

Bristol City Council

Minutes of the Resources Scrutiny Commission

8 December 2023 at 2.30 pm



(Part 1 of meeting: scrutiny of 2024/25 budget consultation/proposals)

Resources Scrutiny Commission members present:

Cllr Geoff Gollop, Chair
Cllr Heather Mack, Vice-Chair
Cllr Mark Bradshaw
Cllr Martin Fodor
Cllr John Goulandris
Cllr Gary Hopkins
Cllr Patrick McAllister
Cllr Tim Rippington

Other Council members in attendance:

Cllr Craig Cheney, Deputy Mayor for City Economy, Finance and Performance
Cllr Don Alexander, Cabinet member for Transport

Officers present for relevant items of business:

Stephen Peacock, Chief Executive
Denise Murray, Director: Finance
Richard Young, Head of Strategic Finance
Jon Clayton, Finance Business Partner
Ben Hegarty, Finance Business Partner
Graham Clapp, Head of Service: Revenues and Benefits
Matt Kendall, Benefits Technical Manager
John Smith, Executive Director: Growth and Regeneration
Alex Hearn, Director: Economy of Place
Ian Hird, Scrutiny Advisor

14 Welcome, Introductions and Safety Information

The Chair welcomed all attendees to the meeting and explained the emergency evacuation procedure.



15 Apologies for absence and substitutions

It was noted that apologies for absence had been received from Cllr Zoe Goodman.

16 Declarations of Interest

None.

17 Minutes of previous meeting

The minutes of the meeting of the Resources Scrutiny Commission held on 21 November 2023 were confirmed as a correct record.

18 Chair's Business

None.

19 Public Forum

The Commission noted that the following public forum items had been received:

Public questions:

Public questions received for this meeting were as follows:

1. Questions from David Redgewell and Gordon Richardson: budget and transport matters

a. Question: 'What progress is being made? On public consultation on the Transport levy paid by Bristol City Council, South Gloucestershire Council, BaNES and North Somerset council?

As the cuts to bus services have effect on the city region bus network in Ashton Vale, Stapleton, Broomhill, Fishponds, Oldbury Court, Downend, Bromley Heath, Southmead hospital bus station, UWE, Bristol Parkway, Bradley Stoke, Aztec west, Easton and the Dings, South Bristol, Bishopsworth, Hengrove, Brislington, St Anne's park. Some of the poorest members in society are left without public bus services. On payment of the levy under the West of England Act, this lays out a duty on Bristol City Council, BaNES, South Gloucestershire Council and North Somerset Council to fund jointly public bus services, so what public discussions are happening between the Bristol City Council budget scrutiny commission, the West of England scrutiny commission on the vital public bus services network?'



Officer reply (as published in advance of the meeting):

The delivery and management of bus service operations is managed by the West of England Combined Authority. Bristol City Council funds the operation of bus services through the levy that it pays to the combined authority. The majority of expenditure under the levy is for concessionary fares which are a statutory duty, funding is also provided for RTI, staffing and supported bus services. Council funding is very limited so there is very little scope for increases to the levy amount paid to the Combined Authority. The amount of levy paid will be considered at the appropriate time in discussion with the Combined Authority and other West of England unitary authorities.

In response to a supplementary question from the questioner, it was confirmed that whilst further conversations could take place between the unitary authorities and the Combined Authority about the transport levy, it needed to be recognised that if any future decision was taken to increase the levy, the additional costs involved would mean corresponding reductions in other council budgets.

b. Question: ‘With Bristol City Council having to making saving in all public services and directorates, what progress is being made in this budget to transfer the Public Transport and Transport Department staff to the West of England mayoral combined transport authority?’

And what discussion is Bristol City Council having about the removal of interim Directors and consultants at the West of England mayoral combined transport authority to replace them with local government officers from Bristol City Council, South Gloucestershire Council and BaNES to save a large amount of taxpayer money?’

Officer reply (as published in advance of the meeting):

The Combined Authority has indicated that given workloads and its focus on reviewing project delivery within the Combined Authority, it will not be able to progress with bilateral discussions in relation to any potential transfer of transport functions from Bristol City Council at this time.

In response to a supplementary question from the questioner, it was reiterated that the Combined Authority had indicated that it was not currently able to progress with bilateral discussions in relation to any potential transfer of transport functions from Bristol City Council.

2. Questions from Dan Ackroyd: Clean Air Zone fines

‘My understanding is a gentleman named Mr Lyon from Salford has successfully challenged multiple penalty charge notices.

According to a report in the Bristol Post:

‘Mr Lyon said that each time he challenges his own or other drivers’ PCNs, the council initially opposes the representation made by the person appealing against the PCN, and insists the fine should stand.

“Then, when we go to the Traffic Penalty Tribunal to appeal again, the council waits until the penultimate day of the fortnight they have to respond, and on the penultimate day they make an offer which waives the fine but asks the driver to pay the initial £9 charge,” said Mr Lyon.

“They do this to make it so the stats show that they’ve technically ‘won’ that challenge, as they did get the CAZ charge paid. But if that offer is declined, the next day they will withdraw the entire penalty and the charge, with



about ten hours to go. That means the Traffic Penalty Tribunal never gets to actually assess the points made in the challenges. The council is shying away from having that assessment done and a judgement made," he added." This seems like quite a risk.

To avoid future loss of revenue, what steps are being taken to fix the issues that Mr Lyon believes he has identified with the CAZ and the PCNs?

What risk is there that BCC would need to 'cancel' a large number of CAZ charges or PCNs?'

Officer reply (as published in advance of the meeting):

The Clean Air Zone was introduced as a public health measure to improve air quality and health outcomes for residents of Bristol. The Council conducted a lengthy publicity campaign ahead of the launch and has provided a range of loans, grants and free trials, as well as a variety of short and long-term local exemptions to help people adjust. The intention of the Clean Air Zone is not to be unduly punitive, but it is right that we enforce the regulations for those whose vehicles don't comply with the emissions standards and who have not paid the relevant daily charge. We do welcome representations from anyone who has received a PCN and believes that they have grounds to appeal. The grounds on which an appeal can be made are set out in legislation and are listed in the PCN. The Traffic Penalty Tribunal (our independent adjudicator) has lots of independent advice on parking, bus lane and clean air zone PCNs on their website, which we would encourage people to use. (www.trafficpenaltytribunal.gov.uk).

It wouldn't be appropriate for the Council to comment on the specifics of individual cases, however we can say that each case is assessed on its own merits and the cases in question have been cancelled for a variety of different reasons.

When an appeal is received, either an initial representation or a formal appeal to the Traffic Penalty Tribunal, it is placed in the appropriate work queue and cases are then dealt with in date order by appropriately trained staff. The volume and complexity of cases and capacity at any given point in time will determine how quickly we respond to individual cases. We endeavour to process all appeals within statutory deadlines but sometimes cases do approach, or even exceed, our deadlines.

The Council is constantly reviewing its processes under a cycle of continuous improvement to provide the best and most cost-effective service possible and is comfortable with the processes it has in place.

The Council will continue to take a public health driven approach to the Clean Air Zone and will take enforcement action on a case by case basis for vehicles who do not pay the relevant daily charge. The Council is confident in its position and processes.

In response to a supplementary question from the questioner, it was confirmed that the allocation of the use of Clean Air Zone surplus income was being applied in accordance with legislation and government rules/guidance.

Public statements:

Public statements received for this meeting were as follows:



1. David Redgewell and Gordon Richardson: budget; transport levy.
David Redgewell was in attendance at the meeting and presented this statement.

2. Dan Ackroyd: information available for budget scrutiny.
Dan Ackroyd was in attendance at the meeting and presented this statement.

The Chair reminded members that, as indicated on the agenda, the public forum at today's session was intended to cover both Part 1 and Part 2 of this meeting. Accordingly, there would not be a separate public forum during Part 2 of this meeting to be held on 15 December.

20 Council Tax Reduction Scheme 2024/25 (approx. 45-60 mins)

The Chair advised members that since the publication of the agenda for this meeting of the Resources Scrutiny Commission, the Cabinet, on 5 December (following the conclusion of the second phase of public consultation and engagement) had taken a decision not to change the Council Tax Reduction Scheme (CTRS) for 2024/25.

Summary of main points raised/noted in discussion of this item:

1. It was noted that as per previous comments submitted to the Cabinet and to Full Council, a majority of members of the Resources Scrutiny Commission/Finance Task Group had not supported a change to the CTRS.
2. A point was raised about the fact that the wide number of options for changing the CTRS, as included in the consultation, had produced a scenario where it had been difficult to identify a clearly favoured option to take forward based on the responses received. It was suggested that lessons could be learned from the process followed and it would be appropriate to avoid running any future consultations in this way.
3. In response to a question, it was noted that consideration had been given by the administration to using a 'slider' tool, to enable comparison of the impact of different options. A view had been reached, however, that the tool (the use of which would also have incurred additional cost) would have been difficult to deploy in this case given the number of options involved and the related complexity. The tool had been used previously as part of a council budget consultation, but experience had shown that some people had found it difficult to use in practice.
4. It was noted that the consultation materials had attempted to show the impact of different scenarios on households, but it was recognised that the information provided was complex. Officers had conducted a 'lessons learned' exercise following the consultation, which could be shared with members. The approaches taken by other local authorities in carrying out consultation on CTRS reviews would also be examined.



5. A number of members flagged the importance of the CTRS in assisting people on low incomes who may also be vulnerable or responsible for vulnerable individuals and welcomed the Cabinet decision not to change the scheme in 2024/25, especially in light of the fact that the Chancellor's Autumn Statement had given no indication that the Household Support Fund would be extended into the next financial year.

6. A point was also raised reiterating a previous concern raised by members that, if a revised CTRS had been introduced for 2024/25, difficulties could have been faced around deliverability of the envisaged saving with a potential negative impact on Council Tax collection rate and cost. In response to this point, the Director: Finance clarified that the additional administration that would have been involved in collecting additional funds under a changed scheme was not considered to have represented a challenge that the authority could not have overcome (as per the experience of a number of other local authorities who had changed their CTRS in recent years).

7. The Deputy Mayor for City Economy, Finance and Performance advised that the administration was acutely aware of the positive impact the CTRS has had in assisting people on low incomes. He pointed out that this formed the Council's largest area of discretionary spend; it was important to recognise that this spend would potentially come under renewed pressure in future years.

8. It was noted that as a consequence of the decision not to change the CTRS for 2024/25, an additional £3m of compensatory savings would need to be identified through the current budget development work for the next financial year.

21 Scrutiny of budget consultation/proposals (Part 1)

a. Growth & Regeneration - clarification on Clean Air Zone (CAZ) income/utilisation

Members had identified in advance of the meeting that they wished to raise questions on the following budget proposal reference points:

GAP 043 - Alternative investment in sustainable transport using net proceeds from CAZ - £6.3m 24/25

We would use net proceeds from Clean Air Zone charges to contribute to the amount of money we pay to the West of England Combined Authority for the annual Transport Levy, which supports the Local Transport Plan, funding concessionary fares and other public transport related services.

GAP 057 - Use Clean Air Zone funds to maintain and improve the highways network - £2.311m 24/25

We would use net proceeds from Clean Air Zone charges to carry out repairs and improvement works on the city's roads and footpaths. These works would support the Local Transport Plan by keeping our roads and footpaths safe for all users, encouraging walking and cycling and reducing traffic congestion.

Summary of main points raised/noted in discussion of this item:



a. In response to questions, the Deputy Mayor for City Economy, Performance and Finance and Executive Director: Growth and Regeneration advised as follows:

i. The CAZ was essentially a public health intervention required of the Council by the government.

ii. Data on the effectiveness of the CAZ in reducing levels of nitrogen dioxide and improving air quality would be provided at the end of 12 months. It was considered that providing detail of CAZ financial income in the meantime would prove to be a misleading figure. Information on both matters would be provided, at the same time, to the Cabinet meeting on 23 January 2024, i.e. at the same meeting at which the Cabinet would determine its 2024/25 budget recommendations to Full Council. It was acknowledged that at an earlier point, an indication had been given that this information might be available for the 5 December Cabinet; however, the analysis of air quality had taken longer than initially expected to provide the full 12 month position.

b. In response to a question, it was confirmed that there was an improved position overall in terms of vehicle compliance with CAZ standards.

c. It was noted that the CAZ update information (income and air quality assessment) would also be provided to the Overview and Scrutiny Management Board (OSMB) in January. The Chair commented that careful consideration would need to be given to the timing of the OSMB meeting to ensure that OSMB members had reasonable time to read these reports in advance of their meeting; discussion would also need to take place with the OSMB Chair about how best to involve Resources Scrutiny members during January in reviewing the financial aspects of CAZ (*Note: it was subsequently agreed that Resources Scrutiny members would be invited to attend the relevant section of the January OSMB meeting*).

d. In response to a question, it was noted that it was possible that the CAZ could potentially be discontinued after a further 3-4 years if air quality improved and pollutant levels were brought within legal limits. The timeframe for the CAZ was driven by the legal compliance issue, so that would determine how long it lasted. It was also noted, however, that it was possible that limits could be tightened further at a future point, in which case the CAZ could be in place for a longer period than was currently being assumed.

e. It was noted that if the CAZ did end at a future point, there could be a significant financial gap/spending pressure for the Council to bridge at that point in relation to council spend that had, in effect, been funded through surplus CAZ income.

f. As per the response given to a question raised during the public forum, officers reiterated that the allocation of the use of CAZ surplus income was being applied in accordance with legislation and government rules/guidance.



b. Resources issues

Summary of main points raised/noted in discussion of this item:

1. General questions, including contingency:

- a. As per the earlier discussion, it was reiterated that the Chancellor's Autumn Statement had given no indication that the Household Support Fund would be extended into the next financial year. It was noted that a significant element of this funding had been used in 2023/24 to provide free school meal vouchers for free school meal and pupil premium qualifying children during some of the school holiday periods.
- b. It was noted that in the Autumn Statement, no additional core revenue funding had been announced for local authorities beyond the increases that were already expected. The cost of wage increases would need to be factored into the Council's budget preparation, taking account of the fact that the Council was a real living wage employer.
- c. It was noted that the additional revenue costs resulting from the Barton House evacuation/situation would be met from the Housing Revenue Account (HRA) reserve; the 30 year HRA Business Plan was being reviewed to take account of this.

2. Fees and charges:

Members had identified in advance of the meeting that they wished to raise questions on the following budget proposal reference point:

GAP038 - Fees and charges budget review

Review and where appropriate revise the budgets for fees and charges across sources of income that have repeatedly outperformed their approved budgets in recent years, reflecting where we are already receiving greater levels of income.

In response to questions, it was noted that there was no equalities impact in relation to this matter; in this case, the budget was effectively being re-set to reflect actual income received.

3. Capital strategy:

Summary of main points raised/noted in discussion of this item:

- a. HRA: In response to a question, it was noted that a programme of works was being undertaken in relation to cladding issues on tower blocks, prioritised to aim to reduce 'waking watch' costs as quickly as possible.
- b. Skills and knowledge: It was noted that work was taking place to enhance staff skills around capital programme forecasting/management and investment, recognising the importance of maximising delivery



against the programme. It was suggested that it would be useful to report back to members in due course on the roll-out of skills enhancement in these areas.

c. It was noted that the Council's capital programme governance and reporting was improving; the context of the national economic situation still presented significant challenges, however, to delivery, e.g. the slow-down in new house building and ongoing supply chain difficulties.

At the conclusion of the discussion, the Chair stated that he would like to place on record his thanks to the Director: Finance and other members of the Finance team who had supported the sequence of Finance Task Group briefings that had been ongoing since the summer. Members were appreciative of the openness and diligence shown by officers in responding to questions and points of clarification as these sessions had progressed.

On the motion of the Chair, the meeting was then adjourned at 3.45 pm, noting that the meeting would reconvene at 9.30 am on 15 December 2023.

CHAIR _____

