

Bristol City Council

Minutes of the Resources Scrutiny Commission

14th January 2019 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, Cllr Steve Pearce, Cllr Margaret Hickman.

Also in attendance: Cllr Craig Cheney – Designated Deputy Mayor (with responsibility for Finance, Governance and Performance); Cllr Geoff Gollop, Cllr Mark Weston, Cllr Celia Phipps,

Officers in Attendance: Mike Jackson, Executive Director of Resources and Head of Paid Services; Denise Murray, Service Director of Finance; Michael Pilcher, Finance Business Partner; Johanna Holmes, Scrutiny Advisor; Lucy Fleming, Head of Democratic Engagement.

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 Cllr Steve Pearce.

3. Declarations of Interest

None

4. Chair's Business

The Commission raised concerns about the delay in receiving all the papers for the meeting. The Executive Director of Resources clarified that there had been some confusion about when the information would be available and apologised for the issue.

5. Public Forum

None

6. Local Government Finance Settlement - Officer Update

Officers explained to the Commission that the settlement for Bristol was largely in line with their assumptions with the exception of the following:

- Redistribution of the surplus in the National Business Rates levy account resulted in £1.5m of additional funding not previously anticipated within the MTFP.
- A review of the conditions attributed to further one-off funding has resulted in overall additional funding in the region of £2.7 million net (including £1.5m above) plus the possibility of the extra



1% in Council Tax (approx £2 million, now confirmed).

- Post the settlement, government announced an additional High Needs DSG of +£1.0m in 2018/19 and another £1.0m in 2019/20. However this is still estimated to leave a cumulative deficit of by March 2020.

7. Capital Programme

The discussion was as follows;

- It was noted that Members of the T&F Group had previously looked at the Capital Strategy (not Capital Programme) and so were disappointed that the figures they had been provided with didn't breakdown the percentages into categories. This meant it was difficult to fully understand what the information was actually conveying i.e. what has changed, been add or removed? Members indicated that they may want to look at this again in more detail in due course.
- A number of Members questioned the decision to include in the budget potential Community Infrastructure Levy (CIL) which had not yet been received or even individually identified in the figures.

8. Bristol City Council Funding Reserves

Members received a presentation from officers setting out the situation regarding funding reserves, noting that the Task and Finish Group had not previously had time to look at the subject. The Commission was assured that in terms of the comparison of reserve levels with similar local authorities, Bristol City Council was 'in the middle of the pack'.

9. Financial Assessment Following the Arena Cabinet Decision

The Commission asked for clarification regarding the revenue impact/savings of not proceeding with the Arena at Arena Island. The following matters were discussed;

- Officers confirmed that £2.5 million per year is being saved.
- Members were keen to understand more about the differing land values for the site depending on the eventual use but were told it would be valued at the time depending on the scheme. Members were surprised that such calculations had not already been carried out by officers utilising the various different possibilities for the land use.
- Members asked to receive further information in due course about the alternative business cases that will be submitted to the LEP Board for the now unused £53 million (ie the funding set aside to complete the scheme).

10. General Budget Comments from Members (No papers)

The following comments were made;

- Concern was expressed that lots of incoming funding was 'one-off' (which totalled approximately £7m). These payments may appear to give a more optimistic view of the situation than the reality.
- Regarding organisational restructure and the importance of comparing data between financial years, officers were asked to ensure there is a way to retain historic information so that comparisons can be made in the future between budget lines, even after organisational



responsibility (and therefore financial budgeting) have been redistributed between departments. Officers confirmed that this could normally be achieved albeit using manual processes.

- The Commission noted the P7 Budget Monitoring report and concerns were raised about the figure of 24,000 outstanding invoices. Officers confirmed that the situation was mainly related to Adult Social Care services but in any event the number was reducing.

11. Report from the Chair of the Scrutiny MTFP & Budget Task & Finish Group - Information Item

Noted.

12. Medium Term Financial Plan (MTFP) Update - Information Item

Noted.

13. Period 7 Budget Monitoring Report - Information Item

Noted.

CHAIR _____

