

Bristol City Council

Minutes of the Resources Scrutiny Commission

6th December 2018 at 4.00 pm



Members Present: Cllr Stephen Clarke (Chair), Cllr Afzal Shah (Vice Chair), Cllr Don Alexander, Cllr Mark Brain, Cllr John Goulandris, Cllr Tim Kent, Cllr Sultan Khan, Cllr Graham Morris, Cllr Clive Stevens.

Officers in Attendance: Mike Jackson, Executive Director of Resources and Head of Paid Services; Denise Murray, Service Director of Finance; Penny Fell, Director of Commercialisation and Citizens; Tim Borrett, Director of Policy & Strategy; Simon Oliver, Director - Digital Transformation; Chris Holme, Interim Service Manager - Corporate Finance; Gemma Dando, Service Manager - Neighbourhood Management; Mark Wakefield, Head of Insight, Performance & Intelligence; Johanna Holmes, Scrutiny Advisor; Tony Whitlock, Principal Accountant.

1. Welcome, Introductions and Safety Information

The Chair welcomed all attendees to the meeting, and made a safety announcement in relation to the fire/emergency evacuation procedure.

2. Apologies for Absence and Substitutions

Apologies were received from Cllrs Steve Pearce and Marg Hickman

3. Declarations of Interest

None

4. Minutes of Previous Meeting and Action Sheet

Due to a technical issue with Mod.Gov and the previous meeting minutes the Chair agreed that the minutes of the previous meeting would be taken at the next meeting.

It was agreed the actions that were marked as complete will be removed and any outstanding actions would be followed up.

5. Scrutiny Work Programme

The Members noted the Scrutiny Work Programme.

6. Chair's Business

The Chair asked the Executive Director of Resources if he would as agreed briefly explain how the Resources Directorate had altered particularly now that the Communities Directorate no longer existed. Using the Senior Leadership Structure diagram on the Source intranet Mike Jackson explained using the current structure diagram which can be found here: http://intranet.bcc.lan/ccm/cms-service/stream/asset/?asset_id=18805003



7. Public Forum

Public forum statements were received from following in relation to Item 9 – Global Parliament of Mayors Report:

- PFS 1. James Gore, Head of Government & Stakeholder Relations: Bristol Airport
- PFS 2. Jonathan Bower, Womble Bond Dickinson (UK) LLP
- PFS 3. Dr Erik Lithander, Pro Vice-Chancellor & Vice-President, The University of Bristol
- PFS 4. James Durie, Chief Executive - Bristol Chamber & West of England Initiative

8. A New Commercialisation Strategy for Bristol City Council

The Director of Commercialisation took the Members through the published report and explained how progress had been made on the development, implementation and evaluation of the council's New Commercialisation Strategy and Programme. Some of the main discussion points were as follows:

- A lot of work has been undertaken across the council via a commercialisation training programme to ensure staff have the necessary skills to deliver the strategy and also to feed into the actual ideas.
- It was explained that the recommendations at the end of the report are the 'next steps' in the process. Members were asked if they agreed with the recommendations.
- A Member said that in his view the recent summit was very good and there was broad cross-party agreement. He did however comment that it felt as if "we had been here before" but that everything was now in place and he was convinced things will actually move on this time.
- A Member asked if the recommendation of 'fully explore the potential to expand services at Exmouth Camp' could be expanded upon. Officers said that the Council leases it from the National Trust. The lease terminates in 2020 but all possibilities of increasing the use in the meantime were being explored.
- It was asked if the training that had been discussed would be available to Members as well. Yes it was said, it would be offered to Resources Scrutiny Commission Members as well as Cllr's Negus and Gollop.
- A Member stated that he appreciated that much of the move towards the Council being completely self-sufficient stemmed from central Government and asked if it was excessively challenging and high risk, using Bristol Energy as an example. The response was that either way BCC is keen to be more efficient and business-like and it needs to start optimising the opportunities that are available to it.
- It was questioned why there wasn't any mention of the Bottle Yard Studios in the report. Officers agreed to look at why this hadn't already been included in the information.

The Chair commented that he thought this was a good report and thanked officers for their time.

9. Global Parliament of Mayors (GPM) Report

The item was introduced to Members and they were shown a short video which had been produced from the event that took place on the 21st – 23rd October 2018 in Bristol. The following key points were highlighted to Members:

- Bristol hosted 67 mayors from 36 countries, along with representatives from 12 international networks.
- The summit and fringe events directly included over 2,500 local citizens in various community engagement programme and activities.
- The event grew as it developed and feedback received has been very positive.
- A list of event outcomes are contained with the report



Members asked a number of questions and made the following comments:

- Members thought the amount of corporate sponsorship secured and the way it had been approached was impressive.
- The number of Mayors who attended localised events was also thought to be very good and the collaborative and community approach that was adopted was commended.
- Some members expressed disappointment that elected members had not been able to participate.

Members thanked officers for their time.

10. Brexit Scenario Assessment

Director of Policy & Strategy introduced the report for the Members. Some of the officers who had helped prepare the report were also in attendance to respond to questions.

Bristol City Council is taking steps to ensure that it is prepared for Brexit. This report considers the potential implications for the council of a 'No Deal Brexit' and some of the wider organisational consequences of the UK's withdrawal from the EU. Threats and opportunities are considered against seven work-streams.

It was explained that the report is not what officers think will happen but is a scenario assessment to help plan and scale back action and provide guidance for the Council, not the City as a whole. There will also be a wider plan coming from the Bristol Brexit Group in due course.

The following points were discussed:

- Members asked about the risk rating of the pressures on the workforce and supply chain in the social care sector and the likelihood of it leading to disruption given that there is already an 11% vacancy rate. Officers said that this had been assessed through the risk matrix but that it may need to be scored again as it was possible that the assessment had been slightly optimistic.
- A Member asked about the levels of EU trade is coming in through our water ports and if this would be affected. Officers said they were due to meet with the Port Company fairly soon where issues such as potential business disruption will be discussed
- It was asked if this assessment was really rather late and what the potential for any civil unrest was. Officers said that it was a fair point and it is later than they would have liked be flagging up uncertainty. But that considerable planning has been going on. In fact whilst compiling this report it had been understood just how much was actually going on. It was said that the Risk Register the Commission had taken in a previous meeting had suggested a medium level risk when it should probably have been scored higher.
- It was asked whether or not any proper guidance had been received from central Government. It was said that to date very little planning advice had been received.
- Members were keen to understand as much as they could about the potential for civil unrest. Officers said that they were doing risk assessments on this which will be included in the next iteration of this report.
- A Member highlighted the potential for increased levels of homelessness as an issue that need to be taken into account. Officers agreed and said they would take this point back.
- It was suggested that the Council should be scenario planning on two levels 1) for the actual date and what will happen at that point for example customs at the ports if things go wrong and model resilience for this 2) and longer-term if for example the pounds value reduces further and workers decide to leave the UK.



- One Member said that he had been talking to local small businesses that aren't in a position to plan the same level of contingencies and said they are very concerned about what might happen. It was asked if it was possible for the council to have some type of conversation with them because anything that can be said or done will be an improvement on the current situation. Officers agreed about it being necessary to plan scenarios for the short, medium and long term. It was highlighted that the council has its annual business plans and the Medium Term Financial Plan (MTFP) but it was fair to say that some things may have been missed. Also, that the suggestion about engaging with local businesses would be taken away as an action for the plan. **ACTION:** Officers to feedback if and when communication is had with local SMEs about this.
- The Chair asked that this be a standing item for future meetings even if it is only possible to provide a verbal up-date **ACTION:** Officers to provide a further update at the next meeting.

The Members thanks the officers for the report content and their time.

11. Council Tax Base Report

Officers introduced the report to Members and it was stated that estimates for 2019/20 suggest the number of new chargeable dwellings added to the valuation list will be exceeded by the number of student exemptions awarded resulting in reduced growth of 0.95% in the tax base. This equates to a loss in council tax revenue of £1.6m. This directly impacts on the resources available to fund the Council's revenue budget due to be considered by Full Council on 19 February 2019. It was stated that there is growth but that the figures are overtaken by the numbers of students.

The following points were raised by Members:

- It was said that some Bath University students now live as far away in Hartcliffe as the rents are cheaper. It was suggested that local authorities that have high numbers of students should somehow be compensated for this. Officers said that there isn't currently a central lobby group on this issue. They have previously talked to other core cities on this subject and raise this again. It was also stated that the economic 'gross value added' (GVA) from students was not simplistic and needed to be taken into consideration.
- Members were concerned about this issue and were surprised that there wasn't currently any lobbying taking place on this. It was asked if the universities were aware of these figures. It was said that the subject is frequently raised with them and had been again that week. It had been strongly suggested that there is a need for more bespoke student accommodation in the city.
- Officers confirmed that that legislation is now in place that means that empty properties are no longer exempt from paying council tax.
- Members said that the council needed to understand exactly what the costs were i.e. the pros and cons of high numbers of students in the city.
- Officers said that with 'block grants' and formulas the financial situation was very complex. It was thought that Core Cities had begun to look into this issue and they would make further enquires. Members agreed and said that there was a need for reasonable estimates so that the Council knew what it's argument was and where to start.
- It was suggested that the council should look at all options including a tourist tax as BANES currently is.
- It was also suggested that investing in more property for key workers in the city would be beneficial in a number of ways including the collection of council tax. There was a possibility that scrutiny could look into these issues further via task and finish group.



12. Collection Fund (Surplus/Deficit) Report

This report had been presented to Cabinet on the 4th December and was to recommend the estimated Collection Fund surplus / deficit as at 31st March 2019 for determination by Full Council.

The report stated that an estimated surplus at 31 March 2019 on the Council Tax element of the Collection Fund of £2.1m be declared for 2018/19 and shared between this Council, the Police and Crime Commissioner for Avon and Somerset and the Avon Fire and Rescue Service in proportion to their 2018/19 precepts on the Collection Fund.

The following points were discussed:

- It was highlighted that if they are let for less than 150 days per year, Airbnb's do not pay business rates. Bristol currently has 490 Airbnb's which is one of the largest figures outside of London. Members wanted to know if this situation was being monitored. Yes it was said they are being monitored, they can all be identified via their websites. It was however said that the council benefits from the council tax that is collected and they would likely be in receipt of business rate relief in any case.
- A short discussion then followed on the use of bailiffs and whether they were the best approach to recovering debt. Officers said that they were only used when necessary and that there had been a year on year decrease in their use. A different approach was being piloted where officers are trying to contact people where possible, rather than using bailiffs. It was said that as enforcement is reduced the costs to BCC are reduced and there are fewer court costs involved too.

The Chair asked a member if he would like to 'take a lead' on this issue and provide an up-date in future, to which he agreed as long as it was okay with the Cabinet Member. **ACTION:** An up-date about the use of bailiffs in debt recovery to be brought to a future meeting

The Chair thanked officers for their time.

13. Resources Performance Report Quarter 2

The report was introduced by the Head of Insight, Performance and Intelligence. Officers had as previously requested, provided an overall summary at the beginning of the report. Members were taken through the significant points in the report and the following performance indicators were discussed:

- Legal Services agency spend as % of total salary bill: below target. As there weren't any notes in the comments column the Chair said he would consider asking a Member of Legal Services to attend a future meeting.
- Number of working days lost due to sickness absence (Resources): below target.

Members thanked officers for providing the summary report and their time.

14. Scrutiny Task and Finish Groups (verbal up-date)

Cllr Stevens up-dated members on the Scrutiny MTFP & Budget Task and Finish Group (T&F Group). To-date they had held five meetings. The expected information on the Local Government Finance Settlement from Central Government hadn't been received. There would be an informal OSMB and T&F Group meeting on the 14th December to finalise the arrangements for the Resources Scrutiny Commission - budget scrutiny meetings in January. The potential subjects for those meetings are Dedicated School Grants, Adult Social Care 18-64 years, Adult Social Care 64+. A report from these meetings will go to OSMB on the 17th January for consideration and then be submitted as a 'Report



from Scrutiny' to Cabinet on 22nd January, 2019. The T&F Group will likely meet once more in February so look at any budget pressures that might be in the P8 Finance Monitoring Report. Other Members agreed that this was a good plan.

As Chair of the Social Value and Procurement Task and Finish Group, Cllr Clarke provided a brief verbal up-date on the group's progress. The Group were looking at a new more objective way of measuring social value in procurement as well as the current policy to ensure is still fit for purpose. Any recommended changes will need to be approved at Cabinet in January.

15. Resources Period 6 Finance Information

Due to time constraints the Commission did not discuss this report in any detail.

16. ICT Systems and Strategy (Exempt Item)

At this point during the meeting members of the public and press were asked to leave the room for this agenda item on the grounds that it involves the likely disclosure of confidential and/or sensitive information.

- Issues were raised about the casework management system - generic email account. Members said case numbers would help track things and chase people up. It was suggested that this might be something that could be brought to a future Resources Scrutiny meeting. Officers agreed to highlight the issue, but this was outside of the FSA Programme to deliver. **ACTION:** Officers to raise the issue with colleagues.
- It was confirmed that the independent third-party board member was in the process of being recruited. Members requested they be invited to attend the next scrutiny meeting. **ACTION:** Officers to find out if it will be possible.
- Members said they were keen to understand more about the risks of the programme and were informed that as part of the corporate risk register a complete assessment of the risks were being carried out.
- Officers finished by saying that things were in a better position than they were but they were not quite where they would like to be. It was suggested that if it's an exempt item the ICT item could be moved to the beginning of the meeting agenda instead in future.

CHAIR _____

