.
- **NHS:** we have strengthened our relationships with the NHS, specifically through the commissioning of our 48 reablement beds (across our Little Heath and Orchard Grove sites) to support earlier discharge from hospital.
- **Volunteers:** volunteers have proved vital in providing additional support to customers during lockdown. From our 'Friends on the Phone' telephone befriending service, to our community volunteers supporting shopping and collection of prescriptions, to those collecting and delivering much needed supplies of PPE. Maintaining effective engagement with existing, new and potential volunteers has been a key task in the past year.
- **The media:** the impact of COVID-19 on care homes in particular has generated a high level of media attention during the year. We supported a number of national and local broadcast interviews raising awareness of the work of Brunelcare and the wider social care sector.

RISK MANAGEMENT

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

Over the last 12 months further steps have been taken to strengthen risk management across the organisation and embed the Risk Management and Assurance Framework approved by the Board in September 2019.

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 was reviewed at each Audit, Risk and Finance Committee and Board meeting.

The principal areas of risk to which the Charity was exposed in 2020-21 were identified and reviewed throughout the year and, for each of these, an assessment was made as to their impact, severity, and probability. The table below provides an overview of the risks set out in the Corporate Risk Register at 31 March 2021:

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Sustainable Community Services that meet regulatory standards and the needs of our customers and are not delivered.	• Harm to customers. • Loss of registration with CQC. • Prosecution • Loss of reputation impacting on ability to grow the business	During the year steps were taken to mitigate this risk by reviewing arrangements for: • Staffing – levels, skills and experience. • Care planning. • Customer Feedback. • Compliance with LA and CQC Requirements. • Undertaking a deep dive of home care services.
Sustainable housing services that meet regulatory standards and the needs of our customers and are not delivered.	• Harm to customers. • Regulatory sanctions. • Prosecution. • Loss of reputation impacting on ability to grow the business.	Brunelcare attempts to mitigate these risks through the regular review of strategy and processes to ensure they are flexible enough to take into account changing external conditions and tenant needs.
Sustainable care home and reablement services that meet regulatory standards and the needs of our customers and are not delivered.	• Harm to customers. • Loss of registration with CQC. • Prosecution. • Loss of reputation impacting on ability to grow the business.	A suite of policies and procedures are in place. Together with induction, training, comprehensive care plans, risk assessments, internal quality assurance audits these help to mitigate this risk. A comprehensive review of policies and procedures will be undertaken in 2020-21.

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
The charity is unable to meet the financial performance projections set out in its long term financial plan.	• Regulatory sanctions and down grading. • Unable to deliver the strategic plan. • Unable to fill gaps in resources.	Comprehensive financial forecasting and monitoring; prudent financial management; regular covenant reporting and; secure, flexible funding arrangements help to mitigate this risk. Government and local authority assistance and continuity funding have helped to mitigate the additional costs that have arisen due to COVID-19.
The charity breaches loan covenants.	• Intervention by credit wing of bank. • Interest rate increases.	Compliance with covenants is monitored closely and monthly reports are produced. Regular discussions took place with Brunelcare's bankers during the year and Treasury advisors Centrus were appointed to undertake a review of Brunelcare's arrangements. A series of recommendations were made by Cenrus and adopted by the Board.
ICT systems are not robust or stable enough to support safe, effective and up to date services.	• Vulnerable to cyber attacks. • Delivery of services impeded.	During the year work on an ICT Strategy began this work will be completed in 2021-22.
The services provided by Brunelcare are compromised due to the Charity's estate being non-compliant and not fit for purpose.	• Harm to customers. • Regulatory sanctions. • Prosecution. • Loss of reputation impacting on ability to grow the business.	An Asset Management Strategy was approved by the Board in June 2020. The priority actions set out in this Strategy will help to address this risk.

RISK	POTENTIAL IMPACT	MITIGATING FACTORS
Coronavirus could impact on the quality and sustainability of our services.	• Harm to customers. • Loss of staff capacity. • Increase in agency staff leading to additional financial costs. • Loss of customers/business. • Loss of reputation impacting on ability to grow the business.	A COVID-19 Business Continuity Team was in place throughout 2020-21. We mitigated the impact on services through adherence to Public Health England guidance, sourcing of sufficient PPE supplies, stringent infection control procedures, the appointment of over 100 volunteers, increased recruitment activity and daily monitoring of data relating to infection rates and staffing levels. While preventative measures were in place to reduce the impact of COVID-19 the increased rate of COVID-19 in the community resulted in periods of increased risk to clients and staffing.
Increasing costs of insurance premiums could make the costs of insuring services prohibitive.	• Financial loss. • Unable to operate services due to lack of insurance cover.	Insurance cover secured with cover for COVID-19 was secured prior to the start of the 2021-22 financial year. As expected the cost of the premium was higher than budgeted for.

As we move into 2021-22 we have begun to evaluate the longer term impact of COVID-19 on the sector and the risks that these pose to Brunelcare.

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 2020, 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 2021.

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).

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 Data Protection Officer who reviews and assesses each one to ensure any breaches are identified and concerns addressed.

During the year two Information Governance breaches occurred but following consultations with the Information Commissioner's Office, neither had to be formally reported. The ICO agreed that the steps taken by Brunelcare were robust and therefore the incidents were addressed internally.

ASSESSMENT OF FINANCIAL AND OPERATIONAL PERFORMANCE

This year has seen the Charity face the exceptional operational and financial challenge of the COVID-19 pandemic.

Our financial results have been positive reflecting the amazing response of our staff and includes supportive government funding which has been essential noting the additional resources and support required given the cost impact of the pandemic.

Our operating surplus increased 33.6% to £2.65m (£1.98m 2020). Income including COVID-19 funding grew 15% to £36.96m (£32.09m 2020) in the year.

Our operating costs rose 14% to £34.32m (£30.11m 2020) largely reflecting the impact of investment in staffing including the essential additional requirements imposed by our response to COVID-19 and also the new developments above.

Rising demand for quality care and affordable services both locally and nationally, highlighted by the need for these services enhanced by COVID-19, serve to illustrate the importance of additional funding into affordable housing and social care.

National and local efforts to support this continue to be important and the Charity continues to highlight, support and inform the urgency of these discussions.

Results include additional income of £3.46m and costs of £3.97m at our new 88 bed nursing home, Little Heath. This new purpose built facility in Cadbury Heath, East Bristol, opened in April 2021. Occupancy progressed well with our specialist reablement unit providing integrated Health and Care in Bristol. Whilst a financial deficit arose as expected, this is reducing as occupancy grows as planned.

Our results also reflect the opening of our 62 unit Extra Care Housing service at Waverley Gardens in Bristol. Full occupancy of the 52 flats offered on a rental basis was achieved in just 9 months with successful completion of 5 of the 10 flats offered for sales on a partial ownership basis. Income at the scheme grew by £0.70m to £1.99m with costs rising £0.59m to £1.90m.

Value for Money Metrics

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			Median for HOP Provider [RSH]
		2018-19	2019-20	2020-21	
Reinvestment as a percentage of existing stock	%	5.8%	11.2%	0.97%	7.2%

Reinvestment reduced significantly in the year with the absence of a major development plus the impact of COVID-19 and associated lockdowns on capital investment. The prior year figure included significant investment with the extension at our Waverley Gardens Extra Care scheme adding 62 units to our Housing stock.

Fire safety and energy improvement work, as well as sheltered housing scheme improvements, are planned going forward and will increase this percentage although with no major development planned for 2021/22 we anticipate this metric will remain low.

Metric 2: *New Supply*

New Supply Delivered %	Measure	Brunelcare			Median for HOP Provider [RSH]
		2018-19	2019-20	2020-21	
Social Housing units developed as % of owned	%	0%	0%	5.4%	0.7%
Non-social Housing units developed as % of owned	%	0%	0%	0%	0%

Two major projects were completed in April 2020.

Our Waverley Gardens Extra Care Scheme extension in Bristol added 62 units and in addition our specialist new nursing and care home Little Heath, providing services in Cadbury Heath in South Gloucestershire, opened in April 2020 adding a further 88 beds. These developments provide vital new services to the community in South Gloucestershire and Bristol. Both of these have been lease funded and are therefore not shown in the non-social housing development metric.
Brunelcare's ambitious future development activity is being planned and will focus on redeveloping and refurbishing our existing sheltered housing and extra care schemes.

Metric 3: *Gearing*

Gearing %	Measure	Brunelcare			Median for HOP Provider [RSH]
		2018-19	2019-20	2020-21	
Gearing %	%	11.3%	19.6%	13.7%	44%

Against all the sector quartiles Brunelcare's gearing remains low. Our lending reduced further following planned loan repayments on our core Lloyds lending and also full repayment of the £1.85m drawn-down on our £5m Barclays Revolving Credit Facility.

This reflects the period without major development and positive financial performance in terms of the increased surplus. As noted above a major development and investment programme is currently under review.

***Metric 4:** EBITDA interest cover*

EBITDA %	Measure	Brunelcare			Median for HOP Provider [RSH]
		2018-19	2019-20	2020-21	
EBITDA MRI as % of interest	%	389.9%	338.6%	594.4%	170%

The significant improvement in EBITDA-MRI reflects positive financial performance including supportive COVID-19 funding. Lower debt in a period of no major development, low interest rates and reduced capital spend were other key factors.

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			Median for HOP Provider [RSH]
		2018-19	2019-20	2020-21	
Total cost per unit	£	5,431	6,336	5,617	4,600

Brunelcare costs per unit reduced significantly in the year reflecting the impact of COVID-19 and lockdown; reducing the scope for some elements of planned capital works.

A new health and safety compliance system has streamlined our compliance management. Continuing investment into fire safety and other health and safety measures will arise in the next financial year.

Our overall cost remains above average general needs housing costs in the sector largely due to the fact that Brunelcare's costs include energy utilities (heat and light) as well as some additional services such as restaurant catering and laundry services.

A number of actions including appointment of a Procurement Manager have taken place. These will ensure we continue to deliver good value for money services.

We anticipate service cost pressures will continue with rising inflation and energy costs alongside material costs and workforce investment plans.

Metric 6: *Operating Margin*

Operating Margin	Measure	Brunelcare			Median for HOP Provider [RSH]
		2018-19	2019-20	2020-21	
Operating margin overall	%	4.3%	6.1%	6.9%	20.3%
Operating margin social housing lettings	£	14.8%.	14.0%	12.7%	23.9%

The operating margin for the whole business has improved this year although it continues to be lower than average for the housing sector. This is due to significant operating activity in Care Homes and Domiciliary Care which have lower operating margins. These figures improved in the year with the benefit of urgent government COVID-19 funding.

The social housing element margin reduced due to increased investment in health and safety and building costs due to the age of some of our housing stock. These carry higher repair and maintenance support requirements.

The Board of Trustees has set targets to improve our margins in future years and we are progressing a two year financial recovery plan for our Home Care service. Financial improvement will also continue to be shown from Little Heath as this new service matures.

Metric 7: *Return on Capital Employed*

Return On Capital Employed %	Measure	Brunelcare			Median for HOP Provider [RSH]
		2018-19	2019-20	2020-21	
Total cost per unit	%	2.4%	3.3%	4.3%	3.0%

Brunelcare's return on capital has improved this year given the higher financial surplus with positive business activity and cost control, plus supportive COVID-19 funding combined with a planned period of no major development spend.

The Charity operates a large proportion of care services with low homecare margins that generate very small surpluses but only require modest capital investment.

Improved procurement and a 2 year homecare turn-around project aim to improve margins, although urgent investment in staff pay and cost inflation such as rising global energy costs are likely to continue to dilute these margins.

Other Sector Scorecard Metrics

Below are the Other Sector Scorecard measures which are used by Brunelcare.

Other Metric 1: *Business performance*

Business Health	Measure	Brunelcare			Median for HOP Provide
		2018-19	2019-20	2020-21	
Adjusting operating margin social housing	%	17.5%	17.0%	15.6%	22.7%

Noting the comments on Key Metric 6 above, this measure adjusts the margin to exclude costs such as energy and catering to provide an adjusted comparison.

This shows a lower variance with the outcome reflecting a number of reasons including the impact of the pandemic providing additional support to our tenants plus additional health and safety related investment.

Brunelcare was awarded the 'Help When You Need It' contract in Autumn 2020. This links to our Charitable objectives of providing service user value for money but at a lower margin.

Other Metric 2: *Asset Management*

Effective Asset Management	Measure	Brunelcare			Median for HOP Provide
		2018-19	2019-20	2020-21	
Occupancy of all housing properties	%	99%	98.9%	97.9%	Housemark 99.3%
Ratio of responsive repairs to planned maintenance	%	103.3%	69.3%	45.5%	Housemark 64%

Occupancy was slightly lower than sector average in the year noting that the Housemark benchmark does not include the impact of COVID-19. Brunelcare's Housing occupancy improved steadily during the

financial year as the wider recovery from COVID-19 progressed. Landlords with a large stock of supported housing tend to record lower occupancy.

The ratio of response repairs to planned maintenance was reduced due to the impact COVID-19 has had in disrupting site access and supplier responses during lockdown periods. The Housemark benchmark for 2020 again does not reflect the impact of the pandemic.

Other Metric 3: *Operating Costs*

Brunelcare is a relatively small provider of older peoples housing (HOP). We also incur costs such as energy and catering recovered within our service charges. Our costs are often above sector averages with the table below adjusting these based on the *Regulator for Social Housing Value for Money metrics updated June 21* comparison.

Operating Efficiences	Measure	Brunelcare			Adjusted unit costs to omit utility and support cost.	Median for Provider
		2018-19	2019-20	2020-21		
Headline social housing cost per unit	£	£5,431	£6,336	£5,617	£4,430	£4,249 (RSH)
Management cost per unit	£	£1,049	£1,011	£971	n/a	£1,068 (RSH)
Maintenance cost per unit	£	£919	£1,022	£371	£260	£2,051 (RSH)
Major repairs per unit	£	£737	£1,193	£655	£621	
Service charge per unit	£	£1,641	£1,986	£2,457	n/a	£662 (RSH)
Other housing costs p.u.	£	£1,085	£1,123	£1,163	£120	£468 (RSH)
Rent collected (general needs properties)	%	100%.	100%	101.5%	N/A	99.8% (HM)

Overheads a % of turnover	%	8.1%	8.0%	7.0%	N/A	12.3% (HM)

Overall social housing costs per unit have reduced this year reflecting the impact from COVID-19.

Management, maintenance and major repairs costs have also all reduced in the year attributed again to the lockdowns associated with COVID-19.

The higher service charge per unit differs to most Housing comparators in that it includes the provision of communal facilities such as laundries and lounges alongside energy utility costs as most of our sites are not separately metered. Therefore on this basis electricity, gas and water bills are recharged to the tenants through their rent at nil margin.

This cost is in the region of £1.8m pa with a large rise October 2021 following our recent re-tendering process and reflecting global energy cost pressures. Other costs include funding for specific activities paid by the Local Authorities including help and advice provided to support our older tenants.

The last two other metrics applied by the Charity, are based on comparisons to the Housemark Sector Scorecard 2020 which excludes the COVID-19 impact.

Overheads are below other social housing providers reflecting efficiencies necessary for value for money services with investment in governance this year.

Pension

Our financial results include a charge reflecting a significant increase of £2.7m 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 reduction credited to our income and expenditure account in the previous financial 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.

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

New Development

Our new developments at both Little Heath Care Home and Reablement Centre and the extension to the Waverley Gardens Extra Care Scheme opened successfully in April 2020 with occupancy also shared ownership flat sales in the latter progressing well. Additional information is available in the financial review below.

In addition we were successful delivering innovative new reablement contracts at a number of homes and also in being awarded a new Housing and Care contract "Help When you Need it".

Cash Flow and Working Capital Management

In the financial year our operational cash inflow of £3.15m (£1.78m 2020) was positive following the recent major developments. With an additional reduction in planned capital investment plus impacts from the COVID-19 lockdown capital spend reduced to £0.30m (£6.31m 2020).

Cash was further boosted by a £0.61m grant receipt linked to Waverley Gardens development completion and sales of 5 new flats at the scheme out of a total of 10.

As a result, the Charity was able to fund the repayment of £2.56m of loans as well as an increase in cash and liquid funds from £4.65m to £5.58m.

Accounting Policies

Brunelcare's principal accounting policies are set out on pages 37 to 42 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 make two cyclical payments in each month 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	39%
Percentage of invoices paid between 31 and 60 days	55%
Percentage of invoices paid after 60 days	6%

We paid 19% 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 36.

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 £26.05m (2020 £27.37m). Within that figure the Revenue Reserves ("Free" Reserves) totalled £24.33m (2020: £25.6m). The main reason for this reduction is the pension movement noted above.

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 and 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).

In addition, in the year the Charity repaid all of the £1.85m drawdown on its £5.0m Revolving Credit Facility arranged with Barclays Bank Plc. Repayments or drawdowns can be made from this facility each December. The facility has been re-negotiated in partnership with Barclays, removing a potentially constraining covenant, and is in place for five years to 2024.

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.

Board Internal Targets

The Board also uses internal operational targets as follows:

Target 1: *Care Homes return on assets*

Internal Measure	2018-19	2019-20	2020-21
1. Care Homes return to assets is maintained above 5%	6.0%	8.1%	7.8%

This target has been achieved but there was a slight decline compared to 2019-20.

The continued achievement of this target was due to pricing, and the continued management and efficiency whilst safeguarding the high quality of care that we are known for.

Target 2: *Quality of care*

Internal Measure	2018-19	2019-20	2020-21
2. 100% of our CQC regulated services are rated as 'Good' or 'Outstanding'	100%	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' or above with the exception of Somerset Homecare Services which is currently rated 'Requires Improvement'.

The figure for 2020-21 remains the same as 2019-20 due to no formal CQC inspections being held in the year as a result of the COVID-19 pandemic. All internal quality assurance visits to the Somerset Homecare Service would suggest that previous reasons for gaining a 'Requires Improvement' rating have been resolved and a re-inspection is expected in 2021. Our Little Heath Care & Reablement Service has yet to receive a CQC inspection since its opening in April 2021 and therefore no CQC rating is available for this service.

Target 3: *Head Office performance*

Internal Measure	2018-19	2019-20	2020-21
3. Central support services spend to be managed up to 10% of income	8.5%	6.6%*	7.0%

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

Brunelcare's support costs are low by sector standards and overheads are below other social housing providers reflecting efficiencies necessary for value for money services with investment in governance this year.

***Target 4:** Agency usage*

Internal Measure	2018-19	2019-20	2020-21
4. Further reduce the charity's agency usage to less than 5% of employee-related costs	6.9%	3.8%	7.2%

Brunelcare has struggled to recruit sufficient trained nurses over recent years and this difficulty continued in 2021-22, in addition to an ongoing desire to recruit additional care staff. Additional agency was used to fill gaps during the recent lockdown where employed staff have had to isolate themselves because of a health issue or to protect a vulnerable family member.

***Target 5:** Sickness absence*

Internal Measure	2018-19	2019-20	2020-21
5. Reduce sickness absence in line with the social care sector average	4.7%	5.1%	3.99%

Despite the impact of COVID-19, during the year sickness levels as at March 2021 were below the social care sector average.

***Target 6:** Employee retention*

Internal Measure	2018-19	2019-20	2020-21
6. Achieve an employment retention level of higher than 81%	71.6%	72.4%	72.44%

This target has not been achieved and remains relatively static compared with 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.

Target 7: *Occupancy*

Internal Measure	2018-19	2019-20	2020-21
7. Achieve a level of occupancy in Care Homes and Sheltered Housing of higher than 95%			
Occupancy in Care Homes	94.6%	95.6%	89.8%
Occupancy in Sheltered Housing and Extra Care	99.0%	98.6%	99.1%

Occupancy in our care homes did not meet the 95% target and was lower than 2019-20 occupancy rates. This was due mainly to the impact of the COVID-19 pandemic and restrictions on accepting new occupants to care homes during this time. Early indications are that care home occupancy will improve in 2021-22.

04 - STRUCTURE, GOVERNANCE AND MANAGEMENT

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 2020-21 the Board held four scheduled formal meetings, five development sessions and an additional formal meeting. Through these meetings the Board:

- Oversaw the arrangements for the management of the organisations COVID-19 management and monitoring arrangements;
- Agreed a revised Strategic Plan and related corporate objectives;
- Agreed a new Performance management Framework
- Oversaw the development of, received, considered and discussed the organisational risk register and the monitoring and management of the assigned 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.
- Routinely received assurance reports from the Committees of the Board.

All formal meetings of the Board held in 2020-21 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 2020-21 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	23 June 2020	22 September 2020	15 December 2020	23 March 2021
Alison Comley[2]	2/2	-	-	✓	✓
Deborah Evans	4/4	✓	✓	✓	✓
Harry Hayer	3/4	✓	✓	X	✓
Nick Hooper	4/4	✓	✓	✓	✓
Phil Hope	4/4	✓	✓	✓	✓

Kate Innes (Still)	4/4	✓	✓	✓	✓
Anthony Oldfield[3]	2/2	-	-	✓	✓
Ian Turner	3/4	✓	✓	✓	X
Tony Wilson	3/4	X	✓	✓	✓
Executive Directors:					
Oona Goldsworthy	4/4	✓	✓	✓	✓
Chris Wall[1]	4/4	✓	✓	✓	✓

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

An additional Board meeting was held on 28 January 2021 to approve the revised Articles of Association following receipt of Charity commissions approvals. All Board members were in attendance.

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 March 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, Alison Comley on 22 September 2020, bringing social care expertise to the Board and Anthony Oldfield on 27 September 2020, bringing expertise in marketing, investment and funding.

The Board Composition as at 31 March 2021 was:

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
Harry Hayer	Trustee	15 February 2019	HR and OD

Nick Hooper	Trustee and Chair of the Remuneration and Nomination Committee	12 March 2018	Strategic Development - Housing
Phil Hope	Trustee	12 March 2019	Health and Social Care, Strategy Development
Kate Innes (Still)	Trustee	8 May 2019	Housing
Ian Turner	Trustee, Vice Chair and Chair of the Audit, Risk and Finance Committee	10 July 2018	Finance
Tony Wilson	Trustee	4 January 2019	Tenant Engagement
Alison Comley	Trustee	22 September 2020	Social care
Anthony Oldfield	Trustee	27 September 2020	Property, investment and funding opportunities
Oona Goldsworthy	Chief Executive Officer	14 October 2019	Housing
Chris Wall	Director of Finance	27 April 2020	Finance

OUR TRUSTEES

Appointed 1st July 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 1st August 2018

Ian Turner

Ian is a Chartered Accountant. He has worked in a number of organisations in a Non-Executive Director ("NED"), Executive, Trustee and advisory capacity. He is currently Deputy Chief Executive and Finance Director of the Healthcare Financial Management Association (HFMA) which represents Finance Professionals within the NHS. He is also a NED at Devon Partnership NHS Trust the NHS Mental Health Trust based Exeter, a Trustee at RICE a Charity researching into the Care of the Elderly and a trustee of the Healthcare Supply Association (HCSA), a membership organisation for procurement professionals in the NHS.

Appointed 1st 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 1st 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 1st 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 1st June 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 14th June 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 22nd 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 27th 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.

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 2020-21 the Board established the following committees:

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

AUDIT, RISK AND FINANCE COMMITTEE

During 2019-20, the Committee met five times:

- 4 June 2020;
- 3 September 2020;
- 3 December 2020;
- 24 February 2021; and
- 4 March 2021.

All meetings were quorate. The meeting held on 4 March 2021 was Chaired by the Chair of the Board due to the unforeseen absence of the Committee Chair.

As at 31 March 2021, the Committee comprised the following Trustee Members:

- Ian Turner - Committee Chair and Vice Chair of the Board
- Kate Innes; and
- Anthony Oldfield

Member	Role	Attendance
Ian Turner	Chair (appointed August 2018)	4/5
Kate Innes	Member (appointed March 2019)	5/5
Anthony Oldfield	Member (appointed October 2020)	2/3

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 (all meetings); and
- KPMG, Brunelcare's external auditors (27 August 2019 and 25 February 2020).

Amongst the key issues considered by the Committee during 2020-21 were the following:

- Audit Recommendations: Progress Reports
- Bi-annual Review of the 30 Year Business Plan (June)
- Business Plan: Stress testing and Development
- Capital Spend
- Charitable Funds Governance Framework
- Corporate Risk Register (Inc specific focus on COVID-19 on 4 June 2020)
- Draft and Final Budget for 2021-22
- Governance and Viability Standard: Self Assessment
- Economic Standards: Self-Assessment
- External Auditors Report on the Audit of the Financial Statements and Draft Letter of Representation
- Financial Regulations
- Financial Statements: Quarterly
- Insurance Arrangements
- Integrated Governance Improvement Plan: Including Outstanding IDA Actions

- Integrated Financial Performance Report
- Losses and Special Payments Annual Report for 2019-20
- Loans and Covenants
- Long Term Financial Business Plan
- Management Accounts: Quarterly updates
- Register of Interests
- Rent, Service Charge & Fee Review Annual Process
- Review of Debtors
- Annual Review of Risk Appetite Statement
- Stress Testing Policy
- Annual review of Standing Orders including Scheme of Reservation and Delegation and Financial Regulations
- Treasury Management Report: Quarterly Updates
- Treasury Policy

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 2020-21:

- 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 2021-22 on 4 March 2021. During the year the Committee received Internal Audit reports in line with the agreed programme for 2020-21, 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

In light of a recommendation made in an external Governance Review commissioned by the Board, the

Committee gave specific consideration *to "the scope of its activities and the skills and resources available to address that scope".* Committee Members were satisfied that its scope was appropriate and manageable. It considered audit, risk and finance to be subjects that fitted well with the skill set of committee members.

REMUNERATION AND NOMINATIONS COMMITTEE

During 2020-21, the Committee met three times:

- 26 August 2020;
- 12 November 2020; and
- 18 March 2020.

As at 31 March 2021, the Committee comprised the following Trustee Members:

Member	Role	Attendance
Harry Hayer	Chair (appointed August 2020)	3/3
Deborah Evans	Member (appointed October 2018)	3/3
Tony Wilson	Member (appointed August 2020)	3/3

Amongst the key issues considered by the Committee during 2020-21 were the following:

Remuneration

- Workforce Strategy: Agreement of Scope
- Pay and Reward Policy
- Annual Cost of Living Pay Review
- Organisational Design
- Senior leadership Team Annual Appraisals: Update and Summary of Key Matters Arising
- Restructure of the Senior Leadership Team
- Senior Leadership Team Remuneration and Pension Arrangements, including Proposals for the Company Secretary role
- Annual review of CEO's performance and remuneration and objectives for 2021-22
- Gender Pay 2019-20

Nominations

- Trustee Recruitment
- Selection and Appointment of New Board Members
- Appointment to the Role of Senior Independent Director
- Board Members Annual Appraisals for 2019-20: Update and Summary of Key Matters Arising
- Resignation of New Trustee: Discussion of Next Steps

Committee Governance

- Remuneration, Nominations and Governance Committee Annual Report for 2019-20
- Annual Review of Committee Terms of Reference
- Board's Annual Business Plan for 2020-21
- Committee Work Programme for 2020-21
- Board Development Programme for 2021-22

As part of its annual assessment and review of the Committee's terms of reference and programme of business for 2021-22 the Committee agreed that in the absence of a workforce committee the terms of reference of the Remuneration and Nominations Committee should be extended to include workforce matters. To reflect the revised terms of reference the Board agreed that the Committee would be renamed the Remuneration, Nominations and Workforce Committee.

PERFORMANCE, QUALITY AND EXPERIENCE COMMITTEE

During 2019-20, the Committee met three times:

- 2 July 2020;
- 9 November 2020; and
- 21 January 2021

As at 31 March 2021, the Committee comprised the following Trustee Members:

Member	Role	Attendance
Nick Hooper	Chair (appointed May 2020)	3/3
Deborah Evans	Member (appointed May 2020)	3/3
Phil Hope	Member (appointed May 2020)	3/3

Alison Comley	Member (appointed October 2020)	2/3
Tony Wilson	Member (appointed July 2020)	3/3

Amongst the key issues considered by the Committee during 2020-21 were the following:

- Engagement with our Customers: Together with Tenants
- External and Internal Quality Reviews of Care Services
- Integrated Performance Report and Dashboard
- Property Health and Safety Compliance
- Annual Assessment against the RSH's Consumer Standards
- Information Governance Compliance Report
- Developing Outcome and Impact Measures
- Findings of audits, reviews and inspections relevant to the Committee's remit
- Health, Safety and Wel-lbeing Updates
- Safeguarding and Mental Capacity Act (MCA) and Deprivation of Liberty Safeguards (DoLs) Compliance
- Complaints, Compliments and Concerns

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 Charities mission and vision, and also ensuring compliance with regulatory and legislative requirements the Board recognised that the performance measures should be further development 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.

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 remit of Brunelcare (delivery of social care and housing) in readiness for implementation from 1 April 2021.

In November 2020, Housing LIN (Learning & Improvement Network) was commissioned to provide external support with the development of a robust and applicable result/outcome-based framework and monitoring system to measure the outcomes and impact of the work of Brunelcare.

HEALTH, SAFETY AND WELL-BEING 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 Well-being Committee.

The Committee takes a strategic overview of health, safety and well-being 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 act as contact points within their service areas on matters of health and safety.

The Terms of Reference of the Committee and its membership were reviewed on 2020-21, and in October 2020, Health, Safety and Well-being Representatives were elected to act as contact points within their service areas on matters of health, safety and well-being.

The first meeting of the newly constituted Committee took place on 22 October 2020. The Committee met three times in 2020-21.

05 - LEGISLATIVE AND REGULATORY DISCLOSURES

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

For the 2020-21 financial year, the Board has adopted the National Housing Federation's (NHF) Code of Governance. This 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 it was complying with the main principles of the Code, and is conducting its business openly and in line with the Code.

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.

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 bard 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 with one 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 plans to address each of them are in place.

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.

In 2020-21, the Board commissioned a review of its governance arrangements; the findings arising from this (see section above) have also been used to inform our opinion.

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.

A plan to ensure the further strengthening and continuous improvement of the system of internal control is 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 2020-21 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 four internal audit reviews were undertaken during the year;

Audit	Opinion	Actions Agreed			Status at Time of Reporting
		H	M	L	
Data Integrity - Property Safety Compliance Systems	Reasonable Assurance	-	1	-	Final Report Agreed
Response Repairs March 2020 *Revisited March 2021*	Partial Assurance *Reasonable Progress*		6 2	1	Final Report Agreed Final Report Agreed
Follow-up 2021	Good Progress	75% of recommendations complete			Final Report Agreed
Rent Setting	Reasonable Assurance		1	3	Final Report Agreed
Advisory Audit and Training Support:					
Procurement In-Tend	Reasonable Assurance	1	3	2	Final Report Agreed

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous Improvement.

THE HEAD OF INTERNAL AUDIT HAS CONCLUDED:

Based on work carried out in 2020-21:

'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.'

06 - TRUSTEES' RESPONSIBILITIES STATEMENT

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 directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 Charity and of the surplus or deficit for that period. In preparing these financial statements the Trustees were required to:

- select suitable accounting policies and apply these consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have be followed, subject to any material departures being disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis.

The Trustees are also responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are responsible for 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 2021 and signed on its behalf by:

Deborah Evans
Chair
28 September 2021

07 - INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Brunelcare

Opinion

We have audited the financial statements of Brunelcare ("the Company") for the year ended 31 March 2021 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 Company as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *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 Company 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 directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company'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 directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' 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 directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company'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 Company will continue in operation

Fraud and breaches of laws and regulations – ability to detect

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 directors and the Audit, Risk and Finance committee as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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 we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income from community services is recorded in the wrong period and the risk that Company 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 some of the Company wide fraud risk management controls

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-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 directors and other management (as required by auditing standards), and discussed with the directors and other management 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 Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), pensions legislation and specific disclosures required by housing legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company 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 or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: employment law and health and safety law recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management 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.

Other information

The directors are responsible for the other information, which comprises the 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 those reports have 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Directors' responsibilities

As explained more fully in their statement set out on page 59 - 60, the directors are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company'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 intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

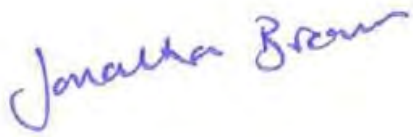
Auditor's responsibilities

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 company'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 company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Brown (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

66 Queen Square

Bristol

BS1 4BE

30th September 2021

08 - STATEMENT OF COMPREHENSIVE INCOME

Statement of Comprehensive Income

For the year to 31 March 2021

	Notes	2020-21	2019-20
		£000	£000
Turnover	3	36,963	32,087
Operating costs	3, 5, 8	(34,316)	(30,105)
		2,647	1,982
Interest receivable	6	2	20
Interest payable	7	(590)	(699)
Change in fair value of investment properties	12	73	(49)
Surplus for the year		**2,132**	**1,254**
Actuarial gain or loss in respect of pension schemes	23	(3,336)	3,525
Total comprehensive income for the year		**(1,204)**	**4,779**

All the above results derive from continuing operations.

These financial statements were approved by the Board on 28th September 2021 and signed on its behalf by:

Deborah Evans

N Collins

Deborah Evans
Chair

Mandy Collins
Company Secretary

Statement of Changes in Equity

For the year to 31 March 2021

	Accumulated Capital Reserve	I&E Reserve	Total
	£000	£000	£000
At April 2020	1,790	25,579	27,369
Surplus for the year	0	2,132	2,132
Remeasurement of pension deficit	0	(3,336)	(3,336)
Waverley Sinking Fund	0	(110)	(110)
Transfers	(61)	61	0
Total funds at 31 March 2021	1,729	24,326	26,055
At April 2019	1,851	20,739	22,590
Surplus for the year	0	1,254	1,254
Remeasurement of pension deficit	0	3,525	3,525
Transfers	(61)	61	0
Total funds at 31 March 2020	1,790	25,579	27,369

09 - STATEMENT OF FINANCIAL POSITION

Statement of financial position at 31 March 2021

	Notes	2020-21 £000	2019-20 £000
Tangible fixed assets			
Housing properties	10	55,496	56,802
Other fixed assets	11	1,493	1,501
Investment Properties	12	720	648
		57,709	58,951
Current Assets			
Properties held for sale	13	687	1,092
Stock		69	0
Debtors	14	3,702	2,600
Cash at bank & in hand		5,580	4,646
		10,038	8,338
Creditors within one year	15	(6,675)	(7,338)
Net Current Assets		3,363	1,000
Total assets less current liabilities		61,072	59,951
Creditors over one year	16	(29,661)	(29,982)
Provisions			
Pension liability	23	(5,356)	(2,600)
Net Assets		26,055	27,369
Capital & Reserves			
Revaluation reserve		0	0
Designated reserves		1,729	1,790
I&E reserves		24,326	25,579
		26,055	27,369

These financial statements were approved by the Board on 28th September 2021 and signed on their behalf:

Deborah Evans

Deborah Evans
Chair

M Collins

Mandy Collins
Company Secretary

10 - CASH FLOW STATEMENT

Cash flow statement for the year to 31 March 2021

	2020-21	2019-20
	£000	£000
Cash flow from operating activities	3,353	1,772
Interest received	2	20
Interest paid	0	(624)
Cash inflow/(outflow) from financing activities	2	(604)
Cash flow from capital activities		
Purchase or construction of housing properties	(502)	(6,308)
Purchase or construction of nursing properties	(38)	(67)
Purchase of other fixed assets	(140)	(51)
Capital grants received	611	0
Expenditure on revalued fixed assets	0	0
Expenditure on stock	(69)	0
Fixed asset disposal proceeds	275	0
Cash inflow/(outflow) from capital activities	137	(6,426)
New loans drawn	0	1,850
Housing capital loans repaid	(2,558)	(717)
Cash inflow/(outflow) from financing	(2,558)	1,133
Net inflow/(outflow) in cash and cash equivalents	934	(4,125)
Cash and cash equivalents at the start	4,646	8,771
Cash and cash equivalents at the end	5,580	4,646

Reconciliation of operating surplus to net cash inflow from operating activities for the year to 31 March 2021

	2020-21	2019-20
	£000	£000
Reconciliation of operating surplus to net cash flow from operating activities		
Operating surplus	2,647	1,982
Depreciation and impairment of tangible fixed assets	1,758	1,734
Grant amortisation	(322)	(289)
(Gain)/Loss on disposal of fixed assets	(39)	38
Pension movement	2,756	0
	6,800	3,465
Working capital movements		
(Increase)/Decrease in debtors	(770)	(966)
Increase/(Decrease) in creditors	586	(175)
Less fair value changes in assets and liabilities	(3,263)	(552)
Net cash inflow/(outflow) from operating activities	3,353	1,772

Statement of changes in net debt

For the year to 31 March 2021

	Cash and cash equivalents	Borrowings	Total
	£000	£000	£000
At April 2020	4,646	(15,762)	(11,116)
Cash flow	934	2,558	3,492
Total net debt at period end	5,580	(13,204)	(7,624)

11 - NOTES TO THE FINANCIAL STATEMENTS

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 consider 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	30 years
Kitchens	20 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 and Communities Agency. 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. At the end of the prior financial year Brunelcare withdrew from the defined benefit section so no further benefits are being accrued.

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	2019-20
	£000	£000	£000	£000	£000
Social housing					
Social housing lettings	7,927	0	(6,920)	1,007	1,080
Other social housing activities					
First tranche low cost home ownership sales	550	(427)	0	123	0
Charges for support services	0	0	0	0	0
Social housing other	473	0	60	533	437
Non-social housing activities					
Care Homes	20,462	0	(19,509)	953	1,023
Market rent	50	0	(45)	5	0
Other	7,501	0	(7,475)	26	(558)
Total	36,963	(427)	(33,889)	2,647	1,982

Table B

Turnover from social housing lettings	General Needs	Supported housing	Shared ownership	2020 -21	2019-20
	£000	£000	£000	£000	£000
Rent receivable net of service charges	18	5,023	98	5,139	4,891
Service charges receivable	3	2,337	46	2,386	2,361
Other income	0	72	1	73	194
Amortised Government grants	1	230	7	238	203
Government grants taken to income	0	9	0	9	1
Other grants	0	70	12	82	82
Turnover from social housing lettings	22	7,741	164	7,927	7,732
Expenditure on social housing lettings					
Management	3	1,075	17	1,095	1,083
Service charge costs	4	2,701	67	2,772	2,127
Routine maintenance	2	355	5	362	971
Planned maintenance	0	57	0	57	124
Major repairs	1	190	7	198	159
Depreciation	2	1,068	52	1,122	953
Bad debts	0	2	0	2	32
Other costs	5	1,251	55	1,311	1,203
Total expenditure on social housing lettings	18	6,699	203	6,920	6,652
Operating (surplus)/deficit on Social Housing Lettings	4	1,042	(39)	1,007	1,080
Void losses in turnover above	0	118	3	121	0
2019-20 outturn	13	1,082	13	1,108	

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:

	2020-21	2019-20
Social housing		
Social rent general needs housing	4	4
Social rent supported housing and housing for older people	1,110	1,058
Low Cost Home Ownership	14	9
Social leasehold units owned	25	20
	1,153	1,091
Non-social housing		
Total non-social rental housing units owned	301	301
Additional non-social rental housing units managed but not owned	88	0
Non-social leasehold units owned	56	56
	445	357

Second Step ended their lease agreement in the latter half of the year.

5. Operating surplus

	2020-21	2019-20
	£000	£000
Depreciation of fixed assets	1,758	1,727
Operating lease rentals		
Plant and machinery	71	21
Land and buildings	793	74
Vehicles	78	58
Auditor's remuneration		
Audit of these financial statements	39	57
Other services	3	10

6. Interest receivable and other income

	2020-21	2019-20
	£000	£000
Income from short term deposits	2	20
	2	20

7. Interest payable and similar charges

	2020-21	2019-20
	£000	£000
Bank loans and overdrafts	534	553
Pension remeasurement interest	56	146
	590	699

8. Employees

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

	2020-21	2019-20
	Number	Number
Average monthly number of employees	1,110	1,059
Average monthly employees, expressed as full time equivalents	846	777
	£000	£000
Employee costs		
Wages and salaries	19,396	17,569
Social security costs	1,594	1,463
Defined benefit pension costs	91	178
Pension costs	409	329
	21,490	19,539

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's employees are entitled to be members 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 jobholders 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.

Salary:	2020-21	2019-20
	Number	Number
£60,000 to £70,000	3	2
£70,000 to £80,000	2	-
£80,000 to £90,000	1	2
£110,000 to £120,000	1	-

9. Board members and executive directors

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

	Remuneration	Pension contributions	2020-21 total	2019-20 total
	£000	£000	£000	£000
Oona Goldsworthy	112	3	115	54
Kevin Fairman	-	-	-	37
	112	3	115	91

None of the non-executive Board members received emoluments. The emoluments of the highest paid executive director, the Chief Executive, was £115,640 (2020: £91,217).

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 £568,590 for the year ended 31st March 2021 (2020: £490,310). The £568,590 was made up of salaries of £551,389 and pension contributions of £17,201.

10. Tangible fixed assets – properties

	Social housing properties	Social housing properties WIP	Shared ownership properties	Community Services	Care Homes	Care Homes WIP	Total
	£000	£000	£000	£000	£000	£000	£000
Cost							
At April 2020	56,474	7,789	941	495	17,492	0	83,191
Additions in year	449	53	0	0	39	0	541
Transfers	7,240	(7,842)	602	0	0	0	0
Impairments	0	0	0	0	0	0	0
Disposals	(277)	0	0	(13)	0	0	(290)
At balance sheet date	63,886	0	1,543	482	17,531	0	83,442
Depreciation							
At April 2020	(21,323)	0	(98)	(45)	(4,923)	0	(26,389)
Charge for the year	(1,208)	0	(38)	(13)	(352)	0	(1,611)
Released on disposal	54	0	0	0	0	0	54
At balance sheet date	(22,477)	0	(136)	(58)	(5,275)	0	(27,946)
Net Book Value							
At April 2020	35,151	7,789	843	450	12,569	0	56,802
At balance sheet date	41,409	0	1,407	424	12,256	0	55,496

	Social housing properties	Care Homes	Social housing properties	Care Homes
	£000	£000	£000	£000
Fixed assets with restricted title – leasehold land	1,420	0	1,433	0
Fixed assets pledged as security	18,202	3,265	18,202	3,265

	Sale proceeds	Cost of sales	Disposal of fixed assets	Gain/(Loss) on sale
Sale of shared ownership properties				
Shared ownership - first tranche sales	550	(427)	0	123
Shared ownership - staircasing	275	0	(202)	73
	825	(427)	(202)	196

The properties pledged as security as securing total facilities of £13,203,000. The assets are held at cost but they are regularly revalued by our lenders to ensure they remain sufficient to cover the amount of the liabilities.

11. Tangible fixed assets – other assets

	Assets under construction	Offices	Fixtures & fittings	Computer equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000	£000
Cost						
At April 2020	30	1,333	2,647	1,556	160	5,726
Additions in year	0	0	35	105	0	140
Transfers	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Disposals	0	0	0	0	(3)	(3)
At balance sheet date	30	1,333	2,682	1,661	157	5,863
Depreciation						
At April 2020	0	(149)	(2,533)	(1,393)	(150)	(4,225)
Charge for the year	0	(14)	(59)	(72)	(3)	(148)
Released on disposal	0	0	0	0	3	3
At balance sheet date	0	(163)	(2,592)	(1,465)	(150)	(4,370)
Net Book Value						
At April 2020	30	1,184	114	163	9	1,500
At balance sheet date	30	1,170	90	196	6	1,493

12. Investment properties

	2020-21	2019-20
	£000	£000
Land cost at start of period	647	680
Additions at cost in the year	0	17
Changes in fair value in the year	73	(49)
	720	648

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 submitted a planning application for the land and intend to sell it to a developer once planning is obtained. The valuation was carried out by JLL.

13. Properties held for sale

	2020-21	2019-20
	£000	£000
Properties held for sale	687	1,092
	687	1,092

14. Debtors

	2020-21	2019-20
	£000	£000
Due within one year		
Rents, fees and service charges receivable	3,027	2,079
Less provision for bad debts	(571)	(487)
	2,456	1,592
Prepayments	785	498
Accrued income	461	509
Loans to employees	0	1
	3,702	2,600
Rent arrears		
Housing current tenants	114	103
Housing former tenants	19	28
Extra Care current tenants	45	33
Extra Care former tenants	1	11

Gross social housing rent arrears	180	175

Rents, fees and service charges receivable includes gross social housing rent arrears of £180k (2020: £175k)

15. Creditors: amounts falling due within one year

	2020-21	2019-20
	£000	£000
Bank loans within one year	720	2,558
Trade creditors	739	791
Rent & Service charges received in advance	318	351
Other taxation and social security	615	516
Payroll costs	1,833	1,455
Other creditors	1,264	683
Accruals & deferred income	1,186	984
	6,675	7,338

16. Creditors: amounts falling after more than one year

	2020-21	2019-20
	£000	£000
Bank loans	12,484	13,204
Other long-term creditors	351	199
Social Housing grant	11,759	11,422
Other grants	5,035	5,117
Pension liability	32	40
	29,661	29,982

17. Deferred capital grants

	SHG	Other
	£000	£000
Balance brought forward	11,630	5,198
Received in the year	611	0
Amortised in the year	(241)	(81)
Balance carried forward	12,000	5,117

18. Bank loan analysis

	2020-21	2019-20
	£000	£000
Due within one year		
Bank loans within one year	720	2,558
Due after one year		
Bank loans	12,484	13,204
	13,204	15,762

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

The bank loans are repayable by instalments at fixed rates of interest ranging from 3.5% to 11.7% with four loans totalling £4,731k on LIBOR variable rates. Based on the lenders' earliest repayment dates borrowings are repayable as follows:

	£000	£000
Within one year	720	2,559
Between two and five years	2,882	2,873
After five years	9,602	10,330
	13,204	15,762

19. Financial commitments

Capital expenditure commitments were as follows:

	2020-21	2019-20
	£000	£000
Capital commitments		
Authorised by the Board but not contracted	1,584	1,296
Contracted but not delivered at the year-end	1,345	1,478

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:

Land and Buildings		
Less than one year	789	789
One to five years	3,067	3,067
Beyond five years	14,515	15,280
	18,371	19,136
Office equipment, computers and vehicles		
Less than one year	90	111
One to five years	168	111
Beyond five years	0	0
	258	222

20. Contingent liabilities

There were 16 Woodland Court properties remaining as at 31st March 2021 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 2021 no buyback clauses had been activated.

These transactions are uncertain and therefore an amount has not been disclosed (2020: nil).

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 23.

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 £42k (£51k).

22.1 Social Housing Pension Scheme – Defined Benefit section

The Charity participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK and The Pensions 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, 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 2021	31st March 2020
	£000	£000
Fair value of plan assets	21,470	19,358
Present value of defined benefit obligation	26,826	21,958
Deficit in plan	(5,356)	(2,600)
Unrecognised surplus	-	-
Defined benefit liability to be recognised	(5,356)	(2,600)

Reconciliation of opening and closing balances of the defined benefit obligation

	31st March 2020 to 31st March 2021
	£000
Defined benefit obligation at start of period	21,958
Expenses	36
Interest expense	515
Actuarial (gains) due to scheme experience	(375)
Actuarial losses due to changes in demographic assumptions	100
Actuarial losses due to changes in financial assumptions	5,267
Benefits paid and expenses	(675)
Defined benefit obligation at end of period	26,826

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

	31st March 2020 to 31st March 2021
	£000
Fair value of plan assets at start of period	19,358
Interest income	460
Experience on plan assets (excluding amounts included in interest income) - gain	1,657
Employer contributions	670
Benefits paid and expenses	(675)
Fair value of plan assets at end of period	21,470

The actual return on plan assets (including any changes in share of assets) over the period from 31st March 2020 to 31st March 2021 was £2,117,000.

Defined benefit costs recognised in statement of comprehensive income

	31st March 2020 to 31st March 2021
	£000
Expenses	36
Net interest expense	55
Defined benefit costs recognised in Statement of comprehensive income	91

Defined benefit costs recognised in Other comprehensive income

	3st March 2020 to 31st March 2021
	£000
Experience of plan assets (excluding amounts included in net interest cost) - gain	1,657
Experience gains arising on the plan liabilities	375
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - (loss)	(100)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - (loss)	(5,267)
Total actuarial gains and losses (before restrictions due to some of the surplus not being recognisable) - loss	(3,335)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	-
Total amount recognised in Other comprehensive income - (loss)	(3,335)

Assets

	31st March 2021	31st March 2020
	£000	£000
Global equity	3,422	2,831
Absolute return	1,185	1,009
Distressed opportunities	620	373
Credit relative value	676	531
Alternative risk premia	809	1,354
Fund of Hedge Funds	2	11
Emerging markets debt	867	586
Risk sharing	781	654
Insurance-linked securities	516	595
Property	446	426
Infrastructure	1,431	1,441

Private debt	512	390
Opportunity illiquid credit	546	468
High yield	643	-
Opportunistic credit	589	-
Corporate bond fund	1,268	1,104
Liquid credit	256	8
Long lease property	421	335
Secured income	893	734
Liability driven investment	5,456	6,425
Net current assets	131	83
Total assets	21,470	19,358

None of the fair value 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 2021	31st March 2020
	% per annum	% per annum
Discount rate	2.18	2.38
Inflation (RPI)	3.27	2.62
Inflation (CPI)	2.87	1.62
Salary growth	3.87	2.62
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted as 31st March 2021 imply the following life expectancies:

	Life expectancy at age 65
	Years
Male retiring in 2021	21.6
Female retiring in 2021	23.5
Male retiring in 2041	22.9
Female retiring in 2041	25.1

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 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 contributes at the rate of 5% of salary with employees contributing at rates between nil and 5%. Being a defined contribution scheme there are no on-going liabilities for Brunelcare. As at 31 March 2019 there was one member of the scheme.

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 2021

TRUSTEES

Deborah Evans - Chair of The Board

Ian Turner - Vice Chair of the Board and Chair of the Audit, Risk and Finance Committee

Nick Hooper - Chair of the Performance Quality and Experience Committee

Harry Hayer - Chair of the Remuneration and Nomination Committee

Phil Hope - Senior Independent Director

Kate Innes (Still)

Tony Wilson

Alison Comley - From 22 September 2020

Anthony Oldfield - From 27 September 2020

SENIOR LEADERSHIP TEAM

Oona Goldsworthy - Chief Executive Officer

Brian Whittaker - Director of HR and OD

Chris Wall - Director of Finance (from 27 April 2020)

Jo Makinson - Interim Director of Finance (13 March to 27 April 2020)

Matthew Bell - Director of Marketing and Business Development

Michelle Caine - Director of Community Services (Resigned August 21)

Michelle Richards - Director of Property and Housing

Sandra Payne MBE - Director of Nursing and Care Homes

Mandy Collins - Company Secretary and Head of Corporate Governance

Registered Office

Saffron Gardens Prospect Place, Whitehall Bristol, BS5 9FF Tel: (0117) 914 4200 / Fax: (0117) 987 3502
E-mail: info@brunelcare.org.uk Web: www.brunelcare.org.uk

Registered Numbers

Company – 601847 (registered by guarantee)

Charity – 201555

Homes England – 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