

Resources Scrutiny Commission Supplementary Information



Date: Thursday, 1 December 2022

Time: 5.00 pm

Venue: The Council Chamber - City Hall, College Green, Bristol, BS1 5TR

Distribution:

Councillors: Geoff Gollop (Chair), Heather Mack (Vice-Chair), Mark Bradshaw, Martin Fodor, Zoe Goodman, John Goulandris, Gary Hopkins, Mohamed Makawi and Tim Rippington

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Date: Wednesday, 30 November 2022



Supplementary Agenda

12. Additional Budget Information

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Finance Task Group - Members Key Points and Observations



Resources Scrutiny Commission - Finance Task Group Members Key Points and Observations

21 September 22 Medium Term Financial Plan (MTFP) & Capital Strategy

- Some concerns raised by Members that the General Fund borrowing was currently as high as 9.4% and that the figure shouldn't exceed 10%.
- Members suggested that major financial decisions need to be assessed for carbon impact for example, capital projects and funds invested"
- Members were informed of pressures on the General Fund in Quarter 1 and these were likely increase in Quarter 2. Officers highlighted that with increased energy and inflationary costs on contracts the pressures would very likely continue to increase.

29th September 22 MTFP and Capital Strategy Cabinet Reports

- Discussions took place about how volatile figures were. Officers suggested inflation was one of the biggest drivers of pressures and emerging risks which hadn't previously been expected.
- Funding gap; officers were preparing financial scenarios based on the potential worse and best cases. Members raised concerns that the worst-case scenario could become a reality.
- Progressively high levels of homeless were not previously expected and this was another relatively unexpected pressure on budgets. Officers and Members also discussed concerns about the loss of £9m homelessness subsidy.
- Members raised concerns about social care consuming the whole Council budget and the risks to being able to deliver non-statutory services in future.
- Members suggested 'spend to save' as being part of the long-term solution and said they'd like to see more where possible.
- Adult Social Care (ASC); Members questioned whether the savings were likely to be achievable and therefore the annual budget was said to be unattainable not long after it was agreed at Full Council.
- Members raised concerns about Bristol Waste Company's ability to absorb additional costs and suggested this was high risk and challenged some of the assumptions.
- Members comments on the Medium-Term Financial Plan (MTFP); Members were very impressed with the work officers had completed on the range of scenarios but there were so many complexities and uncertainties with the potential gap being £30 – £80m.

20th October 22 Budget Consultation, Capital Programme and General Fund Revenue

- Financial pressures from providing increased amounts of temporary accommodation for homeless people. A discussion took place about how this might be addressed. Members agreed this was a

key area to focus on and suggested it required emergency action, especially with regards to absent landlords.

- Members raised questions about potential savings from closing libraries and asked were these not going to be used as 'warm spaces' during Winter? Members said they were surprised at this savings proposal.
- Concerns were discussed about potential efficiencies in respite care. It was suggested there should not be a reduction as this would likely cause further problems in later years. The cost of Bristol placements was deemed to be high and officers were looking at how BCC can get greater ability to influence the market and drive down prices.
- Members raised concerns that the budgeted special educational needs and disabilities (SEND) deficit although reducing, would not break even for a number of years and the plan to reduce the deficit seemed too slow. Questions were also raised about education health and care plans (EHCPs) still being delayed and how could Members know the full cost that the Council ought to be meeting.

3rd November 22 Budget Savings and Efficiencies

- Members raised concerns about the previous year's savings that had not yet been achieved and how this meant the current financial position was even more precarious than it might appear.
- Social care and the complexity of needs were said to be increasing. Did officers need to start considering what was discretionary and what is statutory care?
- Members raised concerns about reducing or stopping services that were discretionary and preventative measures and the negative knock-on and long-term impacts that would have.
- Strategic Partner proposal: Members questioned if there was potentially a risk that it could cost more than the savings it makes?
- Members said that citizens need to be able to understand if some cuts to services would be permanently cut or put on hold.
- Questions raised about some potential statutory budget consultations and when they would take place i.e., the delay in consulting could result in further savings needing to be made.
- Concerns raised about the increasing likelihood that some citizens would be unable to pay their council tax and how this would affect the Council's finances and capacity to deliver services.
- Members noted that they could not allow the Committee System to cost more than the Mayoral Model but were concerned that current budgets would need to be reallocated to Special Responsibility Allowances (SRAs) for committee chairs and that there would be additional pressures on Democratic Services, so it was in their view inappropriate to make savings from these budgets.