

Bristol City Council

Minutes of the Overview and Scrutiny Management Board

19 January 2017 at 5.00 pm



Members Present:-

Councillors: Geoff Gollop (Chair), Charlie Bolton, Nicola Bowden-Jones, Gary Hopkins, Gill Kirk, Brenda Massey, Olly Mead, Anthony Negus, Steve Pearce, Mike Davies, John Goulondris and Clive Stevens

Cabinet Members Present:-

Councillors: Craig Cheney, Estella Tincknell, Mark Bradshaw, Helen Holland, Paul Smith, Asha Craig, Claire Hiscott, Claire Campion-Smith

Officers in Attendance:-

Anna Klonowski (Interim Strategic Director - Resources), John Readman (Strategic Director - People), Alison Comley (Strategic Director - Neighbourhoods), Barra Mac Ruairi (Strategic Director - Place), Shahzia Daya (Service Director - Legal and Democratic Services), Andrea Dell (Service Manager – Democratic Engagement), Lucy Fleming (Scrutiny Co-ordinator) and Denise Murray (Service Director - Finance)

1. Welcome, Introductions and Safety Information

The Chair welcomed all members to the meeting.

2. Apologies for absence.

Apologies were received from Cllr Brook. Councillor Stevens substituted for Councillor English.

3. Declarations of Interest

There were no declarations of interest.

4. Chair's Business

The Chair advised that the meeting would be filmed and available on the internet from 20 January. He went onto refer the Board to the Directorate submissions which had been circulated in response to Members' advance questions, a copy of which is appended to these minutes.

5. Public Forum



Two public forum submissions were received and noted in respect of the Corporate Strategy 2017-2022 and the Savings Proposals. *(Copies of the statements are held on public record by the Democratic Services team).*

The Chair advised the Board that an Extraordinary Cabinet meeting had been scheduled for 30 January, 6pm, to consider the budget (postponed from 24th January). Public forum statements noted by the Board would be transferred to the Cabinet for their consideration and the new timescale presented an opportunity for further statements to be made.

6. Bristol City Council Corporate Strategy 2017 – 2022

The Board considered the report on the draft five-year Corporate Strategy and Medium Term Financial Plan, along with a draft one-year 2017/18 Business Plan. Appended to the report was a revised Corporate Strategy, produced following the consultation period, which contained details of the City Council's direction of travel for the next five years.

The Service Director for Strategy and Policy provided an overview of the consultation strategy process and feedback received; and confirmed that as a result of the consultation £7.2m of proposals had been withdrawn and that the knowledge gleaned would inform the shape of future plans and proposals.

The Service Director referred Board members to a presentation which summarised the strategy for future revenue spend to deliver increased commissioned, contracted or shared services; as well as the future capital spend where the Council will invest to grow its economy, maintain assets or generate income.

7. Bristol City Council Savings Proposals

In consideration of the Savings and Investment Proposals report, the Board received an introduction to the directorate savings proposals from Cabinet Members and the Strategic Directors for Neighbourhoods, People, Place and Resources. Each Directorate referred to the written Directorate and Corporate responses that had been submitted and circulated in response to the Board's questions in advance of the meeting and summarised key points as follows:

Neighbourhoods

- a. Delivery of discretionary services would be very challenging and require a different relationship with citizens .
- b. Business efficiencies were being pursued with Bristol Waste Company to reduce costs through savings in the waste contract.
- c. A proposal to make parks cost neutral to the Council had been included
- d. A new approach to Neighbourhood Partnerships was needed as the current costs of maintaining them were significant.
- e. Increased income through expansion of licensing schemes and cemeteries and crematoriums were being considered.
- f. The highest risks surrounded Neighbourhood Partnerships, parks and crisis and prevention funds



- g. Housing Delivery would be a growth area for the Council and crossed a number of directorates.. There had been three successful bids for homelessness projects which had achieved match government funding and voluntary sector funding.

People

- a. Demographic pressures and Government policy (including the national living wage for home care workers and Deprivation of Liberty assessments) were noted as some of the reasons for increased pressure on the People Directorate Budget. A further £17m had been put into the budget through the social care precept.
- b. There were efforts to preserve early intervention services and prevent reductions in discretionary spend that could tip people into statutory services.
- c. Full cost recovery would be pursued where appropriate and there was a need to develop a good framework to bid for work to take advantage of any government grants that came through.
- d. The Learning City partnership was a driver for partnership working. The West of England devolution skills work stream deal would increase active work with neighbouring authorities.
- e. The Council would continue to pursue income through maximising trading with schools.
- f. Members were referred to specific targeted investments and savings targets at Appendices 5 and 6 to the report, to meet the rising demand of a changing population.

Place

- a. Ambitions to increase temporary use of empty shops and encourage pop up entrepreneurs
- b. A review of on street parking and resident parking income was proposed.
- c. Some proposed savings would not be progressed due to the high impact on people with disabilities.
- d. There was a need to sustain renowned arts and culture organisations in the city and any cuts to funding needed to be tapered. Museums were continuing to pursue income generation opportunities.

Resources

- a. As the organisation changes there is a need to maintain a strong back office function of HR/IT/Finance. Savings proposals are achievable and include reasonable income generation assumptions.

The Chair thanked Cabinet and the Strategic Leadership Team for a comprehensive and helpful presentation.

Overview of the Cumulative Impact Assessment

- a. The Service Director for Strategy and Policy provided an overview of the Council's Equalities Duty and the process and approach used during decision making to identify, qualify, minimise and mitigate against the potential impacts of budget proposals on equalities communities. As proposals have changed, the equalities impact assessments have been updated accordingly.
- b. Wider measures that can be taken as a Council have been sought to minimise the direct impacts on equalities groups; such as a focus on increasing the Council's ability to raise income, a proposed increase in Council Tax and, where possible, focusing reductions away from those most vulnerable.



Comments from the Chairs of Scrutiny

The Board received comments for the Chair of Neighbourhoods Scrutiny who outlined two key strands of concern:

- (i) A loss of parks, libraries and Neighbourhood Partnerships were areas of concern which could cause cumulative impacts on local communities.
- (ii) The Housing Revenue Account represented a major part of the Council's overall resources but opportunities to maximise opportunities had not been fully explored.

Pre-submitted questions feedback and supplementary questions

The Chair referred members to the 2017/18 Budget Setting Summary by Division, the Directorate and Corporate responses that had been circulated to the Board.

A question and answer session followed:

- a. Members sought clarification on the certainty of proposals for restructures and it was advised that full details for 17/18 had been provided and an outline was in place for subsequent years.
- b. Members commented that there had been positive discussions /plans around income generation. It was confirmed that commercialisation and income generation in future years would be really key to filling the £42m funding gap.
- c. Members asked whether it was appropriate for funding for the Combined Authority (of £2m) to be included in the proposals when it had not yet been established. It was confirmed that this was one of a number of budgets ring-fenced to transition into the Mayoral Combined Authority but that opportunities for collaborative working across all relevant local authorities would be explored once it was set up.
- d. Members asked if taking £2m out of the £30m annual funding would mean less money available in the first year to invest and develop. It was confirmed that this was the case and that the MCA would need to ensure that the funding was fully utilised. It was clarified that if the MCA was set up at 1st February, funding would be earmarked for the period ending 31st march and any sums received would need to be spent in first financial year so not to be recovered.
- e. Members asked whether Capital Programme proposals consulted upon as part of the Corporate Strategy would be modified and made available. It was advised that the refreshed Capital Programme incorporated all the schemes that can be funded within the next Medium Term Financial Plan and outlined £200m per year of capital investment going forward.
- f. Members asked whether more clarity could be given to separate discretionary income streams from other budget lines such as grants, business rates or Council Tax revenue to develop a greater understanding of services that were paid for. It was agreed that the analysis would be carried out and sent to all Members.

Action: Officers

- g. Members to be provided with an update regarding Jubilee Pool. **Action: Officers**



- h. Members expressed concern that it would be difficult to address the need to increase home building if the number of planning officers was reduced. It was confirmed that planning staff were funded through a £226k net revenue generated through fees and sometimes capacity was scaled up through agency staff.
- i. Members expressed concern about proposed reductions to funding for Destination Bristol due to the economic contribution tourism made to the city. It was confirmed that funding reductions for Destination Bristol were being tapered over a 5 year period to enable the organisation with some flexibility to grow its income generation, so the reductions should be manageable. The Board noted that a 'bed tax' for hotels was not being considered at the current time as it resulted in competitive advantage to other cities.
- j. Members questioned whether future income could be used to redress the negative impact of cuts on the most vulnerable in the city. It was confirmed that services should be working at all times to mitigate impacts. Members were reminded that the medium term financial plan had not yet closed the funding gap and any new income would first be needed to address this.
- k. Members sought assurance that each budget proposal would have a full Equalities Impact Assessment and it was confirmed that these would be carried out where necessary and would become living documents that developed over time. Members raised concern regarding the treatment and analysis of gender in the Equalities Impact Assessments which did not appear to note for example the impact on men as lone parents or as potential victims of domestic violence. Officers confirmed the comments would be addressed.

Comments to cabinet

The Board agreed that the following comments would be referred to Cabinet;

Comments to Cabinet Regarding Council's Revenue Budget for 2017/18.

At the Overview and Scrutiny Management Board meeting on 19th January 17, Members considered Bristol City Council's Corporate Strategy 2017-2022 as well as the Savings and Investment Proposals, which form the basis of the Council's Revenue Budget for 2017/18 and Capital Programme for 2017 – 2022.

Members noted that the Mayor and Cabinet would be considering the Revenue Budget for 2017/18 at the Cabinet meeting on 30th January 17 (postponed from 24th January) and asked that the following comments be provided for consideration at the meeting;

This submission reflects the discussion had by members at OSMB and is not a reflection of unanimous support for all the recommendations.

1. Budget Process

- a. Members commented on the process to date for setting the budget, acknowledging that it had been a very complex task for all parties to gather the relevant information, particularly due to the levels of savings that needed to be identified.
- b. The Board suggested that scrutiny could be a useful forum for developing any proposals that require more work for this budget.



- c. Concern was expressed about the timescales and rapidly changing nature of proposals and it was suggested that lessons could be learnt from this process for the future.
- d. The Board agreed that scrutiny would like to play more of an active role in setting future budgets and hoped they could work with the Mayor, Cabinet and senior officers to improve the level of engagement and information flow in subsequent years particularly with communities and external partners.

2. Impact of Proposals specifically the Equalities Impact Assessments

- a. The Board considered the Cumulative Equalities Impacts Assessment (EqIAs) that had been prepared to accompany the budget proposals. There was strong consensus that the impact of service changes on equalities groups needed to be carefully assessed if the Council were to continue to serve and protect those most in need of services.
- b. It was felt that in future a breakdown of equalities impact by directorate (not just by individual proposal) would be useful but that this must feed into a robust overall picture. In addition the impact of proposals taken forward should also be tracked cross council to create a 'whole council' view of the impact. There was concern that proposals may have been developed in directorates and impacts in other directorates not fully considered.
- c. Members agreed that EqIAs were an essential part of any review of spending and suggested that they needed to be prepared earlier in the process, during the early design stage, so they could shape emerging ideas, rather than assessing the impact of a decision once it was close to the point of being made.
- d. Concerns were raised about the quality of the impact assessments available. It was acknowledged that these were being updated and this was a reflection of the tight timescales being worked to by officers.
- e. Members also highlighted concern about the process for engaging other service providers and partners during the design of the proposals. It was felt this should be strengthened in future and brought in during the early design phase.

3. Prioritising spend across the council

- a. Consideration was given to the scale of proposed reductions to the People directorate budget, which included Children's Services and Adult Social Care. Members noted, with reluctance and unhappiness, that there would be significant cutbacks in some areas, which would inevitably affect service provision for some residents. There was particular concern about the proposed reductions in funding for early intervention schemes, such as Children's Centres and housing for the vulnerable, since stopping spending on preventative measures often resulted in additional spend later down the line.
- b. Members accepted that the savings required in the current financial year meant that reductions were necessary across all directorates. However, they were concerned that overtime the Council could find itself channelling the vast majority of its budget into supporting the People directorate at the expense of many other important elements of the Council's work, for example infrastructure provision, community amenities and so on.



- c. The Board suggested that a debate should take place to agree the longer term strategy around spending priorities that explores the balance between investment in the economy, provision of statutory services and early intervention. It was highlighted that a cross directorate approach should be taken and consider both the short, medium and long term implications. Certain areas, if protected from savings, could have a longer term benefits that could be transferred to supporting other services. It was raised that once certain facilities or amenities are lost they will not be regained and consideration should be given to the longer term implications of this.

4. Specific savings proposals - Council tax, Neighbourhood Partnerships, Libraries & Parks

These points were highlighted specifically by a number of members of OSMB. This is however not a reflection of unanimous support for all the remaining proposals.

- a. The Board considered the proposals in relation to increasing Council Tax by 5%. Members were concerned that the rise could affect the most vulnerable residents but reluctantly acknowledged that it was a necessary in order to produce a balanced budget.
- b. There was strong opposition to the plans in relation to changes to Neighbourhood Partnerships (NPs). Members were firstly concerned about the suggestion that NPs be replaced with other mechanisms for community engagement as some had been very effective at facilitating the relationship between the Council and local residents. Secondly, Members were disappointed to see that the NPs appeared to be winding down before any formal decision had been made, and they expressed concern about timing and communication around the proposed changes to enable communities to adjust as required.
- c. Members were also disappointed to see the plans in relation to libraries. The Board agreed that the current network of libraries provided vital community assets across the city and once they had been scaled back they would never be replaced. Members expressed regret that the plans to develop libraries into community hubs that offered shared services from a number of providers had not fully materialised and saw this as a missed opportunity.
- d. Members were also concerned about the extent of the savings proposed for the Parks service and questioned the deliverability of this level of savings and self-financing options.

5. Income generation and commercialisation

- a. The Board went on to consider the role that income generation and commercialisation should play in future plans for the Council. There was universal agreement that whilst income generation inevitably required some investment it was essential for the Council to develop other sources of income if it was to become more self-sufficient. Members suggested that Scrutiny would be the ideal vehicle for exploring new opportunities for generating income and hoped the Executive would embrace joint working in this area.

6. Thanks

- a. Members expressed thanks to all those involved in the budget process, particularly the Section 151 officer and her team, who had worked tirelessly to ensure the relevant information was available on time.



- b. Members of the People Scrutiny specifically welcomed the number of briefings run by officers this year on the people budget proposals.

8. Date of Next Meeting.

9th February 2017

Meeting ended at 8.55pm

CHAIR _____

