

Cabinet

Wednesday 13 December 2017

10.00 am Luttrell Room - County Hall,
Taunton



To: The Members of the Cabinet

Cllr D Fothergill (Chairman), Cllr D Hall (Vice-Chair), Cllr A Groskop, Cllr D Huxtable, Cllr C Lawrence, Cllr F Nicholson and Cllr J Woodman

All Somerset County Council Members are invited to attend meetings of the Cabinet and Scrutiny Committees.

Issued By Julian Gale, Strategic Manager - Governance and Risk - 5 December 2017

For further information about the meeting, please contact Michael Bryant or Scott Wooldridge or 01823 357628 swooldridge@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

This agenda and the attached reports and background papers are available on request prior to the meeting in large print, Braille, audio tape & disc and can be translated into different languages. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers



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AGENDA

Item Cabinet - 10.00 am Wednesday 13 December 2017

**** Public Guidance notes contained in agenda annexe ****

1 **Apologies for Absence**

2 **Declarations of Interest**

Details of Cabinet Member interests in District, Town and Parish Councils will be displayed in the meeting room. The Statutory Register of Member's Interests can be inspected via the Community Governance team.

3 **Minutes from the meeting held on 15 November 2017 (Pages 7 - 16)**

4 **Public Question Time**

The Chairman will allow members of the public to present a petition on any matter within the Cabinet's remit. Questions or statements about any matter on the agenda for this meeting may be taken at the time when each matter is considered.

5 **Decision to conclude the award of a contract for the provision of highway improvements at Colley Lane Southern Access Road (Pages 17 - 28)**

To consider the report

Possible exclusion of the press and public

PLEASE NOTE: Although the main report for this item not confidential, supporting appendices available to Members contain exempt information and are therefore marked confidential – not for publication. At any point if Members wish to discuss information within this appendix then the Cabinet will be asked to agree the following resolution to exclude the press and public:

Exclusion of the Press and Public

To consider passing a resolution under Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to exclude the press and public from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, within the meaning of Schedule 12A to the Local Government Act 1972:

Reason: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

6 **Implementation of the National Funding Formula for Schools and High Needs (Pages 29 - 40)**

To consider the report

7 **Any other urgent items of business**

Item Cabinet - 10.00 am Wednesday 13 December 2017

The Chairman may raise any items of urgent business.

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Agenda Annexe

THE MEETING – GUIDANCE NOTES

1 Inspection of Papers or Statutory Register of Member's Interests

Any person wishing to inspect reports or the background papers for any item on the agenda or inspect the Register of Member's Interests should contact Scott Wooldridge or Mike Bryant on (01823) 359048 or 357628 or email mbryant@somerset.gov.uk

2 Notes of the Meeting

Details of the issues discussed and decisions taken at the meeting will be set out in the Minutes, which the Cabinet will be asked to approve as a correct record at its next meeting. In the meantime, details of the decisions taken can be obtained from Scott Wooldridge or Mike Bryant on (01823) 357628 or 357148 or email mbryant@somerset.gov.uk

3 Public Question Time

At the Chairman's invitation you may ask questions and/or make statements or comments about **any matter on the Cabinet's agenda**. You may also present a petition on any matter within the Cabinet's remit. **The length of public question time will be no more than 30 minutes in total.**

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been signed. However, questions or statements about any matter on the agenda for this meeting may be taken at the time when each matter is considered.

If you wish to speak at the meeting or submit a petition then you will need to submit your statement or question in writing to Mike Bryant by 12.00pm on Friday prior to the meeting. You can send an email to mbryant@somerset.gov.uk or send post for attention of Mike Bryant, Community Governance, County Hall, Taunton, TA1 4DY.

You must direct your questions and comments through the Chairman. You may not take direct part in the debate.

The Chairman will decide when public participation is to finish.

If there are many people present at the meeting for one particular item, the Chairman may adjourn the meeting to allow views to be expressed more freely.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group. An issue will not be deferred because you cannot be present at the meeting.

Remember that the amount of time you speak will be restricted normally to two minutes only.

4 Hearing Aid Loop System

To assist hearing aid users, the Luttrell Room has an infra-red audio transmission system. This works in conjunction with a hearing aid in the T position, but we also need to provide you with a small personal receiver. Please request one from the Committee Administrator and return at the end of the meeting.

5 Emergency Evacuation Procedure

In the event of the fire alarm sounding, members of the public are requested to leave the building via the signposted emergency exit, and proceed to the collection area outside Shire Hall. Officers and Members will be on hand to assist.

6 Cabinet Forward Plan

The latest published version of the Forward Plan is available for public inspection at County Hall or on the County Council web site at:
<http://www.somerset.gov.uk/irj/public/council/futureplans/futureplan?rid=/guid/505e09a3-cd9b-2c10-89a0-b262ef879920>.

Alternatively, copies can be obtained by telephoning (01823) 359027 or 357628.

7 Excluding the Press and Public for part of the meeting

There may occasionally be items on the agenda that cannot be debated in public for legal reasons (such as those involving confidential and exempt information) and these will be highlighted in the Forward Plan. In those circumstances, the public and press will be asked to leave the room while the Cabinet goes into Private Session.

8 Recording of meetings

The Council supports the principles of openness and transparency, it allows filming, recording and taking photographs at its meetings that are open to the public providing it is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings and a designated area will be provided for anyone who wishing to film part or all of the proceedings. No filming or recording will take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chairman can inform those present at the start of the meeting.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

The Council will be undertaking audio recording of some of its meetings in County Hall as part of its investigation into a business case for the recording and potential webcasting of meetings in the future.

A copy of the Council's Recording of Meetings Protocol should be on display at the meeting for inspection, alternatively contact the Committee Administrator for the meeting in advance.

THE CABINET

Minutes of a meeting of the Cabinet held in the Luttrell Room, County Hall, Taunton, on Wednesday 15 November 2017 at 10am.

PRESENT

Cllr D Fothergill (in the Chair)

Cllr A Groskop	Junior Cabinet members:
Cllr D Hall	Cllr C Aparicio Paul
Cllr D Huxtable	Cllr F Purbrick
Cllr C Lawrence	Cllr Fraschini
Cllr F Nicholson	Cllr G Verdon

Other Members present: Cllr L Leyshon, Cllr J Lock, Cllr T Lock, Cllr T Munt, Cllr L Redman, Cllr W Wallace.

Apologies for absence: Cllr J Woodman

41 **DECLARATIONS OF INTEREST** – agenda item 2

Members of the Cabinet declared the following personal interests in their capacity as a Member of a District, City/Town or Parish Council:

Cllr A Groskop	South Somerset District Council
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Junior Cabinet Members declared the following personal interests in their capacity as a Member of a District, City/Town or Parish Council:

Cllr C Aparicio Paul	South Somerset District Council
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Cllr F Purbrick	Yeovil Town Council
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At the Chair of Cabinet's invitation Cllr Anna Groskop informed members of the sad death of Ian Clarke, South Somerset District Council's Monitoring Officer. The Chair thanked Cllr Groskop and noted that the Council's thoughts are with Mr Clarke's family.

42 **MINUTES OF MEETINGS OF THE CABINET HELD ON 18 OCTOBER 2017** - agenda item 3

The Cabinet agreed the minutes and the Chair signed these as a correct record of the proceedings.

43 **PUBLIC QUESTION TIME (PQT)** – agenda item 4

The Chair noted that two public questions had been submitted by Mr Behan and Mrs See regarding Early Help services. It was agreed that written responses would be provided by the Cabinet Member for Children and Families as neither speaker was in attendance.

44 **County Vision 2017-2021 - agenda item 5 – agenda item 5**

The Leader of the Council, Cllr David Fothergill introduced the report, noting: the importance of the Vision, encompassing partners both in and out of the County, and that the Vision had already been considered by the Scrutiny Committee for Policies and Place.

The Director – Corporate Affairs, Simon Clifford, noted that the Vision would be shared with key partners including district councils, Police, Devon and Somerset Fire & Rescue Service, Health, and representatives from the Voluntary, Community and Social Enterprise sectors. The Director further highlighted: the importance of improving people’s lives; links with the Health and Wellbeing Strategy; the recognition of financial stability; helping Somerset residents to remain independent and help themselves; the recent Scrutiny Committee debate and general support for the approach; and that a stakeholder event was planned in January.

Further points raised in debate included: the importance of partners taking ownership and working together; ensuring alignment with the Health and Wellbeing Strategy; looking at what kind of targets and metrics could be used to measure delivery; the impact of potential devolved powers; and ensuring alignment with the Council’s forthcoming new People Strategy.

The Director – Corporate Affairs responded to the points raised in debate, noting: recognition that the Vision could not be achieved by the Council alone; and that the Vision document was still being refined before being presented to Cabinet and Council for approval in February 2018.

The Chairman asked if there was support for the proposal and both Junior and Cabinet Members were in consensus.

Following consideration of the officer report, presentation, appendix and discussion the Cabinet RESOLVED to endorse the new Vision for Somerset and to note:

1. The Vision and its aims will be delivered by partners across Somerset and in some cases beyond our own boundaries.
2. The Vision and its aims are a long-term ambition on a timescale beyond the life of any single Administration.
3. All key decisions and impact assessments within SCC will reference the Vision and its aims to ensure alignment.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

45 **CHILDRENS SERVICES IMPROVEMENT UPDATE – WORKFORCE UPDATE** – agenda item 6

The Cabinet Member for Children and Families, Cllr Frances Nicholson, introduced the report, noting her thanks to the Director of Children's Services, the Cabinet Member for Corporate and Community Services and the Director of HR & OD.

The Director of HR & OD, Chris Squire, highlighted: the increased number of permanent Social Workers employed by the Council; the importance of the Council developing its own staff; the importance of organisational culture; Social Worker practice standards; value based recruitment; the reduction in staff turnover for Social Work roles; the 'think before you walk' approach; social value and the importance of opportunities for children leaving care; and 'try before you apply' opportunities for Social Workers to spend a day with the Council.

Further points raised in debate included: the importance of permanent staff; the importance of improving young people's lives; combined work with Adult Social Care; the importance of ensuring positive outcomes for children and young people; employment opportunities for care leavers and links to the 'grow your own' initiative; employing apprentices; staff retention and ensuring Social Workers stay in Somerset; and working with other Local Authorities.

The Director of Children's Services informed members of the Step Up to Social Work Programme, highlighting that Somerset County Council was the lead authority for the South West region.

The Chair highlighted that there was support for the progress that had been made and that both Junior and Cabinet Members were in consensus.

Following consideration of the officer report, presentation, appendix and discussion the Cabinet resolved to commend and note the progress that has been made with the Children's Workforce Development Strategy.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

46 **HEART OF THE SOUTH WEST PRODUCTIVITY CONSULTATION RESPONSE** – agenda item 7

The Cabinet Member for Resources and Economic Development, Cllr David Hall introduced the report, noting: the importance of responding to the consultation to the County Council, partners and local businesses; the importance of working with the Local Enterprise Partnership; and importance of Government 'buy-in'.

The Strategic Commissioning Manager – Economy and Planning, Paul Hickson, further highlighted that: the consultation follows the joint devolution

prospectus; and the consultation draft had been completed as a result of collaborative work across the South West region.

Further points raised in debate included: the importance of a robust consultation response; links between a university for Somerset and the 'grow your own initiative'; the importance of the rural economy to Somerset; the importance of tourism and connectivity in rural areas; the importance of the South West region working together; and the work of the Scrutiny Committee for Policies and Place.

There was a consensus of support from the Junior and Cabinet Members to the proposals.

Following consideration of the officer report and discussion the Cabinet resolved to:

1. Endorse the vision, strategic themes and objectives proposed in the consultation draft of the Heart of the South West Productivity Strategy.
2. Approve the points set out in paragraph 1.7 of this report as key considerations for SCC's response to the consultation draft; and
3. Delegate to the Lead Director for Economic and Community Infrastructure approval of the final technical response to the consultation by the deadline of 30th November 2017.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

47 **Heart of the South West – Proposed Joint Committee** – agenda item 8

The Cabinet Member for Resources and Economic Development, Cllr David Hall, introduced the report noting: two bordering areas already have devolution deals; positive messages from central government; the formation of the Committee was as a result of 2 years of work; Somerset County Council has the lead governance role; the importance of protecting all Council's existing powers and functions; removing the requirement for an elected Mayor; the Joint Committee would include representatives from Local Authorities, the National Park Authority, the Local Enterprise Partnership and Clinical Commissioning Groups; the financial contribution required from each member authority; and that the first formal meeting of the Joint Committee was scheduled to take place at the end of January 2018.

Cllr Hall further highlighted an amendment to paragraph 11.5 of Appendix B – Inter Authority Agreement to read 'All press releases and public statements to be sent out on behalf of the Joint Committee shall be the responsibility of the press office of the Administering Authority'.

Further points raised in debate included: the staffing impact for the Council's Democratic Services Team; the importance of the region working together;

FOI requests and potential time commitment; and the importance of budget transparency.

In response to the points raised in debate, the Council's Monitoring Officer, Julian Gale, noted: the importance of the Joint Committee being regionally owned; and the requirement for a budget and cost sharing agreement. The Cabinet thanked the Monitoring Officer for his extensive work on the proposals.

There was a consensus of support from the Junior and Cabinet Members to the proposals.

Following consideration of the officer report, appendix and discussion the Cabinet resolved to recommend the Council to:

1. Approve the recommendation of the HotSW Leaders (meeting as a shadow Joint Committee) to form a Joint Committee for the Heart of the South West;
2. Approve the Arrangements and Inter-Authority Agreement documents set out in appendices A and B for the establishment of the Joint Committee with the commencement date of Monday 22nd January 2018;
3. Appoint the Council's Leader - Cllr D Fothergill - and the Deputy Leader - Cllr David Hall - as the Council's named representative and substitute named representative on the Joint Committee;
4. Appoint Somerset County Council as the Administering Authority for the Joint Committee for a 2 year period commencing 22nd January 2018;
5. Approve the transfer of the remaining joint devolution budget to meet the support costs of the Joint Committee for the remainder of 2017/18 financial year subject to approval of any expenditure by the Administering Authority;
6. Approve an initial contribution of £10,500 for 2018/19 to fund the administration and the work programme of the Joint Committee, noting that any expenditure will be subject to the approval of the Administering Authority;
7. Agree that the key function of the Joint Committee is to approve the Productivity Strategy (it is intended to bring the Strategy to the Joint Committee for approval by February 2018);
8. Authorise the initial work programme of the Joint Committee aimed at the successful delivery of the Productivity Strategy;
9. Agree the proposed meeting arrangements for the Joint Committee including the timetable of meetings for the Joint Committee as proposed in para 2.14

Note – The Cabinet agreed the following amended paragraph 11.5 of Appendix B of the report (the inter-authority agreement) as follows:

11.5 All press releases and public statements to be sent out on behalf of the Joint Committee shall be the responsibility of the press office of the Administering Authority.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report and noting the amendment agreed at the meeting

REASON FOR DECISION: As set out in the officer report and amendment agreed at the meeting

48 Annual Report of the Director of Public Health – agenda item 9

The Cabinet Member for Public Health and Wellbeing, Cllr Christine Lawrence, introduced the report.

The Director of Public Health, Trudi Grant, highlighted that there are currently 6000 deaths per year in Somerset; the majority of people want to die at home and not in hospital; we are good at planning for births, but not deaths; and that we all need to ensure our wishes are known.

Further points raised in debate included: the importance of a dignified death; discussion at the recent Health and Wellbeing workshop; using Parish Council's to help disseminate information from the report; the financial costs at the end of life; place of death statistics; suicide statistics in Somerset; the practical challenges being experienced for cremations for larger people with particular reference to the Yeovil area.

In response to the points raised in debate, the Director of Public Health noted that Somerset's suicide statistics were in line with national averages.

The Public Health Specialist further noted that the majority of suicides in Somerset are young men; that dying in hospital isn't necessarily bad and may be the most comfortable place for some people with terminal conditions; and the importance of the work of hospices.

There was a consensus of support from the Junior and Cabinet Members to the proposals.

Following consideration of the officer report and discussion the Cabinet resolved to:

1. be an advocate for a calm and dignified end of life
2. encourage people to plan ahead and make their wishes known
3. be an advocate for carers and ensure the role of Somerset's volunteers is promoted and valued
4. encourage cooperation between organisations, especially at this very sensitive time

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

49 Quarter 2 Revenue Budget Update – agenda item 10

The Cabinet Member for Resources and Economic Development, Cllr David Hall, introduced the report noting: the revenue budget overspend was currently predicted to be £9.1m or 2.92% of the total budget; and that Children's Services accounted for £3.48m of the overspend.

The Director of Finance, Legal and Governance, Kevin Nacey, highlighted that the overspend had not been sufficiently reduced since the last update.

The Leader of the Council noted his disappointment at the potential projected overspend, and requested that the Chief Executive and the Director of Finance and Performance take all necessary actions to reduce the projected overspend. This proposed amendment to the recommendations was approved unanimously by the Cabinet.

Further points raised in debate included: the importance of spending wisely when someone needs help; the Clinical Commissioning Groups contributions to Children's Services activity; preventing the need for high cost provision; accommodation for care leavers and working with District Council's; ensuring the Council receives timely payment of invoices; and the use of schools reserves.

In response to the points raised in debate, officers noted that the Council only writes-off a very small percentage of debts; and the Council is working with housing providers and the voluntary sector, but there is a shortage of accommodation suitable for care leavers.

There was a consensus of support from the Junior and Cabinet Members to the proposals and the management action being undertaken.

Following consideration of the officer report and discussion the Cabinet resolved to note the contents of this report and the potential outturn position for the year and to authorise the Chief Executive and the S151 Officer to take any necessary actions to reduce the projected overturn.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

50 **Quarter 2 Capital Budget Update** – agenda item 11

The Cabinet Member for Resources and Economic Development, Cllr David Hall, introduced the report noting: the capital budget was well managed with a £0.577m overspend representing less than 0.5% of the total budget; and that the building of new schools was likely to increase.

Further points raised in debate included the potential options for increasing the value of the Capital Investment Programme and accommodation for young people and care leavers.

Following consideration of the officer report and discussion the Cabinet resolved to note the contents of this report.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

51 **Treasury Management Mid-Year Report 2017-18** – agenda item 12

The Cabinet Member for Resources and Economic Development, Cllr David Hall, introduced the report noting that the report gives a summarised account of Treasury Management activity and was being brought to Cabinet for consideration as the Council is embracing CIPFA's best practice recommendations. The Cabinet Member further noted that the Council's level of debt remains unchanged and that the average level of interest paid is 4.66%.

Further points raised in debate included: compliance with prudential indicators and ensuring any borrowing is affordable; the average rate of interest currently being paid by the Council; and the interest rate which would be applied to any new borrowing.

Following consideration of the officer report and discussion the Cabinet resolved to note the contents of this report.

Following consideration of the officer report and discussion the Cabinet resolved to endorse the Treasury Management Mid-Year Report for 2017-18 and recommend it is received and endorsed by Full Council on 29th November 2017.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

52 **Quarter 2 2017/18 Performance Monitoring Report** – agenda item 13

The Cabinet Member for Resources and Economic Development, Cllr David Hall, introduced the report noting that: there are currently two segments of the performance wheel which are rated as red, Safer Children and Better Care and Managing our Business; and that there were no segments with declining performance.

The Strategic Manager – Performance, Emma Plummer, further noted the improved performance of the Managing our Business indicator and highlighted the performance summary detailed in the report which showed there were no objectives with a downward direction of travel.

Further points raised in debate included: ensuring the proposed actions are adequate to improve performance.

The Commercial and Business Services Director highlighted the work of the Technology and People Programme.

Following consideration of the officer report, appendices and discussion the Cabinet :

1. Considered the information contained within this report specifically those areas identified as a potential concern under Section 3.0 of this report and the "issues for consideration" section of Appendix A.

2. Considered that the proposed management actions are adequate to improve performance to the desired level.
3. Agreed this report and Appendix A as the latest position for Somerset County Council against its County Plan.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

53 **Somerset Waste Partnership Draft Business Plan 2018 – 2023** – agenda item 14

The Cabinet Member for Resources and Economic Development introduced the report noting that: Mickey Green had recently been appointed as the Waste Partnership's Managing Director; the Somerset Waste Partnership was formed 10 years ago; that significant changes were planned across Waste Partnership contracts; and the importance of effective communication.

The Waste Partnership's Managing Director made a powerpoint presentation to the meeting and highlighted: significant changes would include greater waste prevention, recycling and recovery; the importance of engaging with children; the importance of the use of data and technology; legislative changes; the proposed new energy from waste facility and associated financial savings; and launching the Waste Partnerships new website.

Further points raised in debate included: proposed future changes to collection frequencies as a result of Recycle More; potential HR implications; the importance of communication with the public; and a request for further details of the recycle more proposals, along with the Chair proposing an associated amendment to the report's recommendation to remove the requirement to note the proposals for recycle more. The proposed amendment was agreed by the Cabinet.

In response to the points raised in debate the Lead Director for Economic and Community Infrastructure noted that Waste Partnership core team are SCC employees, and that contractor's employees would normally be subject to TUPE arrangements if required.

The Chair highlighted that there was a consensus amongst Junior and Cabinet Members.

Following consideration of the officer report, presentation, appendix and discussion the Cabinet resolved to approve the Somerset Waste Partnership's Draft Business Plan 2018-23 (as set out in Appendix A).

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

54 **Medium Term Financial Plan 2018/19 – proposed capital and revenue savings** – agenda item 15

The Director of Finance, Legal and Governance introduced the report noting: the importance of helping people to help themselves; the forecast revenue budget gap for 2018/19 was £7.6m; the work of the Strategic Opportunities Board; that if successful the Council's housing infrastructure bid would result in £15m extra funding during the 2017/18 financial year; and that the savings proposals would be brought to the Council's three Scrutiny Committees during January 2018.

Further points raised in debate included the need for further details regarding the savings proposals.

Following consideration of the officer report and discussion the Cabinet resolved to note the forecast MTFP position for 2018/19 and note the likely timetable of announcements of key funding decisions by government that will determine our own course of actions.

ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report

REASON FOR DECISION: As set out in the officer report

55 **ANY OTHER URGENT ITEMS OF BUSINESS** – agenda item 16

The Cabinet Member for Public Health and Wellbeing noted that the Council had been awarded a Leading Light Accolade for its domestic abuse work.

CHAIR

Decision Report – Key decision
– 13 December 2017

Decision to conclude the award of a contract for the provision of highway improvements at Colley Lane Southern Access Road

Cabinet Member(s): Cllr John Woodman – Cabinet Member for Highways and Transport

Division and Local Member(s): Cllr David Loveridge, Cllr Leigh Redman and Cllr Bill Revans

Lead Officer: Mike O’Dowd-Jones - Strategic Commissioning Manager, Highways and Transport

Author: Sunita Mills - Service Commissioning Manager Transport Policy

Contact Details: 01823 359763

	Seen by:	Name	Date
	County Solicitor	Honor Clarke	22/11/17
	Monitoring Officer	Julian Gale	23/10/17
	Corporate Finance	Kevin Nacey	
	Human Resources	Chris Squire	23/10/17
	Property / Procurement / ICT	Richard Williams	01/12/17
	Senior Manager	Paula Hewitt Michele Cusack Alyn Jones	27/12/17
	Local Member(s)	Cllr David Loveridge Cllr Leigh Redman Cllr Bill Revans	23/10/17 23/10/17 25/10/17
	Cabinet Member	Cllr John Woodman Cabinet Member for Highways and Transport	23/10/17
	Opposition Spokesperson	Cllr Mike Rigby Highways and Transport	23/10/17
	Relevant Scrutiny Chairman	Cllr Tony Lock for Scrutiny Place	23/10/17
Forward Plan Reference:	FP/17/09/13		
Summary:	<p>The Colley Lane Southern Access Road (CLSAR) scheme has been in development for in excess of 10 years The procurement process has now been completed and this Key Decision needs to be taken to award the contract.</p> <p>The Tender Evaluation Report is attached as Confidential Appendix A.</p>		

<p>Recommendations:</p>	<p>That the Cabinet</p> <ol style="list-style-type: none"> 1. Agrees to award a contract for highway improvements and associated works to deliver the Colley Lane Southern Access Road to the supplier identified in Appendix A, following a competitive process. 2. Agrees to allocate a maximum sum of £4.004m towards the scheme funded from the Council's capital programme to ensure scheme construction can commence whilst other funding sources continue to be explored. A proportion of this is contingency funding released from other major transport projects. 3. Agrees the case for exempt information for Appendix A to be treated in confidence, as public disclosure of the commercially sensitive data contained within would prejudice the Council's position in ensuring competitiveness of future tender processes. 4. Agree to exclude the press and public from the meeting where there is any discussion at the meeting regarding exempt or confidential information (Appendix A). <p>Exclusion of the Press and Public To consider passing a resolution under Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to exclude the press and public from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, within the meaning of Schedule 12A to the Local Government Act 1972:</p> <p>Reason: Information relating to the financial or business affairs of any particular person (including the authority holding that information).</p> <ol style="list-style-type: none"> 5. The County Council reserves the right to not proceed with the award of a contract should new information come to light during the standstill period and/or before entering into a contract. In this instance, it is recommended that the ECI Commissioning Director and the Director of Commercial and Business Services be given joint delegated authority to take any necessary action to protect the Council interests - this could include
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	<p>a decision not to enter into a contract and go back out to market.</p>
<p>Reasons for Recommendations:</p>	<p>Appendix A contains commercially sensitive information relating to the tender submissions. Detailed commercial reasons for these recommendations are set out in that Appendix.</p> <p>This transport scheme has been developed to reduce congestion and to improve access to Bridgwater. Significant developer contributions have been secured, in particular in connection with housing developments in South Bridgwater. A contribution has also been secured in connection with the Hinkley Point C project given the importance of the scheme helping to manage traffic flows.</p> <p>This decision will allow the Council to award a contract, following the competitive tender process which has identified the most economically advantageous tender for the works.</p> <p>This decision now needs to be taken to award the contract so that works can commence to ensure timely delivery on the ground.</p> <p>A significant amount of expenditure has already been incurred in the development and advance works associated with the scheme such as utility diversions and vegetation clearance.</p>
<p>Links to Priorities and Impact on Service Plans:</p>	<p>The proposed major transport scheme is a major investment in transport infrastructure in Bridgwater. This investment in infrastructure would support development and the local economy and further the following objectives of the County Plan:</p> <ul style="list-style-type: none"> • a thriving local economy, which attracts jobs and investment; and • invest in Somerset; improve broadband connections and road links like the A303, to help businesses and residents. <p>The procurement process has followed the principles contained in the Social Value Policy Statement to deliver social value benefits.</p> <p>The scheme is included in the Future Transport Plan 2011-2026.</p>
<p>Consultations and co-production undertaken:</p>	<p>The opposition spokesperson, Scrutiny Chair for Policies and Place and local Members are being consulted as part of this decision process. Any comments received will be incorporated into the final version of the report.</p> <p>The Bridgwater CLSAR is part of both the Taunton/Bridgwater/Wellington Transport Strategy and the Local</p>

	<p>Transport Plan. It has therefore been the subject of substantive public consultation.</p> <p>Public consultation took place as part of the planning process in 2015 and no objections were received. Planning permission (1/08/15/054) was granted on 15 March 2015 subject to a number of conditions. Prior to commencement of delivery of the scheme SCC will be required to discharge conditions as set out in the planning approval.</p> <p>Discussions with affected landowners and local residents have taken place throughout the development of the scheme.</p> <p>Consultation took place through the CPO process.</p>												
<p>Financial Implications:</p>	<p>A recent review of the funding package and developer contributions (taking latest indexation into account) concludes that up to £18.384m is currently available for the scheme comprising:</p> <table border="1" data-bbox="544 925 1466 1153"> <thead> <tr> <th>Funding source</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>EDF S106 contributions</td> <td>£2.0m</td> </tr> <tr> <td>Persimmon and Bloor S106 contributions</td> <td>£9.38m</td> </tr> <tr> <td>DfT Productivity Investment Fund</td> <td>£3.0m</td> </tr> <tr> <td>SCC capital programme</td> <td>£4.004m</td> </tr> <tr> <td>TOTAL</td> <td>18.384</td> </tr> </tbody> </table> <p>The terms of the South Bridgwater S106 agreement enable funds to be drawn from the developers as payments are incurred on the scheme. i.e. retrospectively. The two main developers (who are between them solely responsible for the relevant payments in accordance with percentages set out in the S106), Persimmon and Bloor are currently making appropriate payments when due.</p> <p>By the end of Sept 2017 approximately £2.51m developer contributions had been spent on scheme development and advance preparatory works following earlier decisions to proceed with advance works.</p>	Funding source	Value	EDF S106 contributions	£2.0m	Persimmon and Bloor S106 contributions	£9.38m	DfT Productivity Investment Fund	£3.0m	SCC capital programme	£4.004m	TOTAL	18.384
Funding source	Value												
EDF S106 contributions	£2.0m												
Persimmon and Bloor S106 contributions	£9.38m												
DfT Productivity Investment Fund	£3.0m												
SCC capital programme	£4.004m												
TOTAL	18.384												
<p>Legal Implications:</p>	<p>The procurement process undertaken complied with the requirements of the Public Contracts Regulations 2015. The NEC 3 Contract provides a mechanism for dealing with risks and the associated costs of those risks as they arise.</p>												
<p>HR Implications:</p>	<p>HR implications have been considered and no issues have been identified.</p>												

Risk Implications:	<p>A suitable supplier has been identified as part of the procurement process.</p> <p>If the decision is not implemented there is a business and reputational risk related to the Council not delivering major transport infrastructure.</p> <p>Not selecting a contractor would delay the scheme being delivered and the wider economic benefits may not be realised.</p> <p>The developer funding contributions are drawn down in arrears, which presents a risk that SCC would have to cover any costs in the event that the developers refused or delayed payment. This is considered a low risk as developers are currently meeting requirements for payment.</p> <p>The scheme is a complex engineering project that is being constructed in challenging ground conditions; there is a significant element of risk to this however SCC has used technical experts to understand the ground conditions and to design the structures involved. There is significant transfer of risk to the contractor which will ensure the risk surrounding scheme costs escalating over the life of the project is reduced. The contract is on an Option A basis which means that risks around quantities against the design are taken by the contractor.</p> <p>A full risk assessment for the scheme has been completed and an allocation for risk has been included within the cost estimate.</p>				
	Likelihood	2	Impact	3	Risk Score

<p>Other Implications (including due regard implications):</p>	<p>The works are largely off-line and away from the main arterial routes into the town. There will be limited road closures and diversions in place when the works are being completed which will mean restricted access to a small section of the community for a period of time during the works.</p> <p>Implications for equality & diversity, human rights, community safety, sustainability, FOI and data protection have been considered and no issues have been identified.</p> <p>All tenderers have given due regard to the awareness and application of the equalities, social and economic requirements of the Council. The contract documents will include requirements regarding monitoring of the successful Contractors' compliance.</p> <p>Equalities Implications The scheme includes improvements to pedestrian and cycling links and increases accessibility across the town for both motorised and non-motorised modes. In particular it provides significantly improved access to the Colley Lane from south Bridgwater where new cycling connections have recently been completed.</p> <p>Community Safety Implications The scheme provides a safer environment for pedestrians and cyclists via dedicated pedestrian and cycle facilities.</p> <p>Sustainability Implications The scheme encourages sustainable travel via dedicated pedestrian and cycle facilities.</p> <p>Health and Safety Implications Highways improvement contracts require robust health and safety procedures to be in place. In particular safe working practice on the highway and how contractors' health and safety performance will be monitored generally.</p> <p>Privacy Implications Privacy implications have been considered and no issues have been identified.</p> <p>Health and Wellbeing Implications The scheme encourages health and wellbeing via the sustainable travel benefits set out above in respect of enabling walking and cycling.</p> <p>An Equalities Impact Assessment has been completed.</p>
<p>Scrutiny comments / recommendation (if any):</p>	<p>Not applicable.</p>

1. Background

- 1.1. The Colley Lane Southern Access Road (CLSAR) is a proposal to construct a new carriageway in Bridgwater to provide access into the Colley Lane Industrial Estate from the South. The new road will run in a southerly direction from Parrett Way to Marsh Lane with a new roundabout at the existing Marsh Lane/Showground Road junction. The proposals are being funded through contribution towards transport infrastructure in South Bridgwater, secured through legal agreements with developers.
An updated cost estimate has been completed and additional funding over and above the original allocation has been secured
- 1.2. The Bridgwater Transport Study identifies the CLSAR as being of primary importance to the management of traffic in Bridgwater. The Colley Lane Industrial Estate can only be accessed from the A39 north of the estate. This means vehicles travelling from the south must use the A38 Taunton Road and Broadway, before turning back south into the estate via Salmon Parade.
- 1.3. The provision of the CLSAR will enable vehicles from the south to enter and exit the estate without passing along Broadway and Taunton Road.
The Scheme involves:
 - The construction of a new bridge over the Bridgwater and Taunton Canal
 - The construction of a new bridge over the River Parrett
 - The provision of a roundabout at the Showground Road / Marsh Lane junction
 - The construction of 840 metres of new carriageway
 - The widening / realigning of 100 metres of existing road
 - The provision of pedestrian and cycle facilities
 - The provision of 4 junctions, incorporating 'right turning' lanes, where appropriate, to maintain / enhance existing access arrangements.
- 1.4. The CLSAR will provide a link for heavy goods vehicles to gain access to the Colley Lane Industrial Estate, from Junction 24 of the M5 motorway.
The CLSAR will also improve the access to areas of land between the Bridgwater and Taunton Canal and the River Parrett, as well as the area between the River Parrett and the southern units of the Colley Lane Estate.
- 1.5. The new route will also improve connectivity for pedestrians and cyclists by creating better links across the waterways and help to manage pollution along Taunton Road by providing an alternative route.
- 1.6. SCC has been developing the scheme and been through various stages of design. In 2015 the scheme was granted planning permission and subsequently land acquisition has been completed through the compulsory purchase order process.
- 1.7. The Cabinet Member for Highways and Transport took the key decision to commence the procurement and undertake the advance works on 19th August 2016.

- 1.8.** The procurement objective for the project was to ensure that the most suitable supplier was selected to deliver a programme of works including the provision of all associated Labour, Materials and Design to deliver the Improvement works.
- 1.9.** A procurement process was developed for the project to ensure:
- Better cost certainty over the life of the scheme;
 - The scheme at tender stage remains within the budgetary constraints;
 - Appropriate conditions of contract were put in place;
 - Development of an approach for commercial and technical delivery through a strong professional client team. The existing SCC team will be supplemented by an external 'NEC3' Technical Project Manager.
- 1.10.** The Invitation to Submit Initial Tender allowed for SCC to down select a number of suppliers to take through to a negotiation phase before a final tender submission and selection of the most economically advantageous tender. The purpose of this was to allow for a negotiation on price should the initial submissions prove unaffordable. On this occasion the evaluation of the initial tender has provided a response that is within the budget for the project and therefore SCC will not enter into negotiation.
- 1.11.** The successful contractor has provided a stakeholder management plan incorporating customer care and relations with the public, landholders and local residents. The successful contractor will provide a public liaison officer and develop a Communications and Customer care plan which will provide a structured framework for communications activities.
- 1.12.** The plan will include writing to stakeholders with details of the proposed works and provide contact details. An information centre will be established to act as a central point for discussions to take place and access to project information. A web page will be set up along with social media feeds. Works will be carefully managed to minimise disruption.
- 1.13.** There will be weekly meetings on site which will allow integration with SCC's communications team.
- 1.14.** It is proposed that immediately following the cabinet decision and after sufficient time has elapsed for scrutiny call-in, letters will be issued to the successful and unsuccessful tenderers allowing the mandatory standstill period to commence. Should no market challenge arise, the contract may commence immediately following the expiry of the standstill period, whereupon a Contract Award Notice shall be published in the Official Journal of the European Union.

2. Options considered and reasons for rejecting them

- 2.1.** Options considered included:
- Utilise the existing highway term maintenance contract.
 - Join an existing framework contract procured by another Authority.
 - Utilise a National framework.
 - Procure a dedicated new contract for the scheme.

- 2.2. Due to the value of the scheme, and the desire to specify particular terms and conditions of contract it was decided to undertake a dedicated procurement under the European Procurement rules, utilising Option A of the NEC Contract. The procedure followed the open procurement procedure.

3. Background Papers

- 3.1. FP/16/07/02 - Key decision - Colley Lane Southern Access Road Procurement and Advance Works

Equality Impact Assessment Form and Action Table 2015

(Expand the boxes as appropriate, please see guidance
www.somerset.gov.uk/impactassessment to assist with completion)

"I shall try to explain what "due regard" means and how the courts interpret it. The courts have made it clear that having due regard is **more than having a cursory glance** at a document before arriving at a preconceived conclusion. Due regard requires public authorities, in formulating a policy, to give equality considerations the weight which is **proportionate in the circumstances**, given the potential impact of the policy on equality. It is not a question of box-ticking; it requires the equality impact to be **considered rigorously and with an open mind.**"

Baroness Thornton, March 2010

What are you completing the Impact Assessment on (which policy, service, MTFP reference, cluster etc)?

FP/17/09/13

Version

1

Date

20/11/17

Section 1 – Description of what is being impact assessed

The Colley Lane Southern Access Road (CLSAR) is a proposal to construct a new carriageway in Bridgwater to provide access into the Colley Lane Industrial Estate from the South. The new road will run in a southerly direction from Parrett Way to Marsh Lane with a new roundabout at the existing Marsh Lane/Showground Road junction. The original estimated cost of the scheme was £11.5 million. The proposals are being funded through contribution towards transport infrastructure in South Bridgwater, secured through legal agreements with developers.

An updated cost estimate has been completed and additional funding over and above the original allocation has been secured.

Section 2A – People or communities that are targeted or could be affected (taking particular note of the Protected Characteristic listed in action table)

Local residents and the travelling public by all modes of transport.

Section 2B – People who are delivering the policy or service

Contractors on behalf of SCC.

Section 3 – Evidence and data used for the assessment (Attach documents where appropriate)

Consideration of contractor's proposals for scheme delivery. Understanding of existing local movements.

Section 4 – Conclusions drawn about the equalities impact (positive or negative) of the proposed change or new service/policy (Please use **prompt sheet** in the guidance for help with what to consider):

Works may involve disruption to existing pedestrian crossings which may impact on people with protected characteristics, particularly older people, children and people with limited mobility such as wheelchair users.

The scheme and associated traffic management during construction will be designed to appropriate standards of accessibility to meet the needs of all users including provision of

appropriate lighting and other facilities (such as footways and crossings) which meet the needs of people with disabilities.
 Traffic management and footway diversion plans should be designed to ensure their needs are taken into account.
 There is not expected to be any disruption to public transport.
 Through their tender submission the preferred contractor has committed to a communications plan that includes signing up to the Considerate Contractor scheme.
 They have set out how they will minimise and manage any negative publicity, this would include interactions with individuals passing the site as well as local residents and key stakeholders.
 Once the scheme has been completed, it is likely to have a positive impact overall.

If you have identified any negative impacts you will need to consider how these can be mitigated to either reduce or remove them. In the table below let us know what mitigation you will take. (Please add rows where needed)

Identified issue drawn from your conclusions	Actions needed – can you mitigate the impacts? If you can how will you mitigate the impacts?	Who is responsible for the actions? When will the action be completed?	How will it be monitored? What is the expected outcome from the action?
Age			
Elderly pedestrians impacted whilst works are being carried out.	Traffic management and footway diversion plans will need to be designed to accommodate appropriate levels of accessibility	SCC Project Manager/Contractor	Design review. No impact
Disability			
Disabled pedestrians impacted whilst works are being carried out	Traffic management and footway diversion plans will need to be designed to accommodate appropriate levels of accessibility	SCC Project Manager/Contractor	Design review. No impact
Gender Reassignment			
N/A			
Marriage and Civil Partnership			
N/A			
Pregnancy and Maternity			
Pregnant women or those with pushchairs impacted whilst works are being carried out.	Traffic management and footway diversion plans will need to be designed to accommodate appropriate levels of accessibility	SCC Project Manager / Contractor	Design review. No impact
Race (including ethnicity or national origin, colour, nationality and Gypsies and Travellers)			
N/A			
Religion and Belief			

N/A			
Sex			
N/A			
Sexual Orientation			
N/A			
Other (including caring responsibilities, rurality, low income, Military Status etc)			
N/A			

Section 6 - How will the assessment, consultation and outcomes be published and communicated? E.g. reflected in final strategy, published. What steps are in place to review the Impact Assessment	
Non sensitive items are being published for the public to see.	
Completed by:	Sunita Mills
Date	04/10/17
Signed off by:	Mike O'Dowd - Jones
Date	20/11/17
Compliance sign off Date	22/11/17
To be reviewed by: (officer name)	Sam Evers
Review date:	12/10/2017

Decision Report – Cabinet decision

– 13 December 2017

Implementation of the National Funding Formula for Schools and High Needs

Cabinet Member(s): Cllr Frances Nicholson - Cabinet Member for Children and Families and Cllr David Hall - Cabinet Member for Resources and Economic Development

Division and Local Member(s): All

Lead Officer: Martin Young, Finance Strategic Manager – Adults, Childrens and Public Health

Author: Martin Young, Finance Strategic Manager – Adults, Childrens and Public Health

Contact Details: (01823) 359057

	Seen by:	Name	Date
	County Solicitor	Honor Clarke	1/12/17
	Monitoring Officer	Julian Gale	29/11/17
	Corporate Finance	Kevin Nacey	1/12/17
	Human Resources	Chris Squire	29/11/17
	Property / Procurement / ICT	N/A	
	Senior Manager	Julian Wooster	1/12/17
	Local Member(s)	All	
	Cabinet Member	Cllr Frances Nicholson	1/12/17
	Opposition Spokesperson	Cllr Jane Lock	1/12/17
	Relevant Scrutiny Chairman	Cllr Leigh Redman	1/12/17
Forward Plan Reference:	FP/17/11/07		
Summary:	This paper summarises the approach being recommended to Cabinet by Somerset Schools Forum in relation to the National Funding Formula (NFF) for Schools and High Needs for 2018/19.		
Recommendations:	<p>That Cabinet approves the following:</p> <ol style="list-style-type: none"> 1. The approach recommended by Somerset Schools Forum on 21 November 2017 in relation to funding for Schools and High Needs for 2018/19, the final values of which will require approval by Cabinet on 17 January once values are published by the Education and Skills Funding Agency (ESFA) in December 2017. 		

	<p>2. Application to the Department for Education (DfE) to disapply the Minimum Funding Guarantee calculation for Pupil Referral Units in 2018/19 (see paragraph 1.16)</p>
<p>Reasons for Recommendations:</p>	<p>This decision is required to enable the local authority to arrive at Schools and High Needs funding allocations for 2018/19, as recommended by Somerset Schools Forum and in adherence to Schools and Early Years Financial Regulations.</p>
<p>Links to Priorities and Impact on Service Plans:</p>	<p>County Plan:</p> <ul style="list-style-type: none"> • Improving education – We will aim to have better school results for all children across all key stages and in particular at GCSE and A-Level with a particular focus on disadvantaged children. • Opportunities for young people – We will campaign for fairer funding for our schools to increase numbers of children and young people in education, employment or training.
<p>Consultations and co-production undertaken:</p>	<p>The Somerset Schools Forum and its Technical Working group met in September to discuss the implications outlined in the NFF Policy documents, and agreed to consult with Somerset maintained schools and academies on proposed local changes to schools funding.</p> <p>A consultation briefing and questionnaire was published and in support of the consultation, four evening roadshows were held across the county to help inform the process. The consultation ran from 31 October to 17 November 2017.</p> <p>The four questions which formed the core of the consultation process were as follows:</p> <ol style="list-style-type: none"> 1. Do you agree that individual school budgets should be calculated using the Department for Education (DfE) factors and values set out in the National Funding Formula Guidance for 2018/19? 2. Do you wish to submit an application for exceptional premises related circumstances where there is significant additional cost, greater than 1% of the school budget? 3. Maintained schools were given the option to de-delegate the following services back to the local authority to manage on behalf of maintained schools:- <ul style="list-style-type: none"> • Contingency to support schools in financial difficulties;

	<ul style="list-style-type: none"> • Free school meal eligibility checking; • Insurance, licences and subscriptions; • Maternity cover and Trade Union Facilities time; <p>4. Do you agree to the proposal to transfer up to 0.5% of funds from the Schools Block to the High Needs Block in order to reduce the High Needs deficit?</p> <p>For a summary of responses to the above, please see Appendix A.</p> <p>The Opposition Spokesperson and Chairman of Scrutiny Committee for Policies for Children & Families have been made aware of the proposals within this report.</p>						
Financial Implications:	<p>All funding referred to in this paper is delivered through the DfE's Dedicated Schools Grant (DSG) and as such is ring-fenced to educational provision. It does not therefore form part of the local authority's net budget.</p> <p>Final allocations will be published by the DfE in December. On the basis of 2017/18 data the schools budget for Somerset is £280.959m, an increase of 3.05% (£8.315m) over the 2017/18 baseline.</p>						
Legal Implications:	<p>The School and Early Years Finance (England) Regulations 2017 require the Authority to consult with the Schools' Forum on the proposed formula.</p> <p>School budget shares must be submitted to the ESFA on the appropriate return by the 19th January 2018 and published for individual schools by 28 February 2018.</p>						
HR Implications:	<p>There are no direct HR implications arising from the proposed changes to Somerset's funding formula, although some schools may be required to invoke redundancy procedures as a result of reducing pupil numbers and/or increasing costs compared with the level of funding.</p>						
Risk Implications:	<p>The key risk is in significant budget variances. The formula will however provide for an increase of at least 0.5% per pupil across all schools.</p> <p>There are continuing cost pressures within all sectors, in particular across the High Needs sector. The proposal from Somerset Schools Forum includes a transfer of approximately £1.400m from the Schools block into High needs, in recognition of these pressures (a national as well as local issue).</p> <table border="1"> <tr> <td>Likelihood</td> <td>2</td> <td>Impact</td> <td>3</td> <td>Risk Score</td> <td>6</td> </tr> </table>	Likelihood	2	Impact	3	Risk Score	6
Likelihood	2	Impact	3	Risk Score	6		
Other Implications (including due regard	<p>Equalities Implications</p> <p>There are no direct impacts as changes in the schools budget allow for a minimum increase of 0.5% per pupil. However the</p>						

implications):	<p>pressure on the High Needs budget and accumulated deficit may result in a reduced resource available for children and young people with Special Education Needs and Disabilities. Until final DSG allocations are known, this impact will not be clear. As such an Equality Impact Assessment will accompany the January Cabinet paper referred to in the recommendations above.</p> <p>Community Safety Implications None as changes to funding do not relate to community safety.</p> <p>Sustainability Implications None as changes to funding do not impact on sustainability.</p> <p>Health and Safety Implications None as changes to funding do not impact on Health and Safety</p> <p>Privacy Implications None</p> <p>Health and Wellbeing Implications None</p>
Scrutiny comments / recommendation (if any):	<p>Not applicable. Note this decision paper reflects proposals made by Somerset Schools Forum on 21 November, following appropriate consultation.</p>

1. Background

- 1.1. In December 2016 the DfE consulted on the implementation of a National Funding Formula for Schools and a National Funding Formula for the distribution of funding to local authorities for High Needs. The consultation ran until 22nd March, the DfE received 26,000 responses.
- 1.2. In July 2017 the DfE announced that additional money was being made available to help introduce the changes to both schools and high needs funding, by redistributing monies from within the Departments budget for capital spending on free schools, amongst others.
- 1.3. On 14th September 2017 the Secretary of State published the plans for changes to schools funding and high needs for the next two financial years, the remainder of the current Government spending period. On this date and during the following week's publication of policy guidance, formula exemplifications and technical notes were received. Note that the recommendations included in this paper relate to 2018/19 only.
- 1.4. The DfE are adopting a National Funding Formula (NFF) to distribute funds to local authorities for both Schools and High Needs Budgets, providing a notional allocation for each mainstream school (maintained, academy and free school) within the authority for the next two years. A minimum of 99.5% of the funding is required to be passed to schools, however the authority are not obliged to adopt

the NFF factors and values. This is therefore known as a 'soft' National Funding Formula and local arrangements could continue. Overall during the next two years an additional £1.3 billion is being invested nationally

- 1.5. The formula for distributing money to authorities includes minimum funding levels and capping arrangements. The DfE have built in a guarantee that the formula will provide as a minimum a 0.5% per pupil cash increase in 2018/19 however they have also included a gains cap of 3% per pupil. Somerset should continue to lobby for removal of the cap given it is historically a low funded authority and a disparity will still remain, given that traditionally high funded authorities will still have a guaranteed increase.
- 1.6. Somerset Schools Forum has asked that we look to implement the NFF as soon as possible and therefore we have consulted with schools to ask if they wish us to proceed with this proposal.
- 1.7. **Somerset Schools**
The provisional funding in 2018/19 is £280,958,673, an increase on the 2017/18 baseline for Somerset schools of £8,315,489 or 3.05%. The illustrative increase for 2019/20 is a further £6,369,786.
- 1.8. Somerset's percentage increase in funding from the implementation of the NFF is the 19th highest nationally and nearly 80% above the national average increase, which reflects the low level of historical funding in Somerset.
- 1.9. The implementation of the NFF is more significant for Somerset secondary schools. The ratio of spend between primary and secondary schools by Local Authorities nationally is 1:1.29, in Somerset it is 1:1.21. This is mainly because of the low level of DSG funding and the number of small necessary schools required in a large rural county, to ensure that parents can choose a local school without long distances having to be travelled.
- 1.10. In adopting an NFF a higher proportion of any additional funding will be targeted towards our secondary provision moving them closer to the national ratio.
- 1.11. The largest gainers by percentage are some of our smallest schools, as a small increase in funding for these schools can equate to a substantial percentage increase. A greater number of our smallest schools will benefit from an increase in a lump sum allocation and sparsity funding.
- 1.12. **High Needs Budget**
The High Needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to 25. In Somerset the High Needs budget was overspent in 2016/17 by £2.9m. This deficit remains and the 2017/18 budget is predicted to overspend by £2.3m (based on month 7). The LA is formulating a number of policy changes to manage High Needs going forward which are in the process of being delivered, reducing spend. These include:
 - Thematic review of SEND & PRU / AP review
 - Theme 1 – Local offer and implementing a consistent approach from 0 to 25 with a universal banding system
 - Theme 2 – SEN support services, reviewing what we do and how we do it,

and improve the way we commission services. Building the relationship with Health to ensure we all understand each other's responsibilities.

- Theme 3 – Specialist provision and capacity, identifying where we have insufficient or inappropriate provision – investing in building capacity for the future
- Peer review by Gloucestershire – Best practice being shared
- Appointment of an Assistant Director for Inclusion

- 1.13.** Whilst consulting on funding changes for schools for 2018/19 we have asked whether we should use the opportunity to transfer some money from the Schools Budget to High Needs. In recognition of the pressures on High Needs nationally, the DfE have allowed LA's, with support from their Schools Forums, the ability to move up to 0.5% (equivalent to £1.4m) out of the Schools Budget. Above 0.5% requires Secretary of State approval and would also need to be accompanied by Forum support and a SEND financial strategy.
- 1.14.** The Director of Children's Services asked schools, academies and the Schools Forum to consider very carefully the use of this flexibility in light of the financial pressures faced across High Needs.
- 1.15.** Following consultation (see Appendix A) it is proposed by Somerset Schools Forum to transfer up to 0.5% of funds from the Schools Block to the High Needs Block in order to reduce the High Needs deficit.
- 1.16.** One of the policy changes referred to in para 1.12 relates to how the local authority commissions services for pupils permanently excluded from school, those unable to attend a mainstream school provision due to medical conditions and those at risk of exclusion. A Pupil Referral Unit (PRU) and alternative provision (AP) review is underway with proposals being considered which will change the amount distributed for these services and therefore the local authority has applied to the DfE to disapply the Minimum Funding Guarantee (MFG) for PRUs in 2018/19 to allow the proposals to be implemented once agreed. The deadline for disapplying MFG for 2018/19 was 30 November. Where there may be significant changes in funding, appropriate transitional arrangements will be applied.

2. Options considered and reasons for rejecting them

- 2.1.** As detailed in para 1.4 above the DfE have confirmed that authorities are not obliged to adopt the NFF factors and values and as such it is a 'soft' National Funding Formula.
- 2.2.** The local authority could choose to ignore the new proposals however in doing so there could be two consequences in particular:
- Using an established or new local formula would create a significant administrative burden and potential confusion given that the latest national funding levels are based on a new national basis for distribution.
 - If Somerset were to adapt its current local funding formula to allocate the additional funds it could move further away from a national approach and as such could drive schools to make decisions (redundancy/employment etc) that in two years' time may be contrary to an expected hard

(compulsory) national funding formula from the DfE, leading to unnecessary upheaval in the short term.

The implementation of the NFF from 2018/19 in Somerset is likely to lead to a smoother financial transition when a hard national funding formula is applied by the DfE.

3. Background Papers

3.1. See attached Appendix A detailing Schools consultation responses

See attached Appendix B which outlines the process for approval of schools funding for 2018/19.

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School Funding Reforms November 2017 - Responses

Question	Totals		
	Yes	No	
1. Do you agree that individual school budgets should be calculated using the DfE factors and values set out in the National Funding Formula in 2018/19	1	46	0
2. Do you wish to submit an application for exceptional circumstances? (If yes, please submit full details in accordance with the criteria described in the consultation)	2	3	N/A
3. MAINTAINED SCHOOLS ONLY: Please indicate whether you wish to see budgets for contingency, FSM Eligibility, insurance, licences and subscription, maternity cover & TU facilities time de-delegated. A response is required for each budget to inform Schools Forum representatives at the meeting on 21 November 2017 to make a decision.			
Contingency	3a	28	8
FSM Eligibility checking service	3b	31	5
Insurance	3c	31	5
Licences & subscriptions	3d	31	5
Staff costs: Care First	3e	31	5
Staff costs: Maternity	3f	31	5
Staff costs: TU Facilities time	3g	30	6
4. Do you agree to the proposal to transfer up to 0.5% of funds from the schools block to the high needs block in order to reduce the HN deficit? This would be achieved by reducing the per pupil value within the revenue funding formula	4	36	12

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Schools Forum Decisions and Consultations

Governance Process for implementation of The National Funding Formula for Schools and High Needs 2018/19

Lead Officer/Author: Martin Young, Strategic Manager for Adults, Childrens and Public Health

Contact Details: tel 01823 359057 or email mjyoung@somerset.gov.uk

Date	Action
14 Sept 2017	Secretary of State published <i>The national funding formula for schools and high needs</i>
21 Sept 2017	Briefing provided to Somerset Schools Forum
10 Oct 2017	Technical Working Group confirm consultation process – support for proposing adopting the national funding formula factors and values in 2018/19
31 Oct to 17 Nov 2017	<p>Consultation process with schools, including Roadshows and other meetings including the following:</p> <ul style="list-style-type: none"> • Tuesday, 7th November – Bridgwater Rugby Club • Wednesday, 8th November – Glastonbury Town Hall • Thursday, 9th November – Taunton Vale Sports Club • Wednesday, 15th November – Long Sutton Golf Club • Friday, 17th November – Dillington House (SASBM)
17 Nov 2017	Deadline for confirmation of notifying the DfE of high needs place change arrangements for 2018/19
21 Nov 2017	<p>Schools Forum consider responses and confirm recommendation for process to Somerset County Council Cabinet</p> <p>Primary and Secondary members of maintained schools to decide on de-delegation for 2018/19</p>
30 Nov 2017	School Census Database closed
13 Dec 2017	Cabinet approval requested for recommended approach and decision principles
18 Dec 2017	Final Authority Pro-forma Tool (APT) issued

Appendix B

17 Jan 2018 (am)	Cabinet approval requested for final 2018/19 allocations
17 Jan 2018 (pm)	<p>Schools Forum – Confirmation of allocations and Cabinet outcome.</p> <p>Maintained school members to decide on general duties following LA proposal</p> <p>All Forum members to decide on central spend and criteria for growth and the central spend on the following budgets:</p> <ul style="list-style-type: none"> • Early years block provision • Places in independent schools for non-SEN pupils • Services previously funded by the retained rat of the ESG • Admissions • Serving of Schools Forum • Contribution to combined budgets • Prudential borrowing costs <p>Forum to be consulted and asked for a view on all other aspects of DSG not covered above.</p>
19 Jan 2018	Deadline for submission of final 2018 to 2019 APT to Education and Skills Funding Agency (ESFA)
28 th February 2018	Deadline to publish Schools and Early Years budget statements for 2018/19