

BRISTOL CITY COUNCIL

**MINUTES OF A MEETING OF THE
RESOURCES SCRUTINY COMMISSION
HELD ON 3RD FEBRUARY 2014 AT 6 PM**

P Councillor Hopkins (in the 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 :

George Ferguson - Mayor
Councillor Gollop - Deputy Mayor

RC

**122.2/14 APOLOGIES FOR ABSENCES, SUBSTITUTIONS AND
INTRODUCTIONS**

Apologies were received from Councillor Khan who was substituted by Colin Smith.

RC

123.2/14 PUBLIC FORUM

Two statements were received from the South West Transport Network, one in respect of the MetroWest transport proposals and the other regarding a proposed reduction in the funding for the Greater Bristol Supported Bus Network (GBBN). (*A copy of the Public Forum submissions are held on the Minute Book*).

RC

124.2/14 DECLARATIONS OF INTEREST

None declared.

RC
125.2/14 WHIPPING

None declared.

RC
126.2/14 MINUTES – RESOURCES SCRUTINY COMMISSION – 24TH JANUARY 2014

RESOLVED - that the Minutes of the meeting of the Resources Scrutiny Commission held on 24th January, 2014 be confirmed as a correct record and signed by the Chair.

RC
127.2/14 CHAIR'S BUSINESS

The Chair welcomed the attendance of the Mayor at the meeting and confirmed that the wider issue of attendance by the Mayor at Scrutiny Commissions would be referred to the Overview and Scrutiny Management Board for consideration.

RC
128.2/14 WORK PROGRAMME

RESOLVED -

that the Work Programme be noted.

RC
129.2/14 2014/15 BUDGET SCRUTINY

The Commission received a supplementary report of the Interim Service Director, Finance (agenda item no. 8) regarding the Net Revenue budget proposals by Directorate for 2014. It was noted that in the report Members of the Commission had been invited to submit any questions they had in advance of the meeting. It was confirmed by the Interim Service Director, Finance that no questions had been received.

The Mayor was also in attendance for consideration of wider issues in relation to the budget proposals. During questions to and discussion with the Mayor the following points were made and/or clarified -

Bus Services

- With regard to the Statement from the South West Transport Network about the GBBN bus services, it was confirmed by the Deputy Mayor that the proposed reduction to the subsidy had changed from £700k to £350k and that the level and area for future subsidy was still a matter for negotiation with First Bus. It was noted that the recent reduction in bus fares had led to increased bus usage and possibly a reduced need to subsidise some bus services;
- The Commission noted that there was some evidence to suggest that since the introduction of the GBBN, First Bus had increased its usage significantly. It was important that this should be fully recognised in any future negotiations for the subsidy of bus services;
- Specific concern was expressed about losing subsidy for vulnerable services such as night buses. The Commission were assured that this type of service would be given high priority for protection in any negotiations as all parties were agreed that these services were essential and should be maintained;

Library Service

- The Commission were advised that the Library Service was under review regarding its structure and how best to deliver its services to the public. It was considered that there was an opportunity to make the service more efficient which could include charging for its services to other corporate organisations (eg DWP) on a full cost basis;

Financial Reserves

- The Commission were advised that the Council's General Reserves needed to be replenished, despite significant budget reductions in important public services, as the costs associated with service reductions eg, voluntary severance, needed to be repaid and that it was essential that the Council had enough financial reserves to meet any emergency contingencies that might arise;
- Details of 'Earmarked Reserves' within Directorates budgets were not available however the Interim Service Director, Finance confirmed that the purpose of earmarked reserves was to meet circumstances as and when they arose. A process had been put in place to identify the amount and actual need for these reserves which would be completed by the end of

February, 2014. A full report would be made to the Commission as soon as possible after that;

Railways

- Arising from a question the Mayor confirmed that there was a commitment to providing rail services in alignment with other forms of public transport however it was emphasised that the absence of an integrated transport authority meant that this could not be guaranteed. It was hoped that the MetroBus proposals would help with this process;
- The Mayor also confirmed, following a suggestion, that it was a good idea to provide bicycle storage areas at railway stations;

Budget Reductions Three Year Plan

- In answer to a question the Mayor and Deputy Mayor felt that the budget savings could be made as proposed and still deliver high quality services to the public despite the challenges that had to be faced;

Parks and Ground Maintenance

- A proposed £0.5M reduction in maintenance costs was still the subject of negotiation with contract work providers. There was an ambition to devolve some maintenance work to Neighbourhood Partnerships;
- Play areas were anticipated to receive an extra £0.5M of funding. Concern was expressed that this conflicted with the proposed maintenance reduction;

Museum Service

- Alternative methods of service provision were being explored and could include entering into partnership agreements with organised trusts and/or charities;
- The Mayor was advised that a Museums Select Committee had already done some work on this a few years ago and might be useful now;

Proposed Bristol East Pool and South Bristol Recycling Centre

- The Commission noted that the Bristol East Pool and South Bristol Recycling Centre projects were in Tier 3 of the Capital Programme and that revenue funding had not yet been

allocated for them despite officer indications that had been given. It was clarified that for both projects to receive revenue funding they would need to be prioritised with a detailed business case being put to the Council's Capital Board. No time scale for this had been identified at the current time.

The Mayor left the meeting at this point.

The Commission then considered other issues relating to the budget and the following points were made and/or clarified –

- Better correlation between budget lines would be available once the Council's formal budget book was published;
- Where Directorates were not showing a saving or growth this meant that inflation costs had not yet been allocated and that there would not be a significant change to the budget;
- Perceived financial anomalies would be explained by a suitable narrative once the budget was finalised;
- Duplication of service provision resultant from inclusion of the Public Health function would be addressed to ensure appropriate savings were realised;
- Opportunities to increase income streams would be pursued and would adopt a more commercial approach to cost recovery wherever it was practical to do so;
- Joint working with other councils to reduce operational costs was ongoing but to date it had been difficult to progress this due to lack of 'political appetite' from the three neighbouring local authorities;
- Reserves for potential legal costs would be looked at by the Strategic Leadership Team. The Resources Scrutiny Commissions to include this item in the Work Programme for next year;
- Noted that any council that wished to raise its Council Tax above the limits (currently 2.0%) that applied to them would have to hold a referendum. The Commission were advised that the Deputy Mayor had delegated powers to deal with this if necessary;
- Scrutiny of the budget process next year would be improved and the Interim Service Director, Finance undertook to draft a robust process taking into account the problems that had been experienced and report back to the Commission for consideration;
- A statement to be made to full Council about the problems faced during the scrutiny process this year but also to include

the more positive aspects that had also been experienced.
The Chair to draft a letter and circulate to Resources Scrutiny members for comment.

RESOLVED -

That subject to the comments above the report be noted.

RC

130.2/14 DATE OF NEXT MEETING

28 February, 2014 at 9.30 am.

(The meeting ended at 8 pm)

CHAIR