

Bristol City Council
Minutes of the Resources Scrutiny Commission

21 November 2023 at 5.00 pm



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 Andrew Brown, Chair, Audit Committee

Officers present for relevant items of business:

Tim Borrett, Director: Policy, Strategy and Digital
Polly Thompson, Head of Digital Strategy and Transformation
Doug Clarke, Senior Project Manager
Sarah Chodkiewicz, Head of Financial Management
Richard Young, Head of Strategic Finance
Tony Whitlock, Finance Business Partner (External Reporting)
Jane Hadley, Operations Manager
Ian Hird, Scrutiny Advisor

1 Welcome, introductions and safety information

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

2 Apologies for absence and substitutions

It was noted that apologies for absence had been received from Cllr Zoe Goodman and from Denise Murray, Director: Finance.



3 Declarations of Interest

There were no declarations of interest.

4 Minutes of previous meetings

The Commission **RESOLVED:**

To confirm the minutes of the meetings of the Resources Scrutiny Commission held on 31 January 2023 and 2 February 2023 as a correct record.

5 Chair's Business

None.

6 Public Forum

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

Public question:

Q1. Thiassa Churchley - subject: Council Tax/Council Tax Reduction Scheme.

It was noted that a written reply had been sent to the questioner.

It was noted that no public statements had been submitted on this occasion.

7 Annual business report

The Commission considered the annual business report.

The Commission **RESOLVED:**

1. To note the Commission's terms of reference.
2. To note the appointment (by Full Council) of Cllr Geoff Gollop as Chair of the Commission and Cllr Heather Mack as Vice-Chair.
3. To note the membership of the Commission.
4. To note the Commission's meeting dates for 2023-24.

8 Digital Transformation Programme update

The Commission considered a report setting out an update on the continuing progress on the Digital Transformation Programme (DTP) and the tracking of benefits from the programme.



Summary of key points highlighted by officers in presenting the report and accompanying slide presentation:

1. As approved by the Cabinet in July 2022, the DTP provided further investment to address key IT risks for the Council and to continue progress towards a modernised simple, stable and secure digital environment which was resilient for the future.
2. Of the approved £17.99m budget envelope, just over £7m had been spent as at November 2023; expenditure would increase at pace as key projects within the programme approached their delivery stage.
3. Of the thirteen original projects which comprised the programme at the time of the Cabinet approval, seven had been completed and six were in-progress, with the addition of one extra project identified through DTP governance.
4. The overall programme was RAG-rated 'Green'. The programme was operating within its approved time and budget contingencies, although some specific projects had exceeded tolerances and had been re-profiled (generally, this re-profiling had related to time contingency rather than financial contingency).

Summary of main points raised/noted in discussion:

1. A question was asked about the resilience of the Council's IT systems to cyber-attacks, noting, for example, the context of the recent cyber-attack experienced by the British Library. It was noted that implementation of the programme and system modernisation had helped to increase the Council's resilience to cyber-attacks; for example, the external website was now on a stable platform, with unplanned website outages reduced from up to three per year to zero since the move to the platform. It was noted that encouraging and securing best practice from staff in using systems was also an important consideration in resisting cyber-attacks.
2. In response to a question, it was noted that the core telephony solution had been implemented and was live. The telephony product implemented did though require further enhancement to provide greater security and compliance with Payment Card Industry standards; the project had identified a greater number of services across the organisation which took card payments by phone than had been anticipated, and it was therefore important to ensure these were technologically compliant.
3. A question was asked about the timeline for delivering the Hybrid Meeting Tech and AV project, noting the context of the forthcoming move to the committee management model from May 2024. It was noted that it was now anticipated that (due to the need to confirm the funding arrangements/approvals as part of the ongoing 2024/25 council budget development) this project was now more likely to be delivered by July/August 2024 rather than the original target delivery date of April 2024.
4. In relation to programme benefit realisation, it was noted that in overall terms, the programme aimed to increase its financial benefits compared to those anticipated when its Full Business Case was approved. The financial benefits were now anticipated to be approx. £960k by the time the programme reached



maturity in 2025-26, compared to the approx. £300k anticipated when the programme was approved. This was though subject to further review as remaining projects proceeded through their delivery stages.

5. A question was raised about the carbon impact and 'net zero' contributions of the DTP, and how this compared with other local authorities, noting that this aspect had not been covered through this report. Officers advised that following the meeting, they would supply additional information for members on this point. It was noted that environmental/ecological considerations formed part of the project business case development process.

The Commission **RESOLVED:**

- To note the report and the above information.

9 Council Tax Base 2024/25

The Commission considered a report setting out an update on the Council Tax Base 2024/25.

Summary of points highlighted by officers in presenting the report and accompanying slide presentation:

1. Section 67 of the Local Government Finance Act 1992 (as amended) required the Council to determine its tax base for council tax purposes each year. Properties were recorded in eight national bands by value (A to H) as determined by the Valuation Office Agency. The number of properties was expressed as a number of Band D equivalent properties.
2. In accordance with the regulations, the Council must set a tax base for council tax purposes and notify major precepting bodies by 31 January each year.
3. As required by the Local Authorities (Calculation of Council Tax Base) Regulations 2012 which came into force on 30 November 2012, the Council had produced a 'snapshot' which was based on the number of properties of the Tax Base at a specified date in October, net of exemptions, reductions, and discounts. This 'snapshot' was known as the CTB1 return and essentially calculated the number of chargeable properties in the city.
4. A report seeking determination of the Council Tax Base would be submitted to the Cabinet on 5 December and to Full Council on 12 December.

Summary of main points raised/noted in discussion:

1. In response to questions in relation to student exemptions, it was noted that students were entitled to an exemption from paying council tax if everyone living in a property was a full-time student. Alternatively, students might be entitled to a discount if some of the people occupying a property were full time students. There was an ongoing increase in the city in new properties being built (or redeveloped) as university halls of residence or other purpose-built, student-only accommodation; there were also ongoing wider discussions and liaison between the Council and the city's universities around the universities' plans for extending the supply of student accommodation, bearing in mind wider



community and planning considerations. Bristol had a large student population and at the end of October, the status of all students had not, at that point, been evidenced to the Council; it was therefore necessary to estimate the number of additional students likely to be eligible for exemptions (data from previous years was also used in terms of this estimate).

2. In terms of the table showing the calculation of the Council Tax Base 2024/25 (as shown in slide 4 of the officer presentation), it was clarified (noting that reports on the Council Tax Base 2024/25 and the Council Tax Reduction Scheme 2024/25 were due to be submitted to the Cabinet on 5 December and to Full Council on 12 December) that the table displayed two iterations of a potential tax base 'side by side'. These options differed only in terms of the 'Adjustment due to changes in working age CTS claims' figure, with one being aligned to the Medium Term Financial Plan assumptions and one being based on a 'no change scenario' in relation to the existing Council Tax Reduction Scheme. It was also clarified that these were only two of a number of potential scenarios and that the appropriate value could only be calculated once a decision on the 2024/25 Council Tax Reduction Scheme was taken. It was also noted that, in advance of the 5 December Cabinet meeting, the second phase of public consultation on the Council Tax Reduction Scheme would close on 26 November.

In response to questions, officers agreed to work up tax base calculations for each of the Council Tax Reduction Scheme calculations that had been consulted on with a view to these being included in the report(s) to be submitted to Cabinet/Full Council.

3. In response to further questions, officers agreed to supply an additional note to members with further detail about the factors taken into account and process followed in estimating the collection rate for 2024/25. Members noted that a challenging target had been set for 2024/25 (in-year collection rate set at 96% with arrears collection at 2%) taking account of previous years' forecasting and the lived experience in tackling arrears. Members though expressed a degree of caution/reservation on the proposed target, especially in terms of whether the 2% arrears target was perhaps over-optimistic, given the ongoing cost-of-living and other pressures which may affect the collection rate. Members noted also that any surplus or deficit in the collection fund for 2024/25 would be carried forward and would impact on the general fund in the following financial year.

4. It was noted that, depending on the decision that was taken on the Council Tax Reduction Scheme, in the next year (i.e. 2024/25) a number of residents (previously exempted from a requirement to pay) may be required to pay a contribution to Council Tax. In that scenario, officers would ensure clear communications about payment requirements, also offering assistance/advice to residents where appropriate through outreach work.

The Commission **RESOLVED:**

- To note the report and the above information.



10 Collection Fund surplus/deficit report

The Commission considered a report on the Collection Fund surplus/deficit 2023/24.

Summary of points highlighted by officers in presenting the report and accompanying slide presentation:

1. A report on the Collection Fund surplus/deficit 2023/24 would be submitted to the 5 December Cabinet. The purpose of that report would be to set the estimated Collection Fund surplus/deficit as at 31 March 2024 as required by legislation, for determination ultimately by Full Council.
2. The total estimated deficit on the Collection Fund for 2023/24, including any brought forward balances was £5.318m. The Bristol share of this deficit, debited to the general fund in 2024/25, was £4.827m.
3. The Bristol share of the deficit could be met from increased business rates income, including that accruing from the business rates pool.
4. The overall financial impact was an improved position of £0.5m on the assumptions made in the Medium Term Financial Plan.

Summary of main points raised/noted in discussion:

1. It was noted that the current in-year collection rate for council tax was estimated to be 94%, in line with the budget. There had been a significant improvement in arrears collection, resulting in a reduction of £3.1m against the budgeted contribution towards the bad debt provision of £16m. The annual allowance for the provision of debt under three years old had also been revised downwards to pre-pandemic levels. It was further noted that debt would only be recommended for write-off if, after full investigations had been completed, it was deemed uncollectable in the longer term.
2. The position in relation to business rates and business rates appeals was noted. The position in relation to appeals was monitored closely given that once appeals were settled, the Council may have to settle several years' business rates from a single year's income. This was a significant financial risk as the Council was now required to fund 94% of any award, noting also that there remained a significant number of outstanding appeals.
3. On behalf of the Commission, the Chair expressed recognition of the ongoing and effective work undertaken by officers in relation to the Collection Fund.

The Commission **RESOLVED**:

- To note the report and the above information.

11 Quarterly performance report (Quarter 1 2023/24) - for information

The Commission received a report setting out the progress to date made against delivering Business Plan performance metrics and actions relevant to the Communities Scrutiny Commission remit.



It was noted that members would send any specific questions/queries on this report to the Chair/Scrutiny Advisor on the basis that written responses would then be supplied in liaison with the Strategic Intelligence and Performance team.

The Commission **RESOLVED**:

- To note the report.

12 Corporate risk management report (Quarter 2 2023/24) - for information

The Commission received a report summarising resources risks within the quarter 2 corporate risk management report.

It was noted that members would send any specific questions/queries on this report to the Chair/Scrutiny Advisor on the basis that written responses would then be supplied in liaison with the risk management team.

The Commission **RESOLVED**:

- To note the report.

13 Work Programme - for information

The Commission **RESOLVED**:

- To note the latest update of the work programme.

Meeting ended at 6.55 pm

CHAIR _____

