

Somerset West and Taunton Council

Special Full Council – 13 April 2021

Consultation on Local Government Reform – Response to One Somerset Proposal

This matter is the responsibility of the Leader of the Council, Cllr Smith-Roberts

Report Author: James Hassett, Chief Executive

1. Executive Summary / Purpose of the Report

- 1.1 On 9 October 2020, Robert Jenrick, Secretary of State for Housing, Communities and Local Government, invited local authorities in Somerset to submit a proposal for a single tier of local government by 9 December 2020. The four district authorities had already submitted an outline business case, in September 2020, with support from Full Council.
- 1.2 The final version of the Stronger Somerset Business Case was signed off by Council on the 3 December 2020, before being submitted to the Secretary of State for Housing, Communities and Local Government on the 9 December 2020.
- 1.3 On 22 February 2021, the Government commenced consultation on Local Government Reorganisation for Somerset inviting feedback on both the Stronger Somerset and the One Somerset Proposals. The Secretary of State has invited Stronger Somerset to critique the One Somerset proposal and vice versa. One Somerset is the alternative to the districts' Stronger Somerset proposal and recommends the creation of a new, single unitary to cover the administrative district of Somerset.
- 1.4 Stronger Somerset asked PA Consultancy as professional experts to complete a review of the One Somerset Business Case and their report is attached as Appendix A to this report.
- 1.5 The purpose of this report is to detail the planned response on behalf of Somerset West and Taunton (SWT) Council. Whilst legally this is an Executive decision, it is important that this is presented to Full Council to ensure transparency and an open debate relating to the important topic of Local Government Reform in Somerset. At all times SWT has been balanced in its debate on Local Government Reorganisation for Somerset. Links to both Business Cases can be found at the end of this report.

2. Recommendations

2.1 It is recommended that Full Council:-

1. Endorses the submission of the response to the consultation, including the PA Consultancy professional experts critique attached as Appendix A and the Ipsos Mori Poll at Appendix B, on proposals for reform of local government in Somerset, specifically in respect of the One Somerset proposal.
2. Note that the decision to submit the consultation response requires an Executive decision to be made before final submission. Whilst this is legally an Executive decision, it is felt important that this is debated by Full Council to ensure transparency and openness. It is proposed that following Full Council's decision on whether or not to endorse the consultation response, the Leader of the Council will make the Executive decision to submit the consultation response to the Ministry of Housing Communities and Local Government by the deadline of 19 April 2021.

3. Risk Assessment

- 3.1 As the Secretary of State has asked both One Somerset and Stronger Somerset to provide a critique of the other's proposal, it would potentially leave Stronger Somerset at a disadvantage if it failed to submit a consultation response

4. Background and Full details of the Report

- 4.1 In accordance with the Local Government and Public Involvement in Health Act 2007, the Secretary of State must consult with any local authority that is affected by a proposal (but which has not submitted it) and any other persons as he considers appropriate. On 22 February 2021, the Government opened a consultation on all proposals submitted. **The consultation ends on 19 April 2021.**
- 4.2 Responses to the consultation will be considered by the Secretary of State against the following criteria before reaching a judgement on each of the proposals:
 - Is it likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership and more sustainable structures?
 - Does it command a good deal of local support as assessed in the round overall across the whole area of the proposal? and
 - Is it a credible geography consisting of one or more local government areas with an aggregate population which is either within the range of 300,000 to 600,000 or such other figures that, having regard to the

circumstances of the authority, including local identity and geography, could be considered substantial?

4.3 The Secretary of State, subject to Parliamentary approval, may implement a proposal with or without changes or may not implement any. If a proposal is to be implemented, the timeline set out in the consultation document suggests new Unitary Council(s) will come into existence from April 2023 (with transitional arrangements in place in 2022/23). As a consequence of this, the County Council elections planned for May 2021 are not taking place and have been deferred to May 2022.

4.4 The specific consultation questions are:

1) Is the Councils' proposal likely to improve local government and service delivery across each area? Specifically, is it likely to improve Council services, give greater value for money, generate savings, provide stronger strategic and local leadership and create more sustainable structures?

2) Where it is proposed that services will be delivered on a different geographic footprint to currently, or through some form of joint arrangements, is this likely to improve those services? Such services may, for example, be Children's Services, Waste Collection and Disposal, Adult Health and Social Care, Planning and Transport?

3) Is the Council's proposal also likely to impact local public services delivered by others such as the Police, Fire and Rescue and Health Services?

4) Do you support the proposal from the Councils?

5) Do the Unitary Council(s) proposed by the Councils represent a credible geography?

6) Do you have any other comments with regards to the proposed reorganisation of local government in each area?

5. Somerset West and Taunton Council Response

Our response is structured to answer the specific questions which are posed by the Secretary of State in his invitation.

Q1. Is the proposal likely to improve council services, will it give greater value for money, generate saving, provide strong strategic and local leadership and create more sustainable structures?

A1a. There is no evidence that the One Somerset proposal will lead to improved services, give greater value for money or provide strong strategic leadership and the proposal contains no plans to achieve this.

- 5.1 The One Somerset proposal provides neither a compelling nor ambitious vision for Somerset's future, but appears to focus on reorganisation as an end in itself, rather than a stepping-stone to achieving the deeper change needed to really improve services and the quality of life for people in Somerset.
- 5.2 Whilst the One Somerset proposal shares some of the key challenges (identified in work conducted jointly between the districts and county in October 2019), the proposal does not go on to articulate in any way, how these challenges will be addressed by the changes proposed by One Somerset. As a result, there is a lack of evidence that these have been placed at the centre of a reform agenda. In fact, there is little detail to suggest from the proposals that consideration has been given on how to deliver better services and improved outcomes for the people of Somerset. If it had, this would have led them to the need for reform to be the central pillar, from which the proposed structure would have flowed. The district authorities in Somerset believe that significant reform is required to deliver better, more sustainable adults', children's and public health services. The One Somerset proposal is silent on this, despite evidence of consistent performance issues in relation to children's and adults' services, as evidenced by recent Ofsted and CQC inspections for Children's Services and Special Educational Needs and Disabilities and the most recent Adults Social Care Outcomes Framework data, where more than half of indicators are in the bottom 50% of England rankings.
- 5.3 There is a broader question of why some of the changes sought in the One Somerset case are not already planned or delivered, as many are not dependent on a structural change for the county. The lack of a rigorous reform narrative combined with current service performance means that we cannot be confident that the One Somerset case provides a path to outstanding services.
- 5.4 In addition to concerns around its key services, the One Somerset proposal does little to address how it plans to reduce inequality, level up and meet other national policy drivers.

A1b We do not believe that the One Somerset proposal addresses the significant challenges created by increasing demand for key services or delivers service reform. As a result, the proposal cannot offer sustainability of service delivery into the future which presents a risk to residents, particularly the most vulnerable.

- 5.5 The One Somerset proposal focuses on a one-off programme of transition and change, attributable in large part to restructuring. It does not set the

foundations for dealing with the known financial shortfalls let alone the likely future local government budget reductions which will fall on Somerset, or how services will deal with unprecedented increases in demand, particularly across social care and public health, and made more urgent due to Covid-19. The proposal is disappointing in its limited field of vision and is a missed opportunity.

- 5.6 When we consider the County Council's wider record on managing demand-led service costs, it has struggled in this area to date. County Council budget outturns show, for example, that children's services have consistently overspent each year between 2016/17 to 2019/20, with money being taken from other services (notably economic and community infrastructure) to meet this overspend.
- 5.7 Given the challenging combination of poor performance in some service areas (as evidenced by the inspections referred to previously), together with the failure to demonstrate how demand will be tackled, it is disappointing that there is no evidence in the proposal to suggest that any changes to existing ways of working are proposed, and that the trajectory would therefore change. The proposal misses the opportunity for reorganisation to look to improve services and outcomes for residents so that real progress can be made in improving quality of life and services can be provided on a financially sustainable footing. As a result, the proposal represents a serious risk of deteriorating services that fail Somerset's residents and communities.

A1c. We do not believe that strong local leadership will result from the One Somerset proposal, as the structure proposed is imposed top down and will inhibit a truly localist approach. There is a risk of disconnect between the council and the communities it serves.

- 5.8 Local Community Networks is a potentially promising reform with the potential to drive more localism but the design outlined is top down and is undermined by a significant reduction in democratic representation. The approach is modelled on that taken forward in other large unitary councils where it is known that communities have disengaged as their voice and needs are not heard and they have little influence over decisions of the councils designed to service them. The proposals represent a step backwards from the Area Panels model employed in Somerset West and Taunton rather than reorganisation being utilised as an opportunity to go further in engaging and empowering communities and being able to tailor delivery to different local community needs.
- 5.9 The One Somerset proposal does not acknowledge the differing challenges and different local economies that exist in what is a large county. The reality

of the Eastern side of Somerset is that it is formed of attractive market towns and surrounding villages, that need a tailored approach and one that is very different to the Taunton and Bridgwater dominance that our local councils fear. Whilst a monolithic council, centred in Taunton, would be close, accessible and accountable to the people it serves, this would obviously not be the case for many parts of the potential One Somerset area. Our Ipsos MORI poll showed clearly the higher level of trust which residents place in their district council compared to the county council. The poll also demonstrated residents' views that Eastern and Western Somerset are different in character and needs and that communities are demanding a more localist approach. The One Somerset proposal neither acknowledges this nor will it deliver what residents want.

Q2. *Where it is proposed that services will be delivered on a different geographic footprint than currently, through some form of joint arrangements, is this likely to improve those services? Such services may, for example, be children's services, waste collection and disposal, adult health and social care, planning and transport*

A2. The One Somerset proposal overlooks the opportunity for more local delivery of services, to better meet the needs of the community. It is also silent on those services currently delivered by the district councils, such as housing and homelessness (and the role of these as wider determinants of health), environmental health or planning. It is therefore difficult to gauge how it is envisaged these will operate within a single unitary and the implication is that these have not been adequately thought through.

5.10 Under the One Somerset proposal, children's services continue to be both commissioned and delivered centrally, but it has been shown through independent assessment that this is not working optimally for recipients of these services. In this case, the lack of change to geographic footprint and absence of fresh thinking is detrimental to service users. The Stronger Somerset solution centres delivery with an Alternative Delivery Model but, crucially, recognises that commissioning needs to flex to meet the very different needs of Western and Eastern Somerset. The One Somerset proposal is essentially more of the same and does not address current concerns set out in inspection reports around quality of services.

5.11 One Somerset does not acknowledge that whilst some services are more efficient delivered at scale, others are more efficient delivered on a more local footprint with tailored services leading to better outcomes and lower cost. Instead, One Somerset appears to adopt a centralising approach of services all being delivered in the same manner countywide. This will lead to the deterioration of many services in the eyes of residents as they become less tailored to local needs.

- 5.12 One Somerset points to the emerging Integrated Care System (ICS) as the future delivery model for adult health and social care. However, it neglects the importance of creating a strengths-based, neighbourhood model to work with the Primary Care Networks (PCNs) and emerging ICS to ensure that solutions are place-led and locally delivered.
- 5.13 Waste services in Somerset are already delivered via a shared partnership, the Somerset Waste Partnership. Neither proposal impacts upon this.

Q3. *Is the proposal also likely to impact local public services delivered by others, such as police, fire and rescue, and health services?*

- 5.14 The administrative boundary of Somerset sits within the wider force boundary for Avon and Somerset Police and Devon and Somerset Fire and Rescue Service. However, it is important to note that both services operate within two divisions – one covering Eastern Somerset and one covering Western Somerset. A single county unitary would straddle two divisions for both the police and fire services. In fact, the service delivery boundaries for the Police and Fire and Rescue are closely co-terminous with those of the two unitaries proposed by Stronger Somerset.

Q4. *Do you support the proposal from this council?*

A4. Somerset West and Taunton Council does not support the proposal for One Somerset. The proposal has no ambition for improving services or plan to improve outcomes for communities and level up. It does not address: the current known financial shortfalls; the issues underpinning growing demand; or future likely reductions of funding. As a result, the proposal presents a serious risk of poorer outcomes for residents and communities, in particular the most vulnerable and service deterioration or even failure. We make additional observations here:

- 5.15 In our view, the One Somerset model will not deliver the economic growth necessary to level up. The One Somerset case does not mention economic growth, and yet it is fundamental to the prosperity of our area, improving quality of life and for the funding of local government and other public services. Post-Covid recovery plans are being developed across England, emphasising the need for inclusive growth. The government's devolution agenda will seek to accelerate the recovery, yet the One Somerset case is silent on the issue of devolution to generate the investment needed to transform the County.

- 5.16 The proposal does not sufficiently address concerns in relation to the current reserves of the County Council. The levels of the County Councils reserves, the ability to survive further unforeseen financial risks and the standards of financial management within the County have been a critical concern for the External Auditor in recent years. In 2019/20 the External Auditor continued to raise concerns about financial management and controls. Despite the significant attention and effort to replenish levels of reserves, the County's current levels of reserves are not high relative to comparator councils and many of the efficiency measures taken and savings achieved have largely been short term and/or opportunistic v transformational (a view supported by its external auditors).
- 5.17 The delivery of corporate transformation is a key and ongoing challenge for the County Council and delivering budgets in the Medium Term Financial Plan (MTFP) will require further savings to be delivered. Whilst financial management practices have improved, there is evidence that the County Council has not yet fundamentally tackled its strategic cost base. We would therefore characterise the improvement in the County Council's financial position as better cost management and cost control rather than delivering transformation of the County Council's cost base.
- 5.18 Within this context, One Somerset does not address how services as a whole will be reformed or even transformed to ensure they operate on a financially sustainable footing. Indeed, the financial savings proposed by One Somerset are less than the cumulative savings already identified as needed by the existing five councils of Somerset. This being the case, One Somerset presents a risk of financial failure and with it, a deterioration in services, rather than improvement, and possibly failure of key services.

Q5. Does the unitary council proposed represent a credible geography?

A5. No. The area proposed to be covered by one council is too large and its needs are too diverse. We do not believe it is possible for a single unitary to do justice to the unique characteristics across our people, place and economy.

- 5.19 Given the diversity and characteristics of Somerset, as well as the economic geography, a single unitary structure covering all of Somerset risks Local Government becoming disconnected from the people and places it serves.
- 5.20 Our county is geographically large – 1,331 sq. miles – with a very dispersed population. 48% of people living in Somerset live in a rural area, in sharp contrast to 18% for England. It takes people in Somerset 50% longer than

average to access services. Travel times within the county are significant and this is not overcome by digital connectivity which is poor. The business case does not acknowledge these differences or set out how it would maintain a place-led focus to mitigate this risk and recognise the community geography.

- 5.21 The One Somerset proposal does not reflect the natural economic geography of Somerset. There is no description of how it intends to take account of its scale to provide services that are genuinely responsive to the different businesses in the county. There is also no mention of the different functional economic areas which are characterised by very different economic make-up, and how this will be addressed by a council of this scale.
- 5.22 Within the next ten years, the population of Somerset will be more than 600,000 people (Office of National Statistics (ONS) 2019 mid-year estimates), which exceeds the highest stated desirable size for a unitary authority. The size of the population added to the size of the county means that it is impossible to see how one council for Somerset could fit the definition of being truly local government.

Q6. Do you have any other comments with regards to the proposed reorganisation?

A6a. The District Councils have commissioned a report from PA Consulting which objectively analyses the One Somerset Proposal. A copy of the report is attached at Appendix A and the Secretary of State is invited to take this analysis into consideration.

A6b The District Council commissioned IPSOS MORI to undertake a poll of a representative sample of residents. A copy of the report is attached at Appendix B. The poll shows that the One Somerset proposal does not have the support of the majority of residents. Indeed, of the four options residents were asked their preference on, One Somerset was the least popular with only 15% support, with more residents even preferring no change. The option most supported was that for two new councils proposed by the district councils in Stronger Somerset.

7. In Summary

- 7.1 The Secretary of State issued the following guidance to those authorities wishing to submit a proposal. A proposal should seek to achieve for the area concerned the establishment of a single tier of local government, that is the establishment of one or more unitary authorities:

- a. which are likely to improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and which are more sustainable structures;
- b. which command a good deal of local support as assessed in the round overall across the whole area of the proposal; and
- c. where the area of each unitary authority is a credible geography consisting of one or more existing local government areas with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography, could be considered substantial.

7.2 In respect of sustainable structures, improving value for money and delivering savings the One Somerset business case takes only a short to medium-term view on financial sustainability, with little comment on the actions required to manage long-term future demand and cost. The value for money analysis is necessarily focused on restructuring and, whilst there is a description of a new operating model in the business case, the costs and benefits of this are not quantified. In general terms, we consider that the financial analysis is a little over-simplified for a proposal of such significance.

7.3 One Somerset's vision for creating better services in Somerset is not supported by sufficient detail as to how it plans to achieve that ambition. In respect of both children's and adults' services this is concerning, given recent under performance and increasing demand. We also note very limited development of a firm ambition for devolution or a wider economic strategy for the region, which is disappointing given the acknowledged underperformance on a wide range of economic indicators when compared to the national average. The lack of plans calls into question the deliverability of the business case and the likelihood of it improving local service delivery and achieving better outcomes.

7.4 The One Somerset business case gives an account of how it plans to develop Local Community Networks (LCNs) as a way of "giving people real power and real influence over the decisions that affect them most." However, there are inconsistencies in the aims and ethos described compared with the planned approach, which casts doubt on its potential effectiveness at fostering local engagement in the scheme. The business case describes that the geography of LCN's will be based on PCNs. This 'top down' approach to boundaries appears at odds with genuine localism which is unlikely to always align with PCN boundaries. The business case also suggests that LCNs will operate as 'committees of the council cabinet.' Evidence from other places such as Wiltshire, where this structure is in place, suggest that these mechanisms are poorly attended and also perceived as top down structures. There is no

reference to any new team to deliver this work and no costs, which makes the subsequent content an aspiration at this point, rather than something that has been planned and costed into a new model

In addition, a single council may struggle to reflect the diverse economic geography of Somerset, creating an effective barrier to providing tailored services that are responsive to the different businesses in the four functional economic market areas that exist.

7.5 We did not find evidence to substantiate One Somerset's multiple claims of "significant and growing" support from different stakeholder groups. There are insufficient references, quotes, or names to corroborate support from the groups claimed including business (the example quoted is from a charitable organisation), MPs, public sector partners, and town and parish councils. By contrast, we would draw your attention to the strong evidence of support from both councillors and the public for Stronger Somerset. The majority of District Councillors do not support One Somerset, with 85% of them, drawn from across the political spectrum, including Conservative, Liberal Democrat, Labour, Green and Independent, voting to support Stronger Somerset.

7.6 In evidencing public support, One Somerset does not publish the detail of the residents' survey (for example the methodology, the questions posed or full results), making it impossible to assess the validity of the figures quoted. The results are reported variously from self-selecting public surveys and Blue marble research, but the method, questionnaire and full results are not shared, which undermines the claims made.

8. Links to Corporate Aims / Priorities

8.1 There are no linkages to the Council's current Corporate Aims / Priorities

9. Finance / Resource Implications

9.1 None arising from this report

10. Legal Implications

10.1 The legal issues are set out in the body of this report

11. Environmental Impact Implications

11.1 None arising from this report

12. Safeguarding and/or Community Safety Implications

12.1 None arising from this report

13. Equality and Diversity Implications

13.1 None arising from this report

14. Social Value Implications

14.1 None arising from this report

15. Partnership Implications

15.1 None arising from this report

16. Health and Wellbeing Implications

16.1 None arising from this report

17. Asset Management Implications

17.1 None arising from this report

18. Data Protection Implications

18.1 None arising from this report

19. Consultation Implications

19.1 The consultation implications are set out in the body of this report

Democratic Path:

- **Audit, Governance and Standards Committee** – No
- **Cabinet/Executive** – As legally this is an Executive decision, the Leader will complete a delegated decision once the Council has endorsed the consultation response
- **Full Council** – Yes

Reporting Frequency: Ad-hoc

List of Appendices

Appendix A	Analysis of the One Somerset proposal by PA Consulting
Appendix B	Ipsos Mori Poll full report

Links:

One Somerset full proposal can be accessed [here](#)

Stronger Somerset full proposal can be accessed [here](#)

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