

DISCLAIMER

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BRISTOL CITY COUNCIL

**MINUTES OF A MEETING OF THE
RESOURCES SCRUTINY COMMISSION
HELD ON 18TH OCTOBER 2013 AT 9 AM**

P Councillor Hopkins (in the Chair)
P Councillor Brain
P Councillor Emmett
P Councillor Khan
P Councillor Naysmith
P Councillor Watson
A Councillor Weston
P Councillor Wright

Also in attendance:

Councillor Green
Councillor Gollop, Deputy Mayor

The Commission took the agenda items out order from the published agenda to accommodate hearing the exempt item first. These Minutes follow the order as published on the agenda.

RSC

51.10/13 APOLOGIES FOR ABSENCE, SUBSTITUTIONS AND INTRODUCTIONS

Apologies were received from Councillor Weston.

RSC

52.10/13 DECLARATIONS OF INTEREST

Councillor Brain declared an interest in agenda item 9, Financial Pressures Associated with Deregulated Tenancies as being a tenant of Habinteg Housing Association and its association with exempt accommodation arrangements. Councillor Brain therefore excluded himself from that item of business

RSC

53.10/13 PUBLIC FORUM

The Commission received a statement and nine questions from Bristol Foundation Housing Residents Association (BFHRA) in relation to agenda item 9, Financial Pressures Associated with Deregulated Tenancies. The statement was received and a copy of the Statement is held on public record in the Minute Book.

The questions and associated answers are, in accordance with the Council's Standing Order CMR 9.8, as set out below –

Q1. Is it good practice for Bristol City Council housing benefit team to cut the Exempt Accommodation on 145 Bristol Foundation Housing (BFH) residents on the basis of interviewing 47?

A1. Yes. Whilst we had hoped to interview all tenants, this was not possible, mostly due to the availability of residents. Of those interviewed, BFH staff told us that the people we'd seen were a representative sample. The sample size was 32% is more than would be seen when generally reviewing commissioned services. This formed a more than representative sample on which to make a decision.

We can offer the reassurance that whenever an individual submits an appeal in respect of Exempt Accommodation an interview with that person will be offered. This is done as part of the reconsideration process which happens before any appeal is submitted to the First-tier Tribunal. Therefore everyone has a fair opportunity for an interview if they wish.

Q2. How does Bristol City Council housing benefit team make a decision about BFH residents not having support needs when the individuals were signposted to BFH before being assessed?

A2. The Council makes decisions in accordance with the appropriate Housing Benefit regulations and resultant case law in this area. In addition it has employed internal specialists in this area to assess support needs. Tenants are not signposted by the Council. The fact that someone has been signposted does not in itself mean support is needed, offered or available.

Q3. Does Bristol City Council think an apology is due to BFH residents who requested a copy of the Exempt Accommodation Review (on which the decision to cut 79% of their Exempt Accommodation funding was made) because it was given to the press without their knowledge even though the residents had been asking to see it?

A3. A copy of the report referred to was passed to the Administrators on 2nd September 2013. The Council then received 75 appeals on 9th September 2013 and a further number of appeals on 25th September 2013. All the appeals received indicated that BFH are acting as representative for each tenant individually. It was reasonable to conclude from this that in assisting tenants with their appeals; BFH would have made the report available to them. It would seem from your comment that this may not have been the case.

As a point of clarity it should be noted that at no time has the Council withheld anyone's individual report from them. What we have turned down is requests for everyone's reports or those containing someone else's personal details.

In addition funding was not cut by 79%. It was found that 79% of tenants either did not need or could not prove receipt of services. The actual level of overall funding dropped by approximately 60%.

Q4. What is the rationale of Bristol City Council for releasing the Exempt Accommodation Review to the press which made hostel addresses explicit and also published some housing benefit claim numbers?

A4. The principle of releasing the review was appropriate given our commitment to acting openly and transparently in our business. In fact the questioner was among those people publicly criticising the Council for allegedly withholding the report.

No individuals were identified in the report and any attempt to contact the Council by simply providing the claim reference number would not have elicited any information.

Q5. Is the Scrutiny Committee aware that the release of the Review resulted in expense to the taxpayer as the police had to patrol the hostel in question to protect it from any possible vigilante attack?

A5. The Council was not made aware at the time of any possible vigilante action. We were made aware that the police had visited the hostel to clarify the situation, but not that it was patrolled.

Q6. Is the Scrutiny Committee aware that the release of the Review became a safeguarding risk for vulnerable hostel residents?

A6. The Council was not made aware of any concerns regarding safeguarding of any specific individual. If any BFH residents have become subject to a safeguarding risk it is the responsibility of BFH as custodians of its tenants to take the necessary action in response to this.

Q7. If Bristol City Council had concerns why did it not take it up with BFH in March 2013 when the Report was completed?

A7. The report was not completed in March 2013. The interview work was concluded by the Council at that point and further work was then needed to review the considerable amount of evidence provided. It would not have been appropriate to make a decision without further analysing the evidence; this was concluded in June 2013.

The CEO of BFH at that time was made aware of the timeline and was advised that discussions following the further analysis would take place after 24th June 2013. Emails were subsequently exchanged between the Council and the CEO on 23rd / 24th July 2013 and a meeting arranged for 19th August 2013 to discuss the findings. Due to BFH going into Administration this meeting did not take place.

Q8. Why did Bristol City Council sit on these concerns for eight months, and then choose to release them to the press?

A8. Please see responses already provided.

Q9. In the light of these questions – which show this issue has been poorly managed and does not reflect well on Bristol – will the Scrutiny Committee put the issue (of the 79% cuts to BFH Exempt Accommodation funding) as a specific agenda item on its next Scrutiny Committee meeting and that someone is identified today (18 October 2013) who will work with BFH, which welcomes scrutiny, to get to the history and facts?

A9. The decision of the Council is subject to an independent tribunal process, it would not be appropriate for the Scrutiny Committee to comment on this point.

The Scrutiny Commission gave full regard to the points made during the public forum session and concluded that more information was needed in order to find out the specific circumstances between BFH and the residents. The statement authors were invited to submit further supplementary questions to the answers to their questions, to the next meeting of the Commission.

RSC

54.10/13 WHIPPING

None declared.

RSC

55.10/13 MINUTES – RESOURCES SCRUTINY COMMISSION – 20TH SEPTEMBER 2013

RESOLVED - that the Minutes of the meeting of the Resources Scrutiny Commission held on 20th September, 2013 be confirmed as a correct record and signed by the Chair.

RSC

56.10/13 CHAIR'S BUSINESS

The Chair expressed serious concern about the absence of reports in relation to agenda items 14, 15, 16 & 17 in accordance with the Access to Information Act 1985, which required five clear working days between publication of reports and the meeting taking place. To enable consideration of these items the Chair agreed to take them under Urgent Business.

RSC

57.10/13 WORK PROGRAMME

RESOLVED - that the Work Programme be noted.

RSC

58.10/13 EXCLUSION OF PRESS AND PUBLIC

RESOLVED - that under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item (agenda item 9) of business on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act as amended by the Local Government (Access to Information) (Variation) Order 2006.

RSC

59.10/13 FINANCIAL PRESSURES ASSOCIATED WITH DEREGULATED TENANCIES

(Exempt under paragraph 3)

The Commission considered a report of the Service Director Integrated Customer Services (agenda item 9) relating to the financial pressures being faced by the Council in dealing with the increasing number of registered charities, and not for profit organisations, who provided supported accommodation to people, some vulnerable, across the City. A number of these providers also charged high level of rents which the Council had a duty to fund.

Members asked various questions in relation to the report and after discussion it was noted that:

- One of the providers had recently gone into administration and this meant that the Council was now in the process of trying to find new trustees in order to ensure that vulnerable people were protected from losing their homes;
- Under Exempt Accommodation (EA) rules the Council had no power to refuse payment claims up to a fair rent as determined by the Rent Officer;
- Where the Council challenged levels of rents tenants/providers could exercise their right of appeal and this meant that the Council faced a resource intensive process which could lead to costs to the Council increasing over time;
- The particular case relating to the provider that had gone into administration, following such a challenge, had led to a high number of appeals being submitted and resolution of these could take up to eighteen months;
- It was noted that EA claims would increase with the advent of Universal Credit (UC) as they fell outside the remit of UC and would encourage providers to designate schemes as EA. This meant that the Council would be under an obligation to continue to administer EA claims and resource the associated costs.

The Commission then gave consideration to the specific issues associated with the provider which had entered into administration and the possible financial implications this might have for the Council. The Commission also considered possible options to avoid a similar situation arising again and officers advised members of the improvements that had been made since this case had come to light.

RESOLVED -

That the report be noted.

The meeting was reopened to the press and public at this point.

RSC

60.10/13 BRISTOL ARENA PROGRESS REPORT

The Commission considered a report of the Interim Strategic Director Regeneration (agenda item no. 10) providing an update on the Project and key findings of the draft Outline Business Case.

During discussion of this item attention centred on the financial viability and sustainability of the Project and arising from that the following points were raised/highlighted –

- The main risks would be borne by the Operator of the Arena and the Revenue implications would be dependent on the type of Operator model selected. If a rental model was chosen there should be no revenue costs to the Council once the Arena was fully operational. If a Management Agreement model was chosen the Council would have to pay an annual sum to the Operator but would also receive income from the Arena;
- The current demographics and demand projections strongly supported a viable business case;
- Arenas in other cities, similar to Bristol's position, had been looked at, as models, and had been found to be successful;
- The criteria for the procurement process had yet to be confirmed however a the process was expected to be drafted in the very near future;
- The effect on demand for other venues in the City, eg Colston Hall, had been compared with the Core Cities and the work had found that any effects would be minimal due to the market type and share being significantly different;
- Income figures for the proposed Arena were anticipated to be £1.7m from rent and £6-7k from parking;
- It was anticipated that of the calculated total £89m capital and associated costs c£37m had been identified with the c£52m shortfall expected to be derived via approval from the Local Enterprise Partnership Board (LEP), however the Commission were informed that the (LEP) had not yet committed to this however their decision was expected in December;
- A 10% contingency was built into the cost calculations to counter the risk of an overspend;

- Employment sources for the Arena would, where practical, be derived from the Bristol area however funding mechanisms would require that employment sources from the West of England area would also need to be considered;
- Some members of the Commission expressed concern that income was linked to car parking when the Council's objectives were to reduce the number of cars in the City and felt that it should encourage travel to the site by public transport;
- Concerns remained about the funding arrangements and the Chair asked for a further report showing full details including the terms of the LEP.

RESOLVED –

That the report be noted and that a further report be brought to the next meeting of the Commission showing full details for funding the remaining £52m for the Arena including the terms of the LEP.

RSC

61.10/13

FINANCIAL OPTIONS APPRAISAL FOR A NEW SWIMMING POOL IN EAST BRISTOL

The Commission considered a report of the Strategic Director, Neighbourhoods (agenda item no. 11) outlining an options appraisal into whether a swimming pool in East Bristol could be delivered at lower costs than the original cost assumptions.

During consideration of this item the Commission were advised of the possible additional funding from the Regional Sport England Office of up to £2m which would subsidise the overall cost of the Pool of £4m-£4.5m. The Commission were assured that this project would be included in the Capital Programme for decision by full Council at its meeting on 18 February, 2014.

RESOLVED –

That the report be noted.

RSC

62.10/13

FINANCIAL OPTIONS APPRAISAL FOR 3RD HOUSEHOLD WASTE RECYCLING CENTRE

The Commission considered a report of the Strategic Director Neighbourhoods (agenda item no. 12) reviewing whether a 3rd Household Waste Recycling Centre could be delivered at lower costs than the original assumptions, that were put on hold in February, 2013 due to future budget reductions.

During discussion of this item members emphasised the need for the new facility to provide weekend access and correspondingly to limit weekday access, as weekends created the highest demand for recycling services. This would require consideration of a fourth option in addition to the three options detailed in the report. The Commission were assured that this project would be included in the Capital Programme for decision by full Council at its meeting on 18 February, 2014.

RESOLVED –

That the report be noted and that consideration be given to a fourth option to enable the best balance between weekend and weekday opening of the proposed recycling centre to be achieved.

RSC

63.10/13 DISCRETIONARY RATE RELIEF

The Commission considered a report of the Service Director ICS (agenda item no. 13) regarding the revised policy for the award of Discretionary Business Rates relief to charities and not for profit groups.

RESOLVED –

- (1) That the proposals for the award of Discretionary Business Rate Relief be noted;**
- (2) That the changes in the appeal process be noted.**

RSC

64.10/13 URGENT BUSINESS

The Chair declared that agenda items 14, 15, 16 & 17 would be considered as a matter of urgency by reason of special circumstances under Section 100B(4)9b) of the Local Government (Access to Information) Act 1985. The special circumstances were

due to insufficient time to arrange a special meeting of the Commission prior to the next scheduled Cabinet meeting.

RSC

65.10/13 REVENUE BUDGET MONITORING - 2ND QUARTER 2013/14

The Commission considered a report of the Interim Service Director (Finance) (agenda item no. 14) which provided a progress report on how well the Council was performing against the approved revenue budget for the 2013/14 financial year that was approved by Council on the 26th February 2013.

The Commission noted were advised that if the Council failed to take action to address the forecast shortfalls, overspends or increases in its costs it would need to draw on reserves which were a one off resource that could not be used as a long term sustainable strategy for financial stability. Budget monitoring and management was a mitigating process to ensure that early identification and action was taken.

RESOLVED –

That the measures outlined in the report to mitigate budget spending pressures be noted.

RSC

66.10/13 CAPITAL PROGRAMME - 2ND QUARTER 2013/14

The Commission considered a report of the Interim Service Director (Finance) (agenda item no. 15) which provided a progress report on the approved Capital Programme which forecast an underspend of £6.8m based on expenditure to end of August. Further actions were being taken to ensure the programme delivered the Council's planned investments.

RESOLVED – that the report be noted.

RSC

67.10/13 UPDATE ON 2014/15 BUDGET SCRUTINY PROCESS

The Commission received a verbal update from the Interim Service Director (Finance) (agenda item no. 16) about the budget scrutiny process for 2014/15.

During consideration of this item the following points were raised/highlighted –

- The Senior Leadership Team (SLT) provided the budget construct;
- There was a £90m 'gap' in funding over the next three financial years;
- Difficult decisions would need to be made;
- The cost savings had been divided into two fundamental elements, statutory and non-statutory spending;
- The SLT had found savings opportunities at its meeting of 3 October and these had been agreed by the Mayor on 10th October;
- Discussion would now be held with portfolio holders, commencing on 22th October;
- Previous discussions with portfolio holders had made good progress;
- By 29th October proposals would be drawn together and published on 18th November for a six week public consultation period;
- Cabinet meeting on 16th January, 2014 would finalise the process with recommendations to the Council's budget meeting on 18th February, 2014;
- It was confirmed that Scrutiny Commissions would form an integral and robust part of the consultation process;
- The consultation process would close on 30th December;
- It was recognised that some scrutiny commission meeting dates would need to be rescheduled to accommodate the consultation process and it was agreed that an additional meeting of the Resources Scrutiny Commission be held to consider the draft budget proposals on 27th November commencing at 9.30 am;
- The previously arranged budget meetings in January were changed with retention of the 13th January meeting at 6 pm and the cancellation of the 6th and 8th January meetings.

RESOLVED –

- (i) That the report be noted;**
- (ii) That the Resources Scrutiny Commission meetings be rescheduled with an additional meeting of the Resources Scrutiny Commission be held to consider the**

draft budget proposals on 27th November commencing at 9.30 am and that the previously arranged budget meetings in January be changed with retention of the 13th January meeting at 6 pm and the cancellation of the 6th and 8th January meetings.

RSC

68.10/13 CAPITAL PROGRAMME INVESTMENTS

The Commission considered a report of the Interim Service Director (Finance) (agenda item no. 17) providing information on capital investments.

RESOLVED –

That the report be noted.

RSC

69.10/13 DATE OF NEXT MEETING

The next meeting of the Resources Scrutiny Commission will be held on 27th November, 2013 at 9.30 am.

(The meeting ended at 12.15 pm)

CHAIR