

BRISTOL CITY COUNCIL

**MINUTES OF A MEETING OF THE
RESOURCES SCRUTINY COMMISSION
HELD ON 13TH DECEMBER 2013 AT 9 AM**

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

Also in attendance:

Councillor Gollop, Deputy Mayor

RSC

**81.12/13 APOLOGIES FOR ABSENCE, SUBSTITUTIONS AND
INTRODUCTIONS**

Apologies were received from Councillor Khan.

Apologies also received from Councillors Hopkins, Watson, Naysmith, Emmett for arriving late. Councillor Brain (Vice Chair) chaired the meeting until Councillor Hopkins arrived at agenda item 8.

RSC

82.12/13 PUBLIC FORUM

None.

RSC

83.12/13 DECLARATIONS OF INTEREST

None declared.

RSC

84.12/13 WHIPPING

None declared.

RSC
85.12/13 MINUTES – RESOURCES SCRUTINY COMMISSION – 27TH
NOVEMBER 2013

RESOLVED - that the Minutes of the meeting of the Resources Scrutiny Commission held on 27th November 2013 be confirmed as a correct record and signed by the Chair.

RSC
86.12/13 CHAIR'S BUSINESS

None.

RSC
87.12/13 WORK PROGRAMME

The Commission agreed to invite the Scrutiny Chairs to the 6 January, 2014 meeting to make sure that any areas of scrutiny not covered at their substantive meetings could be dealt with then and to submit an agreed joint statement to the Cabinet meeting on 16 January, 2014.

RESOLVED - that, the Work Programme be noted.

RSC
88.12/13 BRISTOL ARENA PROGRESS REPORT

The Commission considered a report of the Interim Strategic Director Regeneration (agenda item no. 8) updating on the current status of the project.

Points considered/clarified –

- Hotel capacity to accommodate the visitors to the Arena was anticipated to be approximately 70,000 with the private sector being expected to make all necessary provision;
- Funding projections had assumed a pessimistic economic outlook to minimise financial risk and would comprise c£34m from rent and car park charges, operator contribution c£3.8m, prudential borrowing c£52m, contribution from the Council c£0.25m;

- Most of the risk would be borne by the Operator and contractual conditions would minimise or mitigate risk to the Council in the event of the Operator attempting to withdraw from the agreed contractual arrangements;
- Comparisons had been considered with the Core Cities Arena facilities, in particular Leeds and Liverpool, and no particular problems or excess risks had been identified. Information showing this would be circulated to all Members of the Council;
- Risk associated with developmental delays would be first borne by the Operator and secondly by the Developer of the Arena with the possibility of the Council incurring higher interest charges if it took significantly longer to complete;
- Risk associated with cancellation of programmed events due to delays would also need to be contractually mitigated and comparisons with Leeds were already being looked at with regard to this point.

RESOLVED - that the progress report be noted.

RSC

89.12/13 BUDGET PROPOSALS 2014/15

The Commission considered a report of the Interim Service Director, Finance (agenda item no. 9) seeking the Commissions views on the proposed revenue budget for 2014/15 and the draft Capital Programme.

Draft budget questions and answers had been circulated to Members prior to the meeting and now formed part of the written record for retention in the Minute Book.

Information regarding the Council Tax Base, to be set by Council on 17 December, would be circulated to Members of the Commission showing the effect, if any, it had on the draft revenue budget proposals.

The Commission first considered the draft Capital Programme.

Updated information on the draft Capital Programme was circulated, a copy of which will be held in the Minute Book on public record.

The proposals were banded into Tiers, namely –

Tier 1 - Approved and all funding in place;
Tier 2 – In development, all funding not in place;
Tier 3 – No funding identified.

During discussion of this item the proposals were considered randomly and the following points were raised/highlighted. Reference numbers (when used) refer to those in the circulated information –

- Energy Programme Workstream 3, C-PL-004 – revenue would cover capital costs over a period of 14 years;
- Parks & Green Spaces – should be in Tier 1 not Tier 2, officers to clarify and inform Members;
- Public Rights of Way C-PL-034 – permanent funding status to be clarified by officers;
- New Bristol East Pool C-PL-018 had been moved from Tier 3 to Tier 2 following Mayoral change of priorities;
- Waste recycling centre C-PL-019 would be moved from Tier 3 to Tier 1;
- Gaps in funding were not shown or explained. Commission informed that Capital Project Board would sort out;
- Bristol Museums Futures C-PL-021 remained an aspirational concept, details would be provided to Members;
- Tier 3 schemes were subject to funding and were listed so that they would not be ‘lost sight of’. Some members pointed out a number of examples which they felt should not be there (eg, Bristol Old Vic Theatre, The Old Bottleyard) or were possibly being funded from other sources (eg, Portway Park & Ride);
- Local Transport and Park schemes not shown in Tier 1 to be reported to the 6 January meeting;
- Due to the discrepancies raised by some members, Councillor Wright asked that his dissatisfaction with the Tier system for allocating capital projects be formally recorded, citing that Tier 3 projects were, in his opinion, a ‘wish list’ and not subject to democratic processes;
- The Interim Service Director (Finance) acknowledged Members concerns and undertook to put their points to the Executive Capital Review Board and report back to the 6 January meeting;
Action : Interim Service Director (Finance)
- The Chair requested that the Scrutiny Officer coordinate feedback via e-mail to Resources Members as soon as possible

after the 30 December deadline for the consultation period and before the 6 January meeting.

The Commission then considered issues relating to the draft Revenue budget for 2014/15.

During discussion of this item the issues relating to the proposals were considered randomly and the following points were raised/highlighted –

- The 2014/15 proposed budget could be viewed as very prudent because the amount of money held in contingency was relatively low for an organisation the size of the Council, the positive effects of the Change Programme were not fully known and the final government grant settlement had still to be confirmed which was expected to be on 18 December;
- Proposed staff cuts were being introduced over a shorter period of time because the natural wastage option had already been done and private sector studies had shown that it was better to make cuts quickly to reap longer term benefits;
- It was noted that there were no plans in the budget to introduce charges for car parking at Blaise Castle;
- The savings envisaged from reducing the contract specifications of works in parks might need to be spread across 3 years rather than just the first year as it involved a number of contracts with differing expiry dates;
- The effect of the Central Government Grant on the budget would be communicated to members of the Commission as soon as it was fully known and understood;
- **Action : Interim Service Director (Finance)**
- The effect on the budget arising from the Council Tax Base would also be communicated to members of the Commission as soon as it was fully known and understood;
- **Action : Interim Service Director (Finance)**

The Commission then considered the questions and answers, asking supplementary questions where appropriate, that had been circulated prior to the meeting –

Outcomes were as follows –

- An analysis of the financial figures relating to the Council Tax Reduction Scheme would be provided after the Council meeting on 18 December;

- Alternatives to housing related support savings would be derived from Service Directors adjusting prices for hourly rates over £18 an hour;
- Reduced administrative support in museums and galleries might be mitigated by new income streams eg, Cathedral School/library changes to improve archival retrieval service;
- Pest Control savings would be made via flexible pricing whilst having regard to private versus social housing in terms of whether the service was charged for or not;
- Hengrove Play Park would not be closed but savings still had to be made hence the seeking of amending the current contract regarding on site supervision. Volunteer option being considered, details to be provided to Members as soon as possible;
- **Action : Interim Service Director (Finance)**
- The Chair referred to an e-mail about cuts to Parks already happening due to not re-letting of contracts. Chair advised that the Service Director Environment & Leisure was working on this;
- With regard to pension costs Chair asked for number of staff above £30k and above £50k and total costs for the year;
- **Action : Interim Service Director (Finance)**
- Charges should be levied for online job applications made by some library staff on behalf of job seeker benefit applicants. Also noted that libraries had to buy books at the recommended retail price (RRP) and could not take advantage of online discount that were now available. Interim Service Director (Finance) to look into this;
- **Action : Interim Service Director (Finance)**
- Integration of buildings cost effective but not on Tier 1 or 2 of capital costs. The Service Director Neighbourhoods & Communities to be asked to look at this;
- **Action : Interim Service Director (Finance)**
- Closure of public toilets should be considered only after alternative provision was in place. Confirmed that this issue would be implemented with sensitivity;
- Departmental budgets cuts lacked detail and context eg, staff numbers. Interim Service Director (Finance) to look into this for report to 6 January meeting.
- **Action : Interim Service Director (Finance)**

The Commission concluded by re-affirming their requirements for further information namely –

(i) Responses to Capital Programme queries to be presented at the 6 January meeting;

(ii) Affect on budget construct following grant settlement to be presented to the 6 January meeting;

(iii) information on Council Tax Base changes to the budget to be presented to 6 January meeting showing what had changed and what had not changed;

(iv) Departmental budgets current situation and proposed changes to be presented to 6 January meeting including current numbers of staff and how many there would be following the cuts to be made.

RESOLVED –

That, subject to the comments made, the report be noted.

RSC

90.12/13 URGENT BUSINESS

None.

RSC

91.12/13 DATE OF NEXT MEETING

The next meeting of the Resources Scrutiny Commission will be held on 6 January, 2014 at 6 pm.

(The meeting ended at 12.40 pm)

CHAIR