

Bristol City Council

Minutes of the Strategy and Resources Policy Committee



12 August 2024 at 2.00 pm

Members present:-

Councillors: Tony Dyer (Chair), Caroline Gooch (Vice-Chair), John Goulandris, Heather Mack, Abdul Malik, Tim Rippington, Ani Stafford-Townsend, Kelvin Blake (substitute for Tom Renhard) and Tom Blenkinsop (substitute for Ellie King)

23 Welcome, Introductions and Safety Information

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

24 Apologies for Absence and Substitutions

It was noted that apologies had been received from Cllr Renhard (Cllr Blake was in attendance as a substitute) and Cllr King (Cllr Blenkinsop was in attendance as a substitute).

Apologies were also noted from Paul Martin, Chief Executive.

25 Declarations of Interest

It was noted that there were no declarations of interest.

26 Minutes of the Previous Meeting

On the motion of the Chair, seconded by Cllr Gooch, the Committee **RESOLVED:**

- To confirm the minutes of the meeting of the Strategy and Resources Policy Committee held on 15 July 2024 as a correct record, to be signed by the Chair.



27 Chair's Announcements

None.

28 Public Forum

It was noted that 7 public forum questions had been submitted to this meeting as follows:

Q1. Joe Thomas: Freedom of Information requests

Q2. Dan Ackroyd: Council acting unlawfully with respect to both fire safety and maintaining housing to an adequate standard (ruled as being more appropriate for the Homes and Housing Delivery Committee)

Q3. Dan Ackroyd: Corporate Risk Register

Q4. Angela Truell: Bedminster Green development (ruled as being more appropriate for the Economy and Skills Policy Committee)

Q5. Joanna Booth: Bristol Housing Festival (ruled as being more appropriate for the Homes and Housing Delivery Policy Committee)

Q6. Joanna Booth: City Office funding

Q7. Joanna Booth: ICO enforcement notice

In relation to question 3, the Chair invited the questioner to write to him direct about the issue raised around the Council's corporate risk review process; he would forward this on to committee members in order that they could respond accordingly.

It was noted that two public statements had been received as follows:

1. Joe Thomas: Freedom of Information requests

2. Dan Ackroyd: Use of resources – council housing

Dan Ackroyd was in attendance at the meeting and presented his statement.

29 Period 3 Finance Outturn Report 2024/25

The Committee considered a report (agenda item 7) that presented information and analysis on the Council's financial performance against the approved 2024/25 budget and the forecast use of resources for the financial year 2024/25. The report also updated the committee on the delivery of planned savings for the financial year 2024/25.

It was noted that there were no decisions to be taken on this report which was for information.

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



1. In opening the discussion, the Chair commented as follows:

- As highlighted in the report, the Council faced very significant and immediate financial challenges.
- Increasing demand for services allied with high inflation had been driving up costs whilst the resources available to the Council to respond were being stretched thinner each year without the prospect of extra funding.
- It was important to recognise that this was a national challenge affecting all councils, with some having had no option but to declare bankruptcy. The list of councils moving nearer to this position was also growing.
- The Period 3 finance update set out the stark reality that the Council faced another year of multi-million pounds of overspend. The latest forecast estimates indicated that the Council was on course for a General Fund budget pressure of £22.3 million, an increased figure from the previous estimate of £12.5 million. The report also set out in detail where the most significant challenges were but also, importantly, where efforts were being focused to try and alleviate the financial pressure.
- Every aspect of Council expenditure now faced scrutiny, and it would be essential to maximise savings and deliver the identified mitigations; regular financial updates would be published and discussed at this committee and by the other policy committees.

2. The Director: Finance highlighted the following:

- As referred to by the Chair, the Period 3 outturn showed a deteriorating financial position for the Council.
- In addition to the Period 3 forecast showing a total net forecast revenue overspend of £22.3m, additional risks and opportunities carried a weighted extra net potential risk of £10.5m.
- The report also highlighted the Period 3 position in relation to the Housing Revenue Account, the Dedicated Schools Grant, the Public Health Grant and the Capital Programme.

3. A question was raised about the cost implications faced by the Council caused by the drop in performance in turning round void council dwellings. The Executive Director: Growth and Regeneration commented that in the last couple of years, performance on voids had not been satisfactory and had fallen below national averages. Performance had now improved, but remained an area that the housing service would continue to prioritise. It was noted that the service also currently faced a particular requirement to focus on the compliance work around housing and consumer standards following the published judgement from the Regulator of Social Housing which indicated that significant improvement was needed.

4. An issue was raised about the ongoing need to develop 'invest to save' opportunities to reduce the volume and associated costs of expensive 'out of authority' specialist provision for children and young people with special educational needs and disabilities. It was noted that the Council had a 4-5 year investment programme in place, including the development of a new specialist free school alongside SEND placements in existing schools. The need to inject pace into the development of local placements was recognised and capital investment had been earmarked to increase the sufficiency of local provision; the planned waves of investment would see specialist places grow each year.



5. In relation to tracking savings against targets, it was noted that in recent years, the Council had, on average, achieved 60-70% of required savings in-year. It was noted that any in-year non-delivery of savings inevitably contributed to a year-on-year, knock-on negative financial effect. It was noted that the importance of making a realistic assessment of the position on the expected delivery of in-year savings was recognised and was one of the factors driving the decision to bring this year's budget process forward. It was also noted that the 'top 5' transformation programmes were expected to deliver significant savings. Policy committees would also have an important role in identifying further savings opportunities.

6. An issue was raised about the ongoing significant cost implications around children in care who were in 'out of authority' placements, noting the national context of increased numbers of children in care and the additional demand placed on the authority through meeting the needs of children with increasingly complex needs. It was noted that provision within Bristol's children's homes would be increased from 14 to 36 places over the next 2 years; establishing new provision did take some time given the need to identify suitable buildings, recruit staff and secure Ofsted registration. Efforts also continued to grow local foster care provision; as part of this, new, innovative approaches were being taken – for example, foster carers could benefit from grants to build extensions and other home facilities, creating extra space to take children.

7. In relation to housing finance, a point was raised around the fact that the Council's housing acquisition project (to buy flats and houses and convert them into council housing) was falling behind target; against a target of 150 acquisitions, it was projected that approx. 75 would be purchased by the end of the current financial year. It was noted that a key factor restricting the Council's ability to meet this target was the urgent need to tackle compliance issues in the Council's housing stock as identified by the Regulator of Social Housing; in light of the scale of work required, priorities within the ring-fenced Housing Revenue Account Business Plan would need to be reviewed.

8. In response to questions around the Dedicated Schools Grant, it was confirmed that, to date, the new government had not given any indication to the Council of any changes in funding SEND support or to the terms of the Safety Valve deal.

9. An issue was raised about the loss in income for the Council that had resulted from the non-implementation of the January 2024 Cabinet decision to increase the costs of residents parking zone permits. It was confirmed that this decision had not been implemented and that a report reviewing opportunities to promote sustainable transport through a wider review of parking policies and charges was scheduled for consideration at the 12 September meeting of the Transport and Connectivity Policy Committee. It was suggested that information should be shared with members on any other previous Cabinet decisions carrying financial implications that had not been implemented.

At the conclusion of the discussion, the Chair reminded members that the recommendations set out in the report were for noting.

The Committee **RESOLVED:**



To note:

- 1. The council's General Fund forecast outturn revenue overspend of £22.3 million against the council approved budget at P3 2024/25.**
- 2. The performance on delivery of savings (Appendix A1, section 3, Tables 4a-4b).**
- 3. The additional weighted net risk of £10.5 million per the risks and opportunities register (Appendix A1, section 4, Tables 5a-5b)**
- 4. The council's outturn position of £9.3 million overspend within the Housing Revenue Account to be transferred to the HRA general reserve (Appendix A1, section 5.2).**
- 5. The council's position on its General Reserve and on the Housing Revenue Account's General Reserve.**
- 6. That officers are developing productivity plans following the Council Tax Reduction Scheme update and amendment (S&R Committee, agenda item 9, 15 July 2024).**
- 7. The council's outturn position of a net £10.8 million overspend in the Dedicated Schools Grant following the application of the DfE's 24/25 Safety Valve combined with contribution from the General Fund (totalling £15.9m) and that a total £47.9 million is to be carried forward in the DSG deficit reserve (Appendix A1, section 5.3).**
- 8. The breakeven position on Public Health services (Appendix A1, section 5.4).**
- 9. The council's forecast underspend of £6.4 million against the Capital Programme revised budget 2024/25, comprised of £7.0 million underspend on the General Fund and £0.6 million overspend on the HRA. (Appendix A1, section 6).**

Meeting ended at 3.00 pm

CHAIR _____



