

Bristol City Council

Minutes of the Overview and Scrutiny Management Board



18 December 2019 at 6.00 pm

Members Present:-

Councillors: Geoffrey Gollop (Chair), Don Alexander, Mark Brain, Stephen Clarke Claire Hiscott, Brenda Massey, Anthony Negus, Paula O'Rourke, Celia Phipps, and Jo Sergeant

1. Welcome, Introductions and Safety Information

The Chair welcomed all attendees to the meeting.

2. Apologies for absence

Apologies for absence were received from Councillors Johnson and Lovell. Councillor Alexander substituted for Councillor Lovell.

3. Declarations of Interest

The following non pecuniary interests were declared;

Agenda item 8 – Councillor Alexander declared he was an appointed director of Goram Homes.

Agenda item 8 – Councillor Gollop (Chair) declared he was a director of Bristol and Bath Regional Capital CIC.

4. Minutes of the previous meeting(s)

The minutes of the meetings on 14th August 2019 and the 30th October 2019 were approved.



RESOLVED;

That minutes of the meeting on 14th August 2019 be approved as a correct record.

That minutes of the meeting on 30th October 2019 be approved as a correct record.

5. Chair's Business

The Chair, Councillor Gollop, advised that the meeting may need to go into exempt session.

6. Public Forum

The following public forum was received and a copy placed in the minute book;

Statements

S1: Statement from Cllr Clive Stevens – Value for Money Sub Committee

Members agreed that the proposal from Councillor Stevens that a Value for Money Sub Committee be established would be discussed by the OSMB Leads.

Questions

Q1 and Q2 - Cllr Clive Stevens, Refers to Agenda item 8, Bristol Holding Group Company Business Plans

The following replies were given to supplementary questions from Councillor Stevens:

Supplementary question 1 - Will the non-Teckal business have revenue streams like recycling and commercial collections?

Answer – Yes.

Supplementary question 2 - What margins are you making on the non-Teckal business?

Answer - 10%.

RESOLVED;

That the public forum business be noted.



7. Work Programme

The following updates were provided;

- A High Streets Inquiry Day would be taking place on the 28th January 2020.
- An Evidence Day looking at SEND had been arranged for 3rd February 2020. The Board was advised that the event would focus on Education, Health, and Care Plans (EHCPs) with a view to making recommendations for service improvements. It was noted that the Evidence Day had been postponed due to the delay in the publication of the OFSTED report as a result of the General Election.
- An update regarding the Clean Air Zone (CAZ) proposals would be brought to the next Overview & Scrutiny Management Board on the 30th January 2020.

RESOLVED;

That the Work Programme Updates be noted.

8. Bristol Holding Group Company Business Plans

Members were provided with an introduction from the Executive Chair of Bristol Holding Ltd. During the ensuing discussion the following points were made;

- The business plans did not require an increase in collateral.
- There had been ongoing active engagement with City Leap; the Deputy Mayor with responsibilities for Finance, Governance and Performance advised that any changed relationship between the Holding Company and Bristol Energy following development of City Lead had been planned for, including different options; Director of Resources noted that what came forward resulting from the procurement process would come to OSMB; it was important to ensure scrutiny involvement at appropriate times.
- Discussions were ongoing about potential cost of the Clean Air Zone (CAZ); this was about the fleet and employees who drove in from outside the area;
- There was a process in place to renew KPIs and that the Holding Company would ensure they would be robust and challenge each company.
- It was noted that the aim was to return to a group business plan with KPIs the next year;
- It was confirmed that Bristol Waste Company had autonomy and made its own decisions with the support of the Council;
- There had been an agreement that Bristol Waste would stay with kerb-side vehicles, which produced a highest recycle rate in English core cities; there was a lot of work to do regarding flats and that education was required; vehicle type would not change the fact a load would be contaminated by wrong items; further educational tools have been rolled out, including videos;
- Items would be collected if they were in the wrong container, although it was preferred that the correct one was used as incorrect usage could lead to overspill.



- The focus on ensuring as much litter was cleared from streets was balanced with the need to ensure traffic was not blocked Bristol Waste vehicles; more efficient ways of delivery would be on rolled out including regionalising the service.
- The customer relationship management system referred to commercial use.
- Continual training was important, and that there had been a programme to re-induct staff, which would help with service improvement; the need for training would not end;
- Bristol Waste had promoted circular economy, including at Avonmouth Recycling Centre; and a new re-use shop; the Avonmouth site would be up and running by the end of January 2020; that weather conditions had delayed this; the information on the website would be updated;
- There were early starts by Bristol Waste vehicles from 6am to attempt avoidance of heavy traffic; it would help to avoid traffic and get around the city quicker if Bristol Waste vehicles were able to use bus lanes.
- Agreement that organisations such as Freecycle could be worked with;
- The Chair asked if Bristol Waste could confirm that the Teckal growth was realistic; and advised it was.

Councillor Alexander left the meeting.

The Managing Director of Goram Homes, who joined in September 2019, provided a summary. During the ensuing discussion the following points were made;

- It was too early as a company to make firm commitments regarding how the Carbon Neutral 2030 target could be reached, including how new builds would need to be zero carbon, and whether Goram Homes would be able to meet the target;
- There could not be a commitment to passive house standards; gas boilers would not be installed in new builds – have been investigating water, air source and ground source options instead;
- The Board agreed Goram Homes should be an exemplar and should make a commitment in the next year's Business Plan;
- Analysis regarding risks of potential delays had been undertaken as delays were costs; awareness of this as a key risk, together with supply of land; there would be benefit for further scrutiny of risk at an appropriate time; the Holding Company as part of its remit would request information surrounding risk, and that Goram Homes would also report to Shareholder Group quarterly when this type of analysis would be fed back.
- Goram was keen to provide social value, including local employment opportunities; and would in the future engage with SMEs.
- Goram was a development company; there could be potential for Investment company but this would need to be reviewed in the future.
- House price growth was excluded from the financial planning; the projected house growth had not been used, and the Holding Company scrutinised the model.
- There had been detailed assessments on a range of impacts of Brexit, although there were a lot of unknowns; there were mainly issues around labour and materials (possible shortages).



- There was a discussion about potential relationships with local training providers; Members were told that as
- Goram is emerging and relationships with local training providers would be for the future; interested in being involved with the skills academy.

There was a 5 minute break at 7:35pm.

The Managing Director of Bristol Energy provided a summary. During the ensuing discussion the following points were made;

- There was support for City Leap from the Board; and concerns about how the relationship with Bristol Energy was developing;
- The customer base of Bristol Energy was just over 100,000 (domestic) and 4,500 (commercial)
- The auditors agreed with the methodology for valuation of the company on the balance sheet;
- The Deputy Mayor with responsibility for Finance, Governance and Performance stated a focus on attracting new customers was in the business plan; it was an identified issue to be addressed; there were advertised opportunities to BCC staff to join Bristol Energy, and there had been a campaign in Bristol; it was clarified that Bristol was the core geographical area for customers and there was a focus on Bristol customers first;
- Bristol Energy was commended for its improved 'Which?' Satisfaction rating.
- Just over 80% of the 200 employees lived in Bristol;
- Definition of green energy was clarified: provision of 100% green energy, including mix of bought direct from renewable and purchased certificates;
- The Government Social Value Toolkit was used to measure social value; all the companies utilised Council standard social value model and associated figures to input into it (standard calculation); all three companies had the intention to measure social value, but for Goram it was too early; Bristol Waste had recently carried out social value calculations but there was more to be done with validation and audit, but this was planned to be ready within three weeks.

RESOLVED;

That clarification of how social value is calculated by all three companies be provided to Members;

That a breakdown of how Bristol Energy purchases green energy (direct from renewables and via certificates) be provided to Members



9. Exclusion of Press and Public

That under s.100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item(s) of business on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of schedule 12A of the Act.

RESOLVED;

That the public and press be excluded from the meeting for the following item of business.

10 Bristol Holding Group Company Business Plans - Exempt

11 Mayor's Forward Plan - Standing Item - For information

There was no discussion.

12 Minutes from the WECA Overview and Scrutiny Committee - for information (standing item)

There was no discussion.

13 Performance Q2 report - For information

There was no discussion.

14 Risk Register Q2 - For information

There was no discussion.

Meeting ended at 8.50 pm

CHAIR _____

