

Balancing Bristol's Budget 2019-20



Consultation survey
bristol.gov.uk/budget2019-2020



Bristol City Council – 2019/2020 Budget Consultation

Overview

Every February, the council sets a budget for the next year which sets out how much money we will be able to spend on each of the services the council provides. You can read more about our budget in the 'Further information' section below.

Since 2010, the amount of money the council receives from government has reduced. At the same time, the council faces pressures to spend more on services. These are known as 'expenditure pressures' and include the effects of inflation and meeting the increasing costs and rising demand for adult social care and children's services.

It is expected that these pressures will continue to require additional funding each year over the next two to five years. You can read more about rising costs in the 'Further information' section below.

Since 2010 the council has identified over £276m of savings. These include £41.9m of future savings agreed in February 2018 by Full Council which will be made over the course of four years from 2019/20 to 2022/23. These are necessary to address future budget challenges and continue to deliver the services that are valued by Bristol residents.

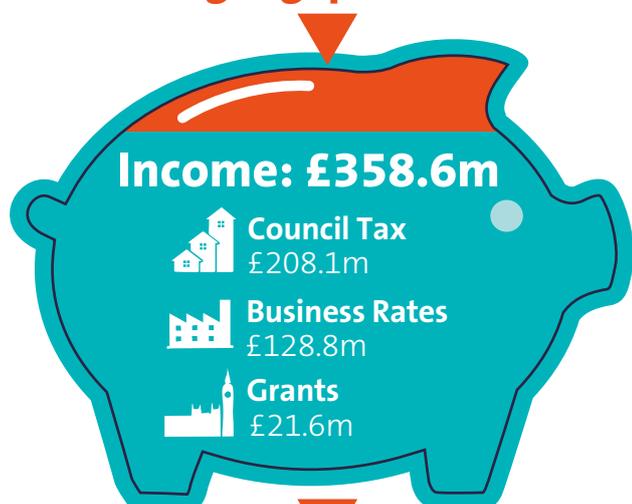
As part of our budget planning, we agreed in February 2018 that Council Tax increases would be reviewed annually and only charged where necessary and justifiable. Our early forecast indicated that we would need to increase Council Tax each year; and for next year (2019/20) an overall increase of 3% in Council Tax bills would be required.

An increase of 3% in Council Tax next year, together with the savings that were agreed for 2019/20 by Full Council in February 2018, would close a budget gap of £23.2m and deliver a balanced budget.

If we do not increase Council Tax by 3% next year, we would need to make an additional £6.1m in savings (further reducing the money we can spend on services the council provides) or we would need to consider other sources of funds such as generating more income.

2019/20: We don't make savings or increase Council Tax

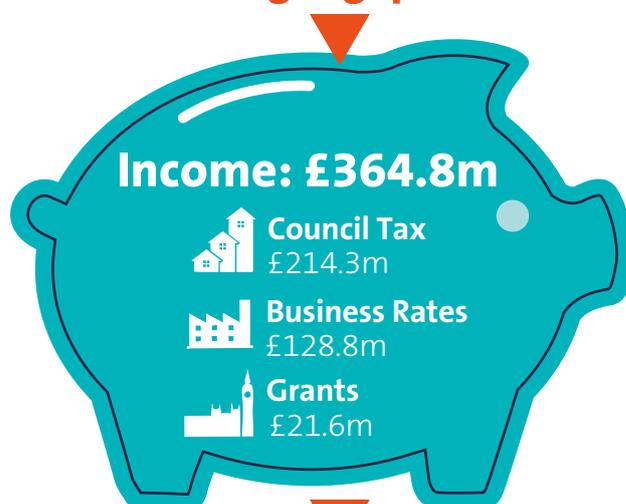
Budget gap: £23.2m



Expenditure: £381.9m

2019/20: We do make the savings agreed in February 2018 and increase Council Tax by 3%

Budget gap: £0



Expenditure: £364.8m

The current financial position

We remain in a period of financial uncertainty for local government finances.

Based on the funding available and the pressures, it is clear that there is not enough money to do everything we would wish to and, as expected, a budget gap remains.

Due to this we have had to consider the priorities for what the council does, what we aim to achieve and how we can deliver these priorities efficiently and affordably for next year and future years.

We are conscious of the impact of Council Tax increases on Bristol residents. At the same time we recognise that people rely on the services we provide and value the environment in which we live. This provides a difficult balancing act between Council Tax increases, reductions in the services we provide and how we look to generate income.

We have previously consulted on the amount of the savings which are already included in the council's financial plans and work is underway across the council to further develop and deliver the agreed savings. Should assumptions change or new plans be identified that require consultation, we will consult in 2019 on specific service proposals before making a decision about changes to services.

This consultation document therefore concentrates on Council Tax options to meet the remaining and emerging pressures.

We want your views on the level of Council Tax increase we should apply next year.

What we are proposing

Council Tax is an important source of income to the council's 'General Fund', which pays for day-to-day services. (You can read more about what we spend on day-to-day services below).

We are consulting on options for the level of Council Tax increase next year to help cover some of the financial pressures the council faces in delivering day-to-day services. The options range from no change to a 4% increase.

If you opt for 4%, we ask if you would like to spend some of the extra money from Council Tax on other things like public health, the schools budget or the council's capital programme (one-off investments in building things like housing or new transport facilities).

What would these increases mean for my Council Tax bill?

In question 1, you can see how much each option would change your Council Tax bill per week and per year for each Council Tax property band.

What do we spend the money on?

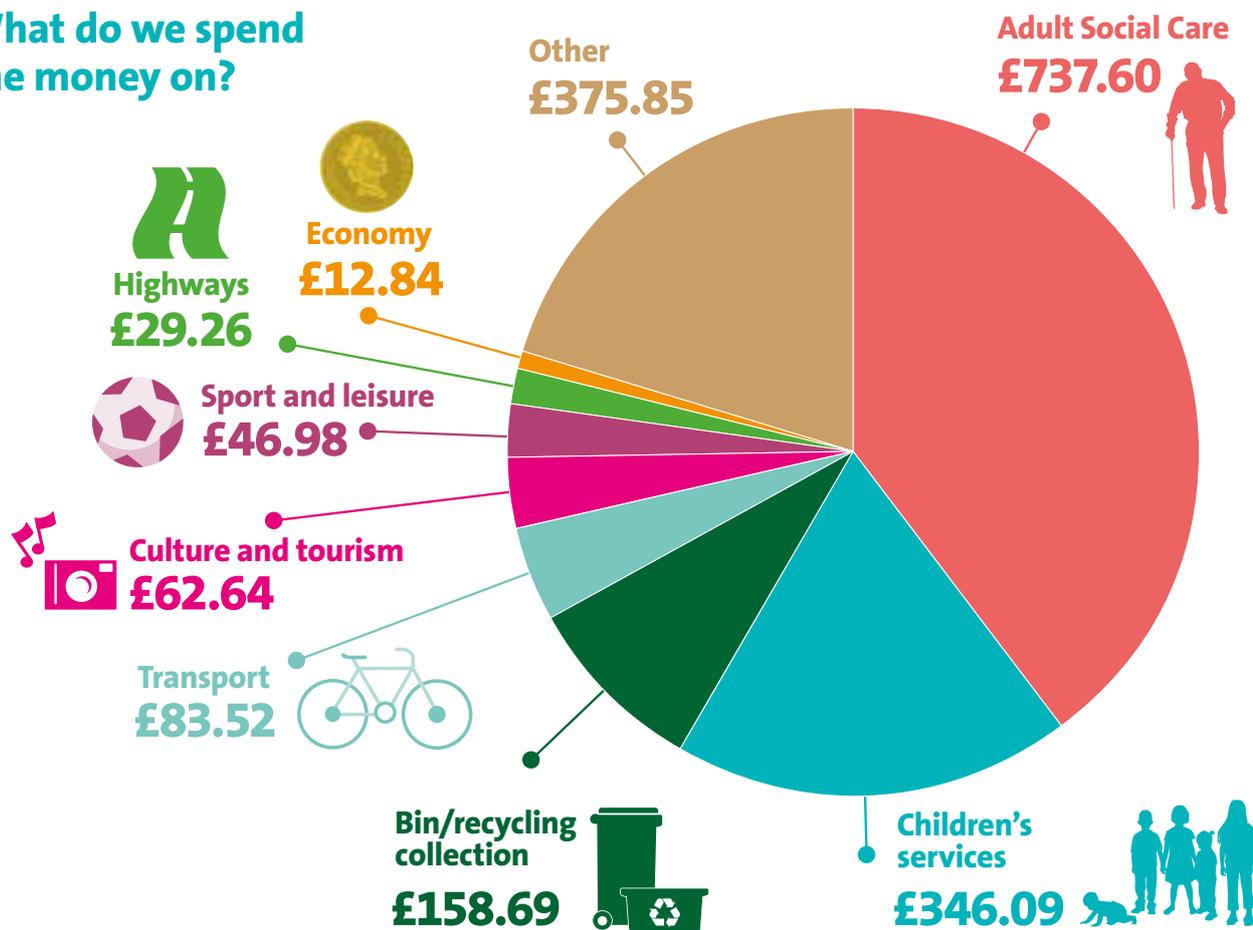
Most of the money we spend on day-to-day services goes on supporting the most vulnerable people in the city, particularly older people, children and people with disabilities.

This year (2018/19) we are spending the following amounts per household in the city:

- **Adult social care** – £737.60
- **Children's services** – £346.09
- **Bin/recycling collection** – £158.69
- **Transport** – £83.52
- **Culture and tourism** – £62.64
- **Sport and leisure** – £46.98
- **Highways** – £29.26
- **Activities to support Bristol's economy** – £ 12.84
- **Other*** – £375.85

*'Other' includes spending on education, citizen services, some housing-related activities, neighbourhood/communities activities, energy, and borrowing costs.

What do we spend the money on?



Other budget areas

In addition to the General Fund, there are four other budget areas the council manages that it must keep separate from its main day-to-day spending budget. These are the capital budget, the Dedicated Schools Grant (DSG), the public health budget and the Housing Revenue Account (HRA).

Each of these is funded in different ways and the council can only spend the money in those budgets on very specific things like housing or schools or public health.

We are not consulting on how we spend these budgets. However, if you opt for a Council Tax increase of 4%, this would raise some additional money which could be spent on day-to-day services or on these other budgets. We ask you in question 2 if you would prefer us to spend some of the extra money raised by a 4% increase in Council Tax on day-to-day services, or the capital programme, or on schools or public health activities.

You can read more about each of these budget areas in the 'Further information' section below.

Have your say on our budget proposals

The budget consultation is your chance to tell us what you think about the options for increases to Council Tax.

You can also tell us if you have suggestions for other ways the council can make savings or generate more money.

Your views are important and will be considered by the Mayor, his Cabinet and councillors when decisions about next year's budget are made in February 2019.

You can fill in the consultation survey online by visiting bristol.gov.uk/budget2019-2020

If you cannot complete the survey online, please complete the short survey in this booklet and return it to us in the Freepost envelope by **Monday 17 December 2018**.

You can request alternative formats of this document by contacting the consultation team on consultation@bristol.gov.uk or by calling **0117 922 2848**.

Further information

What is the budget?

Bristol City Council spends more than £1bn a year on running day-to-day services (including schools, social services, care homes, libraries, planning and transport) and on investing in the city.

Each year, the council sets its budget for the coming year (April to March). The budget defines the council's income and the amount we will spend on day-to-day services and one-off investments over the next twelve months. There is a legal requirement to set a balanced budget which is approved by Bristol's elected councillors. This usually happens in February.

The money we use to invest in the city or pay for services comes from a number of different places. The biggest sources of money are government

grants, Council Tax, business rates and rent income from council-owned houses.

Over the past eight years the amount of money we get from the government has been going down. Next year will be no different as we expect to see another reduction in government money. In addition to this drop in funding we are also seeing the costs of running services go up.

To address these budget challenges, since 2010 the council has identified over £276m of savings. These include £41.9m of future savings agreed in February 2018 by Full Council which will be made over the course of four years from 2019/20 to 2022/23.

Why are costs going up?

The main reason for rising costs is that more people are using services provided by the council. Even if the number of people using these services stayed the same, the cost of running these services would still be increasing because prices are going up.

One of the council services that has seen the biggest increases in costs is adult social care. As people live longer and the number of people needing help with complex illnesses and needs rises, so the cost of providing support increases.

Added to this is the growing price of materials and wage rises which add to the rising cost of the service. When costs go up and the money we receive goes down we're left with a budget gap we need to try and fill.

To help pay for social care services to our most vulnerable residents next year, the council could charge up to 1% extra on top of the Council Tax increase. This is called the social care precept and is currently only available for next year (2019/20). The 4% Council Tax option in question 1 includes the 1% social care precept.

Other budgets the council manages

Further information is provided below about four other budgets the council manages that it must keep separate from its main day-to-day spending.

These are the:

- Housing Revenue Account
- Dedicated Schools Grant
- Capital budget
- Public health budget

Each of these is funded in different ways and the council can only spend the money in those budgets on very specific things.

The Housing Revenue Account:

The council owns and manages over 28,500 houses and flats from which we collect rent and/or service charges.

The Housing Revenue Account is mostly made up of the rent we collect. This money is used to plan and provide services for people living in council housing, including repairs and improvements.

The Housing Revenue Account has a programme to build new council homes. This year we can use up to £15.7million to invest in building houses in Bristol.

We are not consulting on the Housing Revenue Account because it is a ring-fenced budget and we are not proposing any changes to how the money in the HRA is used.

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The Dedicated Schools Grant:

This budget is used to pay for schools and education services for children and young people in Bristol and can only be used for these things.

The money to pay for these schools and services comes from the government every year in a grant called the Dedicated Schools Grant. This grant is split into four parts or blocks:

- **Schools Block** – money that is given to primary and secondary schools and academies in the city;
- **Central School Services Block** – funding for the council to carry out essential things it needs to do for all schools and academies in the city;
- **High Needs Block** – dedicated funding for children and young people with special educational needs and disabilities or for those who need alternative provision (such as a Pupil Referral Unit);
- **Early Years Block** – money to fund free nursery and pre-school hours for three and four year olds and for two year olds from households with low incomes.

This year we expect to receive in the region of £349m from the government to pay for schools and education services.

If you select a Council Tax increase of 4% in question 1, this would raise £2m more than our early forecast indicates we would need for day-to-day services. We ask in question 2 if you would like us to spend some of this money on the Dedicated Schools Grant.

The Capital Budget:

Besides spending money on running day-to-day services the council also spends hundreds of millions of pounds a year investing in the city.

This investment takes the form of building things like schools and houses, introducing new transport options, investing in other organisations to support big pieces of work like redeveloping the Old Vic and supporting our own major projects to save money in future.

Most of this money comes from grants from the government and the European Union but it is also made up of long term borrowing and money we make from selling things we own.

In the past year we've invested over £180m in the city and plan to invest a further £216m in the coming year. All of the projects we are investing in were previously consulted on and were agreed by councillors in February 2017.

If you select a Council Tax increase of 4% in question 1, this would raise £2m more than our early forecast indicates we would need for day-to-day services. We ask in question 2 if you would like us to spend some of this money on the capital programme.

The Public Health Budget:

The council receives a yearly grant from the government to promote good mental and physical health in the city and pay for services that help people be healthier and stay healthy.

Last year the council received £32.5m from the government to pay for public health work. This year we expect to get around £31.6m which works out as £68 per person in the city. The council has no say in how much money the government gives us to pay for public health work and we are required to spend the money in line with set guidelines known as the 'Public Health Outcomes Framework'.

If you select a Council Tax increase of 4% in question 1, this would raise £2m more than our early forecast indicates we would need for day-to-day services. We ask in question 2 if you would like us to spend some of this money on the public health activities.

Reserves:

In addition to the council's budgets to pay for investment and day-to-day services, the council also holds money in reserve; much like many people will have savings.

The main council reserve is called the General Reserve and is used to cover unanticipated expenditure, reduced income arising in any particular year and emergency events such as natural disasters and other unforeseen urgent needs. The amount of money put aside is based on the overall size of the council's budget and risk; this is currently £20m. The council also holds a number of other reserves called earmarked reserves. These are sums of money that have been put aside to deal with specific liabilities.

We think that the current level of reserves is necessary to cover emergency or unanticipated expenditure, and to meet earmarked liabilities, and we are therefore not considering using the reserves to pay for anticipated services or to meet planned budget shortfalls.

Budget 2019/20: Survey questions

Your views on Council Tax

Question 1 asks for your views on alternative options for the level of Council Tax increase next year to help cover some of the financial pressures the council faces.

The options range from no change in Council Tax to a 4% increase. (For the 4% option, 1% would be reserved to pay for adult social care, through what is known as the social care precept.)

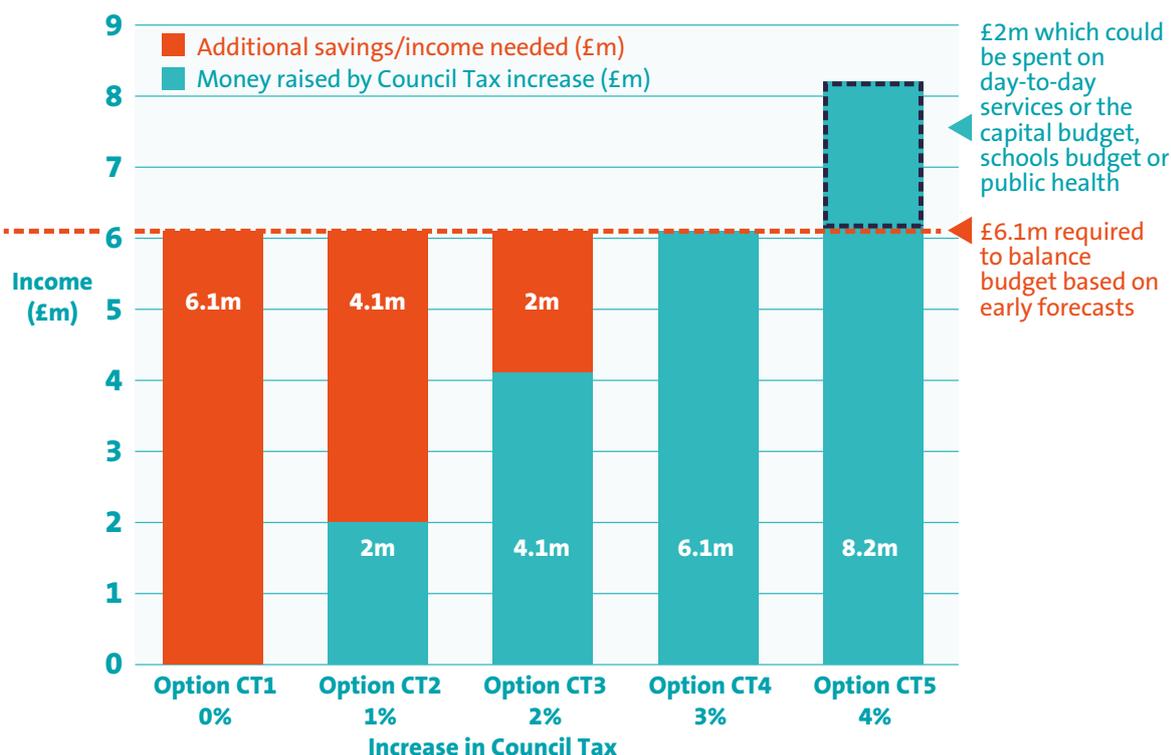
For each option we state how much money each would raise in one year and, based on our early forecast, how much additional money we would need to find through additional savings or other sources of funds such as generating extra income to balance the council’s budget next year. This is illustrated in the graph below. The figure for the additional money we would need is subject to change as we complete the budget process.

For each option, we have stated how much this would add each week to the Council Tax bill for a band D property. For other Council Tax bands, you can use the table below to see how much each option would add to your Council Tax bill for your property band.

If you select an increase of 4%, this would raise £2m more than our early forecast indicates we would need for day-to-day services (including adult social care). We could use the additional £2m raised to increase the money available for day-to-day services or to help pay for the council’s capital programme, or for the schools budget or public health activities. In question 2, we ask how you would like us to spend this money.

The graph below shows how much money would be raised by different Council Tax increases. The graph also provides an indication of how much additional income would be needed (from extra savings or by generating more income or from other sources) for day-to-day services to balance the council’s budget next year (2019/20).

Money raised and additional income needed for different Council Tax increases (£m)



This table shows the impact that different options for raising Council Tax would have on households.

Council Tax band	A	B	C	D	E	F	G	H	Total Increase in income for BCC
2018/19 rate	£1083.96	£1264.62	£1445.27	£1625.94	£1987.26	£2348.57	£2709.90	£3251.88	
Annual increase in rate paid in 2019/20									
1%	£10.84	£12.65	£14.46	£16.26	£19.87	£23.50	£27.10	£32.52	£2m
2%	£21.68	£25.29	£28.92	£32.52	£39.75	£46.98	£54.20	£65.04	£4.1m
3%	£32.52	£37.94	£43.37	£48.78	£59.62	£70.47	£81.30	£97.56	£6.1m
4%	£43.36	£50.58	£57.82	£65.04	£79.49	£93.95	£108.40	£130.08	£8.2m

Weekly increase in rate paid in 2019/20

1%	£0.21	£0.24	£0.28	£0.31	£0.38	£0.45	£0.52	£0.63
2%	£0.42	£0.49	£0.56	£0.63	£0.76	£0.90	£1.04	£1.25
3%	£0.63	£0.73	£0.83	£0.94	£1.15	£1.36	£1.56	£1.88
4%	£0.83	£0.97	£1.11	£1.25	£1.53	£1.81	£2.08	£2.50

Figures exclude amounts you pay for Police and Fire services, which are set by those authorities.

1. Which of the following Council Tax options would you prefer next year? (Select one option. In question 3, you are invited to give your reasons.)

- Option CT1: No increase to Council Tax.** This option would require us to find a further £6.1m of savings and/or additional income.
- Option CT2: An increase of 1% to Council Tax.** This option would raise £2m to support the delivery of services. We would still need to find a further £4.1m of savings and/or additional income. This option would add £0.31/week to the Council Tax bill for band D properties.
- Option CT3: An increase of 2% to Council Tax.** This option would raise £4.1m to support the delivery of services. We would still need to find a further £2m of savings and/or additional income. This proposal would add £0.63/week to the Council Tax bill for band D properties.
- Option CT4: An increase of 3% to Council Tax.** This option would raise £6.1m to support the delivery of services. This option would add £0.94/week to the Council Tax bill for band D properties.
- Option CT5: An increase of 4% to Council Tax,** of which 1% would be dedicated to help pay for adult social care. (This 1% is called the social care precept). This option would raise £8.2m, of which £2m would be for adult social care. Up to £2m could be used to help pay for the council's capital programme, or for the schools budget or public health activities. This option would add £1.25/week to the Council Tax bill for band D properties.

Please note, we cannot increase Council Tax by more than 4% without holding a local referendum on Council Tax. There is not enough time to hold a local referendum before Full Council decides on next year's budget in February so we are not asking you if you would prefer an increase of more than 4%.

Other budgets

If you selected Option CT5 – a 4% increase in Council Tax – this would raise £2m more than our early forecast indicates we would need for day-to-day services. We could use the additional £2m raised to pay for day-to-day services or to help pay for the council’s capital programme, or for the schools budget or public health activities.

You can read about the capital programme, schools budget and public health budget in the ‘Further Information’ section. (We are not permitted to spend Council Tax money on the Housing Revenue Account.)

How much the council spends on day-to-day services is described in the ‘What do we spend the money on?’ section.

If you selected Option CT5 – a 4% increase in Council Tax, we’d like to know if you would like us to spend the money on day-to-day services or on these other budget areas.

(Please note, we cannot increase Council Tax by more than 4% without holding a local referendum on Council Tax and there is not enough time to hold a local referendum before Full Council decides on next year’s budget in February).

2. If you selected Option CT5 – a 4% increase in Council Tax, would you like us spend the extra £2m on day-to-day services or on the council’s capital programme, or on schools or public health activities?

Spend the £2m on day-to-day services,

or

Spend the £2m on the capital programme, or on schools or public health activities,

or

Spend some of the £2m on day-to-day services and some on the other budgets.

Please say which budget(s) you would like the extra Council Tax to be spent on (*tick any that apply*):

Capital programme

Schools budget

Public health budget

3. If you would like to tell us why you selected the options in questions 1 and 2, please describe below:

4. If you have any other suggestions for how the council can save money or raise money please describe these below:

About you

We would like to receive feedback from people with as wide a variety of views and needs as possible in Bristol. It would be very helpful if you could complete the following 'About You' questions. This will help us ensure that no-one is discriminated against unlawfully.

Information provided will be treated confidentially and in accordance with the General Data Protection Regulation (GDPR). Personal and

sensitive information will be used solely for the purpose of equalities monitoring to ensure that everyone is treated fairly.

Our privacy policy, which explains how we will process your personal information, how long we will retain it and your rights as a data subject, is available at bristol.gov.uk/surveyprivacynotice or a paper copy is available on request on consultation@bristol.gov.uk or by calling **0117 922 2848**.

1. What is your postcode?

2. What is your age group?

- | | | |
|-----------------------------------|----------------------------------|--|
| <input type="checkbox"/> Under 18 | <input type="checkbox"/> 45–64 | <input type="checkbox"/> Prefer not to say |
| <input type="checkbox"/> 18–24 | <input type="checkbox"/> 65–74 | |
| <input type="checkbox"/> 25–44 | <input type="checkbox"/> Over 75 | |

3. What is your gender?

- | | | |
|--|-------------------------------|--------------------------------|
| <input type="checkbox"/> Female | <input type="checkbox"/> Male | <input type="checkbox"/> Other |
| <input type="checkbox"/> Prefer not to say | | |

4. Are you transgender?

- | | | |
|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Prefer not to say |
|------------------------------|-----------------------------|--|

5. What is your ethnicity?

- | | | |
|--|--|---|
| <input type="checkbox"/> White British | <input type="checkbox"/> Black/Black British | <input type="checkbox"/> Other ethnic group |
| <input type="checkbox"/> Other white | <input type="checkbox"/> Asian/Asian British | If other, please specify: |
| <input type="checkbox"/> Mixed/Dual Heritage | <input type="checkbox"/> Prefer not to say | <input type="text"/> |

6. Are you disabled?

- | | | |
|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Prefer not to say |
|------------------------------|-----------------------------|--|

7. What is your religion?

- | | | |
|--------------------------------------|--|---|
| <input type="checkbox"/> No religion | <input type="checkbox"/> Jewish | <input type="checkbox"/> Any other religion or belief |
| <input type="checkbox"/> Christian | <input type="checkbox"/> Muslim | If other, please specify: |
| <input type="checkbox"/> Buddhist | <input type="checkbox"/> Sikh | <input type="text"/> |
| <input type="checkbox"/> Hindu | <input type="checkbox"/> Prefer not to say | |

8. What is your sexual orientation?

- | | | |
|--|---|--------------------------------|
| <input type="checkbox"/> Heterosexual (straight) | <input type="checkbox"/> Lesbian, Gay or Bisexual | <input type="checkbox"/> Other |
| <input type="checkbox"/> Prefer not to say | | |

9. How did you hear about this consultation?

- | | | |
|---|---|---|
| <input type="checkbox"/> Poster | <input type="checkbox"/> Ward councillor | <input type="checkbox"/> Library |
| <input type="checkbox"/> Postcard | <input type="checkbox"/> MP | <input type="checkbox"/> Citizen Service Point |
| <input type="checkbox"/> Ask Bristol notification | <input type="checkbox"/> Twitter advertisement | <input type="checkbox"/> Council officer |
| <input type="checkbox"/> Citizens' Panel notification | <input type="checkbox"/> Facebook advertisement | <input type="checkbox"/> Word of mouth |
| <input type="checkbox"/> Voice & Influence Partnership | <input type="checkbox"/> Radio / TV | <input type="checkbox"/> Other (please specify) |
| <input type="checkbox"/> Friends of/campaign group – (please say which) | <input type="checkbox"/> Newspaper/online newspaper | <input type="text"/> |

10. Please say which of the following describes your situation

- | | | |
|---|--|--|
| <input type="checkbox"/> Resident | <input type="checkbox"/> Voluntary / Community / Social Enterprise | <input type="checkbox"/> Bristol City Council employee |
| <input type="checkbox"/> I work in Bristol but live elsewhere | <input type="checkbox"/> Councillor | <input type="checkbox"/> Other (please specify) |
| <input type="checkbox"/> I represent/own a local business | <input type="checkbox"/> MP | <input type="text"/> |
| <input type="checkbox"/> Housing Association | <input type="checkbox"/> Health / social care provider | |
| | <input type="checkbox"/> Transport provider | |

Thanks for taking part in this consultation. Please return this survey to us by **Monday 17 December** – using the freepost envelope provided.

If you don't have a freepost envelope, please request one from us by emailing **consultation@bristol.gov.uk** or calling **0117 922 2848**.

Please do not use your own envelope as the freepost service rules have changed.

What happens next?

The consultation on our 2019/2020 budget is open until **Monday 17 December 2018** and you need to complete the survey and submit it before that date to ensure your views are taken into account.

You can request alternative formats of this document by contacting the consultation team on **consultation@bristol.gov.uk** or by calling **0117 922 2848**.

All responses to the consultation will be analysed and included in a report that will be published on the Bristol City Council website in early 2019.

Your responses will help inform final proposals which will be considered by Full Council at its budget-setting meeting in February 2019.

Data Protection: data you supply will be held and used in accordance with the General Data Protection Regulation. Personal information you supply is confidential. The council will only publish aggregate or summary results from the consultation, which will not identify individuals. Information will be stored for three years.

If you would like this information in another language, Braille, audio tape, large print, easy English, BSL video or CD rom or plain text please contact us by emailing consultation@bristol.gov.uk or calling **0117 922 2848**.

