

**BRISTOL CITY COUNCIL**

**MINUTES OF A MEETING OF THE  
RESOURCES (BUDGET) SCRUTINY COMMISSION  
HELD ON 21 JANUARY 2013 AT 6 PM**

A Councillor Abraham  
P Councillor Brain  
P Councillor Janke (in the Chair)  
P Councillor Hassell  
P Councillor Naysmith  
P Councillor Watson  
P Councillor Wright

Also in attendance -

George Ferguson - Mayor (*left at 7.30 pm*)  
Councillor Gollop - Assistant Mayor  
Councillor Stone  
Councillor Pickup  
Councillor Bradshaw  
Councillor Holland

**RC  
92.1/13 APOLOGIES FOR ABSENCES, SUBSTITUTIONS AND  
INTRODUCTIONS**

Apologies were received from Councillor Abraham.

**RC  
93.1/13 PUBLIC FORUM**

The Commission received public forum statements in advance of the meeting. (*A copy of the Public Forum submissions are held in the Minute Book*).

**RC  
94.1/13 DECLARATIONS OF INTEREST**

None.

**RC  
95.1/13 WHIPPING**

None.

**RC**  
**96.1/13 CHAIR'S BUSINESS**

None.

**RC**  
**97.1/12 REVENUE BUDGET 2013/14**

The Commission considered a report of the Service Director, Finance (agenda item no. 6) setting out the Cabinet's proposals for the revenue budget for Corporate Services, Capital Programme & Treasury Management Strategy, and Housing Revenue Account. In addition a set of directorate generic questions with answers had been circulated prior to the meeting (*copies of which are held in the Minute Book*). The Commission also considered budget issues relating to Transport which had been deferred from the 16 January Resources Scrutiny Commission meeting.

**Transport**

A detailed submission was given by Peter Mann Highway Officer. Following this Members of the Commission asked questions to clarify issues. The points arising are summarised below –

- Street lighting – white lighting was better all round for reducing light pollution, the lights also pointed downward which improved still further. In future it was hoped to move to LED lighting but cost prevented this at the current time;
- Parking Charges - small sub urban car parks were still being considered regarding increases in charges;
- Street works including temporary traffic lights – utilities were obliged to inform the Council of work proposals and in most cases this worked well, however where problems occurred enforcement officers could intervene. The Chair emphasised that Neighbourhood Partnerships should be consulted for their views prior to work commencing;
- Night bus service proposed cut of £40k – considered to be a 'false economy' by some Members particularly as ultimately this could lead to increase in alcohol related crime in the city centre, this was likely to impact the Purple Flag award for 2013. Figures of number of people using the service were not available so it was difficult to assess impact. Taxi marshals would not be affected by this proposed cut;
- Concern was expressed that the proposed increase in parking charges were effectively a substitute for cuts and that

more effort should have been made to 'streamline' the service. Peter Mann put forward that the cuts had not been minimal and that streamlining had already been achieved and that given the large demand for services there was no more capacity to streamline any further;

- Bus timetables – no proposed cut but future assurances about paper timetables were consequent upon securing third party funding, if this failed then there would be an impact on some users. Options being considered to secure funding included levying a fee on bus operator, reduce costs by using cheaper materials, joint funding with neighbouring local authorities;
- Loss of real time bus information over the Christmas holiday period was consequent upon the limitations of the current software when bus operator introduced a 'Saturday' service time table on weekdays. It was hoped that a software upgrade would be introduced in the future;
- The Chair referred to questions previously circulated regarding the BRT. Issues about the route were pending the review and spending issues did not relate to the revenue budget as funding was capital. Concern was expressed that there could be indirect revenue costs associated with the project, particularly if there was an overrun of the project;
- Actual costs of the BRT review were not defined at the current time but were not expected to be significant . The Mayor appreciated the concerns expressed about the costs of the review but emphasised the importance of having regard to the 'bigger picture' and that the review costs could be offset by increased savings. It was also important to consider the wider transport system and how services would integrate with each other. With regard to the route of the proposed BRT the Mayor stated that in discussions with the City Minister he had been assured that this was considered to be a local Bristol issue and would not be interfered with from central government. The Chair accepted this but asked for a formal risk assessment to be provided followed by an officer report to the SD&T Scrutiny Commission so that progress could be monitored and scrutinised and also that Neighbourhood Partnerships be kept fully informed of any changes to the route that might affect their area so they could comment as appropriate;
- Following further comments about proposed budget reductions to front line services and the effect they would have on less able and less affluent people, the Mayor clarified that he would consider any proposals not to reduce

the budget subject to a reciprocal proposal being put forward showing where else the money could be saved;

- Funding for health services would be £3.5m and it might be possible to find creative ways of funding services under threat from budget reductions by merging public health with other services;
- Specific information about proposed budget reductions to community transport providers of 10.4% was not available however transport officers were working closely with the service providers to mitigate the effects of the budget reduction.

### **Housing Revenue Account**

The Service Director (Finance) and the Service Director (Landlord Services) outlined the budget position of the HRA citing that the service was now self-financing with a rental income of £100m +. It was emphasised that surplus money was ring fenced and could only be spent on council housing. It was anticipated that with the rent increase for 2013/14 and additional £5.7m would accrue to the HRA giving an increase in total reserves to £39m. This surplus would be used to reverse the problems associated with long term under investment in housing and to fund a greater number of affordable housing projects.

Members of the Commission then asked questions to clarify issues. The points arising are summarised below –

- larger balances had been held due to slippage relating to procurement issues but these would be resolved;
- Land cleared of prefabs would generally be either disposed of or redeveloped to increase supply of social housing;
- Proposals for increasing the supply of new homes would be brought forward in spring of this year and plans for improved management arrangements by the summer;
- Proposed rental increases might lead to increase in debt due to affordability issues. Preventative work with tenants would continue, to avoid them going into arrears.

### **Corporate Services**

The Commission went through the budget page by page. The points arising are summarised below –

- The £0.75m over spend on consultant services shown in the budget heading was due to a presentational issue and not an actual over spend. It was confirmed that spending on consultants was being reduced;
- Unbudgeted costs shown related to costs of PCC elections and was a one off cost. It was anticipated that future costs would be recovered from central government sources;
- Concern expressed about budget reductions for internal audit however Assistant Mayor (Finance) explained that changes in audit would be kept under review to ensure that control arrangements were adequately monitored;
- Confirmed that the Corporate Services budget would be balanced;
- Assurances were given that future budget information would be presented in a clearer format;
- Reductions in staff levels for party group offices were being reviewed following feedback from Members, other efficiencies would be considered;
- Bristol Futures reductions were balanced and other funding would be sought where possible. Confirmed that the proposed reductions would not impact on the ELENA programme as this was funded by EU grants;
- The importance of external funding for job and wealth creation was recognised and it was agreed that the Commission include this issue on the Work Programme with a report detailing how and where funding was being sourced and its impact on the current budget reductions taking place;
- Reductions in corporate services were reflected in service directorates unit costs.

### **Capital Programme**

The Service Director (Finance) introduced the capital programme report. Members of the Commission asked questions to clarify issues. The points arising are summarised below –

- The proposed recycling centre at Hartcliffe and the swimming pool in east Bristol were being considered by an all party 'Task and Finish Working Group' and a report would be submitted to Cabinet in the near future;
- The £8m investment in Icelandic banks would be recovered however currently £1m was being held in Icelandic Krona, it was confirmed that the Local Government Association was leading the work collectively on behalf of all affected local authorities to convert it into sterling. Assurances were given

about the security of funds and that current rates of return were 3.5% per annum on this amount;

- Wider issues relating to capital spending were asked about and given the complexity of some of the issues the Service Director (Finance) suggested that a separate briefing be arranged to cover issues such as capital financing, implications for pension fund and use of assets.

**RESOLVED - that the report be noted and that appropriate comments made form part of the submission to Cabinet on 24th January, 2013.**

**RC**

**98.1/13**

**WORK PROGRAMME 2012/13**

**RESOLVED - that the amended work programme 2012/13 be agreed.**

**RC**

**99.1/13**

**DATE OF NEXT MEETING**

Noted that the next meeting of the Resources Scrutiny Commission would be held on 25th January 2013 at 9.30 am.

**CHAIR**

(The meeting ended at 8.55 pm)