

County Council
Wednesday 19 July 2017
10.00 am Council Chamber - Shire Hall,
Taunton



To: The Members of Somerset County Council

You are requested to attend the Meeting of Somerset County Council on Wednesday 19 July 2017 to transact the business set out in the agenda below.

Anyone requiring further information about the meeting, or wishing to inspect any of the background papers used in the preparation of the reports referred to in the agenda please contact Julia Jones on 01823 359027 or jjones@somerset.gov.uk

Issued By Julian Gale, Strategic Manager - Governance and Risk - 11 July 2017

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 Section 100A (4) of the Local Government Act 1972.

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



Council Chamber and Hearing Aid Users

To assist hearing aid users, Shire Hall has infra-red audio transmission systems. To use this facility we need to provide a small personal receiver that will work with a hearing aid set to the T position. Please request a personal receiver from the Committee Administrator and return it at the end of the meeting

AGENDA

Item County Council - 10.00 am Wednesday 19 July 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 24 May 2017 (Pages 7 - 14)**

Council is asked to confirm the minutes are accurate.

4 **Chairman's Announcements (Pages 15 - 16)**

5 **Public Question Time**

(see explanatory notes attached to agenda)

This item includes the presentation of petitions. Details of any public questions / petitions submitted will be included in the Chairman's Schedule which will be made available to the members and to the public at the meeting.

For Decision

6 **Report of the Monitoring Officer (Pages 17 - 104)**

To consider a report from the Monitoring Officer. The recommendations relate to:

- Proposed arrangements for the appointment of Honorary Aldermen/Alderswomen;
- A revised Constitution for the Council.

7 **Report of the Joint Independent Remuneration Panel (Pages 105 - 152)**

To consider a report by the Joint Independent Remuneration Panel. The recommendations relate to the Scheme of Members' Allowances.

8 **Report of the Leader and Cabinet - for decision (Pages 153 - 186)**

To consider a report with recommendations from the Leader of the Council, arising from the Cabinet meetings held on 10 July 2017

The recommendations relate to Annual Treasury Management Outturn Report 2016/17

Item County Council - 10.00 am Wednesday 19 July 2017

9 **Requisitioned Items** (Pages 187 - 188)

To consider requisitioned items proposed by Members on:

- Staff Pay Award

For Information

10 **Report of the Leader and Cabinet - Items for Information** (Pages 189 - 196)

To receive reports by the Leader of Council summarising key decisions taken by him and the Cabinet, including at the Cabinet meetings held on 14 June 2017 and 10 July 2017 attached

(Note: Member Questions to the Leader and Cabinet Members will be taken under this item)

11 **Report of the Scrutiny for Policies and Place Committee** (Pages 197 - 200)

To receive a report from the Chairman of the Scrutiny for Policies and Place Committee.

12 **Report of the Scrutiny for Policies, Adults and Health Committee** (Pages 201 - 206)

To receive a report from the Chairman of the Scrutiny for Policies, Adults and Health Committee.

13 **Report of the Scrutiny for Policies, Children and Families Committee** (Pages 207 - 210)

To receive a report from the Chairman of the Scrutiny for Policies, Children and Families Committee.

14 **Annual Report of the Cabinet Member for Business, Inward Investment and Policy (now Resources and Economic Development)** (Pages 211 - 224)

To receive the Annual Report of the Cabinet Member for Business, Inward Investment and Policy (now Resources and Economic Development).

15 **Annual Report of the Cabinet Member for Highways and Transport** (Pages 225 - 236)

To receive the annual report of the Cabinet Member for Highways and Transport.

16 **Local Government Ombudsman Report** (Pages 237 - 240)

To receive this report.

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SOMERSET COUNTY COUNCIL – FULL COUNCIL MEETINGS

GUIDANCE FOR PRESS AND PUBLIC

Recording of Meetings

The Council in support of the principles of openness and transparency 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 wishes 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 Julia Jones, Senior Community Governance Officer, County Hall, Taunton, Somerset, TA1 4DY 01823 359027 jjones@somerset.gov.uk so that the Chairman of the meeting can inform those present.

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 Shire 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

Members' Code of Conduct Requirements

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: HONESTY; INTEGRITY; SELFLESSNESS; OBJECTIVITY; ACCOUNTABILITY; OPENNESS; LEADERSHIP. The Code of Conduct can be viewed at: <http://www.somerset.gov.uk/organisation/key-documents/the-councils-constitution/>

EXPLANATORY NOTES: QUESTIONS/STATEMENTS/PETITIONS BY THE PUBLIC

General

Members of the public may ask questions at ordinary meetings of the Council, or may make a statement or present a petition – **by giving advance notice**.

Notice of questions/statements/petitions

Prior submission of questions/statements/petitions is required in writing or by e-mail to the Monitoring Officer – Julian Gale (email: jjgale@somerset.gov.uk) by MIDDAY ON THE FRIDAY PRECEDING THE MEETING. The Monitoring Officer may edit any question or statement in consultation with the author, before it is circulated, to bring it into an appropriate form for the Council.

In exceptional circumstances the Chairman has discretion at meetings to accept questions/statements/ petitions without any prior notice.

Scope of questions/statements/petitions

Questions/statements/petitions must:

- (a) relate to a matter for which the County Council has a responsibility, or which affects the County;
- (b) not be defamatory, frivolous or offensive;
- (c) not be substantially the same as a question/statement/petition which has been put at a meeting of the Council in the past six months; and
- (d) not require the disclosure of confidential or exempt information.

The Monitoring Officer has discretion to reject any question that is not in accord with (a) to (d) above. The Monitoring Officer may also reject a statement or petition on similar grounds.

Record of questions/statement/petitions

Copies of all representations from the public received prior to the meeting will be circulated to all members and will be made available to the public attending the meeting in the Chairman's Schedule, which will be distributed at the meeting. Full copies of representations and answers given will be set out in the minutes of the meeting.

Response to Petitions

Normally the Council will refer any petition to an appropriate decision maker for response – see the Council's Petition Scheme for more details. The organiser will also be allowed 2 minutes at the meeting to introduce the petition, and will receive a response from a relevant member (normally a Cabinet member).

If a petition organiser is not satisfied with the council's response to the petition and the petition contains more than 5000 signatures (approximately 1% of Somerset's population) the petition organiser can request a debate at a meeting of the County Council itself. The Chairman will decide when that debate will take place.

Access and Attendance

The County Council meeting in Shire Hall is open to the public but there is limited capacity for health and safety reasons. The Council Chamber in Shire Hall is located on the first floor of the building. Shire Hall is used principally by the Courts Service and their staff are responsible for security arrangements at the main entrance. **All those attending the council meeting and the courts are required to pass through the security 'gate'. At peak times this can take well over ten minutes – so please arrive early.**

If numbers attending exceed capacity then priority will be given to those who have registered to speak at Public Question Time and thereafter admittance will be on a first come, first served basis.

The design of Shire Hall and the listed Council Chamber is not ideal for those using wheelchairs, with restricted widths in corridors and elsewhere, but council officers will ensure they have access to the meeting if at all possible.

COUNTY COUNCIL

Minutes of a Meeting of the County Council held in the Council Chamber - Shire Hall, Taunton, on Wednesday 24 May 2017 at 11.00 am

Present: Cllr C Aparicio Paul, Cllr M Best, Cllr N Bloomfield, Cllr A Bown, Cllr A Broom, Cllr P Burridge-Clayton (Vice-Chairman), Cllr M Caswell, Cllr M Chilcott, Cllr J Clarke, Cllr S Coles, Cllr A Dance, Cllr H Davies, Cllr M Dimery, Cllr B Filmer, Cllr D Fothergill, Cllr G Frascini, Cllr A Govier, Cllr A Groskop, Cllr D Hall, Cllr P Ham, Cllr M Healey, Cllr James Hunt, Cllr John Hunt, Cllr D Huxtable, Cllr M Keating, Cllr A Kendall, Cllr C Lawrence, Cllr M Lewis, Cllr L Leyshon, Cllr J Lock, Cllr T Lock, Cllr D Loveridge, Cllr T Munt, Cllr F Nicholson, Cllr L Oliver, Cllr J Parham, Cllr H Prior-Sankey, Cllr M Pullin, Cllr F Purbrick, Cllr L Redman, Cllr B Revans, Cllr M Rigby, Cllr D Ruddle, Cllr N Taylor, Cllr J Thorne, Cllr G Verdon, Cllr L Vijeh, Cllr W Wallace (Chairman), Cllr A Wedderkopp, Cllr J Williams, Cllr R Williams and Cllr J Woodman

Apologies for absence: Cllr N Hewitt-Cooper and Cllr T Napper

1 Election of Chairman - Agenda Item 1

(1) Cllr Christine Lawrence welcomed all Members to the meeting, thanked the Vice-Chairman, the Monitoring Officer and the County Solicitor, and thanked the Council for the honour of being Chairman. Cllr Lawrence further informed the Council that Cllr Terry Napper was making good progress following a recent operation, and made reference to the recent events in Manchester.

(2) Cllr Lawrence invited nominations for the election of the Chairman of the County Council, and on the nomination of Cllr David Fothergill, seconded by Cllr Leigh Redman, Cllr William Wallace was elected as Chairman of the County Council for the ensuing year. Cllr Wallace accepted the Chain of Office, made the statutory declaration of office, took the Chair and thanked Members of the Council for electing him.

(3) Cllr Wallace paid tribute to the former Chairman of the Council, Cllr Lawrence, and presented her with a gift to commemorate her time in office from 2015 to 2017.

2 Appointment of Vice-Chairman - Agenda Item 2

(1) On the motion of Cllr David Fothergill, seconded by Cllr Jane Lock, Cllr Peter Burridge-Clayton was appointed Vice-Chairman of the Council for the ensuing year. Cllr Burridge-Clayton made the statutory declaration of office and took the Chair.

(2) Cllr William Wallace welcomed new Members to the Council, requested that there be no repetition at meetings, clarified when applause at meetings was appropriate, and asked Members not to use mobile phones during public meetings.

(3) With the Chairman's permission Cllr Dave Loveridge informed the Council of Cllr Terry Napper's current condition; Cllr Loveridge further noted that he would offer Cllr Napper the Council's best wishes.

3 Apologies for Absence - Agenda Item 3

Apologies for absence were received from:
Cllr Nigel Hewitt-Cooper
Cllr Terry Napper

Cllr David Fothergill further informed the Council that Cllr Nigel Hewitt-Cooper had been awarded a gold medal at the RHS Chelsea Flower Show.

4 Declarations of Interest - Agenda Item 4

Members' written notifications of interests were affixed to the Notice Board at the back of the Council Chamber for the duration of the meeting.

5 Minutes from the meeting held on 26 April 2017 - Agenda Item 5

The Minutes, including attached Appendices, of the meeting of Council held on 26 April 2017 were signed as a correct record.

6 Public Question Time - Agenda Item 6

(1) Public Questions / Statements / Petitions (under 5000 signatures): Notice was received of questions / statements / petitions regarding:
Public Questions / Statements:

1. County Council Meeting Venues

From Andrew Lee

Response from Cllr David Hall – Interim Leader of the Council

2. A303 Improvements

From Andrew Lee

Response from Cllr David Hall – Interim Leader of the Council

3. Highways England A358 and M5 Junction Proposal

From David Orr

Response from Cllr David Hall – Interim Leader of the Council

4. A303 / A358 Road Proposal

From Patricia Power

Response from Cllr David Hall – Interim Leader of the Council

5. A303 / A358 Road Proposal

From Nigel Power

Response from Cllr David Hall – Interim Leader of the Council

6. Highways England proposals for the A358 Southfields to Taunton

From Mike Farrell – Stoke St Mary Parish Council

Response from Cllr David Hall – Interim Leader of the Council

7. A358 Dualling (Southfields to M5)

From Rob Hossell

Response from Cllr David Hall – Interim Leader of the Council

8. A358

From Michael Baddeley

Response from Cllr David Hall – Interim Leader of the Council

9. The proposed A358 dualling scheme

From Dr Gary Cox

Response from Cllr David Hall – Interim Leader of the Council

10. University for Somerset

From Alan Dimmick

Response from Cllr David Hall – Interim Leader of the Council

11. Council Finances

From Cllr Alan Dimmick

Response from Cllr David Hall – Interim Leader of the Council

12. The Future of the Recently Transferred Learning Disability Provider Service (LDPS) to Dimensions UK Limited (Discovery)

From Nigel Behan – Unite

Response from Cllr David Hall – Interim Leader of the Council

13. County Farms

From Sue Osbourne

Response from Cllr David Hall – Interim Leader of the Council

14. Carbon Emissions and Environmental Sustainability / Social Care Funding / County Councillors

From Alan Debenham

Response from Cllr David Hall – Interim Leader of the Council

15. Special School Funding

From Rebecca Bartley

Response from Cllr David Hall – Interim Leader of the Council

Member Questions:

1. County Hall Restaurant

From Liz Leyshon

Response from Cllr David Hall – Interim Leader of the Council

Full details of the questions and responses given at the meeting and / or in writing following the meeting are set out in Appendix A and B to these Minutes.

7 Report of the Monitoring Officer - Agenda Item 7

(1) The Council considered a report (Paper 7) from the Monitoring Officer which set out the decisions on appointments and procedural matters as required by the Constitution to be made by the County Council.

(2) The Monitoring Officer introduced the report and highlighted: the supplementary paper Appendix A included additional recommendations; Appendix A, Annex A which detailed the allocation of Committee places; it was proposed that political proportionality be waived for appointments to the Constitution and Standards Committee, but this required no votes to be registered against the proposal ; it was further proposed Cllr Hugh Davies be appointed to the Somerset Buildings and Preservation Trust; and that the proposed amendments to the Contract Standing Orders ensured legal compliance and best practice.

(3)The recommendations in the report were proposed by Cllr David Hall and seconded by Cllr Jane Lock.

(4)The Council **RESOLVED** unanimously to adopt the following recommendations, to:

- (1) Support the Administration’s proposal to appoint Councillor David Fothergill as the Leader of the Council for 2017-21.
- (2) Approve the County Council Appointments Schedule to the report - (Annex A to Appendix A), to include, as necessary, summary revised terms of reference, and operational arrangements including delegations for the Council and its committees.
- (3) Approve the Full Council meeting dates set out in Appendix A, section 3.5.
- (4) Approve the proposal for the establishment of a Constitution and Standards Committee with the terms of reference and operational arrangements proposed in this report – see Annex B to Appendix A.
- (5) Approve the revised ‘hearing panel’ arrangements for the hearing of complaints against members and co-opted members – see Appendix A section 3.3.

- (6) Agree that aside from the changes to the committee structure outlined above that the Council's existing committee structure and operational arrangements should continue unchanged including the Scheme of Delegation contained in the Constitution – see Appendix A section 3.4.
- (7) Approve the revised Contract Standing Orders set out as Appendix B to item 7 as recommended by the Constitution Committee from its April meeting.
- (8) Approve the appointments to internal groups, partnerships and outside bodies as set out in Annex A to Appendix A as amended by the inclusion of the appointment of Cllr Hugh Davies to the Somerset Buildings and Preservation Trust.
- (9) Delegate to the Monitoring Officer authority:
 - (i) In consultation with the Group Leaders, to make in-year amendments to committee and other appointments which are the responsibility of the Council including those to be detailed in Appendix A – this delegation to last until May 2021. Where changes to committee appointments are required then appointments will be made in accordance with the wishes of the group leader. Other appointments will only be referred to Full Council for confirmation in the event that group leaders are not in agreement with the proposed appointment;
 - (ii) In consultation with the Group Leaders and committee chairmen, to agree the detailed calendar of meetings of committees / sub-committees of the Council for 2017/18;
- (10) To approve the payment of Special Responsibility Allowances (SRA) for any new equivalent SRA qualifying posts created in 1 above that fit within the existing SRA bandings scheme, pending the Council considering recommendations of the Joint Independent Remuneration Panel in relation to the review of the Members' Allowances Scheme in July 2017.
- (11) Note that any further amendments to the Constitution required as a result of the approval of the above recommendations will be brought to the Council for approval in July following consideration by the Constitution and Standards Committee.

8 Annual Report of the Corporate Parenting Board - Agenda Item 8

- (1) The Council considered a report (Paper 8) from the Chairman of the Corporate Parenting Board, Jill Shortland.
- (2) Cllr David Fothergill introduced the report, highlighting Jill Shortland's future role as the Independent Chair of the Corporate Parenting Board.
- (3) Jill Shortland thanked the Leader and the Council for proposing her appointment as the Independent Chair, noting: the dedication of the previous Chair; successes over the past year; the importance of Member training; Corporate Parent champions; and the roles of the Somerset In Care Council

and the Somerset Leaving Care Council. Jill Shortland further highlighted the recommendations in the report, emphasising that young people leaving care need housing and employment.

(4) Cllr Frances Nicholson – Cabinet Member for Children and Families welcomed Jill Shortland as the Independent Chair.

(5) The recommendations in the report were proposed by Cllr Frances Nicholson and seconded by Cllr Leigh Redman.

(6) The Council **RESOLVED** unanimously to adopt the following recommendations, to:

- Recommend Corporate Parenting Board training to be mandatory for all Councillors.
- Recommend that signed up councillors who do not attend Corporate Parenting Board meetings for three consecutive months are reported to Group Leads.
- Recommend Cabinet appoint District Councillor representation on the Corporate Parenting Board to provide support on housing and leisure issues.

The Council further resolved to appoint Cllr Jill Shortland as the independent Chair of the Corporate Parenting Board.

9 **Chairman's Announcements** - Agenda Item 9

(1) The Chairman noted: the importance of cross-party working; and the continuation of the Chairman's charities fundraising with a renewed focus on charities supporting Learning Disabilities and dementia.

10 **Leader's Announcements** - Agenda Item 10

(1) The Leader thanked Members for the trust placed in him, and noted that He would work hard and champion the authority.

(2) The Leader noted the recent terrorist attack in Manchester, paying Respects to those who had lost their lives, and adding his own condemnation of those who seek to gain through violence. The Leader further offered the Council's support to the people of Manchester.

(3) The Leader: offered his congratulations to Cllr William Wallace, the 30th Chairman of the County Council; welcomed Cllr Peter Burrige-Clayton as the Vice-Chairman; thanked Cllr Christine Lawrence; noted the money raised for the Chairman's Charities; thanked previous Members who were not re-elected, including Richard Brown, Christopher Le Hardy, Sam Crabb and John Osman; welcomed the new Green Party Members; highlighted the progress made by Children's Services; welcomed Cllr David Huxtable, Cllr John Woodman and Cllr Christine Lawrence to the Cabinet; highlighted the four Junior Cabinet Member appointments and noted that these roles would help to enable development, growth and succession planning; informed the Council of his previous employment background and noted that he had previously been both

the Chairman of the Council and a Cabinet Member; and noted the importance of cross party cooperation.

(4) The Leader highlighted: the Conservative Party Manifesto; noting that: he would deliver a clear plan for Somerset; the wish to keep Council Tax low; empowering local communities; building new schools and community hubs; flood defences; superfast broadband; recycling; and the importance of listening to Somerset's residents.

(5) In summary the Leader called on all Members to represent the Council, their respective divisions, communities, and residents.

CHAIRMAN

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Chairman's
Information
Sheet No. 1

Information

for County Councillors

From:	William Wallace, Chairman of Somerset County Council
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Date:	24/05/2017– 19/07/2017
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To:	All County Councillors
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Chairman's Report – 24/05/2017- 19/07/2017

June 2017

- 4 June The Chairman and Vice Chairman attended the Mayor of Yeovil's Annual Civic Service at St John's Church, Yeovil.
- 6 June The Vice Chairman attended the Licensing of The Revd Kathryn Flenley at St Peter's Church, Williton.
- 11 June The Vice Chairman attended the Mayor of Glastonbury's Civic Service at St John's Church, Glastonbury.
- 13 June The Chairman and Mrs Wallace attended a Royal visit by HRH The Duke of Gloucester to the re-opening of the Somerset Rural Life Museum, Glastonbury.
- 17 June The Vice Chairman attended the Somerset Schools' Folk Dance Festival in Wells.
- 19 June The Vice Chairman attended an Armed Forces Day event at West Somerset Council Offices, Williton

- 23 June The Chairman attended the England v South Africa International T20 cricket match at The County Ground, Taunton.
- 25 June The Vice Chairman attended the Mayor of Ilminster's Civic Service at The Minster, Church of St Mary, Ilminster.
- 29 June The Chairman attended the Somerset Anne Frank Awards' Creative Writing Ceremony at Brendon Books, Taunton.
- 30 June The Chairman attended a concert at the Tacci Morris Centre, Taunton in support of 'STAR'.

July 2017

- 8 July The Vice Chairman attended the RNAS Yeovilton International Air Day.
- 12 July The Vice Chairman attended the Citizens Advice Sedgemoor Annual General Meeting at Victoria Park Community Centre, Bridgwater

Somerset County Council

County Council

– 19 July 2017

Report of the Monitoring Officer

Committee Chairman: Cllr N Taylor (for Constitution & Standards Committee business)

Division and Local Member: N/A

Lead Officer & Author: Julian Gale - Strategic Manager – Governance & Risk and Monitoring Officer

Contact Details: 01823 359047

1. Summary

- 1.1 This report makes recommendations in relation to:
- (a) Proposed arrangements for the appointment of Honorary Aldermen/Alderwomen;
 - (b) A revised Constitution for the Council.

It also confirms the filling of a vacancy on the Scrutiny for Policies, Children and Family Committee.

2. Recommendations

2.1 Council is asked to agree:

- 1 The proposed arrangements for the appointment of Honorary Aldermen/Alderwomen set out in this report and to include them as an appendix in Part 2 the Constitution;**
- 2 A revised Constitution for the Council as proposed in the Appendix to this report.**

3. Background

3.1 Appointment of Honorary Aldermen/Alderwomen

- 3.1.1 The Committee considered a proposal brought forward with the support of the main political groups of the pre May 2017 Council, for the appointment of Honorary Aldermen/Alderwomen. It was considered more appropriate given the timing for this proposal to be brought forward now and after proper consideration by the Constitution and Standards Committee.
- 3.1.2 The Local Government Act 1972 makes provision for such appointments [Section 249(1)] on the condition that they are made, by a resolution at a special full council meeting convened specifically for the purpose, and passed by not less than two thirds of the members present and voting in favour. The legislation allows for the title of honorary alderman/alderwoman to be given to 'persons who have, in the opinion of the Council, rendered Eminent Services to the Council as past members of that Council but who are not then members of the Council.'
- 3.1.3 The appointment of Honorary Alderman/Alderwoman is an entirely honorary position, bringing no special rights, but is intended to reflect the esteem of the

wider community. There is no statutory guidance or definition of “eminent services” although it is recommended that each Council should have its own criteria for the appointment.

3.1.4 Proposed criteria and procedure for the appointment of Honorary Aldermen/Alderwomen.

The Committee recommends the following criteria for conferring the title of honorary alderman/alderwomen:

- (a) The title would be conferred on any past elected member who has, in the opinion of the Council, rendered eminent service to the Council and the local community but who is no longer a serving councillor or is politically active.
- (b) Nominations for Honorary Aldermen/Alderwoman made in accordance with these arrangements at a Special meeting of the Council convened for the purpose on the rise of the November Full Council meeting.
- (c) Nominations may be received by the Chairman of the Council from any member of the Council with the support of their Group Leader and must be received in time to be brought before the Special Council meeting in the form of a requisitioned item in accordance with the Council’s procedural rules. The Leader of the Council shall move the requisitioned item which shall be seconded where possible by the leader of the main opposition group. The nomination to appoint an Honorary Alderman/Alderwoman shall be formally agreed if supported by not less than two thirds of the Members present.
- (d) Nominees must have a minimum period of 12 years past service as a Councillor of the County Council.
- (e) There shall be no more than twelve County Council Honorary Alderman/Alderwoman appointments at any one time.

3.1.5 Rights of Honorary Aldermen/Alderwomen

Honorary Aldermen/Alderwomen have no ‘legal or social precedence’ but it is custom and practice that they are invited to all appropriate Civic ceremonial events. This would include the Annual Council meeting, the Chairman’s Civic Reception, and other events such as any future appointment of Honorary Aldermen/Alderwomen. Honorary Aldermen are entitled to wear the badge of ‘Honorary Alderman/Alderwoman’ at Civic events within the County. The badge of Honorary Alderman/Alderwoman can only be worn at Civic events outside the County with the prior agreement of the organisers of the event. Those elected to the Roll of Honorary Alderman/Alderwoman are entitled to use the title of ‘Honorary Alderman/Honorary Alderwoman of the County of Somerset. The Aldermen/Alderwomen have no right to receive any allowances or payments to which serving councillors are entitled.

3.1.6 Precedence in Civic processions:

Honorary Aldermen/Alderwomen shall take precedence immediately after the Chairman and Vice-Chairman of the Council. Precedence shall be according to number of years’ service as a Member of Somerset County Council.

3.1.7 Presentation Ceremony

The award of Honorary Alderman/Alderwoman shall take place during a meeting of the Council. Those awarded the title will be presented with: 1) A ‘Certificate of Conferral of the Status of Honorary Alderman/Alderwoman’ which will carry the

Council's Coat of Arms and the Common Seal of the Council, witnessed by the Chairman and the Chief Executive. The certificate will be framed for presentation. ii) A Silver Badge of Office similar to the past Chairman's badge, incorporating the Coat of Arms on a ribbon. The lettering on the title will say 'Honorary Alderman/Alderwoman (as appropriate)'. The badge will be presented in an official presentation box. Following the presentation, those appointed Honorary Alderman/Alderwoman will be asked to sign the 'Roll of Honorary Aldermen/Alderwomen'

- 3.1.8 The Roll of Honorary Aldermen/Alderwomen shall be held and maintained by the Community Governance team. Included in the Roll of Honorary Aldermen/Alderwomen shall be the individual's name and title, and date of election to the Roll. A plaque listing these appointments shall be displayed in a prominent position on the Council premises, eg, in the Council's main reception area.
- 3.1.9 Following notification of the death of an Honorary Alderman/Alderwoman, the County flag will be flown at half-mast over County Hall from the date of notification of death until the funeral has taken place.

3.1 Annual Review of the Constitution

- 3.1.1 The Constitution requires the Council to reaffirm the Constitution on an annual basis. The last revision was agreed by Council in November 2016. When the Council created the Constitution and Standards Committee in May it gave the Committee delegated authority to recommend an amended Constitution to Council for approval on an annual basis. Accordingly this report recommends a revised and updated Constitution to the Council for approval.
- 3.1.2 The Committee noted that the Council in advance of May had agreed revisions to the Officer Employment rules set out in Part 1 of the Constitution and revised Contract Standing Orders. Therefore the only substantive changes proposed to the current Constitution result from the amendments agreed in May 2017 to the Council's democratic arrangements by the Council and to the Council's executive arrangements by the Leader. The changes proposed in this report only impact on Part 1 of the Constitution – Constitutional Arrangements. It is only Part 1 that is attached for consideration as no changes are proposed at this stage to Part 2 of the Constitution which contains the supporting 'Rules, Codes and Protocols'.
- 3.1.3 All of the changes agreed by the Council and the Leader in May 2017 impact on Part 1 of the Constitution – Constitutional Arrangements. New / revised content is highlighted in red text in Appendix A.

In summary:

General:

- throughout the document references to 'Chairman' and 'Chairmen' have been simplified to 'Chair' and 'Chairs'.

Section 4 – Full Council - Arrangements

- minor changes made to the contents to reflect the establishment of the Constitution & Standards Committee – see pages 31 and 32.

- an amendment has been included on page 32 to make provision for the Council to receive annual reports from two of our key local partnerships – the Heart of the South West Local Enterprise Partnership and the Avon and Somerset Police and Crime Panel. This is to give a line of accountability back into the Council for these key local partnerships. The Committee will consider in due course whether any further partnerships should be added.

Section 5 – Leader and Cabinet Arrangements - in summary:

- minor changes to the text of para 5.1.2 to reflect the reduction in the size of the Cabinet – see page 41
- new para 5.1.3 – summarising the appointment of Junior Cabinet Members – (for details of the role see section 5.6) – see page 41
- section para 5.5 – Cabinet Member titles updated - see page 46
- new section 5.6 – Detail of the Junior Cabinet Member roles – see pages 46 - 47. This replaces out of date text relating to the defunct role of Cabinet Support Members.

Section 6A – Scrutiny Committees

- para 6.2.1 – Functions – updated Cabinet Member title under the Children and Families heading – see page 52

Section 6B – Decision-making Committees

- existing content in relation to the Standards Committee and Constitution Committee has been replaced in its entirety with new section 6.8 setting out the Constitution and Standards Committee arrangements as agreed by the Council – see pages 62 to 64.

New Section 6D – Part 1 of the Constitution – Code of Conduct Hearing Panel Arrangements

- This new section reflects the decision by the Council in May to separate the Code of Conduct Hearing Panel arrangements (required to determine complaints against members) from the Constitution and Standards Committee which has been established to deal with policy and process matters – see pages 68 to 70. This also requires minor amendments to the procedure for dealing with complaints against members – see Appendix B attached. Amendments to the procedure are highlighted in red text. The blue text set out notes of explanation for the Committee's benefit.

Section 8 – Decision Making

- Para 8.5.9 - includes reference to the requirement to consult Junior Cabinet Members, where appropriate, when officers are using their delegated powers to make a decision – see page 95.
- Para 8.6.14 - includes reference to the requirement to consult Junior Cabinet Members as part of the key and non-key decision processes – see page 98.

4. Appointments

- 4.1 This is to confirm that Cllr Nigel Taylor has been appointed to fill the Conservative vacancy on the Scrutiny for Policies, Children and Families Committee.

4. Implications

4.1 Legal & Risk:

Appointment of Honorary Aldermen/Alderwomen: None

Review of the Constitution: The Council's Constitution sets out the key legal framework within which the Council takes decisions and fulfils its functions and responsibilities. It needs to be kept up to date and legally compliant. All of the proposed amendments to the Constitution are in accord with the legislative requirements which give considerable scope for the Council to agree its own constitutional arrangements.

4.2 Equalities, sustainability and community safety implications:

Appointment of Honorary Aldermen/Alderwomen & Review of the Constitution:

There are no direct equalities implications arising from any of the proposals in this report. There are also no sustainability or community safety implications. The Independent Persons currently receive a co-opted members' allowance of £535 pa.

4.3 Financial Implications:

Appointment of Honorary Aldermen/Alderwomen:

The only direct costs involved in this proposal will be the costs of a commemorative badge and certificate. The cost of this policy is estimated at a maximum of £1000.00 in the first year of its operation and then no more than £100.00 per year in future years.

It is expected that these costs can be contained within the existing members' budget.

Review of the Constitution: None

HR: Not applicable

5. Background papers

- 5.1 None

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APPENDIX

CONSTITUTION OF SOMERSET COUNTY COUNCIL

DRAFT - July 2017

PART 1 – CONSTITUTIONAL ARRANGEMENTS

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Section 1 - The Constitution

1.1 **PURPOSE:** The Constitution sets out how the Council operates and how decisions are made. It reflects current legislation and, where appropriate, the ability of the Council to choose from options available within the law. Legislative requirements take precedence over the contents of this Constitution.

1.2 **STRUCTURE:** The Constitution comprises:

- (a) Part 1 – Constitutional Arrangements: These sections set out the basic rules governing the Council's business.
- (b) Part 2 – Rules, Codes and Protocols: Supporting documents relating to the role and rights of elected Members and Officers.

1.3 **REVIEW:** Full Council approves the Constitution and updates it at least annually and as recommended by the Constitution Committee.

Note: The part of the Constitution that comprises the Council's 'executive arrangements' has also to be agreed by the Council Leader.

1.4 **INTERPRETATION:** The **Chair** of Council's ruling on the interpretation and / or application of this Constitution is final. The **Chair** will consult the Monitoring Officer prior to issuing such a ruling.

1.5 **ACCESS:** The Constitution is published on the Council's website at <http://www.somerset.gov.uk/constitution> and copies can be inspected at County Hall, Taunton in normal office hours. Copies can be purchased for a reasonable fee. Printed copies are available from Community Governance (01823 357628).

1.6 **DEFINITIONS:**

Budget. Reference to the 'Budget' includes the allocation of funds to different services and projects, proposed contingency funds, the council tax base, setting the council tax and decisions relating to the control of the Council's borrowing requirement and investments, the control of its capital expenditure, the setting of virement limits and procedures for dealing with under and overspendings on budget headings at year end.

"Disciplinary action" has the same meaning as in the Local Authorities (Standing Orders) (England) Regulations 2001.

"Executive" and "executive Leader" have the same meaning as in Part II of the Local Government 2000 Act.

Land.

(a) "Land" has the meaning assigned to it in Section 205 of the Law of Property Act 1925 and, in particular, but without in any way limiting

that meaning, includes land, buildings or parts of buildings and easements of both freehold and leasehold tenure;

- (b) References to the acquisition of land include the acceptance of gifts of land and the taking of leases, licences, dedications and easements of or over any land (including buildings) whether by way of valuable consideration or exchange but not the appropriation of land.

Local Choice

'Local Choice' functions are indicated throughout the document in italics. The Council may choose to exercise 'local choice functions' itself, delegate them to Committees or Officers or to the Leader as 'executive' functions. They may be further delegated as indicated within the Constitution.

"Member of staff" means a person appointed to or holding a paid office or employment under the authority; and

Policy Framework. This refers to following plans and strategies:

- (a) Somerset Health & Wellbeing Strategy (agreed on behalf of the Council by the Somerset Health and Wellbeing Board)
- (b) Local Transport Plan;
- (c) Plans and alterations which together comprise the Development Plan;
- (d) Medium Term Financial Plan
- (e) Treasury Management Plan
- (f) Asset Management Plan
- (g) County Plan
- (h) The Council's Pay Policy Statement.

"Proper Officer" means an Officer appointed by the authority for the purposes of the provisions in this Part.

Senior Leadership Team: This description includes the following posts: Chief Executive; Customers and Communities Director; Lead Commissioner Adults and Health (DASS); Lead Commissioner Children and Learning (DCS); Lead Commissioner Economic and Community Infrastructure; Commissioning & Procurement Director; Finance & Performance Director; Group Director of Operations; Business Development Director; Public Health Director; Children and Families Operations Director; Economic & Community Infrastructure Operations Director; Learning & Achievement Operations Director; Adults and Health Operations Director; Learning Disabilities Operations Director; and HR & OD Director.

"The 1989 Act" means the Local Government and Housing Act 1989;

"The 2000 Act" means the Local Government Act 2000;

Section 2 - Members of the Council

2.1 COUNCIL COMPOSITION: The Council consists of 55 County Councillors (commonly referred to as Members) elected by, and representing the voters of, an area of Somerset referred to as an electoral division. Members are elected for a 4 year period. The next election for all 55 Members is in 2021. Details of current councillors including contact details are set out on the Council's website.

2.2 ROLES AND FUNCTIONS OF MEMBERS: Detailed role descriptions for Members are set out in Part 2 (Rules, Codes and Protocols). In summary:

- (a) **Key roles.** All Members:
 - (i) Take formal decisions;
 - (ii) Provide a key link between representing their communities and the Council;
 - (iii) Participate in running the Council.

Some Members also hold positions of special responsibility, e.g. Leader of Council, Cabinet Members and Committee **Chair**.

- (b) **Rights and duties:** Members:
 - (i) Have rights of access to information held by the Council.
 - (ii) Must act in accordance with the law and this Constitution including the Members' Code of Conduct.

2.3 APPOINTMENTS:

2.3.1 In Council election year, all Council and Leader Member appointments are valid until the new Council meets following the election or until a replacement is appointed, as long as the Member is re-elected to the Council. The only exceptions to this are the appointments of **Chair** and **Vice-Chair** of Council who remain in post until their replacements are appointed by the new Council following the election, whether or not they were re-elected as councillors at the election.

2.3.2 The Council or the Leader (depending on who has responsibility for the appointment) can change any appointment at any time. In addition, Members will automatically be removed from any Council position or appointment if:

- (a) They resign from the position; or
- (b) They are suspended from being a Member of the Council under Part III of the Local Government Act 2000 (although they may resume office at the end of the period of suspension); or
- (c) They are no longer a Member of the Council.

2.4 **ALLOWANCES:** Members are entitled to receive allowances for undertaking official duties in accordance with the Scheme of Members' Allowances set out in Part 2 of this Constitution.

Section 3 - Citizens and the Constitution

3.1 CITIZENS' RIGHTS: The Constitution explains citizens' rights to access information about the democratic process and opportunities to participate in it. For reasons of space, it does not detail all of the rights of citizens in respect of the work of the Council and much more information can be found on the Council's website.

3.2 VOTING AND PETITIONS: Somerset citizens registered on the electoral roll can:

- (a) Vote at the County Council elections.
- (b) Petition the Council (subject to meeting the minimum number of signatures required and published by the Council annually) for a referendum to request the election of a directly elected mayor model of governance for Somerset and the Council as an alternative to the Leader and Cabinet governance model.
- (c) Petition for a community governance review of the area to request changes to electoral division arrangements.

Also, if you live, work or study within Somerset you can submit or present a petition on any matter which relates to a function of the Council and you will receive a response. The Council has a petitioning scheme on its website together with the facility to submit on-line petitions.

3.3 ACCESSING INFORMATION: This is a summary of the provisions set out in Section 8 – Decision-making Access to Information Procedure Rules. Citizens can:

- (a) Attend formal member meetings and make representations;
- (b) Find out about decisions made and to be made and make representations to decision makers before decisions are taken (for all Member decisions and some Officer decisions);
- (c) Inspect the Council's accounts and submit views to the external auditor;
- (d) Access certain information held by the Council using the provisions of the Freedom of Information Act 2000;
- (e) Access personal information held about them by the Council, in accordance with the relevant data protection legislation.

3.4 COMPLAINTS: Citizens rights to make complaints or submit views on services are detailed on the Council's website. Complaints about Members are dealt with under a separate procedure and the process is also detailed on the Council's website.

3.5 **CITIZENS' RESPONSIBILITIES:**

3.5.1 Citizens must not be violent, abusive or threatening to Members or Officers (either physically or verbally), nor may they harass or victimise Members or Officers of the Council.

3.5.2 Citizens must not wilfully harm any property owned by the Council, Members or Officers. In addition they must not misuse information obtained in the course of their contact with the Council (e.g. for personal/commercial financial gain).

3.5.3 The Council take complaints very seriously but it also has a procedure – the **Unacceptable Customer Behaviours Policy** - which will only be used in exceptional circumstances, to respond to habitual and vexatious complainants.

Section 4 - Full Council

ARRANGEMENTS

4.1 **FORM AND COMPOSITION:** Full Council (“the Council”) consists of all 55 Members.

4.2 **FUNCTIONS AND RESPONSIBILITIES:**

4.2.1 Full Council Responsibilities:

To:

- (a) (i) Approve the Constitution annually **on the recommendation of the Constitution and Standards Committee**. Only Council can change the model of democratic governance or the Council’s Committee structure **or the operational arrangements of the Council**. Approval of the Constitution is subject to the Leader’s approval of any changes to the Leader and Cabinet arrangements.
 - (ii) Subject to (i) above, delegate authority to the Constitution **and Standards Committee** to approve in-year amendments to specific parts of the Constitution.
- (b) Approve the Policy Framework and Budget (see Part 1, Section 1 for definitions of both);
- (c) Take any decision which is a departure from the Policy Framework or Budget, subject to the urgency procedure contained in Part 1, Section 8 - Decision-making Arrangements;
- (d) Appoint the Leader of the Council for a 4 year period including the power to rescind the appointment;
- (e) Consider any issues referred by the Leader or the Scrutiny Committee **Chair** for advice, including issues where the Leader and the relevant Committee are not in agreement;
- (f) Adopt a Scheme of Members’ Allowances - see Part 2 of the Constitution – Part D;
- (g) Appoint Council Committees (including their **Chairs** and **Vice-Chairs** as appropriate) and decide their functions annually. The Committees, their functions and operating arrangements are detailed in Part 1, Sections 6, 6A and 6B;
- (h) Remove the **Chairs** and **Vice-Chairs** where appointed by the Council;
- (i) Receive regular reports from the Cabinet and the Scrutiny Committees on their work, including an annual report from each Committee;
- (j) Receive an annual report from the Leader of Council, in addition to the Leader submitting any matter for consideration by the Council at any other time. The Leader will also report significant changes made to Cabinet arrangements to the next available meeting of the Council

- (k) Receive annual reports on the work of the Pensions, Audit and **Constitution and Standards Committees**, and the Corporate Parenting Board. **The annual report of the Constitution and Standards Committee will be taken as the first main item of business on the Council agenda at the AGM.** The report of the Corporate Parenting Board will be taken as the second main item of business on the Council agenda at the AGM;
- (l) Receive reports for information on an 'as and when' necessary basis from the HR Policy Committee;
- (m) Approve the annual calendar of meetings for Council and Committee meetings;
- (n) Approve the appointment of the Chief Executive on the recommendation of the Appointments Committee;
- (o) Consider any matter for which the Council has a responsibility or which, in the Council's opinion, affects the authority's area or its inhabitants;
- (p) Appoint or nominate representatives of the Council to serve on joint or outside bodies where these appointments are the responsibility of the Council;
- (q) *The appointment of any individual*
(i) to any office other than an office in which he/she is employed by the authority
(ii) to any body other than
 - *the authority*
 - *a Joint Committee of two or more authorities; or*
 - *any Committee or Sub-Committee of such a body,**and the revocation of any such appointment;*
('Local choice' function for appointments which are the responsibility of Council)
- (r) Make an order to implement recommendations made in a community governance review of electoral division arrangements;
- (s) Approve the treasury management policy statement on an annual basis;
- (t) Approve the Council's pay policy statement on an annual basis;
- (u) **Receive the Annual Reports of the Heart of the South West Local Enterprise Partnership and the Avon & Somerset Police and Crime Panel following consideration by the Cabinet, and any other relevant partnership as requested by the Constitution and Standards Committee;**
- (v) Deal with all other matters which, by law, must be reserved to Council.

4.2.2 Full Council delegations:

Council delegates functions and responsibilities to:

- (a) Committees of the Council – as detailed in Part 1, Sections 6A and 6B.

- (b) Officers of the Council – as detailed in Part 1, Section 7
- (c) The Council Leader (under the ‘local choice’ provisions) – as detailed in Part 1, Sections 5 and 8.

The Council can also delegate County Council functions to another council or accept functions. A Committee of the Council may do the same.

4.2.3 DESCRIPTION OF EXECUTIVE ARRANGEMENTS: The following parts of the Constitution comprise the ‘executive arrangements’ of the Council which are the responsibility of the Council to agree:

- (a) Part 1, Section 5 – Leader and Cabinet Arrangements (subject to the approval of the Leader - see note below)
- (b) Part 1, Section 6A – Scrutiny Committee Arrangements
- (c) Part 1, Section 8
 - Paragraphs under 8.5 – Council and Cabinet Scheme of Delegation to Officers – relevant delegations
 - Paragraphs under 8.6 – Decision-making Access to Information Procedure Rules

Note: The Leader and Cabinet Arrangements which form part of the Council’s executive arrangements are the responsibility of the Leader to approve.

4.3 FULL COUNCIL MEETINGS: There are 3 types of Full Council meeting:

- (a) The Annual General Meeting in May, to deal with procedural matters and appointments as well as the usual business of the Council.
- (b) Ordinary Meetings – held 3 times a year normally in February, July and November to deal with the usual business of the Council. In County Council election year there is an additional meeting in advance of the election.
- (c) Extraordinary (or special) Meetings. These deal specifically with the business for which the meeting has been called. They can be called by:
 - (i) The Council;
 - (ii) The **Chair** of the Council or, in the absence of the **Chair**, the **Vice-Chair** of the Council;
 - (iii) Any 5 Members of the Council through a signed request to the **Chair** of the Council (or the **Vice-Chair** in the absence of the Chairman). The **Chair** must make arrangements to call an extraordinary meeting within 7 calendar days of receiving the request;
 - (iv) The Monitoring Officer.

4.4 TIME AND PLACE OF FULL COUNCIL MEETINGS: Council meetings usually start at 10.00am and are normally held at Shire Hall,

Taunton. The dates of Council meetings are published on the Council's website for up to a year in advance of the meetings.

PROCEDURAL RULES

4.5 **ELECTION OF CHAIR AND VICE-CHAIR:** Council elects the Chair and Vice-Chair each May. If a vacancy in these positions occurs the Council will fill the vacancy at the next available meeting. In the absence of the Chair and the Vice-Chair at a Council meeting, a Chair will be elected for the meeting from the members present.

4.6 **CHAIR'S POWERS AND FULL COUNCIL MEETINGS:** The Chair may:

- (a) Call an extraordinary meeting of Full Council;
- (b) Vary the order of business for Full Council meetings in advance of the agenda being sent out or at the meeting itself;
- (c) Alter both the start time and the venue of Full Council meetings;
- (d) Decide how and when business from an adjourned meeting is dealt with;
- (e) Exercise discretion over the application of the requirements of the rules for public question time and member debate.

4.7 **QUORUM:** 14 Members are required for a valid Full Council meeting to be held. If a quorum is not present, the meeting will be adjourned until a quorum is present or any remaining business will be considered at the next Ordinary Meeting or at a time and date fixed by the Chair.

4.8 **FULL COUNCIL MEETING BUSINESS PLAN:** The Business Plan for each meeting is contained within the Chair's Schedule which is published on the day of the meeting to members, all other persons attending the meeting and on the Council's website.

4.9 **PROPOSALS REQUISITIONED BY MEMBERS:** Any Member can requisition a proposal for consideration by the Council. In order to be formally considered requisitioned proposals must:

- (a) Relate to Council business or be a matter which affects the County and must request the Council to take action;
- (b) Be formally notified to the Monitoring Officer at least 10 days before the meeting at which it is to be considered.
- (c) Be formally proposed by the Member who submitted it or, with his/her consent, by another Member;
- (d) Be formally seconded by another Member at the meeting.

A proposal can only be withdrawn by the Member who originally submitted it either in writing in advance of the meeting or verbally at the meeting.

4.10 PUBLIC QUESTION TIME (INCLUDING TREATMENT OF SMALL PETITIONS)

Note: References in this section to petitions relate to petitions which individually or collectively (on the same subject matter) contain under 5000 signatures.

4.10.1 Public representations (questions, statements or a petition) must be received in writing by the Monitoring Officer by 12 noon on the Friday prior to the meeting (for Wednesday Council meetings) to be considered at that meeting.

4.10.2 Public representations must

- (a) Relate to Council business or affect the County;
- (b) Not be defamatory, frivolous or offensive;
- (c) Not be substantially the same as a public representation which has been put at a meeting of the Council in the past six months; and
- (d) Not require or request the disclosure of confidential or exempt information in any response.

The Monitoring Officer can edit public representations in consultation with the author and the **Chair**. If changes cannot be agreed the Monitoring Officer can reject the representations.

4.10.3 The **Chair's** Schedule for the meeting includes details of public representations. They are also detailed in the Minutes together with the responses (given at the meeting or provided following the meeting). Up to 20 minutes is allowed for public question time.

4.10.4 Members of the public have up to 2 minutes to introduce their representations. If a member of the public is not present, the **Chair** will decide how the representations will be dealt with.

4.10.5 A Member (usually the relevant Cabinet Member) will normally provide a brief verbal response to public representations at the meeting. There will be no member debate. If a full response cannot be given at the meeting, then a written response will be provided within 20 working days of the meeting.

4.11 TREATMENT OF LARGE PETITIONS

4.11.1 Petitions of 5000 or more signatures (individually or collectively) qualify for a 15 minute debate at a Full Council meeting if notice is given in accordance with 4.10 above.

4.11.2 The petition will be regarded as having been formally handed over to the **Chair** and the Council by being placed on the front table at the meeting.

4.11.3 The petition organiser will have a maximum of 5 minutes to introduce the petition. Any related public questions to the petition will then be considered – the normal rules for public questions set out in 4.10 above apply.

4.11.4 The relevant Cabinet Member has a maximum of 5 minutes to respond to the petition organiser / public questions prior to a member debate which is limited to 15 minutes.

4.11A FILMING OF FULL COUNCIL MEETINGS BY THIRD PARTIES

4.11A.1 Recording and transmission of formal Council meetings by third parties is allowed to in accordance with the Somerset County Council Recording Protocol: Third Party Recording of Committees, Boards and Panels as set out as Appendix I in Part 2 of the Constitution. Details of the provisions are included on all formal meeting agendas and are displayed in the meeting rooms.

4.12 LEADER AND CABINET MEMBER REPORTS - MEMBER

QUESTIONS: Member questions must be received by the Monitoring Officer by 12 noon on the Friday before the meeting to guarantee receiving a full response by the Cabinet Member at the meeting. Questions notified are included in the **Chair's** Schedule for the meeting. If notice is not given a full answer may be given at the meeting but if this is not possible a written answer will be provided within 20 working days of the meeting. Questions and responses are included in full in an appendix to the Minutes.

4.13 OVERTURNING COUNCIL DECISIONS

4.13.1 A proposal to:

- (a) overturn a decision made within the past 6 months; or
- (b) consider a similar proposal to one that has been rejected in the past 6 months

can only be considered if supported by at least 10 Members at the meeting. Once dealt with, the Council will not consider a similar proposal for 6 months.

4.13.2 Paragraph 4.13.1 above does not apply to recommendations of the Leader, the Cabinet, a Committee or decisions / proposals made prior to the last main County Council election.

4.14 PROPOSALS AND AMENDMENTS NOT REQUIRING NOTICE:

4.14.1 The following proposals or amendments to proposals can be proposed at a Full Council meeting without giving notice under paragraph 4.9:

- (a) Electing a **Chair**.
- (b) Referring a matter to the Leader or a Committee.
- (c) Appointing a Committee (or Members to a Committee) when the agenda contains an item to allow Members to do so.
- (d) Requesting approval to withdraw a proposal.
- (e) Amending a proposal submitted under paragraph 4.10 above.
- (f) Amending a recommendation in a report.

- (g) Asking the Council to proceed to the next item on the agenda.
- (h) Asking the Council to move straight to a vote on the issue being discussed (otherwise known as a proposal that the question is put to the vote without delay).
- (i) Adjourning the debate.
- (j) Adjourning the meeting.
- (k) Suspending the Council's procedural rules.
- (l) Excluding the press and public to deal with confidential or exempt business.
- (m) Dealing with disorderly conduct by a Member under paragraph 4.20 that follows below;
- (n) Dealing with disorderly conduct by a member of the public under paragraph 4.21 below.

4.14.2 Significant amendments must, wherever possible, be received by the Monitoring Officer by noon on the Monday before a Wednesday meeting. The Monitoring Officer will approve any amendments and include them in full in the **Chair's** Schedule. Amendments received after the Monday deadline will only be allowed at the discretion of the **Chair**.

4.15 **VOTING:**

4.15.1 Decisions are made by a simple majority vote. The **Chair** will seek a general verbal agreement from those present or request a show of hands. If the vote is equal, the **Chair** can exercise a second or casting vote and may cast one or both votes in whatever way he or she chooses. Any Member immediately following a vote can request that their vote is recorded in the Minutes.

4.15.2 If 11 Members present demand it (by standing), the names for and against the proposal or amendment and those who didn't vote are recorded in the Minutes.

4.15.3 For any budget proposal or amendment formally considered, the names of the persons who voted for or against, or those who didn't vote, are recorded in the Minutes.

4.15.4 Where there are more than two people nominated for any position and one person fails to achieve a clear majority of votes, then the person with the least number of votes is taken off the list and a new vote taken. The process continues until there is a majority of votes for one person.

4.16 **MINUTES:** Minutes include all proposals, amendments and decisions in the exact form and order considered at the meeting. With the consent of the Council, the **Chair** will sign the Minutes as a correct record at the next scheduled meeting. Only the accuracy of the Minutes may be discussed. Any signed Minute is sufficient to be received in evidence in a court of law without further proof.

4.17 **RECORD OF ATTENDANCE:** All Members present must sign the attendance sheets provided at the meeting.

4.18 **EXCLUSION OF THE PUBLIC:** The public and press can only be excluded for confidential or exempt business or under paragraph 4.21 (Disturbance by the public).

4.19 **MEMBERS' RIGHT TO SPEAK**

4.19.1 A Member's speech must relate either to the matter under discussion or to a 'personal explanation' or to a 'point of order', as appropriate. A member has up to 5 minutes to speak on an agenda item and shall speak only once on a single item.

4.19.2 Any Member who wants to raise either a point of order or to speak by way of personal explanation will be allowed by the **Chair** to speak immediately.

- (a) **Points of order** - the Member must immediately state which procedural rule or statutory provision has been broken and in what way.
- (b) **Personal explanation** – a Member has the right to speak to clarify remarks made by him/her earlier in that debate which appear to him/her to have been misunderstood.

4.19.3 In seconding a proposal or an amendment a Member can reserve his/her right to speak later in the debate.

4.20 **MEMBERS' CONDUCT**

4.20.1 Members must indicate their wish to speak to the **Chair**. When invited by the **Chair**, the Member must stand and address the meeting through the **Chair**. If the **Chair** stands during a debate, any Member speaking at the time must immediately be silent and sit down and all other Members must be silent and seated.

4.20.2 If a Member's behaviour disrupts the meeting, the **Chair** can propose that the Member is silent and if seconded, the proposal will be voted on without discussion. If agreed and the Member continues to behave improperly, the **Chair** can propose that either the Member is excluded from the meeting or that the meeting is adjourned for a specified period. If seconded, the proposal will be voted on without discussion.

4.20.3 If there is a general disturbance amongst the Members, the **Chair** may adjourn the meeting for as long as he/she thinks necessary.

4.21 **DISTURBANCE BY THE PUBLIC:** If a member of the public interrupts the meeting, the **Chair** will invite the person to stop. If they continue to disrupt the meeting, the **Chair** can order their removal from the meeting room. If there is a more general disturbance the **Chair** may adjourn the meeting to allow all or part of the meeting room to be cleared.

4.22 **SUSPENSION AND AMENDMENT OF COUNCIL MEETING RULES**

4.22.1 Any Full Council meeting rule can be suspended with the agreement of the Council as long as at least 40 of the 55 Members of the Council are present. Suspension can only be for the duration of the meeting or part of the meeting.

4.22.2 Any proposal (other than a recommendation contained in a report) to change any of the Full Council meeting rules will, if seconded, be referred without discussion to the Constitution Committee for consideration and report to the next scheduled Meeting of the Council.

4.23 **APPLICATION OF THESE RULES TO COMMITTEES OF THE COUNCIL:** Procedural rules 4.15 to 4.18 and 4.20 to 4.21 apply with appropriate modification to meetings of the Committees of the Council. The procedural rules that apply to the Council's 'executive' arrangements are detailed in Part 1, Section 5 of this Constitution.

Section 5 - Leader and Cabinet Arrangements

5.1 LEADER, DEPUTY LEADER AND CABINET APPOINTMENTS

5.1.1 The Council appoints the Leader of Council for a period of 4 years and the Council can rescind the appointment at any time.

5.1.2 A Cabinet of 7 members (the maximum allowed is 10 members) has been appointed by the Leader including a Deputy Leader and 5 other Cabinet Members. The Leader can change the Cabinet membership at any time. All members of the Cabinet are currently members of the largest political group on the Council. The Leader chairs meetings of the Cabinet unless absent when the Deputy Leader chairs the meeting.

5.1.3 The Leader has appointed 4 Junior Cabinet Members to provide support to the Cabinet Members as well as a degree of possible succession planning for future Cabinet membership. Their main responsibilities are detailed in 5.6 that follows. Junior Cabinet Members cannot legally be given the full range of Cabinet Members responsibilities and therefore they cannot take formal decisions. They have, however, been given a formal constitutional role as they are required to be consulted on key and non-key decision reports that fall within their service areas.

5.1.4 The Chair and Vice-Chair of the Council and members of the Scrutiny Committee cannot be members of the Cabinet.

5.2 FUNCTIONS AND RESPONSIBILITIES OF THE LEADER

5.2.1 Under the Policy Framework and Budget agreed by the Council, the Leader of the Council (“the Leader”) is responsible for the day-to-day running of the Council and all related decisions (known as ‘executive’ decisions). The Leader therefore discharges all the Council’s responsibilities under Education and Social Services legislation and as Highway Authority (other than those public rights of way decisions exercised by the Regulation Committee), County Planning Authority (other than the determination of planning applications), Waste Disposal Authority, Public Transport Authority and Traffic Authority and for all its statutory duties, including the exercise of ‘local choice’ functions delegated by the Council.

‘Local Choice’ functions (see Part 1, Section 1 for a definition) are indicated in italics below.

- 5.2.2 The Leader has allocated decision-making responsibilities to:-
- (a) The Leader;
 - (b) The Cabinet;
 - (c) The Traffic Regulation Order Sub-Committee of the Cabinet;
 - (d) Jointly to two Cabinet members;
 - (e) Individual Cabinet members;
 - (f) The Somerset Waste Board; and

(g) Senior Leadership Team Officers.

Note: (g) above includes the following interim appointments in the absence of relevant contracted employees:

- Interim Director of Children's Services
- Interim Deputy Director of Children's Services
- Interim Operations Director of Children's Services.

5.2.3 The Leader has retained the following responsibilities:-

- (a) To refer to Council for approval any proposed executive decision which is outside of the Council's Policy Framework or Budget, or the virement limits set by the Council.
- (b) To exercise any delegated executive decision-making responsibility including where a Cabinet Member wants to take a decision against officer advice, or where there is uncertainty as to who may take a decision.
- (c) In addition to any specific delegations to Cabinet Members and Senior Leadership Team Officers, to acquire land by agreement or, failing agreement, by compulsory purchase and to dispose of County Council land – see 5.2.4 to 5.2.6 below.
- (d) To appoint any individual to an outside body or partnership or joint committee of two or more authorities where the appointments relate to executive functions.
- (e) *The determination of an appeal against any decision made by or on behalf of the authority in respect of Early Years Providers. (Local choice function)*
- (f) *The appointment of any individual*
 - (i) *to any office other than an office in which he/she is employed by the authority*
 - (ii) *to any body other than*
 - *the authority*
 - *a Joint Committee of two or more authorities; or*
 - *any Committee or Sub-Committee of such a body,**and the revocation of any such appointment*
('Local choice' function for appointments falling under the responsibility of the Leader)

5.2.4 The Leader can only acquire land after having first considered the Chief Finance Officer's advice and recommendations on the value and for a sum no greater than the maximum (if any) recommended by the Chief Finance Officer.

5.2.5 When acquiring land or disposing of land, the Leader will comply with the relevant general procedures laid down by the Council including for dealing with capital payments or capital receipts.

5.2.6 The Leader shall not re-delegate his / her power to acquire land, except:-

- (a) where statute permits;
- (b) where the powers concern the compulsory acquisition of land or the acceptance of gifts of land for the creation or improvement of an existing County road - these powers can be delegated to a Sub-Committee comprising the Leader, Deputy Leader and one other Member of the Cabinet.

5.2.7 The Leader can amend the Leader and Cabinet arrangements at any time via a Leader's Non-Key decision. Any changes will be reported for information to the next meeting of the Council.

5.2.8 In the absence of the Leader or where Leader is unable to act, the Deputy Leader has authority to exercise the Leader's responsibilities.

5.3 DECISION MAKING RESPONSIBILITIES AND FUNCTIONS OF THE CABINET

5.3.1 The Cabinet collectively take key strategic, policy or operational decisions or where there are significant cross-cutting issues across 4 or more Cabinet Member's areas of responsibility as set out in 5.3.2 below e.g. the Council's County Plan, and countywide plans.

5.3.2 The Cabinet:-

- (a) Make recommendations to Council on the Policy Framework, except where the statutory responsibility for the submission of such recommendations rests with another body;
- (b) Recommends the Annual Budget and Precept to Full Council for approval;
- (c) Advises the Council on the economy, efficiency and effectiveness of its activities and the need for new services and the necessity of existing ones;
- (d) Advises the Council on the overall organisation, co-ordination and management of the Council;
- (e) Advises the Council on its policy and response to international, national and regional initiatives;
- (f) Has responsibility for the overall allocation and control of the financial, staff and land resources of the Council and acts as the 'corporate client';
- (g) Receives the annual outturn reports;
- (h) Approves the Council's risk management strategy and policy statement. This is a joint responsibility with Full Council;
- (i) Recommend the treasury management policy statement to Full Council for approval, on an annual basis;
- (j) Reviews policy and develops and agrees new policy (aside from

- policies within the Council’s Policy Framework) as required, seeking where appropriate to involve scrutiny in the development of proposals;
- (k) Considers any Scrutiny Committee recommendations.

5.3.3 In addition, the Leader may put on any Cabinet meeting agenda any ‘executive’ matter which he or she wishes providing the statutory notice requirements are complied with.

5.3.4 The Leader, a Cabinet Member or the Cabinet can delegate functions to another council or to accept functions from another council in their area of responsibility.

5.4 ALLOCATION OF SERVICE RESPONSIBILITIES AND DECISION MAKING RESPONSIBILITIES TO CABINET MEMBERS - SUMMARY:

5.4.1 Service responsibilities allocated to Cabinet Members by the Leader are detailed on the Council’s website. Alternatively, a copy can be obtained from the Community Governance Group, tel 01823 359041.

5.4.2 Cabinet Members take Key and Non-Key Decisions in their allocated service areas and some have additional responsibilities as detailed in this section. They always have the option to refer decisions to full Cabinet. They:

- (a) Ensure effective delivery of services;
- (b) Are responsible for all policy matters in their area of responsibility involving scrutiny as appropriate;
- (c) Monitor compliance with policies and the framework of accountability and control.

5.4.3 A Cabinet Member can convene, on an ad hoc basis, a small representative group of Members of the Council (i.e. all party) to assist in the consideration of particular issues or matters. These are not formal meetings as defined in the Code of Conduct and the Cabinet Member is responsible for all of the arrangements.

5.5 ALLOCATION OF DECISION MAKING RESPONSIBILITIES TO CABINET MEMBERS

Cabinet functions for which responsible	Conditions on the exercise of the function
<p><u>General delegations to all Cabinet members</u></p> <p>Key Decisions: Cabinet Members take Key Decisions in their areas of responsibility (except those reserved to the Leader or Cabinet).</p>	<p>General:</p> <p>A Cabinet Member can take a Key Decision and Non-Key Decision as long as it is:-</p> <ul style="list-style-type: none">(a) within the Council’s policies and objectives;

<p>Non-Key Decisions: Cabinet Members take Non-Key decisions in their areas of responsibility – as follows:</p> <ul style="list-style-type: none">• To spend budgets or realise savings between £100,000 and £500,000• To approve bids for Council funding from external bodies, subject to suitable on-going revenue support and time periods/exit strategies are in place.• To submit bids on behalf of the Council for external funding, subject to suitable on-going revenue support and time periods/exit strategies are in place.• To let contracts and employ consultants and contractors on behalf of the Council• To declare land surplus to operational requirements• To approve responses to consultation papers• To authorise any relevant consultation on behalf of the Council• To make planning and building regulations applications• To approve capital or revenue virements between £50,000 and £ 250,000 in consultation with the relevant Senior Leadership Team Officer and the Finance & Performance Director• To appoint representatives to internal committees / bodies and joint committees• To approve procurement / tendering for delivery of services on behalf of the County Council (with no financial limit)• To approve operational arrangements for delivery level partnerships / joint working arrangements with other public, private, voluntary and community sector organisations• To take decisions on behalf of the Council when officially representing the Council on a partnership or outside body subject to advance notice of the issue having been given to the Council's representative.	<p>(b) in accord with legislation, statutory guidance, good practice and the Constitution;</p> <p>(c) within Budget.</p> <p>All decisions taken by Cabinet Members must follow the relevant procedures set out in Part 1, Section 8, para 8.6.</p> <p>All proposed Leader or Cabinet Member Non-Key and Key Decisions must be notified to the Service Manager – Executive, Community Governance together with any report(s) or other information supporting the decision.</p> <p>The Monitoring Officer or his/her representative will attend to advise the decision maker and ensure compliance with constitutional requirements when any Member Key or Non-Key Decision is taken.</p> <p>All decisions and supporting material will be published via the Council's website and available for public inspection at any time – excluding any exempt or confidential documents or information.</p> <p>Joint Non-Key decisions can be made by Cabinet Members on matters within their collective remits. Joint Key Decisions can be made by two or more members of the Cabinet.</p> <p>Approval of partnership operational arrangements and memberships rests with the Cabinet Member with the greatest input. For true cross-cutting partnerships, this responsibility rests with the relevant Cabinet Member when identified.</p> <p>If a Cabinet Member is absent or otherwise unable to act, the Leader (or in his / her absence the Deputy Leader) can take the decision on their behalf.</p> <p>If a Cabinet Member wants to take a Key or Non-Key Decision against Officer advice, or there is uncertainty or a dispute as to who may act, the matter will be decided by the Leader (or Deputy Leader in the absence of the Leader) in consultation with relevant</p>
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<p><u>Specific delegations to individual Cabinet Members</u></p> <p>The Cabinet Member- Resources and Economic Development can:</p> <ul style="list-style-type: none">• declare land / property surplus to the requirements of the Council and agree its disposal regardless of its capital value or annual rental income / leasehold consideration.• acquire land and property regardless of its capital value or leasehold consideration / annual rental cost.• approve capital sales at an under-value.• approve any changes to the Council's office portfolio and authorise any necessary property requirements, including disposal, office relocations, acquisitions, leases, etc• approve any capital or revenue virements above £250,000 in consultation with the relevant Cabinet Member(s) and Finance & Performance Director.• receive and approve the financial and performance monitoring reports on behalf of the Cabinet, with a requirement for subsequent notification to all Cabinet Members and the Chairmen of the Scrutiny Committees. <p>The Cabinet Member-Resources and Economic Development approves the establishment of all earmarked reserves and all new trading accounts and activities.</p> <p>The Cabinet Member-Highways and Transport can approve, amend or rescind traffic management schemes. Corporate and Community Services</p> <p>The Cabinet Member- approves staffing levels as part of the Medium Term Financial Plan.</p>	<p>Officers.</p> <p>Consultation requirements pre-decision:</p> <p>The consultation requirements for member decisions are set out in Part 1, Section 8, paras 8.6.14 (Key Decisions) and 8.6.15 (Non-Key Decisions)</p> <p>Publication requirements pre-decision:</p> <p>Publication requirements in relation to Member / Officer Key Decisions before the decision is taken are set out in paragraphs Part 1, Section 8, paras 8.6.17 to 8.6.20.</p> <p>Publication requirements post decision:</p> <p>Publication requirements in relation to Member / Officer Key Decisions, Member Non-Key Decisions, and Officer Non-Key Decisions taken under direct delegated authority after the decision is taken are set out in Part 1, Section 8, paras 8.6.21 and 8.6.22.</p> <p>Scrutiny call-in of Key Decisions:</p> <p>The process for the call-in of Key Decisions by the Scrutiny Committees is set out in Part 1, Section 6, paras 6.2.6 and 6.2.7.</p> <p>Non-Key Member Decisions - referral back</p> <p>The process for Members to request a referral of a Non-Key Member Decision not yet implemented back to the decision taker is set out in Part 1, Section 6, para 6.2.8.</p>
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5.6 JUNIOR CABINET MEMBERS

5.6.1 The Support Members are not able to take decisions but they can advise the Cabinet and the relevant Cabinet Member. They will:

- (a) Support their relevant Cabinet Member to provide clear political leadership both within and outside of the County Council in order to help advance and deliver the Council's priorities and key outcomes
- (b) Focus on information gathering and understanding key policy / service delivery in their areas of responsibility

- (c) Assist with the development of options and policies for consideration by the Cabinet and relevant Cabinet Member taking into account national policies and local circumstances
- (d) Brief and make recommendations to Cabinet and their relevant Cabinet Members and others on relevant issues in relation to policy and strategy development, service improvement or changes and decision making.
- (e) Represent or deputise for their relevant Cabinet Member at meetings or events as necessary. NB (The term 'deputise' does not include authority to take formal decisions.)
- (f) Promote and support good governance of the Council and its business.
- (g) Keep other Members of Council informed about their activities,
- (h) Maintain effective working relationships with Senior Leadership Team officers and other Officers.
- (i) Create and maintain effective relationships with partners and organisations to deliver the Council's priorities
- (j) Be accountable to their relevant Cabinet Member, and ultimately the Leader of the Council, for the development and delivery of policies and strategies to meet the outcomes required by the Council and the Cabinet.
- (k) Be accountable to their relevant Cabinet Member for supporting the commissioning and delivery of services to meet the outcomes required by the Council and the Cabinet. This includes supporting the delivery of County Plan priorities and Medium Term Financial Plan savings
- (l) Play a key role in supporting transformational programmes within their areas of responsibility
- (m) Play a key role in the delivery of specific projects within their areas of responsibility.

5.6.2 Where a Junior Cabinet Member is temporarily unable to perform their role e.g. due to illness, then the relevant Cabinet Member is able to appoint a temporary Junior Cabinet Member. In these instances the Leader of the Council will be consulted and the Monitoring Officer informed.

5.7 TRAFFIC REGULATION ORDER SUB-COMMITTEE

5.7.1 The Leader has appointed a 3 member Traffic Regulation Order Sub-Committee whose function is to make decisions on Traffic Regulation Orders where there are significant objections to the proposed Order. The Sub-Committee has delegated powers to confirm the Order, make minor modifications or to refer it back to Officers for reconsideration of the scheme proposals.

5.7.2 The Economies & Communities Infrastructure Operations Director will determine whether a Sub-Committee meeting will be held in consultation with the local Member and Cabinet Member for Highways and Transport.

5.7.3 The Sub-Committee meets when required. The **Chair** of the Sub-Committee agrees the venue, time and meeting date. Cabinet members appointed to the Sub-Committee will not normally include any Cabinet

member from the relevant district council area that relates to the Order. All three Sub-Committee members (or a substitute) must be present in order for there to be a valid meeting. The Sub-Committee's decisions are reported to Council in the Cabinet's regular report. Normally, the business of the Sub-Committee will be shown in the Cabinet Forward Plan of Key Decisions.

5.8 SOMERSET WASTE BOARD

5.8.1 Functions: The Leader has delegated to the Board the County Council's statutory functions as Waste Disposal Authority, together with the delegation of powers under Local Government Act 2003 in relation to the ability to charge for discretionary services such as the use of discretionary recycling sites/services that are not provided under Section 51 Environmental Protection Act 1990.

5.8.2 Form and Composition: The Board is a Joint Committee of Somerset County Council, Mendip District Council, Sedgemoor District Council, South Somerset District Council, Taunton Deane Borough Council and West Somerset Council. The Board was established under sections 101(5) and 102 of the Local Government Act 1972 and other relevant enabling legislation.

5.8.3 Each Council appoints two of its elected Members to be its representatives on the Board. One of the authority's appointed Members must be the relevant Cabinet Member for waste and/or the environment. Where a substitute takes the place of a Cabinet Member then the substitute must also be a Member of the Cabinet.

5.8.4 Board decisions: Aside from the Board itself, the following can take decisions with the agreement of the Board:

- (a) A Sub-Committee of the Board (a minimum of 3 Members representing 3 of the Partner Authorities);
- (b) The Administering Authority (under the Board's Scheme of Delegation);
- (c) The Managing Director (under the Board's Scheme of Delegation).

Delegation of a decision under (a) to (c) above does not prevent the Board taking the decision if it wishes to do so.

5.8.5 Board decisions are taken at a meeting in accordance with the Board's Forward Plan except where the General Exception Procedure or the Special Urgency Procedure applies.

5.8.6 Access to Information: The Board includes Members who are not on the Cabinet / Executive of any participating councils. Therefore, the Decision making Access to Information Procedure Rules in Part 1, Section 8, apply in accordance with the access to information provisions in Part VA of the Local Government Act 1972.

5.9 SUB-DELEGATION OF EXECUTIVE RESPONSIBILITIES:

5.9.1 All executive decision-making responsibilities can be delegated to an Officer subject to compliance with financial threshold limits. The Monitoring Officer maintains details of delegations from the Leader, Cabinet or Cabinet Members within the Council and Cabinet Scheme of Delegation to Officers – see Part 1, Section 8.

5.9.2 A delegation does not prevent the discharge of a delegated responsibility by the person or body who agreed the delegation.

5.10 CABINET MEETING ARRANGEMENTS:

5.10.1 **Meetings Calendar:** The Leader agrees the calendar of meetings for the Cabinet and publishes them on the Council's website. Special meetings can be called by the Leader or any 3 members of the Cabinet. The Cabinet normally meets at the Council's main offices in County Hall, Taunton.

5.10.2 **Public involvement at Cabinet Meetings:** Cabinet meetings are open to the public unless exempt or confidential information is being discussed. Members of the public may make a statement, ask a question or present a petition and the rules are set out in detail in Para 1, Section 8, paragraphs 8.6.35 and 8.6.36.

5.10.3 **Non-Cabinet Member involvement in Cabinet meetings:** The **Chair** may allow non-Cabinet Members to speak on any Cabinet item.

5.10.4 **Cabinet quorum:** A minimum of 4 members are required to have a valid meeting of the Cabinet. The quorum for a Sub-Committee of the Cabinet shall be fixed when the Sub-Committee is established. Only a member of the Cabinet may substitute for a member of a Cabinet Sub-Committee.

5.10.5 **Cabinet decision making:** Part 1, Section 8 – Decision-making Access to Information Procedure Rules detail the Cabinet decision making processes. Paragraphs 4.15 to 4.18 and 4.20 to 4.21 in Part 1, Section 4 – Full Council Procedural Rules – apply in full or in part to meetings of the Cabinet, the Traffic Regulation Order Sub-Committee and Somerset Waste Board.

5.10.6 **Who can put items on the Cabinet agenda?** The following can put items on a Cabinet agenda:

- (a) The Cabinet itself;
- (b) The Full Council;
- (c) A Scrutiny Committee;
- (d) Any member of the Cabinet;
- (e) The Chief Executive;
- (f) The Monitoring Officer;
- (g) The County Solicitor;
- (h) The Chief Finance Officer / Section 151 Officer;

- (i) Any Officer from the Senior Leadership Team.

5.10.7 Leader / Cabinet reports to Council: A report of Cabinet meetings and all Key decisions taken is made to each Full Council meeting. Individual Cabinet Members also present annual reports to the Full Council of their activities.

5.11 CABINET DECISION-MAKING ARRANGEMENTS: The procedures for taking Key and Non-Key Decisions are detailed in Section 8. This includes the rights of the public to:

- (a) Access details of decisions and related reports before and after they are taken; and
- (b) Make representations to the decision maker before a decision is taken.

Section 6 – Council Committees

ARRANGEMENTS

6.1.1 COMMITTEES OF THE COUNCIL: The Council has appointed standing Committees as detailed in sections 6A, 6B and 6C to undertake the functions specified. Committee functions cannot be delegated to the Leader unless allocated by the Council as a 'local choice' function.

Local Choice' functions (as defined in Part 1, Section 1) are indicated in italics.

6.1.2 COMMITTEE APPOINTMENTS: Full Council appoints all members of Committees on an annual basis.

6.1.3 COMMITTEE CHAIRS AND VICE-CHAIRS: Full Council appoints the **Chairs** and **Vice-Chairs** of Committees on an annual basis unless otherwise indicated in sections 6A, 6B and 6C.

6.1.4 SUBSTITUTION ON COMMITTEES: Substitutes are allowed on the Council's Committees except the Pensions Committee, the Officer Appeals Committee, the Somerset Health and Wellbeing Board and the Pensions Board. In the case of the Regulation Committee substitutes must be trained in planning and rights of way issues. Where substitution is allowed, the nomination of a substitute is for the entire meeting, not a part of it, even if the named Member of the Committee is available for part of the meeting.

6.1.5 MEETING DATES: Committee meeting dates and times are published on the Council's website, the public notice board at County Hall, and at any external venue used for a meeting. Committees normally meet in public at the Council's main offices in County Hall, Taunton. All of the Committees meet on a regular cycle except the Officer Appeals Committee which meets as and when necessary. The Officer Appeals Committee generally meets in private because of the nature of its business.

6.1.6 COMMITTEE BUSINESS – PUBLIC INVOLVEMENT: Committee meetings are open to the public unless exempt or confidential information is being discussed. Members of the public can find out about the business to be considered and may attend to make a statement, ask a question or present a petition where the agenda makes such provision. The rights of members of the public are set out in the rules detailed in Part 1, Section 8.

6.1.7 NON-COMMITTEE MEMBER INVOLVEMENT IN COMMITTEE MEETINGS: A **Chair** may allow a Member who is not a member of a Committee to speak on an item of business at a formal Committee meeting.

Section 6A – Scrutiny Committees

6.2 SCRUTINY FOR POLICIES AND PLACES COMMITTEE / SCRUTINY FOR POLICIES, CHILDREN AND FAMILIES COMMITTEE / SCRUTINY FOR POLICIES, ADULTS AND HEALTH COMMITTEE

FUNCTIONS

6.2.1 These Committees fulfil the statutory “overview and scrutiny” functions of the Council, to influence the decision makers and drive improvement in public services in Somerset. The Committees have no decision-making powers but have responsibilities delegated by Council.

Place

Functional areas that are the responsibility of the Committee are as follows:

- Environment & Countryside (and appointment of members to the Joint Waste Scrutiny Panel with the district councils)
- Planning
- Sustainability & Carbon Reduction
- The Economy
- Transport
- Highways
- Trading Standards
- Infrastructure and infrastructure projects
- Flooding & Water Management
- Cultural Services (eg, Libraries, Heritage)
- Corporate services (eg, ICT, Asset Strategy, Customers and Communities, Change Programme).

Children and Families

Functional areas that are the responsibility of the Committee are as follows:

- Investing in and improving school facilities
- Improving the health of children & young people
- Supporting educational achievement and improved outcomes for children & young people
- Improving young people’s prospects and skills (*shared with Cabinet Member for **Resources & Economic Development***)
- Delivery of Personalisation Agenda and Personal Budgets
- Protect and care for the most vulnerable
- Support and recruit more adopters and fosterers of children
- Improve prospects of disadvantaged children and young people and their families, and those at risk of being disadvantaged
- Specialist services for children with disabilities
- Special Educational Needs
- Safeguarding children
- School admissions
- Academy conversions.

- Youth offending and targeted youth work
- Early years and children's centres
- Appointment of school governors

Scrutiny for Policies, Adults and Health Committee

Functional areas that are the responsibility of the Committee cover personal services to individuals as follows:

- Health & Wellbeing (including Public Health Services)
- Education, Training & Skills
- Learning and Physical Disabilities
- Adult Care & Support Services
- Community Safety
- Somerset Armed Forces Community Covenant.

6.2.2 In respect of their functions, each committee will:

- (a) Advise the Cabinet, on the formative stages of key service developments and reviews;
- (b) Influence planned key decisions before they are taken;
- (c) Hold Cabinet decision-makers (including Officers) to account for Key decisions.
- (d) Question members of the Cabinet and/or committees and senior officers about their decisions and performance standards
- (e) Ensure that all the Council's performance management and assessment systems continually improve the Council's service delivery;
- (f) Assist the Cabinet / Council in budget and policy development;
- (g) Review delivery of key action plans (including external inspection action plans) and Council objectives through the achievement of outcomes;
- (h) Consider any matter affecting the County of Somerset or its inhabitants (specifically children in the case of Scrutiny Children and Families);
- (i) Ensure active engagement of Members, the public, media, stakeholders, partners and Officers in the work of the Council and the Committee and to enable the voice of the wider community to be heard within the Council;
- (j) Make reports and/or recommendations to the Full Council and/or the Cabinet, Council, other Committees and/or partner bodies;
- (k) Scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to discuss their activities and performance.

6.2.3 **FORM AND COMPOSITION:** Each Committee comprises 9 elected Members reflecting the political composition of the Council. In addition, the membership of the Scrutiny for Policies, Children and Families Committee includes 3 co-opted church representatives, 2 co-opted parent governor representatives, and 1 representative each from the Schools Forum and the Schools Compact, all with voting rights (which are full voting rights) on educational matters only. Members of the Cabinet cannot be members of these committees.

6.2.4 JOINT HEALTH SCRUTINY: For significant NHS proposals, eg, regional matters and ambulance NHS Trust matters, a Joint Overview and Scrutiny Committee of the relevant councils is appointed to provide a collective response. The Council's representatives to the Joint Committee (up to 4) are appointed by the Scrutiny for Policies, Adults and Health Committee. The Chief Executive approves the terms of reference, constitution and arrangements for such a Joint Committee on behalf of the Council.

6.2.5 QUORUM: A minimum of 5 elected members are required to be present for a valid meeting to take place.

6.2.6 COMMITTEE BUSINESS: The following can include items on scrutiny agendas:

- (a) The Committee itself;
- (b) Full Council;
- (c) The Leader;
- (d) The Cabinet collectively;
- (e) Any Member of the Committee. The non-elected Members of the Scrutiny for Policies, Children and Families Committee may include items on the Committee's agendas in relation to education;
- (f) Any other Member, for an issue affecting their division and where all other methods of resolution have been exhausted;
- (g) The Monitoring Officer;
- (h) The County Solicitor;
- (i) Any Officer from the Senior Leadership Team;
- (j) The Scrutiny Officer.

CALL-IN OF KEY DECISIONS

6.2.7 "Call-in" is a facility which Members can use to challenge Key Decisions where a scrutiny committee has not been involved prior to the decision being taken or where a Member believes a decision has been taken without the proper process having been followed.

6.2.8 Call-in of Key Decisions is subject to the following rules:

- (a) General provisions:
 - (i) Call-in should be used on an exception basis and not to unnecessarily delay Council business;
 - (ii) An individual Key Decision should normally only be subject to scrutiny once, whether pre or post decision;
 - (iii) Key Decisions cannot be called in where the decision requires urgent implementation. Urgent implementation requires the approval of the Leader of the Council and the **Chair** of the relevant Scrutiny Committee;
 - (iv) Call-in only applies to decisions. Recommendations (for example, made by the Cabinet to Council) cannot be called-in.

- (b) Scrutiny of Key Decisions before they are taken: This should focus on ensuring that the decision-maker has all the necessary information, to take a fully informed decision and that any procedures have been properly followed. Any scrutiny review at this stage should not pre-empt the decision. The decision-maker must take the views of the relevant Scrutiny Committee into account before taking the decision.
- (c) Scrutiny of Key Decisions after they are taken but before they are implemented:
 - (i) Key Decisions are published to all Members and the public (via the website) within 2 working days of the decision date;
 - (ii) Key Decisions (unless urgency is agreed) must be called-in within 5 working days of publication or the decision will be implemented automatically.
 - (iii) Any Member may request a call-in but the call-in must be supported by a Member of the relevant Scrutiny Committee and agreed by the **Chair** and **Vice-Chair** of that Committee in order to be formally considered. The call-in must be submitted in writing or by email to the **Chair** and **Vice-Chair** of the relevant Committee;
 - (iv) The Chair and **Vice-Chair** of the relevant Scrutiny Committee will consider call-in requests against the principles of good decision-making and will either agree the request or detail their reasons for rejecting the request for report to the next available meeting of the relevant Committee;
 - (v) A call-in must specify the subject matter, the reason(s) for it, information required to enable full consideration and the preferred outcome;
 - (vi) Each call-in will be considered at the next meeting of the relevant Scrutiny Committee unless an alternative is agreed with the decision-maker;
 - (vii) The Scrutiny Committee having considered a call-in will report to the decision-maker. The Committee also has the option of reporting direct to the Council as well as or instead of the decision-maker;
 - (viii) Where an item has been subject to pre-decision scrutiny of the process, post decision call-in should normally only relate to the decision itself;
 - (ix) If there is no pre-decision scrutiny of an item then the process and/or the decision may be the subject of call-in.
- (d) Scrutiny of Key Decisions after implementation: This should only occur where the decision-maker was required to make a decision that was time critical or at a later stage to gauge the effect of the decision. Scrutiny in these circumstances is not part of the call-in process.

6.2.9 REFERRAL OF NON-KEY MEMBER DECISIONS: Non-key member decisions can be referred back to the decision-maker by Members prior to implementation as follows:

- (a) Non-Key Member Decisions are published to all Members and the public on the Council's website within 2 working days of the date of decision;
- (b) Any Member with the support of their Group Leader (or in their absence, the Deputy Group Leader) and the agreement of the **Chair** of the relevant Scrutiny Committee may refer a proposed decision back to the decision-maker within 3 working days of it having been published. The decision-maker will consider the referral prior to confirming the decision and its implementation.
- (c) If there is no referral the decision will be implemented automatically at the expiry of the 3 day notification period.
- (d) The only exception to this rule shall be 'urgent' decisions requiring immediate implementation. A decision will be urgent if any delay would, or would be likely to, significantly prejudice the Council's or the public interests.

6.2.10 MEMBERS AND OFFICERS ATTENDING SCRUTINY

COMMITTEES: A Scrutiny Committee can **require** a Member of the Cabinet, the Chief Executive and/or an appropriate Senior Officer or Officers (as agreed the Chief Executive) to attend a meeting in order to explain matters within their remit including any particular decision or series of decisions. Officers identified must attend.

6.2.11 ATTENDANCE BY OTHERS AT SCRUTINY MEETINGS: A Scrutiny Committee can **invite** others to address their meetings, discuss issues of local concern and/or answer questions. Attendance is optional.

6.2.12 REPORTING: A Scrutiny Committee can report and make recommendations to the Leader / Cabinet or the Council, as appropriate, and to partner public bodies involved with Community Safety or the NHS. Each Committee presents a summary of its work to each Full Council meeting and reports annually to Full Council on its work, its future work programme and recommendations for improving the way it carries out its functions, if appropriate.

6.2.13 FORWARD WORK PLANS OF BUSINESS: The **chairs** and **vice-chairs** of each committee meet as and when required to organise and co-ordinate the forward work programmes of business.

Section 6B – Decision-making Committees

6.3 REGULATION COMMITTEE

6.3.1 FUNCTIONS: The Committee undertakes a range of regulatory functions and other functions as delegated by the Council. These are the responsibilities of the Council for:-

- (a) Town and country planning and development control (except any functions reserved to the Full Council meeting or the Cabinet)
- (b) Registration of common land and town or village greens
- (c) Assertion and protection of public rights of way
- (d) The issue of fire certificates under Section 5 of the Fire Precautions Act 1971
- (e) *Contaminated land*
- (f) *The control of pollution or the management of air quality*
- (g) Making byelaws
- (h) The approval of premises for the solemnisation of marriages
- (i) The Registration Service and Registrars
- (j) *Any function under a local Act*
- (k) *The service of an abatement notice in respect of a statutory nuisance*
- (l) *The passing of a resolution that Schedule 2 to the Noise and Statutory Nuisance Act 1993 should apply in the authority's area*
- (m) The inspection of the authority's area to detect any statutory nuisance
- (n) Delegating the Committee's functions to another authority

(‘Local Choice’ functions [as defined in Part 1, Section 1] delegated by the Council)

except for functions delegated to the Economic & Community Infrastructure Operations Director (see Part 1, Section 8, paragraph 8.5.6), but subject nevertheless to the Committee retaining an overseeing role in respect of such functions.

6.3.2 FORM AND COMPOSITION: The Committee comprises 9 Members and the membership reflects the political composition of the Council. Membership must not include Cabinet Members. Substitution is allowed but excluding Cabinet Members.

6.3.3 QUORUM: A minimum of 5 members is required for a valid meeting of the Committee.

6.3.4 COMMITTEE BUSINESS: The following can include items on the Committee's agenda:

- (a) The Committee itself
- (b) Full Council
- (c) A member of the Committee
- (d) The Chief Executive
- (e) The Monitoring Officer

- (f) The County Solicitor
- (g) Relevant Senior Leadership Team officers.

6.3.5 REPORTING: In the event that a report is necessary, the Committee reports to Full Council.

6.3.6 CODE OF PRACTICE – COMMONS REGISTRATION, PLANNING CONTROL, RIGHTS OF WAY: The Committee must have regard to the Code of Practice - Commons Registration, Planning Control and Rights of Way (contained within Part 2 of the Constitution) which sets out procedures to guide Members in decision-making on regulatory matters.

6.4 PENSIONS COMMITTEE

6.4.1 FUNCTIONS: The Committee discharges the functions of the Council in its role as the administering authority of the Somerset County Council Pension Fund. Principal responsibilities of the Committee are to decide investment policy objectives, manage the investments and monitor their performance, consult with stakeholders and consider requests from organisations wishing to join the Fund.

6.4.2 FORM AND COMPOSITION: The Committee comprises 4 elected Members of the County Council (the membership reflects the number of Members that each political party has on the Full Council), 1 elected Member representative of the district councils in Somerset, 1 representative of the Avon and Somerset Police and Crime Commissioner, 1 representative of all other employers, and 1 representative of the individuals covered by the Fund (current active, deferred and pensioners). All Members of the Committee are voting members. With the **Chair's** casting vote, those Members of the Committee appointed by the County Council must form a majority of voting members. The Committee does not have a **Vice-Chair**.

6.4.3 QUORUM: A minimum of 3 elected members is required for a valid meeting of the Committee.

6.4.4 COMMITTEE BUSINESS: The following can include items on the Committee's agenda:

- (a) The Committee itself
- (b) Full Council
- (c) A member of the Committee
- (d) The Chief Executive
- (e) The Monitoring Officer
- (f) The County Solicitor
- (g) The Section 151 Officer.

6.4.5 REPORTING: The Committee submits an Annual Report to Full Council.

6.5 AUDIT COMMITTEE

6.5.1 FUNCTIONS: In summary, the Committee approves internal audit arrangements, considers external audit reports and deals with other governance matters including risk.

The Committee:

- (a) Approves (but not directs) internal audit's strategy, plan and performance;
- (b) Reviews summary internal audit reports and the main issues arising, and seeks assurance that action has been taken where necessary;
- (c) Considers the reports of external audit and inspection agencies;
- (d) Ensures that the Council's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it;
- (e) Ensures that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process and effective financial governance is actively promoted;
- (f) Reviews the financial statements, external auditor's opinion and reports to Members, and monitors management action in response to the issues raised by external audit.
- (g) Approves the annual accounts of the Council and the Annual Governance Statement, together with considering the Matters Arising from the Accounts Audit.

6.5.2 FORM AND COMPOSITION: The Committee comprises 9 Members and the membership reflects the political composition of the Council. Membership must not include Cabinet Members. Substitution is allowed but excluding Cabinet Members.

6.5.3 QUORUM: A minimum of 5 members is required for a valid meeting of the Committee.

6.5.4 COMMITTEE BUSINESS: The following can include items on the Committee's agenda:

- (a) The Committee itself
- (b) Full Council
- (c) A member of the Committee
- (d) The Chief Executive
- (e) The Monitoring Officer
- (f) The County Solicitor
- (g) The Chief Internal Auditor
- (h) The Section 151 Officer.

6.5.5 REPORTING: The Committee submits an Annual Report to Full Council and reports to the Leader / Cabinet as necessary.

6.6 HR POLICY COMMITTEE

6.6.1 FUNCTIONS: The Committee formally:

- (a) Determines, monitors, reviews and amends staffing policies and practices to secure the best use and development of the council's staff, including the power to deal with all matters relating to staff terms and conditions.
- (b) Acts as the Council's Remuneration Committee for Chief Officers pay (with the exception of the post of Monitoring Officer).

Note: The term 'Chief Officers' as used in this delegation reflects the legislative definition. It applies to all officers within the Council's Senior Leadership Team.

In exercising the functions outlined above, and in accordance with the Council's approved Pay Policy Statement, the Committee:

- (a) decides whether national pay awards for SLT Officers are applied locally and where it is agreed that these awards will be paid these will be reflected in the next annual review of the Pay Policy Statement
- (b) reviews on at least an annual basis the pay and grading structure of the Council (including SLT officers grades and salaries) and makes recommendations for any changes considered necessary to Full Council by way of a revised Pay Policy Statement .

6.6.2 The Committee also has responsibility for employee relations on behalf of the Council. Specifically it will meet as a forum for consultation 3 times a year with representatives of the trades unions and senior officers as set out below. The Committee will then formally consider recommendations arising from these consultative meetings and make decisions or recommendations to Council as necessary. Functions of this meeting:

- (a) To act as a forum for consultation to secure co-operation between the Council and its employees and between the different services of the County Council.
- (b) To discuss the conditions of service, hours of employment, remuneration, training and health, safety and welfare at work of employees of the Council within the terms of overall County Council HR Policies and Procedures and make recommendations as necessary.
- (c) To take or recommend such action as it may be deemed necessary or desirable to prevent differences and misunderstandings between the County Council and its employees, provided that no question of individual discipline, remuneration, promotion or efficiency shall be within the purview of the joint meeting.

- (d) To consider any proposed legislation affecting employees of the County Council.
- (e) To encourage, consider and recommend improvements to the organisation, and the study of methods of administration including recruitment and training with a view to improving the efficiency of the service.
- (f) To consider any matter which may be referred to it by a standing Committee of the County Council, the Central Safety Committee or which it may be requested to deal with jointly by the Joint Secretaries.

6.6.3 FORM AND COMPOSITION: Meeting as a Committee of the Council, the Committee comprises 6 Members and the membership reflects the political composition of the Council. The Committee does not have a **Vice-Chair**.

6.6.4 QUORUM: A minimum of 3 members is required for a valid meeting of the Committee.

6.6.5 COMMITTEE BUSINESS: The following can include items on the Committee's agenda:

- (a) The Committee itself
- (b) Full Council
- (c) A member of the Committee
- (d) The Chief Executive
- (e) The Monitoring Officer
- (f) The County Solicitor
- (g) The HR & OD Director.

6.6.6 REPORTING: The Committee reports to Full Council on relevant matters as required.

6.6.7 CONSULTATIVE MEETINGS WITH THE TRADE UNIONS: The consultative meetings will be closed to the public and press although recommendations arising from them will be considered at scheduled formal meetings of the Committee held under the requirements of the Local Government and Housing Act 1989.

6.6.8 The position of **chair** of the joint consultative meeting with the unions will rotate annually between the chair of the HR Policy Committee and a trade union representative.

6.6.9 The joint consultative meetings will continue to be supported by relevant officers.

6.7 OFFICER APPEALS COMMITTEE:

6.7.1 **FUNCTIONS:** To hear and determine all Officer appeals against dismissal (except appeals resulting from posts becoming redundant) or against the rejection of a complaint under the grievance procedure, in respect of all employees of the Council, except where other specific provision is made.

6.7.2 **FORM AND COMPOSITION:** The Committee comprises 6 Members and the membership reflects the political composition of the Council. To undertake each individual hearing, a minimum of 3 Members are selected from the total membership. The members convened for each hearing appoint a **Chair** for the duration of the hearing.

6.7.3 **QUORUM:** A minimum of 3 members are required for a valid meeting of the Committee.

6.7.4 **COMMITTEE BUSINESS:** The HR & OD Director refers individual cases to the Committee.

6.7.5 **REPORTING:** In the event that a report is necessary, the Committee reports to Full Council.

6.8 CONSTITUTION AND STANDARDS COMMITTEE

6.8.1 **FUNCTIONS:** In summary, the Committee's main responsibilities relate to updating the Council's Constitution and the policies and procedures in relation to members' standards of conduct.

Constitutional matters:

The Committee is responsible for:

- (a) Maintaining an effective, up to date and legally compliant Constitution.
- (b) Considering proposals from Council committees for changes to the constitutional arrangements of the Council.
- (c) Approving in-year changes to individual parts of the Constitution and submitting an annual report to the Council recommending a revised Constitution for approval to the Council's Annual General Meeting. See notes below.
- (d) Taking all required decisions in respect of the County Council elections;
- (e) Overseeing the Council's input and response to boundary reviews as required by the Boundary Commission.

Notes: The delegation set out in (c) above exclude approval of:

- Any changes to the operational arrangements of the Council including the Committee structure – which will be referred to Council for approval as a recommendation

- The Scheme of Members' Allowances which is approved by the Council on the recommendation of the Joint Independent Remuneration Panel;
- The Council's executive arrangements, which are the responsibility of the Leader of Council;
- Any change to the Council's model of democratic governance under the Localism Act 2011.

Conduct matters:

The Committee:-

- (a) Has responsibility for promoting high standards of conduct by Members, Co-opted Members and Officers and for the policies and processes which support this aim.
- (b) Advises on the induction and training of Members and Co-opted Members on standards of conduct ;
- (c) Monitors the operation of the Members' Code of Conduct and recommends any changes considered necessary to the Code to the Council for approval.
- (d) Has responsibility for overseeing the Standards of Conduct for officers and recommending any changes considered necessary to the Council for approval
- (e) Manages the members' and officers' registers of interests and gifts / hospitality;
- (f) Monitors the Council's Whistleblowing Policy and make recommendations to the Council in respect of any proposed changes.

The Committee has no role in considering or determining member complaints. The Constitution includes separate arrangements for Code of Conduct Hearing Panels to deal with member complaints – see section 6D.

6.8.2 FORM AND COMPOSITION: The Constitution and Standards Committee comprises of 1 elected member per political group (currently 5 elected Members) [but no Cabinet Members] and 5 Co-opted Members without voting rights. Substitutes will be permitted for the elected members appointed to the Committee. The Chair is appointed by the Council on an annual basis. Council has agreed to waive the political proportionality requirements for appointments to the Committee to enable all of the political groups on the Council to be represented.

6.8.3 QUORUM: A minimum of 3 members is required for a valid meeting of the Committee.

6.8.4 COMMITTEE BUSINESS: The following people and bodies may include items on the Committee's agendas:

- (a) The Committee itself;
- (b) Full Council;
- (c) The Leader;
- (d) The Chair of any Council Committee;

- (e) A member of the Committee, including a co-opted member
- (e) The Chief Executive;
- (f) The Monitoring Officer;
- (g) The Chief Finance Officer / Section 151 Officer;
- (h) The County Solicitor.

6.8.5 REPORTING: The Committee shall make an annual report to Council and shall report as necessary outside of these occasions. To reflect the importance of the Committee its reports to Council always appear at the beginning of the Council agenda before any other reports.

6.9 SOMERSET HEALTH AND WELL-BEING BOARD

FUNCTIONS

6.9.1 The Board, on behalf of the County Council and the Somerset Clinical Commissioning Group (SCCG), identifies and agrees health and wellbeing needs and priorities across Somerset through:

- (a) The regular refresh and publication of the Joint Strategic Needs Assessment (JSNA) to support evidence-based prioritisation, commissioning and policy decisions;
- (b) The preparation, agreement and publication of the Somerset Health and Wellbeing Strategy (SHWBS). The SHWBS sets a high level joint strategic vision for health and wellbeing, taking into account the JSNA and the Annual Public Health Report, as well as national policy developments and legislation.

Organisations represented on the Board have a duty to have regard of the strategy and are held to account for their contribution to delivery of outcomes.

6.9.2 The Board also:

- (a) Oversees, where appropriate, the use of resources across a wide spectrum of services and interventions, to ensure that the SHWBS and priority outcomes are achieved and to drive a genuinely collaborative approach to commissioning, including the co-ordination of agreed joint strategies.
- (b) Supports the inclusion of the public, patients and communities in the setting of strategic priorities, including (but not solely) through the involvement of local Healthwatch.
- (c) Communicates and engages with local people in how they can achieve the best possible quality of life and be supported to exercise choice and control over their own health and wellbeing and that of the people living around them.

6.9.3 FORM AND COMPOSITION: The Board is a Committee of the County Council established under Section 102 of the Local Government Act 1972 as

amended in relation to the Board. The base membership of the Board is set out in the legislation and the Council has authority to appoint additional Board members. The membership as agreed by the Council includes 5 elected members of the Council. The Leader of the Council appoints the Council's representatives on the Board. The Leader of Council also has responsibility for appointing the **Chair** and the 2 **Vice-Chairs** of the Board. The Board reports to Full Council and to the Cabinet on relevant matters.

6.9.4 THE BOARD'S CONSTITUTION: The Board has its own Constitution agreed by the Council and other constituent bodies setting out the procedural arrangements for its business and meetings arrangements.

6.9.5 REPORTING: The Board reports to Full Council and Cabinet on an 'as necessary basis'.

Section 6C – Pensions Board

LEGAL BACKGROUND

6.10.1 The Pensions Board is established under Section 5 of the Public Service Pensions Act 2013 and regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).

6.10.2 The Board is established by Somerset County Council in its capacity as the Administering Authority of the Somerset County Council Pension Fund and operates independently of the Pensions Committee.

FUNCTIONS

6.10.3 The Board's remit covers all aspects of governance and administration of the LGPS, including funding and investments.

6.10.4 The Board will exercise its duties in the following areas:

- (a) monitor compliance with the relevant legislation and Codes of Practice set by The Pensions Regulator;
- (b) review and ensure compliance of the Fund's:
 - (i) governance compliance statement
 - (ii) funding strategy statement
 - (iii) pension administration strategy statement
 - (iv) discretionary policy statement
 - (v) communications policy statement
 - (vi) statement of investment principles
 - (vii) annual report and accounts
- (c) review and scrutinise the performance of the Fund in relation to its governance and administration, policy objectives and performance targets;
- (d) ensure policies and processes are in place so that employers comply with their obligations under the regulations;
- (e) review the processes for setting strategy, policy and decision-making and ensure they are robust;
- (f) agree the annual internal audit plan for the Fund;
- (g) consider the output of any internal audit work carried out on the Fund;

- (h) consider the external audit report on the Fund's Annual Report and Statement of Accounts;
- (i) review the Fund's risk register;
- (j) monitor the Fund's Internal Dispute Resolution Procedures;
- (k) from time to time the administering authority may consult the Board or ask assistance on specific issues.

6.10.5 Under Regulation 106(8) the Board has the general power to do anything which is calculated to facilitate or is conducive or incidental to, the discharge of its functions.

FORM AND COMPOSITION

6.10.6 The Board comprises of:

- (a) 3 employer representatives – 1 of whom is a county councillor
- (b) 3 employee representatives – 2 of whom are directly nominated by the Trades Unions

6.10.7 The Board's members are appointed by Full Council as per the requirements of the Board's Constitution and Terms of Reference.

6.10.8 The **Chair** of the Board shall be elected annually by the members of the Board and shall rotate between the employer and the employee representatives on the Board.

QUORUM

6.10.9 The quorum for a meeting of the Board shall be 3 to include the **Chair**. The quorum must include one employer representative and one member representative.

BOARD MEETINGS ARRANGEMENTS

6.10.10 Board meetings shall be conducted in accordance with its Constitution and Terms of Reference.

6.10.11 The Boards terms of reference shall be reviewed by the Council on the advice of the Board and on an annual basis to ensure that they remain fit for purpose and in accordance with any regulations and guidance issued by the Secretary of State. Any revisions will be agreed by the Council and by the Board.

Section 6D – Code of Conduct Hearing Panel Arrangements

FORM, FUNCTION AND COMPOSITION

6.11.1 The Code of Conduct Hearing Panel deals with the assessment, review and determination of complaints under the Members' Code of Conduct against Members and Co-opted Members where referred by the Monitoring Officer following consultation with the Council's Independent Person (IP). Where an investigation finds evidence of a failure to comply with the Code of Conduct and a local resolution is not appropriate or not possible, a Hearing Panel shall be appointed by the Leader on the request and advice of the Monitoring Officer to consider and determine the complaint.

6.11.2 Given the wider provisions in place for determining complaints against members, it is expected that these arrangements will only be required to be used in exceptional circumstances where the alleged breach of the Code of Conduct is particularly serious and a satisfactory outcome has not been achieved through the other stages of the process.

6.11.3 The Hearing Panel will comprise of 3 members:

- The Leader of the Council (or his/her nominated representative)
- The Leader of the largest opposition group (or his/her nominated representative)
- 1 other member from the opposition groups nominated by their group leader with the agreement of the other opposition group leaders.

6.11.4 Appointments to the Panel will be made by the Leader of Council on the basis of the nominations made by Group Leaders. If a Group Leader is the subject of the complaint to be considered, they will take no part in the selection of the members for the Panel. In these circumstances the nominations will be made by the Deputy Group Leader or the other members of a political group where there is no Deputy Group Leader.

6.11.5 The Panel will have authority to determine complaints and apply sanctions under the Council's procedure as required except where the decisions are not unanimous. In these circumstances the Panel's decision must be referred as a recommendation to Full Council for confirmation.

QUORUM

6.11.6 The quorum for a meeting of the Panel shall be 3 members.

MEETING ARRANGEMENTS

6.11.7 The Panel will be chaired by the Administration's appointed representative from within the membership set out in 6.11.3 above.

6.11.8 Prior to a hearing, there will be a 'case management' meeting involving the Chair of the Hearings Panel, the subject member, the Monitoring Officer and the County Solicitor to consider options for the procedure to be followed. Following this meeting, the Chair of the Hearing Panel, in consultation with the Monitoring Officer, will confirm the scope and content of the hearing panel process. This delegated authority includes agreeing the format of the hearing including whether with the agreement of the subject member there should be a full public hearing with witnesses etc or whether it could be dealt with in private session by way of written representations. All parties will be informed of the Chair's decision.

6.11.9 If it is decided that a full public hearing is held it will be held in public subject to the rules on exempt information and will be conducted on a relatively informal basis. However both parties will be able to make representations and call a limited number of witnesses to be agreed in advance with the Chair. At the end of the Hearing, the Panel, after consulting with the IP, will decide whether, on the balance of probabilities there has been a failure to comply with the Code of Conduct and what 'sanction' or 'sanctions' should be imposed.

6.11.10 The Panel will be advised by the Monitoring Officer and/or the County Solicitor on the process to be followed and potential outcomes including the sanctions available to the Panel should the decision be made that the Code of Conduct has been breached.

6.11.11 At the conclusion of the evidence and following any confidential members' discussion to reach a draft decision, the Panel members will meet in exempt session with the MO, County Solicitor (in order to have access to legal advice), and the IP, to formally agree their decision prior to the decision and outcomes being confirmed to the subject member and published.

SANCTIONS

6.11.12 Where the Hearings Panel confirms that a breach of the Code of Conduct has occurred, the range of actions available to the Panel is as follows:-

- (a) Reporting its findings to Council for information;
- (b) Recommending to the Member's Group Leader that the Member is removed from any or all Committees or Sub-Committees of the Council of which they are a member;
- (c) Recommending to the Leader of the Council that the Member is removed from the Cabinet, or removed from particular cabinet responsibilities;
- (d) Instructing the Monitoring Officer to arrange training for the Member;
- (e) Removing the Member from all outside appointments to which he/she has been appointed or nominated by the authority;
- (f) Withdrawing facilities provided to the Member by the Council, such as a computer, website and/or email and internet access;

- (g) Excluding the Member from the Council's offices or other premises, the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Cabinet, Committee and Sub-Committee meetings.

Section 7 – Officer Arrangements

This section incorporates the Mandatory Standing Order requirements as designated in the Local Authorities (Standing Orders) (England) Regulations 2001. It also includes relevant requirements of the annual Pay Policy Statement as agreed by the Council.

7.1 **APPOINTMENT OF OFFICERS:**

7.1.1 **GENERAL:** The Head of Paid Service (the Chief Executive) is responsible to the Council for:

- (a) appointing sufficient Officers to deliver the Council's functions;
- (b) the Council's Senior Leadership Team (SLT) (see section 1 for the definition of the posts which comprise SLT) and the supporting officer structures to deliver agreed outcomes. The process for such reviews shall be decided by the Chief Executive following consultation with whoever he/she considers relevant. SLT comprises all officers within grades 1 to 3 in the Council's grading structure.

Any changes proposed to SLT and supporting officer structures are subject to consultation with the Cabinet and informing Full Council of the changes. Changes will be agreed via a formal decision taken by the Chief Executive.

The Council's Pay Policy Statement, senior management structure and pay details and a description of the roles of the statutory officers of the Council is available to view on the Council's website via the following link:

<http://www.somerset.gov.uk/organisation/senior-salaries-and-pay-policy/>

7.1.2 The Chief Executive has authority:

- (a) to appoint and dismiss all employees except where this function is specifically delegated to Members.
- (b) to approve changes to the terms and conditions of all SLT posts (and to include the Monitoring Officer) on the recommendation of the Appointments Panel or the Appointments Committee or on his / her own initiative and having obtained the agreement of the Leader of the Council. All decisions taken by the Chief Executive on such matters will be the subject of a formal Officer Decision which will be published on the Council's website as soon as it is confirmed
- (c) after having sought the agreement of the Leader, and after appropriate consultations, to agree:
 - (i) acting up arrangements into SLT positions (to include the Monitoring Officer but excluding the post of Chief Executive) to cover periods of temporary absence either planned or unplanned
 - (ii) emergency cover arrangements for the statutory Chief Officer roles (other than that of Chief Executive) where these positions become vacant between Full Council meetings. Any such agreement will

be subject to review and confirmation at the next available Full Council meeting.

7.1.3 The Chief Executive, having obtained the agreement of the Leader of Council, will approve the recruitment of interims at SLT (and to include the Monitoring Officer) on a case by case basis and based on a business case presented by the Appointments Panel.

SENIOR LEADERSHIP TEAM APPOINTMENTS (AND THE MONITORING OFFICER)

7.1.4 Appointments to these posts must involve elected Members.

In addition, in the absence of full-time contracted employees in relevant SLT posts, appointments to the following interim posts are also subject to the requirements of section 7:

- Interim Director of Children's Services
- Interim Deputy Director of Children's Services
- Interim Operations Director of Children's Services.

The Monitoring Officer post is not part of SLT but appointments to this post will similarly involve members.

7.1.5 Where a vacancy occurs in these appointments, the recruitment process requires the appointment of an Appointments Panel and then an Appointments Committee.

Appointments Panel:

7.1.6 The Panel reviews the terms and conditions of employment relating to the post and where appropriate makes recommendations to the Chief Executive for any changes; decides the appointments process or other course of action; and appoints the Appointments Committee to undertake the appointments process. This review includes reviewing the job and person specifications, the means of advertisement and short-listing arrangements. The Panel will then appoint an Appointments Committee. The Panel can convene virtually or meet as required.

7.1.7 If a Panel decides that no changes to terms and conditions are necessary when it reviews a vacant post (and that the salary will be advertised at the bottom of the range [the 'spot' for the grade] for posts on grades 1 to 3) then the Panel has authority to progress the recruitment without the need to seek further approvals. If a Panel wishes to make changes to the terms and conditions of a vacant post (other than the post of Chief Executive) then these are subject to the approval of the Chief Executive having obtained the agreement of the Leader of the Council. This includes where a Panel wishes to advertise a salary for a post on grades 1 to 3 (other than the post of Chief Executive) above the 'spot' at the bottom of the range. This must be the subject of a Panel recommendation to the Chief Executive for decision. If the Panel's recommendations for changes to terms and conditions relate to the

post of Chief Executive then Full Council must agree these changes. In all cases the Panel will appoint the Appointments Committee.

7.1.8 In respect of the appointment of interims to SLT posts (including the post of Monitoring Officer) the Panel will present a business case to the Chief Executive which takes into account:

- value-for-money for the taxpayer
- the evaluated grade of the post to be covered
- the public profile of the post
- risks to the Council
- the labour market, both nationally and locally in the South West, for interims providing cover for similar posts in councils of a similar size

7.1.9 The Panel comprises 3 members, the Leader of the Council, the Leader of the largest Opposition Group, and the Deputy Leader of the Council (or their nominated representatives) with any relevant Cabinet Members as consultees.

Appointments Committee

7.1.10 The Committee will:

- (a) Interview all short-listed candidates and either
- (b)
 - Appoint a suitable candidate to the post; or
 - In the case of the Chief Executive make a recommendation to the Full Council who must approve the proposed appointment before an offer of appointment is made; or
 - Follow any other course of action decided upon by the Appointments Panel.

7.1.11 The Committee comprises a maximum of 5 Members including:

- (a) The Leader of the Council (or his/her nominated representative)
- (b) The Leader of the largest Opposition Group (or his/her nominated representative)
- (c) Up to 3 other Members of the Council selected in accordance with the rules of political proportionality and including the relevant Cabinet Member.

Notes:

- (a) It is a statutory requirement that at least 1 member of an Appointments Committee must be a Member of the Cabinet.
- (b) The Committee appoints its own **Chair**.
- (c) All Members of the Committee must have up-to-date knowledge of and have received training in the areas of Recruitment and Equalities.
- (d) The selection process must be conducted in accordance with the Council's agreed Code of Practice.

7.1.12 An offer of employment to these posts shall only be made where no justifiable objection has been made by the Cabinet member.

7.1.13 If the Committee during the course of an appointment process wishes to vary the terms and conditions or the salary already agreed for a specific post, then such a proposal is subject to the approval of the Chief Executive having obtained the agreement of the Leader of the Council. The exception to this is where the Committee's recommendations relate to the appointment of the Chief Executive where only Full Council may amend the terms and conditions to be applied to the post.

7.1.14 The Appointments Committee will interview candidates for interim appointments at SLT (and to include the post of Monitoring Officer) level to assess their suitability for the role and will confirm appointments.

7.1.15 Chief Officer level interim appointments will be subject to formal review by the Chief Executive at the end of six months and at six monthly intervals thereafter to assess whether there is a requirement to retain their services. The original Appointments Committee will be consulted where the Chief Executive proposes to extend the engagement of an interim. The final decision on the extension of an interim rests with the Chief Executive.

Appointment of Agency Interims below Chief Officer level

7.1.16 All interim appointments below Chief Officer level will be sourced by the relevant Chief Officer or the Chief Executive where a Chief Officer is unable to act. If this interim is to be employed at a rate of over £500 per day:

- (a) The appointment will be subject to a formal review process at the end of the first six months and six monthly thereafter; and
- (b) Any decision to extend the engagement of such an interim will require the approval of the Chief Executive.

7.1.17 All other interim appointments will be subject to a formal review process at the end of the first six months and six monthly thereafter and the decision to extend the engagement of such appointments rests with the relevant Chief Officer.

7.1.18 **VOTING ON OFFICER APPOINTMENTS:** Where two or more candidates are interviewed for an appointment to a senior post, and there is not a majority of votes cast in favour of one candidate the candidate receiving the least number of votes will be disregarded and a fresh vote taken, and so on until one candidate receives a majority of the votes.

7.1.19 **OTHER OFFICERS:** Appointment of all other Officers is the responsibility of the Chief Executive as the Head of the Paid Service, or the relevant Senior Leadership Team Officer as authorised by the Chief Executive. Members cannot be formally involved in these appointments but leading members may be involved on an informal basis. Guidance on this involvement is available from the HR & OD Director.

RECRUITMENT AND APPOINTMENT – DECLARATIONS: Note: For the purpose of these paragraphs, ‘Senior Officer’ means any Officer holding an appointment on spinal column point SCP32 or above.

7.1.20 Candidates for appointment must state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing member, an ‘additional voting or non-voting Member’ or a Senior Officer of the Council; or of the partner/spouse of such persons. Failure to make such a declaration will render the candidate disqualified for the appointment and, if appointed, liable to dismissal.

7.1.21 Every Member, ‘additional voting or non-voting Member’ of a Committee and Senior Officer of the Council, will inform the Monitoring Officer in writing of any relationship known to them to exist between themselves and any person whom they know is a candidate for an appointment under 7.1.2 above, as soon as they are aware of that person’s candidature. The Monitoring Officer will report any such disclosure to the Appointments Committee.

7.1.22 A candidate who is related to a member or an Officer will only be appointed with the agreement of the relevant Senior Leadership Team Director or an Officer nominated by him/her.

SEEKING SUPPORT FOR APPOINTMENT:

7.1.23 An applicant who directly or indirectly seeks the support of a Member or ‘additional voting or non-voting Member’ of a Committee for any appointment will be disqualified from appointment.

7.1.24 No Member or ‘additional voting or non-voting Member’ of a Committee will seek support for any person for any appointment with the Council.

7.1.25 **VACANCIES TO BE ADVERTISED:** All vacancies will be advertised in accordance with the County Council’s Code of Recruitment Practice unless otherwise agreed by the HR & OD Director.

7.1.26 **PAYMENT OF EXPENSES:** Every candidate interviewed will be reimbursed their expenses in accordance with the policy of the Council. In the event of no scale of allowance having been prescribed, the candidate will be paid their actual and reasonable travelling and out-of-pocket expenses. The successful candidate will normally only be reimbursed on taking up their appointment.

7.2 DISCIPLINARY ACTION (INCLUDING DISMISSAL) IN RELATION TO OFFICERS:

7.2.1 DEFINITION: ‘Disciplinary action’ means any action confirmed in relation to alleged misconduct and includes any proposal for dismissal of a member of staff for any reason other than redundancy, permanent ill-health or infirmity of mind or body. It only includes failure to renew a contract of employment for a fixed term where the Council has undertaken to renew such a contract.

7.2.2 GENERAL: The rules set out below are subject to:

- (a) Conditions of service approved by national negotiating bodies recognised by the County Council;
- (b) Special conditions of service prescribed by the Articles of Government and Voluntary Aided schools in relation to non-teaching staff in such establishments;
- (c) Where any disciplinary action is taken, regard having been had to the Council’s Disciplinary and Appeals Procedure.

SLT OFFICERS (AND INCLUDING THE MONITORING OFFICER):

7.2.3 Any proposal for a **dismissal** of the **Chief Executive, the Section 151 Officer** or the **Monitoring Officer** under 7.2.1 above, will be determined by the Council on the recommendation of the Independent Persons’ (IPs) Panel comprising a minimum of 3 IPs selected to participate by the Chief Executive in accordance with the Local Authority (Standing Orders) (England) (Amendment) Regulations 2015. The IPs will be selected from a joint Somerset Councils’ Panel of IPs. The Panel will be appointed by the Chief Executive (or the Head of HR where the Chief Executive is the subject of the proposed dismissal). The Panel shall be appointed a minimum of 20 days before the Council is due to meet to consider the dismissal.

7.2.4 Aside from the officers referred to in 7.2.3 above, a proposal for a dismissal of a SLT Officer will be determined by the Council on the recommendation of a special Panel of 6 Members appointed by the Leader of the Council (or his/her nominated representative) and comprising:-

- (a) The Leader of the Council (or his/her nominated representative)
- (b) The Leader of the largest opposition group (or his/her nominated representative)
- (c) 4 other Members of the Council selected by the Leader of the Council in consultation with the other Group Leaders and in accordance with the rules of political proportionality.

Note: The membership of the Panel will not include any Member previously involved in an individual Officer’s case.

7.2.5 Any question of dismissal on the grounds of redundancy (including voluntary), permanent ill-health or infirmity of mind or body in relation to a Chief Officer shall be determined by the Special Members' Panel appointed in accordance with 7.2.4 above with the exception detailed in 7.2.6 below

7.2.6 The exception is where a proposed financial settlement for an officer leaving the Council exceeds £100,000. In these circumstances only Full Council can agree the financial settlement.

7.2.7 Any question of disciplinary action in relation to a Chief Officer or the Monitoring Officer shall be determined by the Special Members' Panel appointed in accordance with 7.2.4 above.

7.2.8 The Special Members' Panel referred to in 7.2.4 above, when a proposal is made to dismiss one of these statutory post-holders, shall decide whether there is any justification to the proposal and therefore whether it needs to be investigated. If the decision is that an investigation is necessary the Panel will appoint an investigator. If the investigation confirms a potential dismissal, the Panel will refer the matter to the IPs' Panel for consideration and report to Council. If the investigation recommends disciplinary action then the Special Members' Panel shall consider and decide whether disciplinary action is justified and if so agree any action to be taken.

7.2.9 An Officer named in this section who is subject to possible dismissal or other disciplinary action has the right to be informed as to the basis of any action which may be taken and to appear before the relevant Panel prior to a decision being made or before a recommendation is made to Council.

7.2.10 The Officer concerned also has the right to appear before and address the Council before a dismissal is confirmed. The Panels and the Council will be advised by the Monitoring Officer and the HR & OD Director. If either of these officers is the subject of the Panel's report, the Chief Executive will make alternative arrangements for the provision of advice to the Council in place of that Officer.

7.2.11 Council can only give notice of dismissal to an Officer named in this section (other than the Monitoring Officer) where no justifiable objection has been made by any Member of the Cabinet.

7.2.12 A SLT Officer can be suspended for the purpose of investigating potential gross negligence or gross misconduct where such suspension is considered:

- (a) necessary to allow an investigation to take place;
- (b) otherwise desirable in the interests of the Council or the employee

Any such suspension shall be on full pay and terminate no later than 2 months beginning on the day on which the suspension takes effect. The power to suspend a SLT Officer rests with the Chief Executive, in consultation with the Leader. If the Chief Executive is the subject of the proposed

suspension, then the Leader shall have the power to suspend the Chief Executive following consultation with the other group leaders and on the advice of the HR & OD Director.

OTHER OFFICERS:

7.2.13 As authorised by the Chief Executive as Head of the Paid Service, any SLT Officer, or a Senior Officer nominated by them, can suspend any employee suspected of potential gross negligence or gross misconduct where such suspension is considered:

- (a) Necessary to allow an investigation to take place, or
- (b) Otherwise desirable in the interests of the Council or the employee.

7.2.14 When suspended the employee is entitled to full salary or wages, subject to any agreement to the contrary that they may reach with the Council.

7.2.15 As authorised by the Chief Executive, any SLT Officer, or their nominated Senior Officer, can dismiss an employee:-

- (a) Employed under a fixed-term or temporary contract of employment which is ending;
- (b) Whose post is or is about to become redundant;
- (c) For unsatisfactory performance at the end of an agreed probationary period;
- (d) Medically certified to be incapable of discharging their duties by reason of ill-health;
- (e) Who has reached compulsory retirement age; or
- (f) For some other substantive reason.

7.2.16 A SLT Officer, or their nominated Senior Officer, can:-

- (a) Dismiss with due notice any employee who has previously been the subject of formal disciplinary action but whose standards of conduct or capability have remained unsatisfactory;
- (b) Dismiss any employee without notice where satisfied on reasonable enquiry that the employee has been guilty of gross misconduct; subject to prior consultation with the Monitoring Officer and the HR & OD Director.

7.2.17 Any appeal against dismissal or disciplinary action will follow the Council's Disciplinary and Appeals Procedure.

7.2.18 Any employee selected for compulsory redundancy has a right of appeal to the Redundancy Review Panel.

7.3 **GRIEVANCES:** Any grievance by a member of staff will be dealt with in accordance with the Council's agreed procedures.

7.4 SLT OFFICERS (INCLUDING THE MONITORING OFFICER) – SEVERANCE PROCESS: Any process for the consideration and determination of severance arrangements for these posts is determined by the HR & OD Director in consultation with whoever he/she considers relevant.

7.5 STATUTORY DESIGNATIONS: Certain posts carry statutory responsibilities and authority. Statutory designations and the posts agreed by the Council to cover these statutory requirements are set out below. The posts of Head of Paid Service, Chief Finance Officer and Monitoring Officer have a range of key constitutional responsibilities as set out in relevant legislation.

Designation	Post
Head of Paid Service	Chief Executive
Monitoring Officer	Strategic Manager – Governance & Risk
Chief Finance Officer (Section 151 Officer)	Finance & Performance Director
Director of Children’s Services	Lead Commissioner Children and Learning In the absence of a contracted employee to the above role, the Interim Director of Children’s Services shall fulfil the statutory role.
Director of Adult Social Services	Lead Commissioner Adults and Health
Director of Public Health	Public Health Director
Scrutiny Officer	Service Manager – Governance (Scrutiny)

7.6 DUTY TO PROVIDE SUFFICIENT RESOURCES TO THE MONITORING OFFICER AND THE CHIEF FINANCE OFFICER / SECTION 151 OFFICER: The Council is required to provide the Monitoring Officer and the Chief Finance Officer / Section 151 Officer with such officers, accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

7.7 OFFICER EMPLOYMENT – MANDATORY STANDING ORDERS

Note: The paragraphs that follow set out the mandatory Standing Orders that apply in this particular area and must be included in the Constitution. The rest of Section 7 – Officer Requirements – reflects these Standing Orders.

OFFICERS – APPOINTMENTS AND DISMISSALS

7.7.1 Subject to paragraphs 7.7.2 and 7.7.9, the function of appointment and dismissal of, and taking disciplinary action against, a member of staff of the

authority must be discharged, on behalf of the authority, by the Officer designated under section 4(1) of the 1989 Act (designation and reports of Head of Paid Service) as the Head of Paid Service or by an Officer nominated by him/her.

7.7.2 Paragraph 7.7.1 shall not apply to the appointment or dismissal of, or disciplinary action against –

- (a) The Officer designated as the Head of Paid Service;
- (b) A statutory Chief Officer within the meaning of section 2(6) of the 1989 Act (politically restricted posts);
- (c) A non-statutory Chief Officer within the meaning of section 2(7) of the 1989 Act;
- (d) A Deputy Chief Officer within the meaning of section 2(8) of the 1989 Act; or
- (e) A person appointed in pursuance of section 9 of the 1989 Act (assistants for political groups).

7.7.3 Where a Committee, Sub-Committee or Officer is discharging, on behalf of the authority, the function of the appointment or dismissal of an Officer designated as the Head of Paid Service, the authority must approve that appointment before an offer of appointment is made to him/her or, as the case may be, must approve that dismissal before notice of dismissal is given to him/her.

7.7.4 Where a Committee or Sub-Committee of the authority is discharging, on behalf of the authority, the function of the appointment or dismissal of any Officer referred to in sub-paragraphs (a) to (d) of 7.8.3, at least one member of the executive must be a member of that Committee or Sub-Committee.

7.7.5 In paragraphs 7.7.5 to 7.7.6, “appointor” means, in relation to the appointment of a person as an Officer of the authority, the authority or, where a Committee, Sub-Committee or Officer is discharging the function of appointment on behalf of the authority, that Committee, Sub-Committee or Officer, as the case may be.

7.7.6 An offer of an appointment as an Officer referred to in sub-paragraphs (a) to (d) of 7.7.2 must not be made by the appointor until –

- (a) The appointor has notified the Proper Officer of the name of the person to whom the appointor wishes to make the offer and any other particulars which the appointor considers are relevant to the appointment;
- (b) The Proper Officer has notified every member of the executive of the authority of –
 - (i) The name of the person to whom the appointor wishes to make the offer;
 - (ii) Any other particulars relevant to the appointment which the appointor has notified to the Proper Officer; and

- (iii) The period within which any objection to the making of the offer is to be made by the executive Leader on behalf of the executive to the Proper Officer; and
- (c) Either the –
- (i) Executive Leader has, within the period specified in the notice under sub-paragraph (b)(iii), notified the appointor that neither he/she nor any other member of the executive has any objection to the making of the offer;
 - (ii) Proper Officer has notified the appointor that no objection was received by him/her within that period from the executive Leader; or
 - (iii) Appointor is satisfied that any objection received from the executive Leader within that period is not material or is not well-founded.

7.7.7 In paragraphs 7.7.7 to 7.7.8, “dismissor” means, in relation to the dismissal of an Officer of the authority, the authority or, where a Committee, Sub-Committee or another Officer is discharging the function of dismissal on behalf of the authority, that Committee, Sub-Committee or other Officer, as the case may be.

7.7.8 Notice of the dismissal of an Officer referred to in sub-paragraphs (a) to (d) of paragraph 7.8.3 must not be given by the dismissor until –

- (a) The dismissor has notified the proper officer of the name of the person who the dismissor wishes to dismiss and any other particulars which the dismissor considers are relevant to the dismissal;
- (b) The Proper Officer has notified every member of the executive of the authority of –
 - (i) The name of the person who the dismissor wishes to dismiss;
 - (ii) Any other particulars relevant to the dismissal which the dismissor has notified to the Proper Officer; and
 - (iii) The period within which any objection to the dismissal is to be made by the executive Leader on behalf of the executive to the Proper Officer; and
- (c) Either the -
 - (i) Executive Leader has, within the period specified in the notice under sub-paragraph (b)(iii), notified the dismissor that neither he/she nor any other member of the executive has any objection to the dismissal;
 - (ii) Proper Officer has notified the dismissor that no objection was received by him/her within that period from the executive Leader; or
 - (iii) Dismissor is satisfied that any objection received from the executive Leader within that period is not material or is not well-founded.

7.7.9 Nothing in paragraph 7.7.1 shall prevent a person from serving as a member of any Committee or Sub-Committee established by the authority to consider an appeal by:

- (a) another person against any decision relating to the appointment of that other person as a member of staff of the authority; or
- (b) a member of staff of the authority against any decision relating to the dismissal of, or taking disciplinary action against, that member of staff.

OFFICERS – DISCIPLINARY ACTION

HEAD OF THE PAID SERVICE, CHIEF FINANCE OFFICER, MONITORING OFFICER – DISCIPLINARY ACTION

7.7.10 Definitions:

- (a) “the 2011 Act” means the Localism Act 2011;
- (b) “Chief Finance Officer”, “disciplinary action”, “Head of the Authority’s Paid Service” and “Monitoring Officer” have the same meaning as in regulation 2 of the Local Authorities (Standing Order) (England) Regulations 2001;
- (c) “Independent Person (IP)” means a person appointed under section 28(7) of the 2011 Act;
- (d) “local government elector” means a person registered as a local government elector in the register of electors in the authority’s area in accordance with the Representation of the People Acts;
- (e) “the Panel” means a committee appointed by the authority under section 102(4) of the Local Government Act 1972 for the purposes of advising the authority on matters relating to the dismissal of relevant officers of the authority;
- (f) “relevant meeting” means a meeting of the authority to consider whether or not to approve a proposal to dismiss a relevant officer; and
- (g) “relevant officer” means the Chief Finance Officer, Head of the Paid Service or Monitoring Officer, as the case may be.

7.7.11 A relevant officer may not be dismissed by an authority unless the procedure set out in the following paragraphs is complied with.

7.7.12 The authority must invite relevant independent persons to be considered for appointment to the Panel, with a view to appointing at least two such persons to the Panel.

7.7.13 In paragraph 7.7.12 “relevant independent person” means any independent person who has been appointed by the authority or, where there are fewer than 2 such persons, such independent persons as have been appointed by another or authorities as the authority considers appropriate.

7.7.14 Subject to paragraph 7.7.15, the authority must appoint to the Panel such relevant independent persons who have accepted an invitation issued in accordance with paragraph 7.7.12 in accordance with the following priority order:

- (a) a relevant independent person who has been appointed by the authority and who is a local government elector;
- (b) any other relevant independent person who has been appointed to the authority;
- (c) a relevant independent person who has been appointed by another authority or authorities.

7.7.15 An authority is not required to appoint more than two relevant independent persons in accordance with paragraph 7.7.12 but may do so.

7.7.16 The authority must appoint any Panel at least 20 working days before the relevant meeting.

7.7.17 Before the taking of a vote at the relevant meeting on whether to approve such a dismissal, the authority must take into account, in particular:

- (a) any advice, views or recommendations of the Panel;
- (b) the conclusions of any investigation into the proposed dismissal;
- (c) any representations from the relevant officer.

7.7.18 Any remuneration, allowances or fees paid by the authority to an independent person appointed to the Panel must not exceed the level of remuneration, allowances or fees payable to that independent person in respect of that person's role as independent person under the 2011 Act.

SECTION 8 – DECISION MAKING

8.1 PRINCIPLES OF DECISION-MAKING: All decisions will comply with the following principles:

- (a) Proportionality (i.e. the action must be proportionate to the desired outcome);
- (b) After consultation and in the light of professional advice from officers;
- (c) Lawfulness, including respect for human rights (see below for further details);
- (d) Efficiency of decision-making;
- (e) A presumption in favour of openness;
- (f) Explanation of the options considered and recording of the reasons for the decision including an evaluation of risk; and
- (g) Clarity of aims and desired outcomes.

8.2 TYPES OF DECISION:

8.2.1 Decisions taken under the authority of Full Council at meetings of the Council, Committees of the Council as detailed in Part 1, Section 6B or under the Council and Cabinet Scheme of Delegation to Officers as detailed in this section.

8.2.2 'Executive' decisions under the authority of the Leader at member level as detailed in section 5 and the Council and Cabinet Scheme of Delegation to Officers as detailed in this section. There are two categories of executive decisions – Key Decisions and Non-Key Decisions and different rules apply to each.

Key Decisions - defined in legislation as:

- (a) Resulting in the local authority incurring expenditure** which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates; and / or
- (b) Significant in terms of their effect on communities living or working in an area comprising two or more wards or electoral divisions in the area of the local authority.

**There is no definition in the legislation of the word 'significant' in (a) above. Therefore the Council has decided that the financial threshold at or above which a financial decision is significant (and a Key Decision) will be a total value of £500,000 for capital / revenue expenditure or savings. Money delegated to schools as part of the Scheme of Financial Management of Schools exercise is exempt from these thresholds once it is delegated to the school.

'Key Decisions' can be taken by the Leader, the Cabinet collectively, jointly by two Cabinet Members, individual Cabinet Members, Senior Leadership Team Officers and the Somerset Waste Board.

In the event of any doubt, the Monitoring Officer will determine whether a proposed decision is a Key Decision under the definitions set out above.

Non-Key Decisions: These are all 'executive' decisions which fall beneath the 'Key Decision' financial or geographical thresholds. 'Non-Key Decisions' can be taken by the Leader, the Cabinet collectively, jointly by two Cabinet Members, individual Cabinet Members, the Somerset Waste Board and Officers.

8.3 HUMAN RIGHTS ISSUES: The Council, the Leader, the Cabinet collectively, a Cabinet Member, a Committee of the Council, or an Officer acting as a tribunal or in a quasi judicial manner or determining/considering (other than for the purposes of giving advice) the civil rights and obligations or the criminal responsibility of any person will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.

8.4 DECISIONS ON THE BUDGET AND POLICY FRAMEWORK

Note. The paragraphs that follow set out the mandatory Standing Orders that apply in this particular area and must be included in the Constitution. The rest of Section 8 complies with these requirements.

8.4.1 THE FRAMEWORK FOR EXECUTIVE DECISIONS: The Council agrees the Policy Framework and Budget. The Leader implements the Policy Framework and Budget.

8.4.2 PROCESS FOR DEVELOPING THE FRAMEWORK: The process for developing the Policy Framework and Budget is:

- (a) The Cabinet recommend the adoption of the relevant Policy or Budget to Full Council. Council either:
 - (i) Adopts the Cabinet's proposals without amendment and with immediate effect,
 - (ii) Follows the process set out in (b) to (h) below, where it has objections to the proposals.
- (b) Where Council is unable to adopt the Policy or Budget in full it informs the Cabinet of the objections and requires the Cabinet to reconsider the Policy or Budget.
- (c) Under (b) above the Council must give the Cabinet at least 5 working days to:
 - (i) Submit to the Council a revised draft Policy or Budget with reasons for amendments; or
 - (ii) Inform the Council of any disagreement with its objections and the reasons for any such disagreement.
- (d) The Council must consider the Cabinet's response to its objections, and decide whether to amend the Policy or Budget or adopt it unchanged.

Note: The Monitoring Officer will, if necessary, call a Council meeting within 21 working days of the expiry of the period referred to in (c) above, to enable the considerations in (d) to take place.

- (e) In approving the Policy Framework and Budget, the Council agrees the extent to which monies can be transferred between different budget headings (virement) within the Budget and the degree of in-year changes to the Policy Framework which can be agreed by the Leader / Cabinet, in accordance with paragraphs 8.4.5 to 8.4.12 of these Rules (decisions outside of the Budget or Policy Framework, urgent decisions outside of the Budget or Policy Framework, and virement).

VOTING ON THE BUDGET

8.4.3 Immediately after a vote is taken on the budget at a budget decision meeting of the Council there will be recorded in the Minutes of the proceedings the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.

8.4.4 Budget decision meeting as referred to in 8.4.3 above means a meeting of the Council at which it—

- (a) makes a calculation (whether originally or by way of substitute) in accordance with any of sections 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government Finance Act 1992(4); or
- (b) issues a precept under Chapter 4 of Part 1 of that Act, and includes a meeting where making the calculation or issuing the precept as the case may be was included as an item of business on the agenda for that meeting;

8.4.5 References to a vote in 8.4.3 above are references to a vote on any decision related to the making of the calculation or the issuing of the precept as the case may be.

DECISIONS OUTSIDE OF THE POLICY FRAMEWORK OR BUDGET

8.4.6 Subject to the provisions of paragraph 8.4.10 (in relation to virement), only the Council can take decisions outside of the Policy Framework or Budget.

8.4.7 If the Monitoring Officer and / or the Chief Finance Officer consider that a proposed decision is outside of the Policy Framework or Budget, then the decision can only be made by Full Council, unless the decision is a matter of urgency, in which case the provisions in paragraph 8.4.8 (urgent decisions outside the Budget and Policy Framework) apply.

8.4.8 An urgent decision can only be taken:

- (a) If it is not practical to convene a meeting of the Full Council; and
- (b) If the **Chair** of the relevant Scrutiny Committee agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a meeting of Full Council must be recorded on the record of the decision.

8.4.9 Urgent decisions taken under 8.4.8 above are reported to the next Full Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

8.4.10 **VIREMENT:** The rules on the transfer of approvals (virement) between budget headings are set out in the Council's Financial Regulations – see Part 2 of the Constitution.

REVIEW OF DECISIONS THAT MAY FALL OUTSIDE OF THE POLICY FRAMEWORK OR BUDGET

8.4.11 Where a Scrutiny Committee considers that a Key Decision made or proposed is or would be outside of the Policy Framework or Budget, then it can seek advice from the Monitoring Officer and/or the Chief Finance Officer.

8.4.12 If the Monitoring Officer and/or the Chief Finance Officer agree with the Scrutiny Committee's opinion they will present a report to the Leader with a copy sent to every Member of the Council. The Leader must decide what action to take and prepare a report to Full Council.

8.4.13 If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and/or the Chief Finance Officer is that the decision is or would be outside of the Policy Framework or Budget, the Scrutiny Committee can refer the matter to Full Council for decision. Full Council must meet within 21 days of the request by the Scrutiny Committee. Full Council can either:

- (a) Confirm that the decision falls within the Policy Framework or Budget; or
- (b) Amend the Council's Financial Regulations or the relevant policy and agree to the decision with immediate effect; or
- (c) Require the Leader to reconsider the matter in accordance with the advice of either the Monitoring Officer / Chief Finance Officer.

8.4.14 COUNCIL DELEGATIONS TO OFFICERS

See section 8.5 – Council and Cabinet Scheme of Delegation to Officers

8.5 COUNCIL AND CABINET SCHEME OF DELEGATION TO OFFICERS

'Local Choice' functions (as defined in Part 1, Section 1) are indicated in italics.

8.5.1 To Senior Leadership Team (SLT) Officers

General:

Authority to manage the services for which they are responsible for commissioning or delivering and to act to safeguard, protect and promote the interests of the Council.

Authority for all relevant decisions not delegated to members (unless delegated to an Officer by a Member or by a Committee). Where a specific delegation is available then it should be used as opposed to any general delegation

Where the decision making responsibility is shared with a Cabinet Member, the Officer cannot make a decision without the agreement of the relevant Cabinet Member.

Authority to delegate decision making responsibilities to other Officers of the Council. Current delegations are set out in the Officer Scheme of Delegation.

Specific delegations to Operations Directors can be exercised by any Commissioner within the Senior Leadership Team where the named Officer is absent or unable to act.

The making of agreements with other local authorities for the placing of staff at the disposal of those authorities (this delegated authority includes the County Solicitor).

Note: the authority to act and take decisions under this Scheme includes the following interim appointments in the absence of relevant contracted employees:

- Interim Director of Children's Services
- Interim Deputy Director of Children's Services
- Interim Operations Director of Children's Services.

Property

Authority to enter, inspect and survey land, buildings or premises and issue as necessary any evidence or authority as may be required in order for them to execute their duties in accordance with the Council's statutory powers.

Where either the capital payment does not exceed £500,000 or the annual rental does not exceed £100,000, authority:-

- (a) Subject to the consent of the Section 151 Officer and the Monitoring

Officer, and in consultation with the relevant Cabinet Member, to authorise and approve the acquisition of land and the taking of leases, licences, dedications and easements of or over any land (including buildings) whether by way of valuable consideration or exchange;

- (b) To declare land surplus to directorate requirements.
- (c) To arrange for sessional lettings of premises for periods of less than 24 hours.

Partnerships: Authority

- (a) To approve operational frameworks for delivery level partnership / joint working arrangements with other public, private, voluntary and community sector organisations
- (b) When representing the Council or the Leader on a partnership or outside body to take decisions on behalf of the Council / Leader subject to advance notice of the issue having been given to the Council's representative.

Financial: The authority and responsibilities of Senior Leadership Team Officers in respect of financial matters are set out in the Council's Financial Regulations – see Part 2 of the Constitution.

Contracts: The authority and responsibilities of Senior Leadership Team Officers in respect of contractual matters are set out in the Council's Contract Standing Orders set out in Part 2 of the Constitution.

Staff Resources: Authority to act in relation to the appointment, dismissal and all other matters relating to the employment of Officers. For further details about the exercise of these delegated powers see Part 1, Section 7.

Section 106 agreements, Bid submissions & Consultations:

Authority to :-

- (a) Approve responses to consultation papers
- (b) Agree operational requirements for S106 Agreements or other similar agreements with no financial limit, providing suitable on-going revenue support and exit strategies are in place.
- (c) Agree the completion of Section 106 Agreements on behalf of the Council or other similar agreements with no financial limit, providing suitable on-going revenue support and exit strategies are in place.
- (d) Submit bids on behalf of the Council. Any Council bids for funding from external bodies are only to be made where suitable on-going revenue support and time periods/exit strategies are in place.
- (e) Carry out any relevant consultation on behalf of the Council
- (f) Make appropriate planning and building regulations applications
- (g) Approve promotional and marketing campaigns.

8.5.2 To the Chief Executive - Emergency Powers

In an emergency, the Chief Executive (and any Officer(s) authorised by the Chief Executive) is authorised to take any and / all action(s) he/she considers appropriate to protect and/or further the best interests of the Council, the County of Somerset and / or the public, subject to:

- (a) Consultation with the Leader of Council or in his/her absence the Deputy Leader and any appropriate Member of the Cabinet.
- (b) A report of the action taken and the reasons behind it being presented to the next meeting of the Cabinet, the Council or the relevant Committee.

This includes exercising the Council's powers under Section 138 of the Local Government Act 1972 to incur expenditure (regardless of whether the value would equate to a key decision) and to suspend aspects of business as usual to enable the Council to comply with its duties under the Civil Contingencies Act.

8.5.3 To the County Solicitor and other Officers - Legal and Procedural

The County Solicitor (and other such person authorised by the County Solicitor) is authorised:

- (a) To serve statutory notices to ascertain the legal interest in land of any person;
- (b) To institute, defend or settle any legal proceedings or any dispute or matter where there is the potential for legal proceedings to be instituted by any party (either in the name of the Council or an individual Member and / or Officer of the Council) and to lodge an appeal in any matter. For the avoidance of doubt this authority shall extend to the taking of all procedural steps, including the service of notices, statutory or otherwise, counter notices, and Notices to Quit.
- (c) Where any document is required for any legal procedure or proceedings on behalf of the Council, it will be signed by the County Solicitor or other person authorised by him/her, unless any enactment otherwise authorises or requires, or the Council has given the necessary authority to some other person.
- (d) To attest the affixing of the Common Seal of the Council. A decision of the Council, or of any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision. The Common Seal will be affixed to documents as required by the Contract Standing Orders or which in the opinion of the County Solicitor (or some other person authorised by him/her) otherwise require sealing. The affixing of the Common Seal must be attested by the County Solicitor or some other person authorised by him/her.
- (e) To authorise Officers of the Council to prosecute or defend or appear in any legal proceedings by virtue of the provisions of Section 223 of the Local Government Act 1972;

Without prejudice to the powers of the County Solicitor to institute proceedings, Devon County Council have full delegated powers on behalf of Somerset County Council to institute proceedings either in the name of the Council or in the name of a designated Officer under the relevant statutory powers, duties and provisions to enforce Trading Standards, Food and Animal Health legislation. Devon County Council has been given the power to authorise Officers (subject to approval by the Lead Commissioner for Economic and Community Infrastructure approving any appointments) to enforce Trading Standards, Food and Animal Health legislation, to issue statutory notices in relation to those areas and to authorise other local authorities to investigate and institute proceedings in respect of alleged offences under any legislation which are alleged to have been committed within Somerset. Devon County Council has been given delegated powers to appoint a Chief Inspector of Weights and Measures under s72 of the Weights and Measures Act 1985, a Public Analyst under S27 Food Safety Act 1990, and an Agricultural Analyst and under S67(3)(b) of the Agriculture Act 1970, and deputies if required, subject to the approval of the Lead Commissioner for Economic and Community Infrastructure.

Senior Leadership Team Officers are authorised to appoint any individual Officer of the Council as the “Proper Officer” for the purpose of any legislation.

8.5.4 To the Business Development Director – Property

Subject to the consent of the Section 151 Officer and the Monitoring Officer:

- (a) Where either the capital payment does not exceed £500,000 or the annual rental does not exceed £100,000, authority:-
 - (i) to declare land and property surplus to the Council’s requirements;
 - (ii) to dispose of land and grant, or vary, leases, licenses, dedications of or over any land. In the case of the grant of tenancies of small-holdings, these delegated powers shall be exercised in consultation with the relevant Cabinet member.
- (b) Authority to sell land or property at an undervalue not exceeding £100,000 (expressed as a capitalised figure) or 20% of the unrestricted value, whichever is the lower.
- (c) Authority to issue and sign documents in relation to the Right to Buy provisions of the Housing Act 1985
- (d) The function of Authorising Officer under the Regulation of Investigatory Powers Act 2000 and to designate such other Authorising Officers (as defined in the Act) as he/she considers to be necessary and competent for the purposes of the Act.

8.5.5 To the Section 151 / Chief Finance Officer :

Authority to accept resources from the Government and other third parties additional to that set out in the Council’s approved Medium Term Financial

Plan where there is no consequential impact to either capital resources or the Revenue Budget.

8.5.6 To the Economic & Communities Infrastructure Operations Director

Planning Control

The functions of the Council relating to town and country planning and development control with the exception of:

- (a) Any such functions reserved to Full Council or the Cabinet;
- (b) Determining an application for planning permission where
 - (i) a significant planning objection has been made, or
 - (ii) the Officer recommendation is to refuse planning permission, or
 - (iii) the local Member refers the application to committee for determination under the pre-decision consultation process.

Where the Economic & Communities Infrastructure Operations Director considers an objection not to be significant, he/she must obtain the agreement of the local Member(s), and the Regulation Committee **Chair & Vice-Chair** and Regulation Committee lead member (Liberal Democrat Group) before the decision can be taken under delegated powers. Where such agreement is not reached the Regulation Committee shall determine the application.

Public Rights of Way

The functions of the Council relating to public rights of way, including the maintenance of the rights of way network and the review of the definitive map and statement, under the Highways Act 1980, the Wildlife and Countryside Act 1981 and any other relevant enactment, including, in consultation with the County Solicitor, the determination of applications for modification of the definitive map, with the exception of the following which shall be determined by the Regulation Committee:

- (a) Those applications which in the view of the Economic & Communities Infrastructure Operations Director, in consultation with the **Chair** of the Regulation Committee, are contentious or controversial; and
- (b) Requests from applicants for Modification applications to be taken out of turn from the adopted Statement of Priorities.

Common Land, Town or Village Greens

The functions of the Council relating to common land and town or village greens under the Commons Act 2006 and any other relevant enactment, including, in consultation with the County Solicitor, the determination of applications for the registration of the same or for amendment of the Commons Register, with the exception of those applications which in the view of the Economic & Communities Infrastructure Operations Director, in

consultation with the **Chair** of the Regulation Committee, are contentious or controversial, which shall then be determined by the Regulation Committee.

Traffic regulation

- (a) To determine applications for traffic regulation orders determined in accordance with criteria of the Department of Transport and County Council policy.
- (b) To determine applications for the stopping up of a highway and/or its diversion (except in relation to rights of way).

'Local choice' functions allocated by the Council

- (a) *The investigation of any complaint as to the existence of a statutory nuisance.*
- (b) *The obtaining of information under section 330 of the Town and Country Planning Act 1990 as to interests in land*
- (c) *The obtaining of particulars or persons interested in land under section 16 of the Local Government (Miscellaneous Provisions) Act 1976*
- (d) *The making of any agreements for the execution of highways works.*

8.5.7 To the Learning and Achievement Operations Director (*'local choice' functions allocated by Council to the Leader*)

- (a) *The making of arrangements pursuant to subsection (1) of section 67 of, and Schedule 18 to, the 1998 Act (appeals against exclusion of pupils).*
- (b) *The making of arrangements pursuant to section 94(1) and (4) of, and Schedule 24 to, the 1998 Act (admission appeals).*
- (c) *The making of arrangements pursuant to section 95(2) of, and Schedule 25 to, the 1998 Act (children to whom section 87 applies: appeals by governing bodies).*

8.5.8 To the Finance & Performance Director
Powers: Arrangements for internal audit.

8.5.9 To the Monitoring Officer

Authority to make appointments to:

- (a) Committees and Sub-Committees,
- (b) Internal, partnership and outside bodies.

This authority is subject to the Group Leaders agreeing to the appointments. In the event that a Group Leader does not agree with a proposed appointment then the decision will be referred to members.

8.5.9 Conditions on the exercise of any delegated power

Before exercising a delegated power the Officer must consider whether the decision to be made is of such a nature that it ought to be referred to members for decision.

Any action taken under delegated powers shall be in accordance with:

- (a) The Council's Policies and Budget;
- (b) All appropriate legislation, statutory guidance, good practice and this Constitution (including the Contract Standing Orders and the Council's Financial Regulations/Financial Procedures).

The exercise of delegated powers is subject to:

- (a) Consultation, where appropriate, with the Cabinet Member, **Junior Cabinet Member**, or relevant Committee **Chair** (or in his/her absence the Vice-Chairman).
- (b) Any local Member whose area is significantly affected being consulted before the decision is taken and informed of any subsequent action / outcome.(*)
- (c) Consultation with relevant Senior Leadership Team Officer(s) (including the Section 151 Officer) and / or the Monitoring Officer and County Solicitor and due regard to any advice given.
- (d) Consulting or informing the relevant Opposition Spokespersons and Scrutiny **Chair**, as appropriate to the subject matter and depending on the type of decision.

* where the decision relates to more than one electoral division then all relevant Members should be informed ie. if this is countywide then all members should be informed

Notes

- (a) For decisions proposed to be taken under the authority of the Council, where the local Member(s) consulted under (b) above so requests, the matter will be referred to the relevant Committee for decision.
- (b) Where a Non-Key Decision is below £15,000 in value then only provision (c) above needs to be followed, together with (b) where appropriate.
- (c) The delegated authority to Officers excludes the determination of policy, amendments to policy and exceptions to policy.
- (d) All Key Decisions taken by Officers are subject to call-in action by scrutiny.

8.6 DECISION-MAKING ACCESS TO INFORMATION PROCEDURE RULES

SCOPE

8.6.1 These rules set out:

- (a) The rights of the public and Members to access information on decisions to be made and made by the Council. The publication requirements set out in these rules do not apply to confidential or exempt information.
- (b) The rights of the public in respect of the decision making process.

8.6.2 These rules apply in full or in part to the Council's executive decision-making arrangements. The following Rules apply as specified to meetings of Full Council and the Council's Committees, 8.6.4 to 8.6.6, 8.6.17 to 8.6.18, 8.6.23 to 8.6.24, and 8.6.27 to 8.6.37.

8.6.3 These rules do not affect any specific rights to information contained elsewhere in this Constitution or the law.

8.6.4 There are two definitions of the term 'clear days' in the relevant legislation depending on the circumstances.

A Where the term refers to a short period of 5 days, it excludes any Saturday, Sunday, Bank Holiday, Christmas Day or Good Friday, the day that an agenda is sent to the Members of a Committee and the day of the meeting.

B Where the term refers to a longer period such as 28 days, this reference is to calendar days and therefore includes weekends and public holidays.

References to 'publication' mean publication on the Council's website. Members of committees also receive a hard copy set of papers for formal meetings. Papers published can also be inspected at County Hall during normal office hours and copies provided free of charge unless large volumes are requested when a charge may be made to cover printing and postage.

Members of a committee may opt only to receive agendas and papers for meetings of the committee electronically and this will meet the legal requirements in respect of giving notice as provided for in the Local Government (Electronic Communications)(England) Order 2015. The member may revoke this option at any time. For clarity where a member opts to receive agendas and papers electronically they will be send a link to the agenda and papers on the Council's website.

8.6.5 NOTICE OF MEETINGS: The Council normally gives at least 5 clear days' notice of public meetings via the website, the public notice board at County Hall, Taunton and at the venue for the meeting if held elsewhere. If the meeting is convened at shorter notice than 5 days, then public notice is given at the time the meeting is convened.

8.6.6 PUBLIC ACCESS TO AGENDA AND REPORTS BEFORE THE MEETING: Meeting papers are published on the Council's website normally at least 5 clear days before a public meeting. If the meeting is convened at shorter notice then the meeting papers are published as soon as the meeting is convened. If an item is added to the agenda later, a revised agenda and any additional report (s) will be published as soon as they have been sent to members.

CABINET FORWARD PLAN OF KEY DECISIONS

8.6.7 Contents: The Cabinet Forward Plan sets out proposed Key Decisions to be taken. Normally a minimum of 28 clear days' notice of key decisions is given in the Plan.

8.6.8 Publication: The Plan is updated and published on the Council's website on a weekly basis. The Council also publishes the Somerset Waste Board Forward Plan on its website.

PROCEDURE BEFORE A KEY DECISION CAN BE TAKEN:

8.6.9 Subject to 8.6.11 (General Exception Rule) and 8.6.12 (Special Urgency Rule) that follow, a Key Decision can only be taken:

- (a) If the Cabinet Forward Plan requirements set out in 8.6.7 and 8.6.8 above are complied with;
- (b) At a meeting where the required notice of the meeting and agenda publication requirements have been met;
- (c) By an individual Cabinet Member or Officer, where a notification report has been published on the Council's website normally at least 5 clear days before the decision is due to be taken or when published if less than 5 clear days can be given.

8.6.10 Key decision details published must include the:

- (a) Title and description of the key decision to be made
- (b) Name or title of the decision-making body or person
- (c) Date of the decision or the period within which it will be made
- (d) List of documents submitted to the decision maker for consideration
- (e) Address where copies of documents can be obtained
- (f) Opportunity for other documents to be submitted to the decision-maker and how copies may be obtained.

KEY DECISIONS – GENERAL EXCEPTION AND SPECIAL URGENCY RULES:

8.6.11 General Exception Rule: If 28 clear days notice of a Key Decision cannot be given, then subject to Rule 8.6.12 (Special Urgency), then a key decision can only be taken if the Monitoring Officer has:

- (a) Informed the **Chair** of the relevant Scrutiny Committee, or, in their absence, each member of that Committee in writing or by email, of the matter for decision;

- (b) Has given 5 clear days' notice via the public notice board at County Hall, Taunton and on the Council's website.

8.6.12 Special Urgency Procedure Rule: If a Key Decision is required so urgently that Rule 8.6.11 above (General Exception Procedure) cannot be complied with, then the decision can only be taken with the agreement of the **Chair** of the relevant Scrutiny Committee (or if unavailable, the **Chair** of Council or in his/her absence the **Vice-Chair** of Council), in writing or by email that the decision is urgent and cannot be deferred.

8.6.13 If urgency is agreed, the Monitoring Officer will publish a notice at County Hall, Taunton and on the Council's website stating the reasons for urgency and why the 28 day notice and general exception procedures cannot be complied with.

CABINET MEMBER AND OFFICER KEY AND CABINET MEMBER NON-KEY DECISIONS – CONSULTATION REQUIREMENTS

8.6.14 Before a Key Decision can be taken, the following consultations must be completed as a minimum, with:

- (a) The relevant Cabinet Member(s), **Junior Cabinet Member (where appropriate)** and Senior Leadership Team Officer(s).
- (b) Any local Member whose electoral division is significantly affected before the decision is taken. They must also be informed of any subsequent action / outcome.
- (c) The Chief Finance Officer, the Monitoring Officer and the County Solicitor and due regard given to their advice where there are likely to be financial, legal or standards implications.
- (d) The relevant Opposition Spokesperson / Leader
- (e) The **Chair** of the relevant Scrutiny Committee.

8.6.15 Before a Cabinet Member Non-Key decision is taken, the minimum consultation requirements require (a), (b) and (c) of 8.6.14 above to be met.

In addition, the relevant Opposition Spokesperson / Leader and the **Chair** of the relevant Scrutiny Committee must be informed of the decision.

8.6.16 A Cabinet Member must ensure that they do not put themselves in a position where they are entering into or dealing with any third party seeking to acquire or dispose of land, property or seeking to negotiate contracts with the Council, without the relevant Senior Officers being present, so as to ensure that the Council's constitutional requirements are observed at all times. Where there are legal or standards and probity issues and/or financial implications, the advice of the Monitoring Officer and Chief Finance Officer (Section 151 Officer) respectively, must be sought and taken into consideration before any decision is made by the Leader, the Cabinet or by an individual Cabinet Member and / or Officer.

8.6.17 PUBLIC ACCESS TO REPORTS AND OTHER DOCUMENTS: All documents for key and member non-key decisions and committee decisions are published on the Council's website except those containing exempt information. These will be marked "Not for publication" and will include the description of the category of exempt information applicable – see paragraph 8.6.31 below. They are also printed on pink paper.

BACKGROUND PAPERS:

8.6.18 Each decision report includes a list of documents (called background papers) relating to the report which:

- (a) Disclose facts or matters on which the report or part of is based; and
- (b) Which have been relied on to prepare the report.

This list will not include published works or those which disclose exempt or confidential information.

8.6.19 Background papers for all Member decisions, key decisions taken by officers and decisions taken by an officer under delegated authority from the Cabinet or a Cabinet member are published on the Council's website.

8.6.20 DECISION NOTICES: Immediately following each Cabinet meeting or as soon as a decision is taken by a Member, the Monitoring Officer produces a decision notice to include:

- (a) A record of the decision including the date made
- (b) The reasons for the decision
- (c) Details of any alternative options considered and rejected by the Cabinet at its meeting or by the Member
- (d) A record of conflicts of interests declared by members of the Cabinet and any dispensations agreed by the Chief Executive.
- (e) Details of whether urgent implementation has been agreed by the Leader of the Council and the **Chair** of the relevant Scrutiny Committee, along with the reasons for this.

There are similar requirements for recording executive decisions made by officers.

INSPECTION OF DOCUMENTS FOLLOWING AN EXECUTIVE DECISION

8.6.21 Copies of the decision notices prepared under 8.6.20 above and supporting papers are published on the Council's website for Member / Officer Key Decisions, Member Non-Key Decisions and Officer Non-Key decisions taken under a direct delegation from the Cabinet or a Cabinet Member.

8.6.22 Representatives of newspapers can request and be sent printed copies of decision notices and supporting papers which have been published on payment of reasonable postage, copying and any transmission charge.

RIGHTS OF THE PUBLIC TO ATTEND MEETINGS:

8.6.23 Members of the public can attend all formal members meetings subject only to the exceptions set out below.

8.6.24 The only reports and documents that are not normally made available for public inspection are those containing confidential or exempt information. The definitions of confidential information and exempt information are set out below in paras 8.6.28 and 8.6.31 below.

8.6.25 Where it is intended that a meeting of the Cabinet or the Somerset Waste Board or part of their meeting is to be held in private session to consider exempt business then the Cabinet Forward Plan will give advance notice of this together with details of how representations can be made for the item to be considered in public session.

8.6.26 Where advance notice is given in the Forward Plan of a private session, the Council will publish a further notice 5 days before the decision meeting setting out details of any representations received and the Council's response. The notice sets out:

- (a) Reasons for why the meeting/part of the meeting needs to be held in private
- (b) Details of any representations received about why the meeting/part of the meeting needs to be held in public
- (c) A statement of the Council's response to the representations.

If the required advance notice of confidential business cannot be given then the approval of the **Chair** of the relevant Scrutiny Committee (or where unavailable the **Chair** or **Vice-Chair** of the Council) must be given and a notice published on the Council's website as soon as the item is known about.

8.6.27 Confidential information - requirement to exclude public: the Council, or relevant **Chair** of the meeting, **must** by resolution, exclude press and public from meetings whenever it is likely that confidential information would be disclosed.

8.6.28 Confidential information means information given to the Council by a Government Department on terms forbidding its public disclosure or information which is prevented from being publicly disclosed by Court Order.

8.6.29 Exempt information - discretion to exclude public: the Council, Committee or the Cabinet have the option to consider a report containing exempt information with the public present, or make the report available to the public present and publish the report after the meeting. Definitions of exempt information are given in 8.6.31 below.

8.6.30 Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6 of the Act.

MEANING OF EXEMPT INFORMATION

8.6.31 Exempt information means information falling within the following categories

Category	Qualifications
<ol style="list-style-type: none">1. Information relating to any individual.2. Information which is likely to reveal the identity of an individual3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the Authority or a Minister of the Crown and employees of, or office holders under, the Authority.5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.6. Information which reveals that the Authority proposes –<ol style="list-style-type: none">(a) to give under any enactment notice under or by virtue of which requirements are imposed on a person; or(b) to make order or direction under any enactment.7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.	<ol style="list-style-type: none">1. Information is not exempt information if it is required to be registered under the Companies Act, Charities Act etc.2. Information is not exempt information if it relates to proposed development for which the Council may grant itself planning permission.3. Subject to paragraphs 1 and 2 above, information which falls within paragraphs 1 to 7 opposite is exempt information if and so long as the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

ACCESS TO DECISION RECORDS / MINUTES ETC AFTER MEETINGS:

8.6.32 The Council makes available for public inspection via the website the following for 6 years from the date of the decision:

- (a) Minutes of Council, Committee or Cabinet meetings
- (b) Records of Cabinet, joint and individual Cabinet Member decisions
- (c) Officers decisions (for Key Decisions / and decisions delegated by Cabinet or an individual Cabinet member only);
- (d) A non-confidential summary of any Minute(s) / decision record (s) containing exempt or confidential information;

- (e) Agendas; and
- (f) Any relevant reports.

8.6.33 The Council also makes available on request all background papers supporting Council / committee decisions for inspection for 4 years from the date of the decision. In addition, in the case of a decision taken by the Cabinet, a Cabinet member or an Officer under delegated authority from the Cabinet or a Cabinet member, the background papers are made available on the Council's website for a period of 4 years from the date of the decision.

PUBLIC QUESTION TIME:

8.6.34 The relevant **Chair** has discretion to vary any of the rules in 8.6.35 below:

8.6.35 The rules are:-

- (a) "Public question" refers to the asking of a question, or making of a statement in relation to any item on an agenda.
- (b) In addition, petitions may be presented on any matter within the overall remit of the Cabinet or Committee.
- (c) Each Cabinet / Committee agenda includes an item to allow public questions to be taken early in the meeting. However, the **Chair** may take public questions when the relevant item is reached on the agenda.
- (d) For Committee meetings, a person wishing to raise a matter under public question time should inform the meeting administrator by 12 noon the day before the meeting. For Cabinet meetings the deadline for receipt of representations is 12 noon 3 working days before a meeting and they must be in writing.
- (e) The **Chair** will invite those who have given prior notice to introduce their question / statement - 2 minutes maximum.
- (f) There will be no debate on any question or statement. They will be answered at the time or noted for consideration when the relevant agenda item is reached.
- (g) Normally a maximum of 20 minutes is allowed for public question time.
- (h) Where there are a large number of questioners on the same subject matter, the **Chair** may ask those concerned to nominate one or more of their number to ask question(s).
- (i) In exceptional circumstances the **Chair** may adjourn the meeting temporarily to allow views to be expressed more freely.

MEDIA ATTENDANCE AND REPORTING AT PUBLIC MEETINGS:

8.6.36 Media are welcome to attend public meetings of the Council, Cabinet and Committees and report on proceedings. In addition social media journalists are welcome to record and transmit business at these meetings. This permission is subject to the activity not disrupting the business of the meeting. In the event that the meeting considers confidential or exempt business then all members of the public and press must leave the room as requested for the consideration of such business.

REPORTS TO COUNCIL:

8.6.37 When a Scrutiny Committee can require a report: If a Scrutiny Committee thinks that an executive decision has been taken which was not treated as a key decision and should have been, the Committee can require the Cabinet to submit a report to the County Council in a reasonable time period to be specified by the Committee, containing the decision, the reasons for it, the decision maker and the reasons why it was not key if the Cabinet believe that to be the case.

QUARTERLY REPORTS ON SPECIAL URGENCY DECISIONS

8.6.38 The Leader reports Special Urgency Key Decisions taken in the preceding three months within the quarterly reports of the Cabinet to the Full Council.

SCRUTINY COMMITTEE: ACCESS TO DOCUMENTS

8.6.39 Rights to copies / inspect documents: Subject to Rule 8.6.40, members of the Scrutiny Committees are entitled to inspect any document in the possession or control of the Cabinet and which contains material relating to:-

- (a) Business to be transacted at a meeting of the Cabinet; or
- (b) Any decision taken by an individual Cabinet Member
- (c) Any Key Decision taken by an officer and officer Non-Key decisions taken under delegated authority from the Cabinet or a Cabinet member.

Any document so requested will be made available as soon as is practicable after the request and no later than 10 clear days after the request.

8.6.40 The Cabinet can decide that the scrutiny member does not have the right to the information requested and in these circumstances a written statement with the reasons for the decision must be given.

LIMIT ON SCRUTINY'S RIGHTS TO ACCESS CABINET INFORMATION

8.6.41 Scrutiny Committee Members are **not** entitled to:

- (a) Any document that in draft form; or
- (b) Any part of a document that contains exempt or confidential information, unless that information is relevant to an action or decision they are reviewing or scrutinising or intend to scrutinise.

ADDITIONAL RIGHTS OF ACCESS TO DOCUMENTS FOR ALL MEMBERS

8.6.42 Material relating to Cabinet business: All members are entitled to inspect relevant Cabinet documents (except drafts) relating to any business previously transacted at a private or to be transacted at a public meeting of the Cabinet, or relating to decisions taken by Cabinet Members or Key Decisions taken by Officers unless the report(s) contains exempt or confidential information as described above.

8.6.43 Nature of rights: For more details of members' rights see the Members' Access to Information Protocol in Part 2 of this Constitution.

Somerset County Council

County Council

– 19 July 2017

Report of the Joint Independent Remuneration Panel

Cabinet Member:

Division and Local Member: All

Lead Officer: Julian Gale, Strategic Manager – Governance & Risk

Author: Julian Gale

Contact Details: (01823) 359047

1. Summary/link to the Corporate Plan

- 1.1. This report sets out the report and recommendations of the Joint Independent Remuneration Panel (“the Panel”) following their fundamental review of the Scheme of Member’s Allowances.
- 1.2. The arrangements for determining allowances for elected members are set down in statutory regulations - the Local Authorities (Members’ Allowances) (England) Regulations 2003 (SI 1021) and subsequent amendments to the regulations (SI 2003/1022 and SI 2003/1692). Each local authority is required to appoint and maintain an Independent Panel to make recommendations to the Council on members’ allowances. The County Council, West Somerset Council, Mendip District Council and Taunton Deane Borough Council established a joint panel to advise the councils’ on their respective Schemes. The Council must have regard to the Panel’s recommendations before making decisions in relation to members’ allowances but doesn’t have to accept them. Where the Council doesn’t accept the Panel’s recommendations it should give reasons for not doing so.
- 1.3 All Members have a personal and prejudicial interest in the receipt of allowances but the Council’s Code of Conduct includes a dispensation allowing members to attend relevant meetings and vote on this matter. This paragraph has the effect of declaring this interest by all Members at this meeting of Council. Members do not need therefore to make a verbal declaration at the Council meeting.

2. Recommendations

2.1 Council is recommended to:

- (a) **Consider the Panel’s recommendations set out in the Panel’s report attached as the Annex to this report – as summarised in section 2 – Executive Summary of the Annex (and which includes a revised Scheme of Members’ Allowances for 2017- 12) and decide accordingly.**
- (b) **Consider and agree that any changes to SRA payments as a result of decisions by the Council are backdated to the date of appointment.**
- (c) **Authorise the Strategic Manager, Governance & Risk to make any amendments to the Scheme of Members’ Allowances 2017-18 (attached as Appendix C to the Annex to this report) required as a result of the Council’s decisions in (a) above.**

3 Background

3.1 In February 2017 the Council agreed to continue to apply the existing Scheme of Members' Allowances for the 2017/18 financial year starting on the 1st April 2017, pending the County Council elections and a review of the Scheme. Members of the old Council will be aware the Panel spent the months in advance of May taking evidence from members as part of the review. The Panel has met on a number of occasions in recent months and most recently on the 3rd July. The culmination of that work is set out in the report of the Panel attached as the Annex to this paper which includes recommendations for changes to the Scheme of Members' Allowances. The revised Scheme of Members' Allowances for 2017/18 which reflects the Panel's recommendations is attached to the Panel's report as Appendix C.

3.2 Backdating:

Where there are changes in payments the Council has the option to backdate the changes to the date of appointment in the case of SRA amendments.

4. Implications

4.1 Financial: The full year impact of applying the Panel's recommendations in full to the decisions of the Council and the Leader in May 2017 would see an overall reduction in the cost of the SRA structure of £5398 pa (a reduction from a total cost of £230,855 to £225,457) over a full financial year. This doesn't take account of the payment being made by the Council to the independent chair of the Corporate Parenting Board which is now being funded outside of the Scheme of Members' Allowances and therefore outside of the members' budget.

4.2 Legal: The legal requirements are set out in the report.

4.3 Risk: The risks are reputational rather than legal. The Council does not have to accept the Panel's recommendations but where it chooses not to do so it should give reasons that can be part of the record of the meeting. The Council is required to give reasons where it chooses not to accept Panel recommendations on allowances.

4.4 Impact Assessment: There are no direct equalities implications arising from any of the proposals in this report. There are also no sustainability or community safety implications.

5. Background papers

5.1 None.

ANNEX

Report of the Joint Independent Remuneration Panel

1. Introduction

- 1.1. This report sets out the conclusions and recommendations from the fundamental review of the Somerset County Council Scheme of Members' Allowances carried out by the Joint Independent Remuneration Panel.

It builds on the previous reports submitted by the Panel. In this report Somerset County Council is referred to as SCC, the Basic Allowance is referred to as BA and the Special Responsibility Allowances are referred to as SRAs.

In preparing this report, the Panel was aware that since the elections in May, there are new councillors who are unfamiliar with the Panel and the issues considered by it.

2. Executive Summary

- 2.1 Section 3 of this report gives an overview of the legal position of the Panel. Section 4 explains the Panel's approach to the fundamental review of the Basic Allowance and gives recommendations. Section 5 explains the work done on the Special Responsibility Allowances and again gives recommendations, including the Panel's reasoning and the evidence used. Section 6 considers other allowances provided for within the Scheme.

There are three appendices:-

- (a) Appendix A: SRA criteria
- (b) Appendix B: The SRA Band structure
- (c) Appendix C: The revised Scheme of Members' Allowances for 2017-18 which includes amendments to reflect the Panel's recommendations. The main changes are highlighted in red text.

2.2 Context:

- (a) The statutory task of the Panel is to make recommendations to the Council before it makes or amends a Scheme of Members' Allowances. The Council must have regard to the Panel's recommendations before a decision regarding a Scheme is made.
- (b) This report is based on comprehensive data, information and evidence obtained from internal and external resources including a questionnaire and interview data from SCC councillors¹, the Office of National Statistics (ONS), NOMIS, the Bank of England (BoE), the Local Government Association (LGA), South West Councils, and the Chartered Institute of Public Finance and Accountancy (CIPFA).
- (c) The Panel has used the latest available data but, unavoidably, this has not always been up-to-date.

¹ The high response rate (84%) from SCC councillors was appreciated since it provided data and information of considerable assistance to the Panel's deliberations.

2.3 Main recommendations

Basic Allowance

The Panel was mindful of available external research and SCC councillors' comments as regards the purpose of the BA, together with many IRPs' concerns about the level of BA in respect of maintaining *representative* citizen involvement in the local political process. The Panel is aware that there are no uncontested seats for the SCC elections, although that fact does not of itself shed light on the breadth of citizen involvement.

Nevertheless, the Panel is of the view that a level of BA in real terms should be maintained, if possible, and the vagaries of inflation not to be permitted to make the BA's real value unstable. Tables 2.0 & 3.0 illustrate this point.

The Panel recognises that the present level of BA (£10,795pa.) compares favourably (Table 6.0) with payments made by all other county councils, and particularly the 'top ten' comparators.

The Panel *recommends* a return to the arrangement whereby the BA is linked to a local labour market comparator rather than the local authority officer pay scale.

Such an arrangement could have considerable simplicity as well as being clear and transparent for public scrutiny. Thus, at the present level of Somerset median gross wage, the current BA is 43% of this external comparator wage. Using the ratio of 43% for the future levels of BA, simplifies and incorporates both public service and hourly adjustments. £10,795 thus becomes a new base BA in real terms which can be maintained into the future unless there are significant and recognised changes in the nature of the role and time-commitment of the backbench councillor.

The Panel *recommends* the present BA payment is maintained at £10,795pa.

In regard to the indexing arrangement for the BA, **the Panel *recommends* the ending of the link with local authority employee pay, and replaced with the index for changes in the Somerset median gross wage.** The Panel would have preferred to index the BA by CPIH, which is CPI including housing costs. This is because the BA is not a wage; it is not a payment for performance or output of a councillor – it is more a payment having a social purpose. However, as far as possible, it is important to maintain the *real* value of the BA, *but* as the Panel is recommending a labour market comparator for the BA calculation, it follows that an appropriate indexing mechanism for the 4 years of the quadrennium would be the labour market comparator.

In summary, the Panel's ***recommendations*** in relation to the BA are:

- that the BA calculation for 2017/18 is based on the Somerset median gross wage (all employees) and set at the sum of £10,795pa , (or 43% of the Somerset median gross wage [all employees]);
- that the annual indexing mechanism to calculate increases in the BA over the 2017-21 period is based on a sum equivalent to 43% of the Somerset median gross wage [all employees]²at that point in time.

For further discussion see 4.7

² Again, this would be the numerical equivalent of using an index of wage rate increases in Somerset.

Special Responsibility Allowances

In the past year, the Panel has focussed considerable attention on the nature of “special” responsibility [see Appendix A]. Accordingly, the Panel has reviewed the existing arrangement for SRAs: level, linkage, and banding. The present arrangement is for an SRA to be a multiple of the BA, and linked to the highest multiple (x3) for the Leader of the Council.

The Panel has noted that there have not been significant changes to the posts and corresponding SRAs established since the May 2017 election, with the exception of two posts removed from the SRA scheme and the addition of the Junior Cabinet Member posts.

The Panel has reviewed the existing posts in relation to their SRAs, in the light of: (a) posts and SRAs in comparator councils; (b) the views of SCC councillors; (c) criteria formulated by the Panel. [The detailed discussion of recommendations can be found in 5.7 but of particular relevance and concern of the Panel was the need to apply SRA criteria consistently across the Report even though for different posts the mix of validating criteria may well vary]

The findings and recommendations of the Panel in summary are that:

- (a) the mechanism of an SRA being a multiple of the BA has a sensible logic and should be maintained;
- (b) the existing SRAs be maintained with exceptions set out below;
- (c) the present banding be maintained, with the addition of an explicit band for the Deputy Leader of the Council and separate arrangements for the leaders of the smaller political groups;
- (d) vice-chairmen of committees no longer to qualify for SRAs;
- (e) group leaders of small political groups should qualify for SRA payments based on group size;
- (f) the Deputy Leader of the main Opposition Group to no longer qualify for an SRA;
- (g) the new Junior Cabinet Member posts should qualify for an SRA payment at the same level as the main committee chairmen.

Other allowances and Scheme provisions

The Panel has also reviewed the arrangements for the other ‘claimable’ allowances contained in the Scheme, namely carers’, travel and subsistence allowances and the rules that apply to the claiming process. These are important to ensure that members are appropriately compensated for essential expenses incurred when undertaking ‘approved duties’ as a councillor. The Panel has, therefore, reviewed the provisions within the Scheme to ensure that they are still appropriate and consistent with best and common practice and no changes are proposed except for the addition of two additional ‘approved duty’ provisions. For the reasons set out in 8.2, the Panel **recommends** the following additions to the list of approved duties in the Scheme:

- Attendance at any civic or ceremonial event at the specific invitation of the Chairman of Council, the Lord Lieutenant or High Sheriff
- Any duty for which express authority is given by the Chief Executive in the event of an emergency.

Revised Scheme of Members' Allowances 2017-18

The Panel's recommendations have been reflected in the revised Scheme of Members' Allowances for 2017-18 attached as Appendix C to the Panel's report. The Panel **recommends** the Council to approve Appendix C as the Council's revised Scheme.

3. Members' Allowances and Remuneration Panels – the legal position

- 3.1 Following the elections in May there will be some new members of the Council who might not be familiar with the Panel and its work. By way of an introduction the legal provisions in relation to members' allowances are set out in the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021) and subsequent amendments to the regulations (SI 2003/1022 and SI 2003/1692) ["the Regulations"]. Under the Regulations each Council has to appoint an Independent Panel to make recommendations on its Scheme of Members' Allowances. The Council must have due regard to the recommendations of the Panel before it makes any decisions in relation to its Members' Allowances Scheme but it may accept, reject, or amend any of the Panel's recommendations. The Regulations provide for a single panel to advise more than one Council [see 3.4 below].
- 3.2 The regulations define a number of basic requirements for allowances schemes but also give considerable scope to allow a council to adopt local provisions according to their circumstances. The only mandatory element provided for, in the Regulations, is the payment of a Basic Allowance to all members of a Council. All the other elements that are currently paid under the scheme, i.e. Special Responsibility, Travel, Subsistence and Carers' allowances are discretionary.
- 3.3 The basic principles on which Remuneration Panels work are not set out in statute but there are national operational standards. In summary they include:
- the 50% rule (no more than 50% of Members of any individual Council should receive an SRA);
 - any Member should only receive one SRA at any one time;
 - BA payments should be based on a discretionary voluntary time contribution of 30% or 33%³ to maintain the difference between a salary and an allowance;
 - when considering the payment of SRA, clarity is needed by both Council and the Panel as to explicit criteria used by the Panel when considering each specific position and whether it qualifies for an SRA, e.g. is the position one which requires judgment and responsibility or is it much more of a supporting role but based on substantial additional time and effort.
- 3.4 Joint Independent Remuneration Panel: SCC is a member of a joint IRP alongside Taunton Deane Borough Council, West Somerset Council, and Mendip District Council. The Panel's membership comprises 3 independent representatives appointed by SCC and 1 each by the District Councils. All of the members of the Panel are residents of Somerset. The current Panel membership is outlined in brief below for information:

³ The Council, in the past, has used, 33%. This discount on hours 'worked' by councillors reinforces that the BA payment is not a salary paid for employment.

Ian Partington	Economist. Appointed JP in 1982. Previous academic employment: Principal Lecturer in Economics, at Oxford Brookes University.
Paul Fellingham	Barrister at law. Previously 43 years in the Magistrates Courts. The last 20 years as the Justices Clerk for Hertfordshire.
Jason Woods	Engineering, Business, and Training professional. Officer in the Royal Navy. Elected Parish Councillor
Graham Russell	Former Head of Democratic Services (Bath & North East Somerset Council). Chair of annual meeting of IRP Chairs and member of, and adviser to, a number of IRPs across the region and in Cumbria
John Campbell Thomson	From a housing background, initially worked for local authorities and then was Chief Executive of SHAL Housing Association for 20 years and now retired.
Mark Okuniewski	Recently retired following a long career in local government and the Environment Agency as a senior policy manager in industry and waste regulation.

4 Basic Allowance (BA)

4.1 The Panel has considered the BA within the present arrangements for the SCC Scheme of Allowances. The Panel’s consideration has been under the following headings:

- The purpose or rationale of the BA
- Councillors’ opinions
- Calculation and measurement of the BA
- BA and comparators
- Panel’s observations on the BA

4.2 The purpose or rationale of the BA

4.2.1 The Panel has to be mindful of the statutory purpose of the BA⁴ since it is the duty of the Panel to comply with this requirement. The purpose of the BA is:-
“.....to recognise the time commitment of all councillors, including such inevitable calls on their time at meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes, [...telephone calls and visiting constituents].”

4.2.2 This statement makes clear that the BA is not intended as a payment for a job; it is not a wage or salary. However, the use of estimated hours that the average councillor spends on fulfilling his/her obligations is a well-known method of contributing to a calculation of the BA. So too is the practice of deducting a proportion of these hours as representing the public service (voluntary service) component and which are not taken into account in assessing an appropriate BA. This latter practice also reinforces the conclusion that the BA is not to be regarded as, or in effect, a wage or salary. It is perhaps relevant to suggest that ‘a wage’ is

⁴ One IRP report of another local authority, for example, identified the purpose of the Basic Allowance as covering councillors’ expenses. This is part of its purpose but not primarily its role.

broadly a payment (i) for output; (ii) as compensation for a worker’s sacrifice of time, and its alternative use and value. In regard to the BA, this is plainly intended only as a payment for the latter. If this view is valid, then the conclusion has a bearing on the size of the BA and a suitable comparator. However, the problem that this creates is how to value the average councillor’s time as opposed to valuing what s/he does. A pragmatic way of resolving this problem is simply to avoid the issue and choose what may appear to be a ‘good enough’ labour market, or other appropriate comparator, and many IRPs do this in some form.

4.2.3 The Panel acknowledges this latter approach, and in forming its rationale also takes account of the following factors:

- a) LGA surveys, University of Plymouth Election Survey, as well as other reports, eg. Councillors Commission, have drawn attention to the importance and relevance of the BA to ensuring that the citizen’s inclination to take part in the political process is not weakened by an inadequate level of BA. Many or most IRPs continue to be concerned about this, as evidenced in IRP reports.
- b) The LGA national data shows:
 - Almost half the councillors are retired (and for this group any IRP trying to assess the value of time will find considerable difficulty).
 - About 44% of councillors, nationally, are in some form of paid employment or self-employment.
 - 76% of councillors regard the financial and other benefits *very important* in being able to do the job of councillor, but about 25% do not find these benefits relevant for the purpose of doing the job.
 - Significantly, from the point of view of assessing the value of time, about 2/3 of councillors engage in other voluntary work in addition to their role as a councillor.
- c) SCC – 2017 Survey and interview data. Table 1.0 provides a profile of the SCC councillors (pre-2017 election) and the comparable results from the Local Government Census of Councillors 2013 (this latter survey being the only available data). Even with the limited number of observations in Table 1.0 it is clear that the profile of SCC councillors (before the 2017 elections) accords very closely with the councillors’ profile provided by the large survey by the LGA⁵.

Table 1.0
Councillors’ profile: Somerset County Council – pre May 2017, Local Government Association survey – 2013

	SCC	LGA
Average age (years)	61	60
Average years as a councillor	9	9
Average weekly hours undertaking councillors’ duties	25 (31)	21
Employed (%)	43	44
Not in employment (%)	14	9
Retired (%)	42	47
Benefits (incl. BA) regarded as important (%)	91	76

(Note: the average figure in () for weekly hours is an estimate when SRA time is included)

⁵ The correlation coefficient is +0.97

- 4.2.4 These various elements, in particular the significance of the alternative use of time by councillors in some form of paid employment including self-employment, have contributed to the Panel's thoughts on evaluating the BA.
- 4.2.5 As has been identified, evaluating time is inherently very difficult but at the margin and in the case of the employed councillors especially (if not the retired) the alternative use of time may well be in *further* paid employment rather than leisure.
- 4.2.6 Thus, even if for the average councillor alternative use of time might be the pursuit of other voluntary work or just leisure (neither of which can be valued readily), what is important is the marginal councillor who is more likely to be in receipt of a wage, salary, or profit-stream; that is, in some form of employment⁶. For the citizen on the cusp of taking on the role of councillor (the marginal councillor) a labour market comparator is likely to be highly relevant to this decision, if not immediately before choosing nomination, probably later when considering – again at the margin – re-election. There is anecdotal evidence for this, sometimes included in authoritative reports – but little or no formal research evidence. The Elections Centre, University of Plymouth conducted a survey (n = 1,989) in 2013, of local election *candidates*. Of this sample, 30% were of the opinion that insufficient payment to councillors discourages people from standing. The large sample size permits confidence in the figure of around 30% in relation to all candidates. (At a full council meeting in 2015, not SCC, for example, at which a Panel report was being presented and debated, several councillors spoke with strong conviction as to the financial importance of an adequate BA in allowing them to carry on as a councillor.)
- 4.2.7 The Panel's opinion is that part of its function is to provide relevant data and perspective on elements of the Scheme and whatever the Panel's recommendations and the final decision of the SCC, the Panel would wish to ensure the Council is appropriately well-informed. The Panel's deliberations on this matter might seem abstruse or peripheral to the primary work of the Panel. However, the Panel, in producing its report and recommendations to the Council, must give reasons or provide a rationale for such recommendations. Simply to array, for example, comparators from, say, ONS labour market data or other comparator and then select one comparator that seems to fit, is of itself not sufficient.

4.3 Councillors' opinions

- 4.3.1 The Survey of SCC councillors carried out in advance of the 2017 elections, via both questionnaire and interviews, showed that a high proportion of the sample (90%) regarded the payment of the BA as important for the performance of their role of councillor. A high response was expected, but perhaps not as high as the outturn.
- 4.3.2 The large LGA survey⁷, most recent being 2013, showed that for only 24% of councillors, could they *fully* undertake their role as councillor without the various benefits provided for them; whereas for 15% of the LGA sample, the various benefits

⁶ For the average councillor it could well be argued – given the “average councillor's profile”, that a ‘low’ BA may well be regarded by such councillors as quite acceptable, perhaps a matter of indifference. For those councillors who do not ‘need’ the BA then they can easily decline payment in whole or in part and the monies in effect returned to the public purse.

⁷ Census of Local Authority Councillors 2013, Local Government Association

were essential for fulfilling their role as councillor.

- 4.3.3 Of the 44 SCC councillors that responded to this question on the BA, 21 wrote additional comment, of which 9 made clear that they regarded the BA as partial compensation for loss of earnings. This particular sample is too small to generalise, but it may well be a relevant indication for the Panel in its assessment of the nature and function of the BA, and thus its size.
- 4.3.4 The data in Table 6.0, for example, does suggest, however, that at least measured on an hourly basis, the present BA represents a very modest, comparative, compensation for the time spent by councillors.
- 4.3.5 Several councillors expressed the view that the 33% 'public service' discount in respect of the BA, is too high – not least because the nature of the work-load for councillors is now much more demanding: both time and effort. The Panel noted the arguments but could not regard the views as representing most councillors because of the small sample size.

4.4 Calculation and measurement of the BA

4.4.1 Present position

The present position largely derives from a Panel report in 2009 and 2013 and subsequent decisions by the Council. On an earlier occasion, (February 2010) the recommended target BA figure by the Panel was £10,620 pa with increases phased over three years. This recommended sum was derived from the South West median white-collar wage. The Council for reasons of affordability determined that the BA should not be phased but set at £9,880 pa (a grossed-up equivalent to £18,432pa) and increased subsequently in line with pay awards to Council staff. In the absence of pay awards, the BA remained at £9,880 until the Panel conducted a fundamental review in 2013. The South-West median *white-collar* wage was no longer published and the Panel selected the Local Government Officers' pay scale as the basis for the BA calculation. Point 21 on the scale corresponded with an administrative officer post at top of scale 13: £19,126 pa. After the conventional deduction of the 'public service' component and *pro rata* adjustment based on average councillors' hours, the recommended BA was £10,251 pa. The Council accepted these proposals, with the BA subsequently increasing in line with staff pay awards. Table 2.0 illustrates this narrative.

One view is that the history of the BA calculation for most IRPs is one of seeking a rationale but with limited or unsuitable information. The key variables have been (a) a suitable comparator for generating the initial financial input into a BA calculation; (b) the choice of % as 'voluntary element'; (c) the assumed hours spent by a backbench councillor in relation to the 'working week'.

Suitable comparator

Of the closest county council comparators to SCC, about one-third use the Local Government Officers' pay scale but two-thirds choose alternative comparators, mainly some suitable measure of a wage rate, usually locally based. Nevertheless, most of the councils use the % pay award to local government officers as their

indexing device. [The median gross annual earnings of full-time workers in Somerset was £25,084 in 2016 (£25,234 Panel estimate for 2017) and £19,939 on Local Government Officer pay scale).]

The use of the local government pay scale has the merit of simplicity and clarity but it is difficult to establish a rationale for it. In this regard, the problem is that the BA is not a wage, nor a payment for work done, but is a compensation for time. Also, the local government pay scale relates to one form of employment only, compared with composite alternatives.

Choice of voluntary element⁸

In calculating the BA, it is also recognised that there is a public service element to the role, and that therefore a proportion of a councillor's time is given on a voluntary basis. The exact % discount is not a statutory matter but one determined by a council. Reference is usually made to the selection of either 30% or 33%, but the range of 25%-40% has been quoted (Councillor Commission). Anecdotally, as well as direct evidence from councillors, suggests a case can be made for adjusting downwards the public service discount for SCC councillors to, say, 30% on the main grounds that recent technological developments, especially in communication, have made the job of councillor more demanding both now and in the future.

Assumed hours spent by a backbench councillor

For many IRPs this element is almost as troublesome as the selection of comparator. Part of the difficulty is obtaining useful data, and also the appropriate choice of statistic to adequately measure or illustrate the time-commitment of councillors. A further problem is the reliability of any data gained for this purpose. Very few IRPs collect sufficient data and as a consequence the selection of 'hours' can be anecdotal; based on a small sample; or simply an arbitrary choice by a Panel based on its own opinion of the hours 'needed' by a councillor to do the job. As regards SCC, in recent years, the Panel has obtained data from different sources such that one average figure was 34 hours per week, and another 29.6 hours per week. The most recent survey, having a high response rate, yielded an average of 25.6 hours per week. As regards the latest survey, the use in this particular case of the simple average would cause the Panel some concern: the dispersion of responses around the mean is considerable; thus, for example, over 40% of backbench councillors in the sample stated they were engaged for over 30 or more hours per week in their role as councillor. In fact, the average for this particular group was 34.4 hours. The Panel would have concerns, therefore, that the 'mechanical' use of the latest average in the calculation of the BA would generate considerable unfairness. The Panel attaches significance to the historical narrative, *viz.* the Council – for good reasons at the time – including affordability – changed the base salary input in 2010 (for the BA calculation), with a further switch in 2013 to the local government officers' spine; a switch from the South-West median white-collar wage since it was no longer estimated – these changes, especially the latter, at a stroke reduced the real-terms compensation in the BA over several years [see Tables 2.0 & 3.0]. The

⁸ Sometimes referred to as the 'public service discount', ie. a measure or indication that it is appropriate to regard part of the time commitment of a councillor as equivalent to any other citizen undertaking voluntary work.

Panel's view is that had the South-West median white-collar wage continued to be published and used in the formula as the base salary, then the present level of BA would have been about the same or higher than the present determination for 2017/18⁹

Table 2.0

BA – recommended by IRP and Council decision

(i)	(ii)	(iii)	(iv)
	SCC decision (£)	IRP advised (£)	Real value of SCC decision
2009/10	9639	n/a	n/a
2010/11	9880	10080	9471
2011/12	9880	10327	9369
2012/13	9880	10620	9610
2013/14	10251	10251	9867
2014/15	10354	10354	10153
2015/16	10580	10580	10475
2016/17	10688	10688	10623

4.4.2 The real value of the BA since 2009 is relevant, along with the decision by the Council to set a BA in 2010 at £9,880. Table 3.0 provides inflation adjustments to the value of the BA.

Table 3.0

Illustration of Inflation adjustments to BA

	(i)	(ii)	(iii)	(iv)	(v)
	Actual BA - SCC decision	IRP advised	Inflation-adjusted £9,880	Shortfall (A) Col. (iii) minus Col. (i)	Shortfall (B) Col (iii) minus Col (ii)
2010/11	9880	10080	9880	0	-200
2011/12	9880	10327	10334	454	17
2012/13	9880	10620	10871	991	251
2013/14	10251	10251	11219	968	968
2014/15	10354	10354	11556	1202	1202
2015/16	10580	10580	11833	1253	1253
2016/17	10688	10688	11952	1264	1264
Total			77645	6132	4755

4.4.3 Comments on Tables 2.0 and 3.0

- (a) In Table 2.0 the decision by SCC as regards the level of BA coincides with the recommendation of the JIRP after 2012/13 because the BA becomes geared to local government salary scales. However, Col. (iv) shows the annual effect of current inflation on the real value of the BA since 2009/10. This calculation draws attention to the fact that on-going inflation imposes real losses at the time.
- (b) Table 3.0 provides an additional approach to Table 2.0 showing the effect of inflation on the real value of the BA from a set date. It is a reasonable and proper assumption that the decision by SCC to set the BA at £9,880 in 2010/11

⁹ Although data is scarce, it is likely that the available wage data (Somerset gross wage) probably would underestimate, as a proxy, the median white-collar wage.

- was a well-thought evaluation and was deemed appropriate for councillors in real terms – at that time. Col. (iii) recalculates £9,880 so that the effect of inflation is taken into account with the resulting figures representing the value of BA that maintained the 2010/11 real value.
- (c) Col. (iv) and (v) represent the notional losses that derive from the inflation-adjusted BA in Col. (iii) in relation to the values of the BA in Col. (ii) and (iii).
 - (d) Table 2.0 and Table 3.0 are a useful and cautionary note in illustrating the effect of inflation on the real value of the BA. They also add emphasis to the question as to why a move away from maintaining the value of the BA is logically valid when the fact is that the BA is not a wage or salary.
 - (e) Although labour market comparators can be used at the margin to offer a way of valuing the time spent by councillors, such an approach and concomitant calculation does not invalidate a presumption that the payment of the BA has a special purpose *unconnected with the labour market and general economic conditions*.

4.5 BA and comparators

- 4.5.1 Table 5.0 identifies characteristics of the BA for all county councils as well as the ‘top ten’ selected for their criteria-based proximity to the characteristics of SCC. Table 4.0 are the ‘top ten’ closest comparator councils¹⁰. [Also see 5.5.6 for further explanation]

Table 4.0

‘Top Ten’ – nearest-neighbour county councils

1	Suffolk
2	North Yorkshire
3	Gloucestershire
4	Norfolk
5	Worcestershire
6	Warwickshire
7	Devon
8	Dorset
9	Cumbria
10	Leicestershire

4.5.2 Comment on Table 5.0

In considering the content of Table 5.0 it is important to emphasise that the data should be largely regarded as indicative and descriptive. Local authorities vary in the assiduousness with which they provide appropriate data on their websites. The Panel’s choice of data represents the most suitable and consistent that is available on the various websites.

¹⁰ The Chartered Institute of Public Finance and Accountancy (CIPFA) provide software that permits grouping of local authorities that are similar (“near-neighbours”); similarity determined by choosing, from about 50, particular criteria, eg. population (structure); tax base; benefit recipients; retail outlets.

Table 5.0

BA comparison: all County Councils,
Top Ten, & SCC - 2017/18

	(i)	(ii)	(iii)	(iv)
	All C/C incl. SCC	All C/C excl. SCC	Top Ten C/C excl. SCC	All C/C excl. SCC and Top Ten
Mean	10450	10436	9885	10803
Minimum	8405	8405	8405	8772
Maximum	12933	12933	12483	12933
Median	10349	10273	9721	10696
SCC BA	10795	10795	10795	10795

At its simplest, the SCC BA is little more than 3% higher than the average for all councils (col. ii) and even compared with the 'top ten' (col. iii), the figure might be regarded as relatively modest at 9% higher. However, a comparison with the median values in cols. (ii) and (iii) show the SCC BA to be higher by 5% and 11% - figures though that might still be regarded as not excessive.

4.5.3 Table 6.0 provides a different perspective, based on 2016 data. Measured in terms of hours of councillors' time used to fulfil their obligations and the associated financial compensation, the hourly compensation may be fairly regarded as quite modest. The estimate of hourly compensation in Table 6 does add some weight to the suggestions presented above, that the present BA payment to SCC councillors is not excessive.

Table 6.0

Sample occupations and hourly earnings (ONS),
and state benefits - 2016

	<u>Occupations in South-West England</u>	<u>Hourly rate (£) (excl. overtime)</u>
(i)	Elementary admin. & service occupations, eg. sorting, delivering mail, simple clerical tasks	8.67
(ii)	Sales & customer service occupations	9.18
(iii)	Skilled agricultural & related trades, eg. producing crops and animals, tending private and public gardens	9.85
(iv)	Secretarial & related occupations, eg. medical secretary, school secretary	10.18
(v)	Health & social care associate professionals, eg. dental technician, sports therapist	13.72
(vi)	Health professionals	20.23
(vii)	Teaching & educational professionals	22.56
(viii)	Corporate managers and directors	22.22
(ix)	South west hourly pay (excl. overtime)	12.80
(x)	<i>Somerset County</i>	12.00
(xi)	<i>Very approximate</i> hourly rate of payment – average of main state benefits ¹¹	5.50
(xii)	National minimum wage	7.50
(xiii)	Living wage	8.45
(xiv)	Calculated hourly rate for SCC councillors using Basic Allowance formula and data	7.45

¹¹ Calculation based on Daily Telegraph estimates for families in the lowest 10% of earners

4.6 Panel observations on the BA

4.6.1 The Panel's summary financial overview is:

- a) The BA settlement in 2010/11 (£9,880) has experienced substantial inflation erosion [Table 3.0 Col. (iii)]
- b) If the BA set in 2009/10 *had continued to be adjusted* in line with median South West earnings the final figure in 2015/16 would have been close to the SCC decision but, crucially, the inter-year remuneration 'losses' identified in Table 3.0 (col. iv) would not have been experienced.
- c) The Panel's recommendation in 2013 to link the BA to the Local Government Officers' pay scale was probably pragmatic, and a default decision: the publication of the South West median white-collar wage rate had ceased, and the Council had preferred indexing to be tied to the Local Government Officers' pay scale. At that time the Panel discussed, and considered selecting an ONS close alternative, representing the movement of earnings in the South West.
- d) SCC has continued to apply the indexing calculation linked to officer pay awards through to 2017/18 but the implicit hourly rate of the BA does not compare favourably with other occupations [Table 6.0]
- e) Median annual earnings in 2016 for Somerset were around £25,299. However, the grossed-up figure based on the BA of £10,580 is a gross salary of £19,739 (2016/17: £19,940). The Panel's view is that the comparison with the Somerset annual earnings figure is one of several that are reasonable and valid, and represents a very large difference/shortfall of the BA – about 30%.

4.6.2 The Panel has, in this report, made reference to the nature of the raw data that it has gathered and used as descriptive evidence. Although this evidence can be the subject of debate or challenge because of the nature of the source, what has emerged from the various view-points taken by the Panel is that SCC need not regard its present, and recent, decisions regarding the monetary value of the BA as out of alignment with other comparable councils. But for the Panel, this is not the main issue as is clear from previous discussion in the report.

4.6.3 The Panel does draw attention to the comparative data in Table 6.0. Although the present BA is not, perhaps, out of serious alignment with other councils, in the opinion of the Panel, this does not mean that either the level of BA is appropriate or the method of adjustment of the BA over time. Taking the present calculation of the BA, for posts at around spinal column point 21, a published hourly rate equivalent is around £10 per hour. This places the position of councillor at about row (iii) or (iv) in Table 6.0 or by way of a different illustration, the position of a teaching assistant (this positioning ignores the 'public service' component of the BA).

4.6.4 The Panel in this report has been considering a rationale for a BA that might be regarded as somewhat abstract, but for the Panel there has been a requirement for clarity; the alternative being simply to choose a labour market or other comparator that will 'do'. Nevertheless, partly because of what might be regarded as the 'average profile' of councillors, the Panel has further considered two issues: the nature of the skills and competences required to be a 'good-enough' councillor; and the financial remuneration appropriate for the 'marginal councillor [see 4.2.6]. The

Panel's view is that SCC and the BA may well at some stage have to meet the likely needs of this 'marginal councillor', in respect of a labour market comparator.

4.6.5 Nevertheless, the Panel's view on the rationale for the BA was influenced by the SCC Survey and discussions with councillors, especially in regard to the present political system's ability to 'deliver' a cohort of councillors competent to manage the Council's activities effectively. In other words, a case can be made that in present circumstances, if the present arrangement/system 'works' for SCC – albeit without a firm rationale – then let the matter be; at least for the time being. In this context, it is evident from the LGA survey and the Plymouth University survey of candidates that the councillor 'population' nationally is likely to be highly educated and skilled – and this may well be true of SCC [the JIRP did not explore this aspect in its survey].

4.6.6 As regards skills and competences, the Panel accepted that a 'good-enough' councillor would need high level, core skills and competences, of the kind listed below; skills and competences that would be highly valued in the labour market – at a level well above an imputed rate of £7.45 ph. (Table 6.0)

- a. Analytical and problem-solving skills;
- b. Organisational skills – personal as well as within the role of councillor;
- c. Team working abilities;
- d. Communication skills;
- e. Broad knowledge-base related to the responsibilities of a county council such as SCC.

4.6.7 Some councillors will bring such abilities to the job of councillor by virtue of their previous employment and others will need guidance and training. The point to be made, however, is that these skills and competences - however acquired, and encapsulated in one individual – represent a relatively high position in the labour market, with a concomitant hourly rate of remuneration.

4.7 Panel conclusions and recommendations for the BA

1. The Panel is convinced there is sufficient evidence as to the financial relevance and importance of the BA for a high proportion of councillors, locally and nationally. LGA surveys, De Montfort University Councillor Commission, University of Plymouth Election Studies, data from the 2017 SCC councillors' survey, and anecdotal evidence; - all emphasise the importance of the BA as a support for councillors in properly fulfilling their obligations to their electors, and also contributing to a flourishing, or at least encouraging, local democracy.
2. The evidence accumulated by the Panel, which concurs with other Independent Remuneration Panels (IRPs) in England, suggests that even the present level of BA is low compared with other occupations (Table 6.0).
3. However, benchmarking the BA to other county councils shows it to be around or slightly above the median figures for the sector indicating that it is currently set – at least on a comparative basis - at an appropriate level.
4. The Panel recognises the fiscal reality which local government has had to adapt to, and continues to do, in the past ten years or so and which is reflected in the benchmarking data referred to in (3) above. This reality has clearly had a

- bearing on the size of the BA in real and nominal terms at SCC as well as other county councils.
5. The Panel **recommends** that the BA, however arrived at, needs to be financially stable in real terms, as far as possible, now and over the period of the quadrennium to which this Scheme applies. The Panel's reasons for this recommendation are (1) and (2) above, and also a recognition that if, as evidenced, the BA has a bearing on the decisions of some categories of prospective candidates, then to permit variable inflation in particular, to devalue the BA in the future does inject an element of uncertainty into candidate decision making. Such devaluation would also leave the Council, at least potentially, facing a decision in 2021 as to consider losses to inflation over the intervening years and the prospect of restoring the BA towards an historically acceptable and reasonable level.
 6. The Panel accepts that any scheme, mechanism, and outcome has in some degree to meet reasoned public scrutiny and it is hoped approbation. To this end, a scheme needs at least to be simple, transparent, and plausible.
 7. With this and other relevant factors considered by the Panel, the Panel **recommends** a return to the use of an external wage comparator as the basis for the BA calculation and the associated indexing mechanism to apply for the 2017-21 period, viz. the Somerset median gross wage (all employees), as:
 - I. by definition this comparator is highly local;
 - II. by definition it encompasses a wide range of occupations and thus has, perhaps, a greater relevance to the "average person" in Somerset than the County Council's salary scale which is the current mechanism used to calculate the BA;
 - III. this choice has more relevance than the Council's pay scale to those councillors, - actual and prospective – who are not retired but in employment and for whom especially the BA matters;
 - IV. the Panel's recommended indexing mechanism, assuming a continuation of the current Government public sector pay policy, is more likely to better reflect inflationary pressures over the period of the quadrennium than the County Council's officer pay scale.
 8. As regards the Panel's numerical recommendation, the approach has been to take the *present level* of BA as the starting point for a new base for the future, and considered to be appropriate because:
 - I. the present BA is close to the inflation-adjusted BA (within about 9%) – see Table 2.0 as a result of Council decisions taken previously;
 - II. the present BA provides a simple start because it already contains the usual public service discount and hours adjustments and has already been accepted by the Council as being at an appropriate level;
 - III. the present BA is 43% of the Somerset median gross wage, and this provides a single percentage (43%) for future reference to an appropriate BA; and
 - IV. it benchmarks well against the County Council's peers.
 9. In terms of indexing future increases in BA over the quadrennium, *the Panel's first preference and recommendation* would have been for the BA, based on the Somerset median gross wage, to be maintained in real terms by using the

- CPIH¹². This preference arises from a recognition that CPIH more closely relates to the purpose of the BA than, say, CPI. However, it may be relevant to note that data from 2006 shows that CPIH runs at or below the level of CPI.
10. However, the Panel's **recommendation** to be logically consistent (see [8] above) is to use directly, 43% of the current Somerset median gross wage in a particular year as the basis for the calculation¹³.
 11. The Panel's recognises that the recommendation to index-link the BA to the Somerset median gross wage is likely, historically, to deliver annual adjustments to the BA which are sometimes lower than CPIH. This is because of the nature of the labour market in Somerset compared with the rest of the economy. However, there is perhaps, a broadly compensating factor which is that the Somerset regional inflation rate is likely to be lower than a national inflation rate figure that derives from all regions.¹⁴ One result of using the indexing mechanism recommended by the Panel would be the need for the Council to review the level of BA after the next election to assess the impact of inflation and wage-rate growth, but any adjustment would be likely to be less severe than using the Council officer pay scale as the basis for indexing the BA.
 12. Therefore, the Panel's key **recommendations** in relation to the BA are:
 - that the BA calculation for 2017/18 is based on the Somerset median gross wage (all employees) and set at the sum of £10,795pa , (or 43% of the Somerset median gross wage [all employees]);
 - that the annual indexing mechanism to calculate increases in the BA over the 2017-21 period is based on a sum equivalent to 43% of the Somerset median gross wage [all employees]¹⁵ at that point in time.

5 SRAs

5.1 The Panel has considered the SRA structure and detail within the present arrangements for SCC's Scheme of Allowances. The Panel's consideration has been under the following headings:-

- The purpose or rationale of SRA payments
- Councillors' opinions
- Calculation and measurement
- SRAs and comparators
- Panel's observations on the SRAs

5.2 The purpose or rationale of SRA payments

5.2.1 The statutory basis for members' allowances is contained in the Local Authorities (Members' Allowances) (England) Regulations 2003, and which refers to the Basic Allowance (BA) as well as SRA [see 4.0 above for the Panel's fuller assessment of the BA].

¹² As of 21 March 2017, the Consumer Prices Index including owner occupiers' housing costs (CPIH)

¹³ This would be the numerical equivalent of using an index of wage rate increases in Somerset.

¹⁴ There is no available official estimate of regional inflation but one unofficial estimate puts the south-west inflation rate in recent years as approximately 1% point below the national rate. The rate of increase of wage rates in Somerset and the south-west is also likely to be lower than the national average in most years.

¹⁵ Again, this would be the numerical equivalent of using an index of wage rate increases in Somerset.

5.2.2 Section 4 states an authority shall make a scheme to provide for the payment of a BA. This allowance is intended to recognise the time commitment of councillors and includes meetings in constituencies, with officers and political group meetings. It also recognises incidental costs in conducting the role. It is payable to all councillors as a flat-rate allowance.

Panels have to assess other support for councillors from the council such as IT provision.

In this context it is also essential that consideration is given to what might be reasonably expected of a councillor in return for the BA, such as:-

- Attendance at committees
- Occasional chairing of meetings
- Routine monitoring of services and budgets
- Participation in (a) performance management and (b) training.

5.2.3 Section 5 states that an authority “may provide” for the payment of an SRA to members of the authority in one of the following categories:-

- Leader or deputy leader of a political group;
- Members of an executive;
- Chair of a committee or sub-committee;
- Representative of the council;
- Member of a meeting with exceptional frequency / period;
- Spokesman of a political group;
- Member of an adoption or licensing panel; and
- Any other activity requiring time and effort equal to, or greater than, the roles listed above.

5.2.4 Broadly speaking an SRA can reflect, *inter alia*, the degree of *responsibility* a post-holder has, the level of *accountability* and the amount of *time devoted* to the task. Some roles have a high degree of decision-making and post-holders are held to account if things go wrong. This can readily be seen in the categories above. A role deserving an SRA is in addition to the “constituency” role and ‘expected responsibilities’ that all councillors have and for which the BA is paid. The Panel draws attention to Appendix A for a discussion and illustration of the possible composition of “special responsibility”.

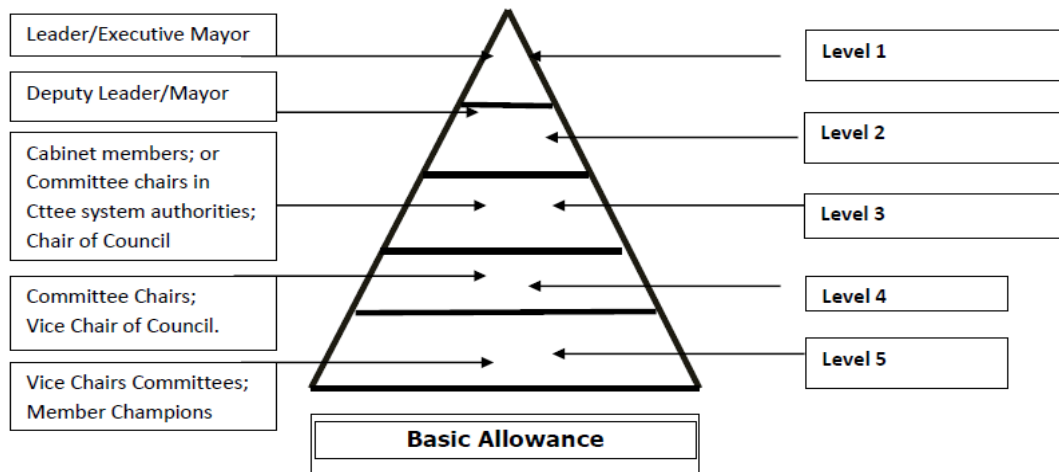
5.3 Councillors’ opinions

5.3.1 In interviewing members in March 2017, most of those interviewed had a view on SRAs and many commented upon the responsibility of the roles, the work that is required in making a success of them, and the way in which members are accountable. No one suggested that the monetary value of an SRA attracted people to these roles and there were frequent comments that the monetary value of an SRA was inadequate. The size of the SCC budget, and its concomitant obligations for councillors, and the geography of the county leading to extensive travel time - these were also mentioned - people with senior positions were spending many days each week on Council business and, with travel time taken into account, these could be long days.

The various narratives by councillors re the SRA role provided the Panel with an almost unique insight in this aspect of the work of the SCC.

5.4 Calculation and measurement

- 5.4.1 The existing scheme has been in place since 2013 and includes a “pyramid of responsibility” which defines certain roles. The “level” determined for a role gives (a) comparison with other roles and (b) a level of payment. The figure below illustrates this concept.



- 5.4.2 The current SCC scheme calculates the payment at various levels by reference to the BA paid to all members and in relation to the SRA paid to the Leader. Thus, for example, currently the Leader receives a payment calculated as 3 times the BA, whilst the chair of the Pensions Committee receives 0.2 times the BA. [See [Appendix B](#) for the band structure of the present SCC Scheme.]
- 5.4.3 In assessing roles, the Panel must consider the expectations of SCC for the role (and which may be contained in a role description) and statutory guidance, for example, which expects a council to have no more than 50% of its members to be in receipt of an SRA. The legal status of statutory guidance requires a council to have regard to this requirement and follow it, unless it has good reasons not to do so that must be stated.
- 5.4.4 Naturally councillors approach their task in an individual way. As indicated in paragraph 5.5.4 below, the number of hours put into a special responsibility task varies. This will depend, in part, on the role being undertaken and the responsibility accorded to it. In the interviews some members placed significant emphasis on the time they spent on their role, whilst others seemed to have the same or similar task but dealt with it in a different way and the time spent was consequently different. It is for this reason that the expectations of *the Council* as contained in a role description must be seen as paramount. It is the *role* that attracts the SRA, not the person undertaking it, and their particular view of the role.

The recent survey of councillors shows that the average hours worked by an SRA-holder is 12.6 pw and with wide dispersion.

- 5.4.5 So the first question to be asked, in considering an SRA, is whether the role is (a) outside the scope of the BA (see paragraph 5.2.2 above), (b) formally recognised by the Council and (c) included in the list in the 2003 Regulations. If the role satisfies

these criteria, and other criteria identified by the Panel as relevant, then the role may merit, *prima facie*, an SRA.

5.4.6 The second, and perhaps more difficult question, is the level of responsibility. The “pyramid” approach seems to be clear, but the number of levels, and the banding of roles (to put roles of similar worth in the same level) requires determination.

5.4.7 Finally, the payment to be made at each level also requires determination.

5.5 SRAs and comparators

5.5.1 On the assumption a role merits an SRA, the question of its band needs to be settled. As mentioned in paragraph 5.2.4 above, the elements that validate an SRA include, *inter alia*, responsibility, accountability and time committed [see also Appendix A]. The Panel has considered the South West Councils’ publication Councillors’ Allowances and compared SCC with its peers, and particularly the ten counties closest to SCC. These councils are listed in Table 4 above.

5.5.2 It is almost self-evident that across local authorities the definitions of roles and responsibilities for positions that currently carry an SRA will vary; similar general criteria, but in a different ‘mix’, will yield different SRA decisions. Correspondingly, it is very important to emphasise that there is a question as to the complete validity of any simple monetary comparisons which most Panels undertake in their reviews.

Accordingly, the Panel has selected roles which *generally* feature as part of authorities’ structures:

- Leader of the council
- Deputy Leader of the council
- Cabinet member
- Assistant Cabinet member
- Chairman of the council
- Vice-Chairman of the council
- Leader of the Opposition
- Chairman of main committees such as Audit, Scrutiny

5.5.3 Other than Vice-Chairman of the Council, other vice-chairmanships have not been included in the Panel’s selected roles because of difficulties of comparison with other councils. The role and appropriate allowances made available seems to vary across councils. The question of vice-chairmen, smaller party group leaders and opposition group spokespersons is considered separately in 5.6 below.

5.5.4 As part of its approach, the Panel surveyed SCC councillors (43 responded out of 55) and within the responding group, 35 were SRA holders. Table 7 shows a simple profile of the SRA respondents. The presentation of the *range* of hours provided in col. (iv) is probably necessary because of outliers. Table 8 provides comparisons of posts identified in 5.5.2.

Table 7.0

	(i)	(ii)	(iii)	(iv)
	Median hours allocated to general cllr. Role	Hours allocated to SRA role	Range of total hours for SRA cllrs	Years of service as a cllr
SRA cllrs only	25.0	12.6	29.7 – 37.4	9.7

- 5.5.5 Comparisons should be regarded cautiously and the Panel in this report fully recognises this. Although there may be some question as to the degree of comparability of roles that carry an SRA, it is possible to be reasonably certain as to the *overall* comparison of one authority with another. CIPFA near-neighbour software can provide one such basis for comparison.
- 5.5.6 The survey by the Panel has been based on data from all the county councils but their ranking in terms of the degree of proximity to SCC derives from the criteria selected as part of the CIPFA-near-neighbour procedure. The criteria selection is a matter of judgement but the Panel selection is largely based on economic factors, e.g. % unemployment, tax-base per head of population, proportion claiming Housing Benefit; presence of offices and retail premises in the area.
- 5.5.7 Local authorities vary in the assiduousness with which they provide data on their websites and which is readily accessible, and also the extent to which the content of Panel *reports* is also easily available. The Panel’s choice of data represents the most suitable and consistent that is available on the various websites.
- 5.5.8 The ‘top ten’ authorities derived from CIPFA near-neighbour are identified in Table 4 above. Reasonable changes to the criteria for selection alters the ranking slightly but generally, with the use of reasonable and appropriate filters, the authorities identified above feature in the ‘top ten’ listings. The ranking of the ten authorities is in order of closeness to SCC as comparators.
- 5.5.9 Table 8 below show averages for representative posts for all county councils as well as the ‘top ten’ closest to SCC, with SCC ‘equivalents’.

Table 8.0
Comparable SRA posts and Basic Allowance multipliers - 2017/18

	(i) All C/C	(ii) Median (All C/C)	(iii) Top 10 C/C	(iv) SCC SRAs	(v) Basic multiplier (all C/C)	(vi) Basic multiplier (top ten C/C)	(vii) Basic multiplier (SCC)
Basic All.	10436	10273	9885	10795			
Leader	32138	31384	28435	32385	3.07	2.88	3
Dep. Leader	21854	20920	17734	19272	2.09	1.79	1.78
Cabinet post	17833	18043	13848	17272	1.7	1.4	1.6
Asst. Cab. post ¹⁶	8492	9978	6270	4318	.81	.63	.4
Ch. C/C	12600	12510	9272	9716	1.2	.93	.9
Vice. Ch. C/C	4885	4024	3079	1079	.47	.31	.1
Opposition Leader	10162	9591	8507	9716	.97	.86	.9
Ch. Audit	7022	6060	6034	5398	.67	.61	.5
Ch. Scrutiny	8407	7980	6948	5398	.8	.7	.5

5.5.10 Comment on the data

1. The cautionary note at the beginning of 5.5.5 needs to be repeated, i.e. the data and comment should be taken as indicative.
2. The data are current values and since the assessment is a comparative assessment, adjustments (for example for inflation), are not relevant or needed.
3. Analytically, the SRA values for SCC do not differ to a great degree from the values for *all councils* with the exception of SRAs for chair of main committees such as Scrutiny and Audit and particularly vice chair of the Council. The comparative data are, not surprisingly, highly correlated.
4. The 'top ten' councils are councils that are much closer as comparators with SCC than choosing all county councils as a base. Inevitably, different councils for historical or other reasons are likely to attach different values to the selected SRA posts.
5. Columns (v) – (vii) in Table 8 represent SRAs as a multiple of the BA for the groupings of councils. In view of the comparisons of the nominal SRAs, it is not surprising that the multiplier comparisons, given the method of calculation, also indicate no significant difference between SCC and the other councils, and are highly correlated. The multipliers can be viewed as another numerical presentation of the original data, and give a different and useful comparative angle. Although the comparison of SCC values for the various SRAs show a close relationship with other councils, examination of all individual councils' SRA values in the sample [data not shown] reveals fairly wide variation¹⁷. For example, the BA multiplier for the Leader of a council ranges from 2.2 to 4.6 with an average of 3.09. Similarly, the range for the Deputy Leader SRA is 1.5 to 3.5 with an average of 2.11. Different values for the various role multipliers are to be expected because different councils attach different responsibilities and

¹⁶ Six of the councils in the sample had an Asst. Cabinet post as an SRA and included in Table 3 for consistency.

¹⁷ Using the arithmetic mean is a valuable tool, nevertheless its 'smoothing' effect can, at face value, obscure underlying variation.

accordingly place different money values on the various roles. The calculation of multipliers is more than a matter of arithmetic: by establishing an SRA as some multiple of the BA, either explicitly or implicitly, a council is establishing a measure of the relative importance of the role of ordinary councillor and an SRA holder.

6. For the SRAs decided by SCC to be so close to the mean values for all councils and also the 'top ten' may well indicate that SCC decisions have, in the past, taken close account of comparisons with other councils.¹⁸ This would suggest that, largely, the approach at SCC, of banding SRA roles, results in a similar order and, hence, similar payments, to that of other county councils. The one role which compares particularly poorly is that of the vice- Chairman of Council. At SCC the role is placed currently in band 6 with a multiplier of 0.1. Other councils would see the role between bands 5 and 4 with a higher multiplier.

5.6 Vice- chairmanships, political group leaders, opposition group spokespersons, 'shadow' roles, and SRA allocations

- 5.6.1 It is evident from an examination of IRP reports from other county councils that different councils take quite different attitudes towards allocating SRAs to vice-chairman of committee roles, and also political group leaders and opposition group spokespersons (sometimes referred to as shadow cabinet members).

Collecting and assessing data from the IRP reports and county council remuneration Schemes is not easy because of the variety of presentation of councils' policies in these particular matters. Table 9.0 uses the best available data; mainly indicative, albeit accurate.

All the councils awarded an SRA for vice-chairman of council, so this is not included in the table; the v-c SRAs identified in the table are extra to this common award.

Table 9.0

	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
	No. of councils <u>without</u> V-c SRAs	Total no. of v-c SRAs in sample	Av. no. of v-c SRAs per council	Average no. of v-c SRAs in 'user' councils	Average value of v-c SRAs paid 'user' councils	Average SRA paid to 'majority' opposition	Average SRA paid to 'minority' opposition
County councils (26)	11 (42%)	85	3.4	5.7	£3,934	£11,214	£5,654
Corresponding data for 'top nine'	5 (56%)	7		1.75	£3,278	£9,004	£4,196
SCC		5			£1,058	£1,058	£1,058

- 5.6.2 Fourteen of the county councils chose to award SRAs for particular vice-chairman roles, which leaves a high proportion of councils who do not (42%) This fact itself provides food for thought. However, all the councils in the sample chose to make some arrangement for awarding SRAs to political group leaders, usually as part of a

¹⁸ A proper assessment of this would require compilation of time-series data for SCC decisions for SRAs.

structured arrangement, such conditions as: a minimum number of members required of a group; 10% of total number of councillors; or a weighted award as part of an 'objective' scheme for all SRA allocations within a council.

As regards the formal recognition of spokespersons, only six councils explicitly identified and paid an SRA for this role, and only one in the 'top ten' – average payment around £3,500. However, there is no common nomenclature used by councils for some SRA roles, and therefore the role of spokesperson may well exist but subsumed under another role-title.

All the numerical data from the county councils' published Schemes are small samples, generating an arithmetic mean, but nevertheless show wide variation around the mean. The figures in the table need to be judged in the light of this.

- 5.6.3 SCC provides relatively low value 'opposition SRAs' for the leaders of the smaller political groups and opposition group spokespersons (£1,058). The same applies to vice-chairmanship of committees and indeed Full Council. The Panel has noted that occasional vice-chairmanship is regarded, by a high proportion of councils, as part of the 'expected responsibilities' of the backbench councillor. However, the Panel has considered the extent to which these duties meet (or meet sufficiently) the criteria established by the Panel in judging whether an SRA for any particular role is justified.

5.7 SRA Scheme conclusions

- 5.7.1 In carrying out this review, the Panel is very aware of the national operational standards explained in paragraph 3.3 above, in particular the "50%" rule – that is the SCC should have no more than 50% of councillors in receipt of an SRA. The Council has, for some time, been in excess of the 50% target primarily as a result of the number of posts included within the lowest SRA banding which has had a disproportionate effect on the SRA scheme. The Panel has been mindful of this target in making its recommendations in relation to the SRA banding scheme.
- 5.7.2 SCC awards SRAs on the basis of the formally recognised roles permitted by the regulations. In addition, it has used the 'catch-all' provided by the regulations which allows other posts which have appropriate similar responsibilities to receive SRAs even where they are not listed within the regulations. The aims of this review are to recommend an SRA banding structure, determine which roles justify an SRA, determine the appropriate band for each role and then agree the financial values associated with each band.
- 5.7.3 Most of the Council's member roles which carry significant responsibilities, (eg, Leader, Cabinet Members, Chairman of Council, Leader of the Opposition and Chairman of the larger committees), self-evidently justify an SRA and these are common to virtually all county councils - as are the "grades"/bands accorded to each of them. The Panel's recommendations provide therefore for these posts to be remunerated at similar levels to previously with the exception of the Chairman of the larger committees where the Panel considers these undervalued.
- 5.7.4 However, SCC's current scheme also includes a number of modest payments in the lowest SRA band (£1079pa) to the vice-chairmen of committees, group leaders of small political groups, opposition group spokespersons and the deputy leader of the

Liberal Democrat Group. The Panel's conclusions in relation to these posts are set out in the following paragraphs.

5.7.5 Vice-Chairmen of Committees

Best practice would suggest that occasional chairing of meetings, eg, as a vice-chairman standing in for an absent chairman is included as part of the expected responsibility covered by the BA (see 5.2.2; 5.2.4 above). This differs from the role as a chairman of a committee where the responsibilities are continuous and involve regular chairing of formal meetings, overall responsibility for, and management of, the committee's business and ensuring that the committee carries out its legal and constitutional responsibilities. As stated earlier the regulations list committees chairs as one of the roles which can be remunerated via an SRA. It is noted (in 5.6.2 above) that many councils do not make any SRA payment for vice-chairmanship roles on committees and sub-committees. SCC, however, currently pays a small SRA to the vice-chairmen of the larger committees, Scrutiny, Audit and Regulation. The Panel's view is that this role is limited in terms of the level of responsibility and accountability being essentially a support role to their Chairman in the organisation and management of the committee's business and the occasional chairing of meetings. This conclusion together with the limited comparative evidence, has led the Panel to conclude that the posts do not carry sufficient *special* responsibility to justify the payment of an SRA and the Panel **recommends** these posts are deleted from the SRA scheme. The role of Vice-Chairman of Council is rather different and this is considered separately in para 5.7.8 that follows.

5.7.6 Group Leaders of smaller political groups

As stated above, the Council currently pays a small SRA to the Leaders of the smaller political groups of £1079pa. In relation to such payments, Suffolk CC in Table 4.0 is considered a good comparator. Like many county councils, Suffolk pays an SRA to the Leader of the majority group and to the opposition leader. However, it restricts payment of SRAs to other political group leaders where they have 5 members or more. An SRA should reflect the level of responsibility, and accountability as well as the time devoted to the task (see 5.2.4 above and Appendix A). The Panel does not consider the role of leader of a very small political group justifies the payment of an SRA because of the small numbers involved and their limited constitutional role. The Panel considers for a group of 5 members or more, it is reasonable to assume that there would need to be a political group infrastructure to manage the business of the group. Also the constitutional role begins to justify the payment of an SRA but at a relatively low lump-sum as well as based on a sum per member of the Group. This funding mechanism takes these posts outside the SRA banding structure as a one off arrangement. The Panel **recommends** initially a lump sum of £500 and £100 per member in place of the current arrangement.

5.7.7 Opposition Group Spokespersons

Currently the Council pays a small SRA for the members of the 'shadow cabinet', referred to by the Council as opposition group spokespersons. Although not all county councils recognise this role in SRA terms, this is an important constitutional role within SCC and is designed to ensure that effective political opposition is provided to the Cabinet Members. It requires detailed and very pertinent knowledge of the subject area and, with the constitutional responsibilities associated with the

role, the Panel considers that this role continues to justify the payment of an SRA. The Panel **recommends** these posts to be included within the new band 7 (previously band 6) in the Scheme and limited by number to the number of Cabinet Member roles. The level of remuneration therefore stays at £1079pa.

5.7.8 Vice-Chairman of Council

The role of Vice-Chairman of Council is provided with an SRA in the lowest banding and this compares poorly with SCC peers in the “top 10” councils. The Panel, having considered the background to the role, is of the view that it goes far beyond occasional chairing of meetings in the absence of the Chairman. The post holder is expected to formally represent the Council on an official basis at many functions at times when the Chairman is unavailable. This is particularly so at certain times of the year, eg, the Christmas period, when, frequently, invitations arrive to attend more than one function at the same time. It is therefore the Panel’s view that a strong case can be made for a larger SRA than is currently paid, and for this role to be placed in a higher band, more in line with that paid by other comparable councils – and the Panel **recommends** strongly this post is placed in new band 6 which equates to £2,160pa (an increase from £1079pa).

5.7.9 Chairmen of the larger committees

Table 8 indicates that, whilst most SRA roles are broadly comparable with Somerset’s peers, the roles of the chairmen of the larger committees, Scrutiny, Audit and Regulation, are under-valued when compared with our peer councils. These are important legal and constitutional roles with a high degree of accountability and responsibility and we believe that this is a strong argument for increasing the level of remuneration of these roles. Our recommendations include an amended value for these roles aimed at starting to bring these posts more in line with the other County Councils but retaining affordability. The Panel **recommends** that for new band 5 (previously band 4) the BA multiplier should be increased from 0.5 to 0.6, thus increasing the SRA to £6,477pa from £5498pa.

5.7.10 Chairmen of the smaller committees

The Council’s scheme currently provides for a relatively modest SRA payment – equivalent to new band 6 (previously band 5) - to the chairmen of smaller committees which have less responsibility and accountability than the larger committees and meet less frequently. The band and the level of remuneration compare favourably with comparable councils. The Panel noted that the Constitution and Standards Committees which had been separate bodies prior to May 2017 have been amalgamated into a single Committee. Having reviewed the limited decision-making responsibilities of this Committee and the limited number of meetings anticipated, the Panel **recommends** that the Chairman’s SRA payment for the new committee should continue unchanged within new band 6 in the Scheme and alongside the Chairman of the Pensions Committee. This equates to a payment of £2160pa.

5.7.11 Deputy Leader of the Council

Currently the Deputy Leader is included in the same band as other cabinet members, but has an enhancement of £2,000 to recognise the additional responsibilities of being Deputy Leader of the Council. The role of Deputy Leader is a significant one

with the requirement to exercise the full legal responsibilities of the Leader when absent or are unable to exercise the role. These responsibilities are in addition to holding the role of a cabinet member with a significant portfolio of service responsibilities. Although the value of the role is recognised, the Panel **recommends** that a more appropriate way of recognising its importance would be to create a deputy-leader band within the SRA scheme. The Panel **recommends** a new band 2 for this purpose, with a multiplier of 1.79 and an unchanged annual payment of £19,272pa.

5.7.12 Junior Cabinet Member

The new Leader has created four new posts of Junior Cabinet Member. The detailed job specification for this role has been considered by the Panel, and would indicate strongly that these roles will be important and valuable, particularly around policy review and development and providing clear political leadership for specific service areas. The role descriptions also suggest a necessary high level of time-input for the post-holder. Inherent too, in these posts, would seem to be a considerable degree of accountability. Identifying valid comparators for these posts is not easy since such posts have not been widely adopted by other councils, nor can it be certain how these roles will work in practice at SCC. Nevertheless, and consistent with its review, the Panel **recommends** that these posts are provisionally allocated within the new band 4 with a thorough review of the appropriate band level after a year once the precise nature of the role has become apparent. This equates to 6,477pa.

5.7.13 Deputy Leader of the Opposition

The current scheme provides for the payment of a small SRA to the Deputy Leader of the Opposition. Beyond assisting with the internal organisation of the political group and standing in for the Leader when absent, the Panel notes that the post does not have any formal constitutional role in terms of responsibility and accountability. The Panel considers that the role does not justify the payment of an SRA and **recommends** that it is deleted from the SRA Scheme.

5.7.14 Other SRAs

The Panel was advised and with reasons that the posts of the Chairman of the Health and Well-being Board and the Corporate Parenting Board are no longer within the scope of the SRA scheme and could therefore be disregarded by the Panel.

5.7.15 In summary, therefore, the Panel **recommends** the revised SRA banding structure, allocation of posts to bands and the monetary value given to the bands as set out in Appendix B to this report.

6. Other allowances and Scheme provisions

6.1 In addition to the BA and SRAs, the Somerset CC Scheme, in common with many, also includes other 'claimable' allowances, namely carers', travel and subsistence allowances. These attracted little comment from members during the Panel's evidence-taking process but form an important part of the Scheme to ensure that members are appropriately compensated for essential expenses incurred when undertaking 'approved duties' as a councillor. The Panel has, therefore, reviewed the provisions within the Scheme to ensure that they are still appropriate and

consistent with best and common practice.

7. Carer's allowance

7.1 The Council's scheme makes provision for the payment of carers' allowances to enable members to undertake 'approved duties'. The Scheme's provisions are common to many councils with a number of conditions to be met in order for the member to be reimbursed. These include the requirements about the need for professional and not family care and reimbursement made on the basis of *actual* expenditure up to a limit. The Council's Scheme uses the national minimum wage as the basis for payments and this is a common mechanism albeit up to a maximum of 8x on any individual occasion. The Panel can see no case for amending the current provisions.

8. Travel and subsistence allowances

8.1 Members will be aware of the provisions within the Scheme for the payment of travel and subsistence allowances. These provisions are common to most councils in terms of the amounts paid and the rules applied to claims and payments. They are also consistent with HMRC tax requirements and officer reimbursement provisions, where appropriate.

8.2 List of 'Approved Duties'

The list of 'approved duties' is used as the basis for the payment of travel, subsistence and carer's allowance claims. The list is considered to be comprehensive in most areas of permissible activity but the Panel's review of district council schemes in 2015 has led to the Panel **recommending** the addition of two additional approved duties to the existing list. These are set out below and in the Panel's view would be sensible additions to further improve the clarity within the list. The first relates to member attendance at local civic events which recognises the importance to Somerset and Somerset County Council of such events and member involvement in them. The second addition recognises the urgent need for action by members in the event of an emergency. The flooding situation in 2015 is an example of the sort of situation where members need to be certain that expenses incurred in helping their local communities will be repaid.

The **recommended** additional approved duties are as follows:

- Attendance at any civic or ceremonial event at the specific invitation of the Chairman of Council, the Lord Lieutenant or High Sheriff
- Any duty for which express authority is given by the Chief Executive in the event of an emergency.

9. Claims

9.1 This section of the scheme remains unchanged and includes provisions in relation to late claims and low claimers which bring discipline into the scheme and provide clear guidance for members and for the officers administering the claims process.

10. Pension Entitlement

- 10.1 Following recent changes in the relevant legislation members can no longer claim entitlement to pensions for duties undertaken as a councillor so this section has been removed from the Scheme.

Ian Partington
JIRP Chairman

Julian Gale
Monitoring Officer

09/07/17

Appendix A

SRAs

- a) The legislation lays down that local authorities are permitted to pay special responsibility allowances for certain defined roles. The JIRP task is largely to identify and recommend the monetary value of the SRAs based on an assessment of their 'specialness' and other criteria. An obvious corollary to these statements is the question: how might an IRP in general assess the relative specialness of a particular post or role? Although "specialness" has, by definition, to be an important part of defining the relative position and remuneration of a post or role, it is not the only element. Practical aspect to the roles, such as time involved, is relevant as well.
- b) Cornwall County Council (CCC) IRP, for example, has gone to considerable lengths, compared with many other IRPs, in trying to assess and evaluate SRAs¹⁹. The CCC IRP has used a range of evaluative criteria, that are applied to a particular SRA:

- (i) Financial budget responsibility/Level of delegation.
- (ii) Number of meetings.
- (iii) Level of strategic understanding required.
- (iv) Knowledge and skills required.
- (v) Volume of reading per year (in pages).
- (vi) Average length of meetings.
- (vii) Public Relations involvement (i.e. whether the role required media interaction).
- (viii) Public interest level.
- (ix) Involvement with outside bodies (i.e. whether the role required the Member to sit on other committees).
- (x) Responsibility/accountability.
- (xi) Decision making power of committee.

The CCC IRP then ranks the various criteria attached to an SRA:

- 0 = Not applicable
- 1 = Low
- 2 = Medium
- 3 = High

- c) Having assigned a ranking (0-3) to each SRA for each of the 11 criteria, the 11 ranks are then summed and each SRA thus has a final score. So, for example, the chairman of standards scored 9 and cabinet members scored 24. Interesting though this approach is, it is flawed simply because the CCC IRP converted their ranking of various criteria into absolute values.²⁰ It may well be, of course, that using some proper kind of ranking forms only *part* of an overall evaluation of a potential SRA allowance and not the sole determining factor.

¹⁹ One might regard the CCC approach as being at one end of the IRP response range; Luton IRP perhaps being placed towards the other end (Luton IRP very heavily influenced, not least, by benchmarking).

²⁰ Suppose one is asking a sample of readers to rank three magazines in order of entertainment value: 1,2, or 3 with 3 the most entertaining. If one then *adds* all the rankings provided by readers, one has thus converted a ranking into absolute values. *But* for purposes solely of *ranking*, the numbers assigned for the readers to use, could have been 19, 52, 99 rather than, 1, 2, 3. One might note too, in the same vein, moving from 1 to 2 is a shift of 100% whereas a shift from 2 to 3 is a shift of 50%. Ascribing absolute values to a previous ranking arrangement is really an arbitrary exercise.

- d) As perhaps occupying the 'middle-of-the-road', the Oxford City IRP assesses SRAs by a more limited range of criteria²¹ and does not attempt an arithmetic ranking. The criteria are:
- the level of decision-making responsibility associated with each role;
 - other responsibilities associated with each role (such as responsibility for chairing a committee);
 - the time requirement of each role;
 - any other specialist skills, knowledge or other factors needed to be able to carry out each role effectively.

SCC Councillors' opinions - 2017

Councillors in interview expressed a wide range of views about the nature of "special responsibility". A dominant comment was that special responsibility has to relate to accountability in fulfilling the SRA role, albeit that accountability can appear in various ways. An SRA role might not involve, say, decision-making (and its associated accountability) but nonetheless the role might involve the generation of 'outputs' that are involved in important decision-making elsewhere. Such an SRA role might not therefore be judged explicitly as to the extent of decision-making and yet the role encompasses activity that would be widely regarded as of special importance.

Overall, councillors were of the opinion that the present SRA payments are either adequate or more commonly, are underpayments for the time, responsibility, and in some cases the loss of alternative earnings.

The Panel's approach to SRA evaluation

The Panel's view is that it should make clear the criteria it would be using when councils ask for an opinion on a particular role and whether it merits an SRA. It is also of the opinion, that a particular role is likely to contain responsibilities – special or not – in a 'mix' which is not uniform for all roles. The Panel's objective in this context is to establish a simple, acceptable range of criteria.

The Panel considers, in abstract, a role in relation to an SRA: by considering the job-specification for the role; associated actions in that role; consequences flowing from such actions. Following on from this approach, the Panel regards the following as likely components, in varying degrees, of the 'specialness' within an SRA:

Time commitment

Specialist skills

Leadership

Important decision-making

Complexity

Identifiable accountability

Direct responsibility for important outcomes

Culpability

Constitutional relevance

²¹ Cambridgeshire County Council IRP adopted a similar list of criteria.

Appendix B

**RECOMMENDED REVISED SRA BANDING SYSTEM - Total banded Allowances
2017/18**

Member Role	Rate of Allowance		
	Basic £	SRA £	Total £
Band 1: BA x 3: Council Leader	10,795	32,385	43,180
Band 2: BA x 1.79 Deputy Leader (with Cabinet responsibilities)	10,795	19,272	30,067
Band 3: BA x 1.6 Cabinet member	10,795	17,272	28,067
Band 4: BA x 0.9: Opposition Leader (Liberal Democrat) Chairman of County Council	10,795	9,716	20,511
Band 5: BA x 0.6 Chairman of Regulation, Audit and Scrutiny Committees Junior Cabinet Members	10,795	6,477	17,272
Band 6: BA x 0.2 Chairman of Pensions Committee Chairman of Constitution & Standards Committee Vice-Chairman of County Council	10,795	2,160	12,955
Band 7: BA x 0.1 Opposition Group Spokespersons	10,795	1,079	11,874
No Band allocated Group Leader – smaller opposition groups (minimum of 5 members required per group)	10,795	500 + 100 per member	Variable

In addition, co-opted members of the Standards Committee receive a Co-opted Members Allowance of £540 p.a., which equates to Basic Allowance x 0.05.

CURRENT SRA BANDING SYSTEM - Total banded Allowances 2017/18

Member Role	Rate of Allowance from 1/4/17		
	Basic £	SRA £	Total £
Band 1: BA x 3: Council Leader	10,795	32,385	43,180
Band 2: BA x 1.6 Cabinet member (*Deputy Leader receives additional SRA payment of £2000 pa = £19,272)	10,795	17,272	28,067
Band 3: BA x 0.9: Opposition Leader (Liberal Democrat) Chairman of Council	10,795	9,716	20,511
Band 4: BA x 0.5 Chairman of Regulation, Audit and Scrutiny Committees	10,795	5,398	16,193
Band 5: BA x 0.2 Chairman of Pensions Committee Chairman of Constitution & Standards Committee	10,795	2,160	12,955
Band 6: BA x 0.1 Deputy Leader (Liberal Democrat Group) Vice-Chairmen of Regulation, Audit, and Scrutiny Committees Vice-Chairman of County Council Group Leader (Labour, Green and Independent Groups) Opposition Group Spokespersons	10,795	1,079	11,874

In addition, co-opted members of the Standards Committee receive a Co-opted Members Allowance of £540 p.a., which equates to Basic Allowance x 0.05.

APPENDIX C

DRAFT – SCHEME OF MEMBERS' ALLOWANCES – 2017/18

1. INTRODUCTION

1.1 The County Council's Scheme provides for payment of:

- a Basic Allowance (BA), a flat rate payable to each County Councillor;
- a Special Responsibility Allowance (SRA) for Members undertaking “special responsibilities”, as defined by the Council;
- a Carer’s Allowance (CA) to reimburse expenditure incurred by Members (a) in providing child care arrangements and (b) on professional care for elderly, sick or dependent relatives to enable them to undertake approved duties; and
- Travel Allowances and Subsistence Allowances for Members undertaking ‘approved duties’.

2. GENERAL POINTS

2.1 The term "Member" in these notes means a Somerset County Councillor.

2.2 Members have the option of not claiming all or part of an allowance. The Finance & Performance Director must be notified in writing if a Member wishes to pursue this option.

2.3.1 Where the Member's term of office or appointment to a post qualifying for SRA begins or ends during the financial year, he/she is entitled to the appropriate proportion of the annual payment.

2.4 In the case of a Council election year, all positions / posts held by Members on the Council (including posts qualifying for SRA) remain valid until the day of the Annual Meeting of the Council (the first meeting of the new Council following the election) and therefore Members holding those posts will continue to receive allowances. This is until a replacement is appointed, unless the post-holder ceases to be a Member of the County Council in which case any appointment is invalid from that point and any associated allowance payment will cease.

2.5 All enquiries relating to members allowances should be made to Rebecca Dunstan in the Community Governance Group on 01823 359039 or 357628.

3. BASIC ALLOWANCE (BA)

3.1 A **BA of £10,795 per annum**, has been approved for 2017/18 and will be paid to all Members in monthly instalments.

3.2 **Definition of BA:** BA recompenses Members for time devoted to their work as a councillor, and is intended to cover:-

- constituency and community duties, including use of the Members home;
- dealing with correspondence;
- single Member duties;
- attendance at single party/political meetings;
- attendance at formal meetings of the Council (including travelling time to and from meetings);
- attendance at seminars, conferences and training sessions;
- attendance on 'outside bodies' as a County Council representative; and
- other incidental costs, for which no other specific provision is made.

3.3 The annual sum is based on the Somerset median gross wage (all employees) figure discounted by 43% to give the current figure of £10,795pa. The discount takes account of the required voluntary element of the work (calculated at 33%) and acknowledges the average number of hours per week – 26 (as confirmed by SCC survey) - that councillors spend on Council business. The resulting sum has been further reduced to equate to the sum that would have applied for 2017/18 under the Council's previous Scheme.

3.4 The Council has agreed to index-link further increases in the Basic Allowance (and by association the Special Responsibility Allowances) for the 2017-21 period to annual increases in the Somerset median gross wage rate (applying the 43% calculation).

4. **SPECIAL RESPONSIBILITY ALLOWANCE (SRA)**

4.1 **SRA** is:

- paid to Members who are elected or appointed to positions of special responsibility on the Council
- allocated on the basis of degree of responsibility and upon a perceived call on Members time, as agreed by the Council;
- paid in addition to the BA which the Member continues to receive; and
- paid in monthly instalments for as long as the Member has the responsibility.

4.2 **SRA** payments cover:-

- chairing formal meetings on a regular basis
- individual and collective decision-making and service responsibilities of Cabinet Members
- policy review and development activity
- meetings with Officers;
- attendance at County Hall and other Council premises to undertake official Council business;
- meetings with fellow Chairmen or decision-makers and other single party meetings;
- dealing with correspondence;
- visits directly connected to the performance of an SRA duty e.g.
 - . headteacher interviews
 - . official openings
 - . familiarisation / fact findings visits;
- press meetings;
- any other official Council business carried out by the Member in the role.

- 4.3 The Council has adopted multiples of the BA as the base for the calculation of the SRA bandings contained within this Scheme. The top banding of SRA which applies to the post of Leader of Council reflects the importance and responsibility of this role. The Leader's Allowance is based on a multiple of 3 x the BA.
- 4.4 Other SRAs are banded below the Leader's Allowance reflecting levels of responsibility associated with those specific roles.
- 4.5 A full list of the posts approved for SRAs is attached at **Appendix 1**. This Appendix sets out the bandings and payments for 2017/18.
- 4.6 The number of Opposition Group Spokespersons receiving SRAs shall total no more than the number of Cabinet Members receiving SRAs at that time. The maximum number of Cabinet Members who can receive SRA is 10 – in accordance with the legislation which prescribes a maximum of 10 members for a local authority 'executive'.
- 4.7 An individual Member may only receive one SRA at any one time.
- 4.8 In accordance with statutory guidance, the Council aims to have no more than 50% of the total membership in receipt of a SRA at any one time.

5. **CARERS ALLOWANCE (CA)**

- 5.1 The Scheme provides for the payment (by way of reimbursement) of expenditure incurred by Members (a) in arranging child-care and (b) on professional care for elderly, sick or dependant relatives to enable them to undertake approved duties. This is paid in accordance with the following;

[Please note that these payments are not covered by any special exemptions for taxation purposes. They are treated as emoluments (remuneration) of the 'office' and are taxed accordingly].

Child-care

- 5.2 Expenditure on child-care is reimbursed in accordance with the following requirements:
- that payment is made to someone other than a close relation;
 - that payments for the care of the under 8's are restricted to payments to registered childminders and other statutory approved child care providers;
 - that payments are restricted to the care of children up to their 14th birthday who normally reside with the Member;
 - that no payments are made in respect of the care of children of compulsory school age during school hours except where the child is absent from school due to illness.

Care of Dependants

- 5.3 The reimbursement of expenditure on professional care for an elderly, sick or disabled dependant relative normally residing with the Member and requiring constant care, to enable the Member to undertake approved duties, is subject to payments being restricted to agencies or persons qualified to provide the care, other than close relations.

General Conditions

- 5.4 The following conditions apply to both types of allowance:
- that payments are made on the basis of the reimbursement of actual expenditure incurred up to a maximum of an hourly rate of the national minimum wage at the time of the claim subject to a maximum of 8x the national minimum wage figure;
 - that Members self-certify their claims confirming that they have incurred expenditure in accordance with the scheme;
 - that qualifying meetings be restricted to those that qualify as an “approved duty” for the Member concerned;
 - that neither the Member nor the person being cared for receives an allowance for care from any other source.

6. **TRAVEL ALLOWANCE (TA)**

6.1 **TA:**

- can only be claimed for an approved duty, or for any duty covered by a special responsibility payment and for ‘normal allowable journeys’.
- is claimed monthly on the Members claim form (except for ‘low claimers’ see para 10.1 below) and receipts, including fuel VAT receipts, should be submitted to support expenditure.
- is payable at the rates shown in **Appendix 2**.

6.2 **List of 'Approved Duties'**

The list of approved duties is set out in **Appendix 3**.

6.3 **Definition of ‘normal allowable journey’**

The **normal allowable journey** (for which mileage can be reimbursed) is from a member’s home to council offices and then back again. ‘Council offices’ will often be County Hall but could relate to any building where a member is undertaking an ‘approved duty’ under the Scheme, including, for example, attending a parish meeting.

The mileage that members can claim for is the **actual additional mileage** as a result of council business that the member incurs on any journey. The **maximum** the member can claim for is the normal allowable journey mileage.

6.4 **TA - additional information**

- Train Fares are reimbursed at 2nd Class rate.

NB - Members who are aged over 60 and who regularly use the train for Council business may reclaim the cost of a Senior Rail Card.

- The car mileage rate may be claimed for any journey, providing the following criteria can both be met:
 - travel by car represented the best option in order to undertake the approved duty
 - travel by car could be justified on cost grounds

In all other cases, payment will be made at the public transport rate.

- Wherever possible all claims should be supported by a valid VAT receipt. Fuel receipts submitted should pre-date the first date claimed for on the relevant claim form. It is also acceptable for a single fuel receipt to cover more than one month's claim as long as the value of the receipt is equivalent to expenditure of at least 10p per mile claimed.
- If a VAT fuel receipt is not provided in support of mileage then the level of reimbursement will be at a lower rate.
- A cycle allowance is payable to Members who use a bicycle to attend an approved duty.
- It is essential that Members minimise the need for travel wherever possible by combining trips, sharing transport, undertaking business by 'phone, including by conference calls or by email.
- A Member who is claiming mileage should always bear in mind the need to be able to demonstrate that the journey was wholly and necessarily in relation to his/her role as a Member.
- Additional payments of 5p per person per mile are payable for passengers carried.
- Reimbursement of taxi fares may be made in exceptional circumstances.
- Reimbursement may be claimed for expenditure on tolls, ferries, parking fees etc.

7. **SUBSISTENCE ALLOWANCES (SA)**

7.1 **SA is**

- paid at the same rates as those paid for Officers;

- claimable for any approved duty exceeding 4 hours which spans the agreed meal time periods (specified in **Appendix 2**);
- claimable for the actual cost of the meal or the overnight expenses up to the maximum allowed;
- claimed monthly via the Members claim form; receipts should be submitted to support expenditure;
- only claimable for meals or overnight expenses for approved duties / SRA duties undertaken **outside** Somerset;
- not claimable if a meal is provided by a host free of charge;
- only claimable for a members own meal. There is no provision in the scheme for reimbursing claims for hospitality for other people;
- reimbursed at the rates shown in **Appendix 2**.

8. **NON CLAIMABLE DUTIES**

8.1 For the avoidance of doubt, the following duties are **not** approved for the purpose of claiming Travel Allowances and Subsistence Allowances:-

- single Member duties except where the Scheme provides otherwise
- attendance at single party meetings e.g. group meetings, except where the Scheme provides otherwise
- constituency meetings and duties.
- duties relating to outside organisations that are not Board, committee, sub-committee or working group meetings. e.g. book launches, openings etc.
- attendance at party political conferences
- social functions including religious meetings / church services
- acting as governors of primary or secondary schools; and
- where an outside body to which the member has been appointed itself pays members expenses.
- where the member attends an outside body but in circumstances where they have not been appointed as an official representative of the Council, ie appointed either by the Council or the Leader of the Council.

9. **CLAIMS**

9.1 **How to Claim**

- BA and SRA are paid automatically after completion of initial details.
- CA, SA and TA must be claimed on the Members' Claim Form for allowances.
- Claims must be submitted monthly to the authorising officer by 8th of the month in

order to payroll deadlines.

- All claims and fixed entitlements are paid together on the last working day of that month.
- Late claims will result in late payment unless notification is given in advance. Claims older than 2 months will be referred for approval to pay to the Finance & Performance Director, in consultation with the Leader and appropriate Cabinet Member, and payment may be delayed or refused unless there is good cause for the lateness. Claims older than 3 months will not be reimbursed.
- A supply of claim forms can be obtained from Rebecca Dunstan in the Community Governance Group on 01823 359039 or 357628 respectively.
- Allowances must not be claimed where the member is entitled to receive payment from another body.
- Members who are both County Councillors and District Councillors may claim Travel Allowances, if applicable, from both Authorities, if attending approved duties for both on the same day. However, a Travel Allowance cannot be claimed from both Authorities for a joint meeting. In this case, the Member should claim from one of the Authorities.
- To cater for changes in circumstances that occur during the year and to ensure that no individual cases of exceptional hardship are experienced, the Finance & Performance Director, in consultation with the appropriate Cabinet Member, can temporarily agree SRAs for individual Members as considered necessary.

Note: The exception to the requirement to submit monthly claims relates to low claimers. 'Low claimers' have the option of only having to submit claims once every three months.

The following rules apply to 'low claimers':

- Low claimers are defined as members submitting claims under a likely value of £100 over the 3 month period. If a member thinks that they are likely to fall into this category they should inform Rebecca Dunstan in the Community Governance Group.
- Low claimers are now only required to submit 1 claim for every 3 months, 4 in total for the year **BUT** all claims for a particular financial year must be submitted by the end of that financial year.
- Any claims over 3 months old will be rejected.

9.2 Payment of Claims

- Payments are made through the council's computerised salaries and wages system to assist with the deduction of income tax and national insurance.
- An advice slip is provided giving details of allowances paid.
- Payment will be made direct to a bank or building society account.

9.3 Tax and National Insurance

- BA, SRAs and CA are taxable and are subject to national insurance.
- Members can request a PAYE code from HMRC for the taxing of payments. If no other tax code is supplied, members will be taxed at basic rate.
- Details of meals paid for are given to HMRC who may adjust individual personal tax

codes as a result.

- Mileage rates are in accordance with limits set within the HMRC's Fixed Profit Scheme.
- Some Members may be able to obtain an exemption card for national insurance from the Department of Social Security, if they are over 65 (men) or 60 (women).
- Some female Members may be able to obtain a reduced rate certificate (married women or widows).
- For further information please contact Rebecca Dunstan in the Community Governance Group on 01823 359039 or 357628.

9.4 **Members Allowances and Benefits**

- Members who are incapable of work, who are unemployed, who have a low income or who are retired may find that being paid allowances will offset their entitlement to Social Security benefits. The exact way the entitlements may be changed depends on the individual benefit being received.
- In general terms members' allowances are taken into account in calculating benefits payable. Members claiming benefits are advised to keep their local DSS office informed timely of the amount of members allowance being received (for Housing or Council Tax benefits the local District Council should be notified, and for the Job Seekers allowance the local Employment Service Job Centre).
- Members are advised to contact these offices to obtain more details of their entitlements to the following benefits –

Benefit	Office to be contacted
Jobseekers Allowance	Local Employment Service/Job centre
Income Support	Local Job Centre
Housing Benefit	Local District Council
Council Tax Credit	Local District Council
Family Credit	Working Tax Credit Office I. R. 0845 300 3900
Incapacity Benefit	Local Job Centre
Severe Disability Allowance	Local Job Centre
Disability Working Allowance	Disability Working Allowance Office 0845 605 5858
Children's Tax Credit	HMRC 0845-300-3900
Working Tax Credit	HMRC 0845-300-3900

9.5 **Statutory Sick Pay**

Members who pay National Insurance on their allowances may be entitled to receive Statutory Sick Pay in respect of absence in excess of 3 consecutive days. To pursue a claim please promptly notify the Finance & Performance Director of the sickness absence.

9.6 **Statutory Maternity Pay (SMP) and Maternity Allowance**

Female members can claim SMP if their average earning exceeds the National Insurance contributions lower limit and they have been a member for 26 weeks prior to the 15th week before the baby is due. Again please notify the Finance and Performance Director once the pregnancy has been confirmed by your doctor.

9.7 **Backdating of Allowances**

Where there is an amendment made to the Scheme of Allowances, that amendment may be applied retrospectively by the Council to the beginning of the financial year.

Where a Member takes on duties entitling them to a different level of allowances, the new entitlement may be applied retrospectively to the date the changes were effective from.

10. **CO-OPTED MEMBERS**

Co-opted Members of the Standards Committee receive a Co-opted Members Allowance as indicated in Appendix 1. Other co-opted members of committees do not receive a Co-opted Members Allowance.

SCC's appointments to the Joint Independent Members Remuneration Panel also receive the Co-opted Members Allowance.

All co-opted members may claim travel and subsistence for approved duties at the same rate as elected Members, as may non-elected representatives appointed to outside bodies by the County Council.

A Financial Loss allowance (FLA) may be paid to co-opted members (and to non-elected representatives appointed to outside bodies) for loss of earnings and expenses incurred by them in the performance of any approved duty. Such loss of earnings would normally be supported by a certificate supplied by the employer or such other evidence as to enable the loss of earnings to be determined.

APPENDIX 1

SRA BANDING SYSTEM - Total banded Allowances 2017/18

Member Role	Rate of Allowance from 1/4/17		
	Basic £	SRA £	Total £
Band 1: BA x 3: Council Leader	10,795	32,385	43,180
Band 2: BA x 1.79 Deputy Leader (with Cabinet responsibilities)	10,795	19,272	30,067
Band 3: BA x 1.6 Cabinet member	10,795	17,272	28,067
Band 4: BA x 0.9: Opposition Leader (Liberal Democrat) Chairman of County Council	10,795	9,716	20,511
Band 5: BA x 0.6 Chairman of Regulation, Audit and Scrutiny Committees Junior Cabinet Members	10,795	6,477	17,272
Band 6: BA x 0.2 Chairman of Pensions Committee Chairman of Constitution & Standards Committee Vice-Chairman of County Council	10,795	2,160	12,955
Band 7: BA x 0.1 Opposition Group Spokespersons	10,795	1,079	11,874
No Band allocated Group Leader – smaller opposition groups (minimum of 5 members required per group)	10,795	500 + 100 per member	Variable

In addition, co-opted members of the Standards Committee receive a Co-opted Members Allowance of £540 p.a., which equates to Basic Allowance x 0.05.

APPENDIX 2

SUMMARY OF RATES OF ALLOWANCES FOR MEMBERS

1	TRAVELLING ALLOWANCE	Pence per mile
	Mileage rate - up to 10,000 miles	45.00
	Over 10,000 miles	25.00
	Passenger supplement (5p per person per mile)	
	Motor Cycle	24.00
	Bicycle Allowance	20.00
2	SUBSISTENCE ALLOWANCE	
	<ul style="list-style-type: none"> • Breakfast allowance (more than 4 hours away from the normal place of residence before 11 am) – up to a maximum of £6.72; • Lunch allowance (more than 4 hours away from normal place of residence, including the lunchtime period between 12 noon and 2 pm) – up to a maximum of £9.24; • Tea allowance (more than 4 hours away from normal place of residence, including the period 3 pm to 6 pm) – up to a maximum of £3.64; • Evening meal allowance (more than 4 hours away from the normal place of residence, ending after 7 pm) – up to a maximum of £11.44. 	
	<p>These payments only apply to duties undertaken outside of Somerset. Subsistence cannot be claimed for duties undertaken in Somerset.</p>	
3	OVERNIGHT ABSENCE	£
	maximum	106.40
		£
4	Co-opted Members Financial Loss	up to 4 hours
		27.65
	(evidence based)	over 4 hours
		55.31

APPENDIX 3

LIST OF APPROVED DUTIES

1. Attendance:-
 - a) at formal meetings of the Council including Committees, the Cabinet, Committees, and Sub-Committees, and any other authorised meeting of these bodies or organised by these bodies
 - b) at ad-hoc formally constituted Working Groups / Panels (eg scrutiny task and finish groups), where named members of the body or formally invited to participate.
 - c) at County Hall or other County Council establishment for a meeting with either a member in receipt of an SRA or an Officer for the purpose of discussing matters relating to Council business in which it is reasonable to expect the member to have an interest.
 - d) as the Council's named representative on bodies to which the Council makes appointments except where the body itself pays allowances to the Council's representative. The approval relates to meetings of the body itself, its standing committees / sub-committees but not to other activities of the body.
 - e) at a meeting of any body that the Council is required to, or has agreed to, provide Council attendance at, acting as the Council's nominee or representative.
 - f) at local briefing meetings at the invitation of an Officer of the Council provided that the members of at least two political groups have been invited.
 - g) at a formal meeting of a District or Parish Council – where not a member of that Council:-
 - where formally invited to attend or where the Member has a specific interest in any/ all of the business on the agenda
 - h) at conferences where the Council has agreed to meet the conference fees or where the Member agrees to meet the conference fees
 - i) at Member induction, learning and development events / sessions organised by the Council
 - j) at up to 12 single party officer briefing / training events per annum
 - k) at open days, sports days and similar events at County Council establishments by formal or official invitation where the Member is

performing a specific function.

- l) Attendance at any civic or ceremonial event at the specific invitation of the Chairman of Council, the Lord Lieutenant or High Sheriff.
2. Duties authorised by Council or Leader of the Council, including briefing meetings, site visits, meetings with outside bodies or individuals, tours of inspection, and general information visits, visits to County Council premises.
3. Duties carried out arising out of a Member holding an office:-
 - a) to which a SRA applies or such a duty carried out by their nominee,
 - b) as a named Member Champion,including attendance at County Hall or other County Council establishments for any purpose which he/she considers necessary.
4. The undertaking of any duty associated with the Council where invited by or on behalf of the Scrutiny Committee.
5. Any duty for which express authority is given by the Chief Executive in the event of an emergency.
6. Any other attendance for which prior approval has been given by the Service Director for Finance & Property after consultation with the Cabinet Member for Resources.

Note 1:

The term 'Council' covers Council, Committee, Sub-Committee and Cabinet business unless otherwise indicated.

Note 2:

A duty cannot be approved, in retrospect, for the purpose of paying allowances.

Somerset County Council

County Council

– 19 July 2017

Report of the Leader and Cabinet – Items for Decision

Cabinet Member: Mr D Fothergill – Leader of the Council

Division and Local Member: All

Lead Officer: Scott Wooldridge, Service Manager - Governance

Author: Scott Wooldridge, Service Manager - Governance

Contact Details: 01823 359043 or 01823 357628

1. Summary

- 1.1 This report sets out the Leader's and Cabinet's recommendations to Council arising from their consideration of reports at the Cabinet meeting on 10 July 2017.

The attached Annual Treasury Management Outturn report 2016-17 was endorsed by the Cabinet at their meeting on 11 July. This report is presented annually to the County Council's July meeting.

2.0 Recommendations

- 2.1 **Annual Treasury Management Outturn report 2016-17** - see attached report and its appendices that the Cabinet considered and approved at their meeting on 10 July 2017.

The Council is asked to approve the Annual Treasury Management Outturn Report 2016/17 as set out in the attached report and its appendices.

3. Options considered and consultation undertaken

- 3.1 Options considered and details of consultation undertaken in respect of the recommendations set out above are set out in the attached report and appendices.

4. Implications

- 4.1 Financial, legal, Human Resources, equalities, human rights and risk implications in respect of the recommendations set out in this report are detailed within the attached report and its appendices.

5. Background Papers

- 5.1 These are set out within the attached report and its appendices.

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Cabinet

– 10th July 2017

Annual Treasury Management Outturn Report 2016-17

Cabinet Member: David Hall

Division and Local Member: All

Lead Officer: Kevin Nacey, Director of Finance & Performance

Author: Alan Sanford, Principal Investment Officer

Contact Details: (01823) 359585

	Seen by:	Name	Date
Report Sign off	County Solicitor	Honor Clarke	12/6
	Monitoring Officer	Julian Gale	13/6
	Corporate Finance	Stephen Morton	09/6
	Human Resources	Chris Squire	19/6
	Senior Manager	Kevin Nacey	12/6
	Cabinet Member	David Hall	
Forward Plan Reference:	FP/17/04/07		
Summary:	<p>The Annual Treasury Management Outturn Report is a requirement of the CIPFA Treasury Management Code and covers the Treasury Management activity for 2016-17. This report: -</p> <ul style="list-style-type: none"> ➤ Is prepared in accordance with the CIPFA Treasury Management Code and the Prudential Code. ➤ Gives details of the outturn position on treasury management transactions in 2016-17. ➤ Presents details of capital financing, borrowing, and investment activity. ➤ Reports on the risk implications of treasury decisions and transactions. ➤ Confirms compliance with treasury limits and Prudential Indicators or explains non-compliance. 		
Recommendations:	This is a formal report and the Cabinet is asked to approve it and submit it to Full Council on 19th July 2017.		
Reasons for Recommendations:	The Local Government Act 2003 requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services. The Code requires Full Council to receive as a minimum, an annual strategy and plan in advance of the year, a mid-year review, and an annual report after its close. This is the full-year review for 2016-17.		
Links to Priorities and Impact on Service Plans:	Effective Treasury Management provides support to the range of business and service level objectives that together help to deliver the Somerset County Plan.		

Consultations undertaken:	Not Applicable
Financial Implications:	None directly
Legal Implications:	None
HR Implications:	None
Risk Implications:	There are no specific risks associated with this outturn report. The risks associated with Treasury Management are dealt with in the Annual Treasury Management Strategy, Annual Investment Strategy, and Treasury Management Practice documents.
Other Implications (including due regard implications):	None
Scrutiny comments / recommendation (if any):	The Audit Committee is the nominated body to provide scrutiny for Treasury Management and this report will be sent to Audit Committee members.

1. Background

- 1.1. The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance. A more detailed outline of these, including the Treasury Management Framework and Policy is given at appendix A.
- 1.2. Somerset County Council (SCC) has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector Revised 2011 Edition and operates its treasury management service in compliance with this Code and the requirements in appendix A. The Code requires as a minimum, a formal report on treasury activities and arrangements to Full Council mid-year and after the year-end. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate they have properly fulfilled their responsibilities, and enable those with ultimate responsibility/governance of the treasury management function to scrutinise and assess its effectiveness and compliance with policies and objectives.
- 1.3. Whilst headline figures can be a useful guide to performance, they should not be viewed in isolation. It is important to also assess performance against the stated objectives and specific needs of SCC during the year, and to take a wider view in relation to timeframes and overall risk management. There are many factors and circumstances that affect treasury activity and performance that are not immediately apparent from statistical reports. Activities undertaken may be directly attributable to good risk management or preferred risk tolerances. Some limitations to purely statistical analysis are outlined in appendix B.

- 1.4.** CIPFA Treasury Management Benchmarking Club produces detailed reports of Local Authority performance, and also compares with other authorities. Whilst these headline figures have been a useful guide in assessing performance in the past, it has been equally important to assess performance against the stated objectives and specific needs of SCC during the year, and to take a wider view in relation to timeframes and overall risk management.

In view of the declining numbers that had been using the service, the increasing difficulty of straightforward comparison, and the cost of membership of the Benchmarking Club, it was decided not to participate from 2016-17 forward.

The number of Authorities using the benchmarking club has reduced over the past few years. In 2009-10 there were 136 participants, 95 in 2010-11, 84 in 2011-12, 68 in 2012-13, 50 in 2013-14, and 41 in 2014-15.

Many Authorities are using more esoteric means of 'investing' cash making it increasingly difficult to compare levels of risk tolerance, as well as returns.

2. Treasury Activity and Outturn

2.1. Summary of Performance

During the year, Council treasury management policies, practices, and activities remained compliant with relevant statutes and guidance, namely the CLG investment guidance issued under the Local Government Act 2003, the CIPFA Code of Practice for Treasury Management.

The Council can confirm that it has complied with its Prudential Indicators for 2016-17, with the exception of one band within the Maturity Structure of Borrowing Indicator. This is a technical breach as it was not due to Treasury activity, but was due to the fact that the £57.5m of Barclays LOBOs have become fixed-term loans. Prudential guidance treats this differently, and the loans have moved between bands intra-year. The higher limit on loans maturing between 30-40 years was set at 20%, but reached 26.3% in June as the £57.5m loans moved to that band.

All Capital projects were funded from Capital Receipts and Grant allowances from central Government, thereby eliminating the need to borrow in 2016-17.

The SCC weighted average rate paid on total borrowings was 4.66%, the same as 2015-16 as there was no change in portfolio.

Security of capital remained the Council's main investment objective. This was achieved by following the counterparty policy as set out in the Annual Investment Strategy, and by the approval method set out in the Treasury Management Practices. SCC has continuously monitored counterparties, and all ratings of proposed counterparties have been subject to verification on the day, immediately prior to investment.

Various indicators of credit risk reacted negatively to the result of the referendum on the UK's membership of the European Union. UK bank credit default swaps saw a modest rise but bank share prices fell sharply, on average by 20%, with UK-focused banks experiencing the largest falls. The negative effects soon unwound, meaning an even more risk-averse stance was not necessary.

However, new investments with Standard Chartered Bank were suspended in March 2016 due to its' relatively high credit default swap (CDS) level and disappointing 2015 financial results. The Council's two deposits with Standard Chartered at that time, matured in July and August 2016. Standard Chartered was reintroduced to the counterparty list in March 2017 following its strengthening financial position, and significant reduction in its' CDS price. An account of issues and any restrictions implemented throughout the year can be found in appendix G.

Liquidity. In keeping with the CLG guidance, the Council maintained a sufficient level of liquidity through the use of call accounts, Money Market Funds, and short-term deposits. SCC did not need to borrow short-term money during the year.

Yield. Total interest of £2.08m was earned during 2016-17. When compared to the average 6-month risk-free deposit rate of approximately 0.13% offered by the Government Debt Management Office (DMO) throughout the year, the benefit of the SCC investment strategy across the average SCC investment balance of £285.5m for the year was just over £1.7m (£1.57m in 2015-16).

Security and liquidity have been achieved with the return of 0.73% achieved for the year being 3 basis points above the average 12-month LIBID rate.

On 8th November 2016, SCC received a fourteenth dividend, £51,574.66 from Kaupthing, Singer & Friedlander. A total of £8,690,329.82 has been received to that date.

In total, as at 31st March 2017 £23,086,582.66 had been recovered on all Icelandic claims. More detail of the current position is in Appendix G.

2.2. Economic Background

Politically, 2016-17 was an extraordinary twelve month period which defied expectations when the UK voted to leave the European Union and Donald Trump was elected President of the USA. Uncertainty over the outcome of the US presidential election, the UK's future relationship with the EU and the slowdown witnessed in the Chinese economy in early 2016 all resulted in significant market volatility.

In addition to the political fallout, the referendum's outcome also prompted a sharp decline in household, business and investor sentiment. The repercussions on economic growth were judged by the Bank of England to be sufficiently severe to prompt its Monetary Policy Committee (MPC) to cut the Bank Rate to 0.25% in August and embark on further gilt and corporate bond purchases as well as provide cheap funding for banks via the Term Funding Scheme to maintain the supply of credit to the economy.

Despite growth forecasts being downgraded, economic activity was fairly buoyant and GDP grew 0.6%, 0.5% and 0.7% in the second, third and fourth calendar quarters of 2016. The labour market also proved resilient, with the ILO unemployment rate dropping to 4.7% in February, its lowest level in 11 years.

Following the referendum result, gilt yields fell sharply across the maturity spectrum on the view that Bank Rate would remain extremely low for the foreseeable future.

After recovering from an initial sharp drop in Quarter 2, equity markets rallied, although displaying some volatility at the beginning of November following the US presidential election result. The FTSE-100 and FTSE All Share indices closed at 7342 and 3996 respectively on 31st March, both up 18% over the year.

Lending rates for all periods moved significantly in August, in response to the unexpected bank base rate reduction. Average 3-month, 6-month and 12-month LIBID rates decreased by 0.14%, 0.15%, and 0.20% respectively during 2016-17, ending the year at 0.22%, 0.37% and 0.61% lower than in 2015-16. A more detailed commentary on the year's events is in Appendix C.

2.3. The Portfolio Position as at 31st March 2017

The portfolio position as at 31st March 2017 and a comparison with the beginning of the year can be found in Appendix D.

2.4. Temporary Borrowing

Temporary borrowing has not been necessary at all during 2016-17. Further details can be found in Appendix E.

2.5. Long-Term Borrowing

The overall level of borrowing remained the same during the year, at £329.55m. The cost of rescheduling or repaying PWLB debt early varied significantly during the year as Gilt yields fell yet again. In March 2016 the total premium stood at £79m. During 2016-17, a year-high premium of £130m would have been payable in August, ending the year in March at £103m. Any decision to reschedule or repay debt would need to be taken in this dynamic environment. The weighted average rate paid on all debt was 4.66%. All details of long-term borrowing activity during the year can be found in Appendix F.

2.6. Cash managed on behalf of others

During 2016-17 SCC provided treasury management services to the Police and Crime Commissioner for Avon and Somerset, after winning a full competitive tender to provide Treasury Management services for 3 years from April 2015. Funds continue to be lent on a segregated basis, with PCC funds lent in its own name.

SCC continues to manage cash on behalf of other not-for-profit organisations including Exmoor National Park Authority (ENPA), and the South West Regional Board (SWRB) via service level agreements and the Comfund vehicle. These balances were just over £9.6m at year-end.

In addition, during 2016-17, SCC was retained to manage the Local Enterprise Partnership (LEP) Growth Deal Grant on behalf of the other Enterprise Partners. A grant of £56.7m was received on 11th April 2016.

All treasury management activities, including a fee for the management of the LEP money, brought in income and benefits of approximately £206,000 during the year.

2.7. Lending

The average daily balance of the Council's cash during 2016-17 was £285.5m, down £27.4m from the previous year.

The weighted investment return of 0.73% was 0.03% better than the average 12-Month LIBID rate for the financial year. A more detailed commentary on activity and analysis of performance for the year can be found in Appendix G.

2.8. Comparison against other Local Authorities clients of Arlingclose

2016-17 was the eighth complete year that SCC had the services of retained Treasury advisors, Arlingclose. It would therefore seem appropriate to look at SCC performance compared with other Authorities that use Arlingclose, i.e. that share much of the same investment advice, particularly regarding counterparties. However, many of the caveats mentioned in appendix B may apply. Furthermore, it has become apparent that many Authorities currently have exposure to Property Funds in their Treasury portfolios. With this in mind, a more equitable comparator, figures for internally managed investments only, has been used. The Arlingclose report compares quarter-end figures only, and comparisons can be seen below.

	Average Rate		Average Balance	
	SCC	Others	SCC	Others
June 2015	0.83%	0.69%	£299m	£65m
September 2015	0.73%	0.60%	£282m	£64m
December 2015	0.69%	0.52%	£242m	£62m
March 2016	0.68%	0.61%	£218m	£55m
Average	0.73%	0.61%	£260m	£62m

Using this methodology, SCC performance has been above that of comparators. This has been achieved with an average investment balance of more than 4 times that of the average for the universe.

From a risk perspective, both SCC and Other Authorities' average credit rating score was AA- throughout the year. (To give this some perspective, the United Kingdom Government is rated one notch above at AA). This performance relative to risk can be seen in two graphs along with more general detail in appendix G.

2.9. Prudential Indicators

The Council can confirm that it has complied with its Prudential Indicators for 2016-17, with the exception of one band within the Maturity Structure of Borrowing Indicator. This is a technical breach as it was not due to Treasury activity, but was due to the fact that the £57.5m of Barclays LOBOs have become fixed-term loans. Prudential guidance treats this differently, and the loans have moved between bands intra-year. The higher limit on loans maturing between 30-40 years was set at 20%, but reached 26.3% in June as the £57.5m loans moved to that band. Indicators that were set for the 2016-17 year, and the year-end position for each are set out in Appendix H.

2.10. Risk Management

SCC has continuously monitored counterparties, and all ratings of proposed counterparties have been subject to verification on the day, immediately prior to investment. Other indicators taken into account have been:-

- Credit Default Swaps and Government Bond Spreads.
- GDP and Net Debt as a Percentage of GDP for sovereign countries.
- Likelihood and strength of Parental Support.

- Banking resolution mechanisms for the restructure of failing financial institutions i.e. bail-in.
- Share Price.
- Market information on corporate developments and market sentiment towards the counterparties and sovereigns.

Various indicators of credit risk reacted negatively to the result of the referendum on the UK's membership of the European Union. UK bank credit default swaps saw a modest rise but bank share prices fell sharply, on average by 20%, with UK-focused banks experiencing the largest falls. Non-UK bank share prices were not immune, although the fall in their share prices was less pronounced.

Fitch and Standard & Poor's downgraded the UK's sovereign rating to AA. Fitch, S&P and Moody's have a negative outlook on the UK. Moody's has a negative outlook on those banks and building societies that it perceives to be exposed to a more challenging operating environment arising from the 'leave' outcome.

None of the banks on the Council's lending list failed the stress tests conducted by the European Banking Authority in July and by the Bank of England in November, the latter being designed with more challenging stress scenarios, although Royal Bank of Scotland was one of the weaker banks in both tests.

New investments with Standard Chartered Bank were suspended in March 2016 due to its' relatively high credit default swap (CDS) level and disappointing 2015 financial results. The Council's two deposits with Standard Chartered at that time, matured in July and August 2016. Standard Chartered was reintroduced to the counterparty list in March 2017 following its strengthening financial position, and significant reduction in its' CDS price.

At year-end maximum durations per counterparty were as follows: -

- Nat West & RBS – **35 days;**
- Barclays, Goldman Sachs International, and Standard Chartered – **100 days;**
- Nationwide BS, Santander UK, OP Corporate, Landesbank Hessen-Thuringen and all Australian banks – **6-months;**
- HSBC, Bank of Scotland, Lloyds, Nordea, Rabobank, Svenska Handelsbanken, and all Canadian and Singaporean banks – **13-months;**

There was no audit during 2016-17, so the Audit report dated 28th September 2015 was the last one. It awarded the best possible outcome, as quoted below.

“I am able to offer substantial assurance as the areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed”.

SCC has continuously proactively assessed and implemented mitigation for the risks that have materialised in the new investment environment. Controls/procedures are constantly being assessed and introduced/adapted where needed, and embedded into practices to further mitigate risks to SCC investment and borrowing portfolios.

Details of risk management and governance can be found in Appendix I.

Arlingclose has been retained Treasury Advisors throughout the period.

During the year Treasury staff have continued to attend regular courses and seminars provided through its membership of the CIPFA Treasury Management Forum (TMF), its advisors, Arlingclose, and other ad hoc events including treasury software supplier forums.

3. Options considered and reasons for rejecting them

3.1. Not Applicable

4. Consultations undertaken

4.1. None

5. Financial, Legal, HR and Risk Implications

5.1. There are no direct financial implications arising from this paper. There are no Legal, HR, or other direct risk implications from this report.

6. Other Implications

6.1. None

7. Background papers

7.1. Treasury Management Strategy Statement 2016-17 and appendices. These were approved by Full Council at the meeting on 17th February 2016. The full papers can be found under the 8th February 2016 Cabinet meeting at

<http://www1.somerset.gov.uk/council/board3d/Paper%20F%20Treasury%20Management%20Strategy.pdf>

<http://www1.somerset.gov.uk/council/board3d/Paper%20F%20Treasury%20Management%20Strategy%20Appendix%20A.pdf>

<http://www1.somerset.gov.uk/council/board3d/Paper%20F%20Treasury%20Management%20Strategy%20Appendix%20B.pdf>

<http://www1.somerset.gov.uk/council/board3d/Paper%20F%20Treasury%20Management%20Strategy%20Appendix%20C.pdf>

<http://www1.somerset.gov.uk/council/board3d/Paper%20F%20Treasury%20Management%20Strategy%20Appendix%20D.pdf>

Appendix A

Overview

The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance:

- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on these activities.
- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act.
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities. A Revised edition of this code was published in November 2011.
- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services. A Revised edition of this code was also published in November 2011.
- Under the Act the Communities and Local Government office (CLG) has issued Investment Guidance to structure and regulate the Council's investment activities. This was updated with effect from 1st April 2010, as a result of reports into Local Government investments by the Audit Commission and the Treasury Select Committee.

Treasury Management Policy Statement

Introduction and Background

1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the code), as described in Section 5 of the Code

1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management: -

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities.
- Suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

- 1.3 The Council (i.e. Full Council Members) will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review, and an annual report after its close, in the form prescribed in its TMPs.
- 1.4 The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to the Director of Finance & Performance as Section 151 Officer, who will act in accordance with the organisation's policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.
- 1.5 The Council nominates the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Policies and Objectives of Treasury Management Activities

- 2.1 The Council defines its treasury management activities as: -

“The management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 2.2 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 2.3 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.
- 2.4 The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.
- 2.5 The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned on investments remain important, but are secondary considerations.

Appendix B

CIPFA report limitations

As from 2016-17 SCC no longer subscribes to the CIPFA Treasury Management Benchmarking Club. CIPFA Treasury Management Benchmarking Club produces detailed reports of Local Authority performance, and also compares with other authorities. Whilst these headline figures have been a useful guide in assessing performance in the past, it has been equally important to assess performance against the stated objectives and specific needs of SCC during the year, and to take a wider view in relation to timeframes and overall risk management.

In view of the declining numbers that had been using the service, the increasing difficulty of straightforward comparison, and the cost of membership of the Benchmarking Club, it was decided not to participate from 2016-17 forward.

The number of Authorities using the benchmarking club has reduced over the past few years. In 2009-10 there were 136 participants, 95 in 2010-11, 84 in 2011-12, 68 in 2012-13, 50 in 2013-14, and 41 in 2014-15.

Many Authorities are using more esoteric means of 'investing' cash making it increasingly difficult to compare levels of risk tolerance, as well as returns. Some recent 'investments' by other Local Authorities include:-

- Investments in Solar Farms
- Loans to local Football Club
- Buy and Leaseback of BP Corporate HQ
- 33% Stake in new start-up bank
- Direct property investment

The many factors that affect treasury performance that were not apparent from the CIPFA reports, and thereby made direct comparison increasingly difficult included: -

- The CIPFA reports look at one year in isolation. With the introduction of the Prudential Code in 2004, Authorities have been able to invest for longer periods. Performance of investments in particular, needs to be viewed over a longer timeframe to see the full impact of decisions. A further issue regarding timeframes is that LOBOs can be taken and reported with a reduced rate initially, but with a big increase after an initial period that is not apparent in the reporting period.
- Each authority will have different needs during any given year. For example, a large capital requirement in a year when borrowing rates are high can have an enormous adverse affect on the overall portfolio performance for years to come. Conversely, a high rate loan that drops out of a small portfolio can make performance look extremely impressive in a year when no activity was undertaken, or if new borrowing is being undertaken in the present low rate environment.

- Individual decisions are taken to suit a Council's particular circumstances, return aspirations, overall policy, and risk tolerances, and these will affect outcomes. The techniques and tools used to achieve objectives, and as part of risk management will also have an effect. For example, District Councils with housing stock receipts can invest in longer-dated Government and Supranational Bonds, or place a greater percentage of investments with longer maturities.
- Investment returns compare rates achieved and give a general indication of length of deposits, but comparisons of the different levels of risk from counterparties and duration of loans is not available.
- The size of an Authority's cash balances will affect returns. An Authority with larger balances may be forced to use counterparties paying a lower rate to satisfy diversification needs and maintain minimum counterparty criteria.
- Use of Advisors. Authorities' lending lists will be heavily influenced by their Treasury advisors. Who each Authority's advisor is, and therefore their investment and counterparty advice, is not apparent from CIPFA reports.
- The number of Authorities using the benchmarking club has reduced over the past few years. In 2009-10 there were 136 participants, 95 in 2010-11, 84 in 2011-12, 68 in 2012-13, 50 in 2013-14, and 41 in 2014-15. There is anecdotal evidence that some Authorities have adopted an extremely risk-averse position, and at times for some, all deposits have been with the UK Government via the DMO. It is not beyond the realms of possibility that Authorities that follow extremely risk-averse strategies may be less inclined to measure and compare their outcomes.

Appendix C

The Economy and Events in 2016-17 including Market and PWLB Rates

Politically, 2016-17 was an extraordinary twelve month period which defied expectations when the UK voted to leave the European Union and Donald Trump was elected the 45th President of the USA. Uncertainty over the outcome of the US presidential election, the UK's future relationship with the EU and the slowdown witnessed in the Chinese economy in early 2016 all resulted in significant market volatility in 2016. Article 50, which set in motion the 2-year exit period from the EU, was triggered on 29th March 2017.

Inflation had been subdued in the first half of 2016 as a consequence of weak global price pressures, past movements in sterling and restrained domestic price growth. However the sharp fall in the Sterling exchange rate following the referendum had an impact on import prices which, together with rising energy prices, resulted in inflation rising from 0.3% year-on-year in April 2016 to 2.3% year-on-year in March 2017.

In addition to the political fallout, the referendum's outcome also prompted a sharp decline in household, business and investor sentiment. The repercussions on economic growth were judged by the Bank of England to be sufficiently severe to prompt its Monetary Policy Committee (MPC) to cut the Bank Rate to 0.25% in August and embark on further gilt and corporate bond purchases as well as provide cheap funding for banks via the Term Funding Scheme to maintain the supply of credit to the economy.

Despite growth forecasts being downgraded, economic activity was fairly buoyant and GDP grew 0.6%, 0.5% and 0.7% in the second, third and fourth calendar quarters of 2016. The labour market also proved resilient, with the ILO unemployment rate dropping to 4.7% in February, its lowest level in 11 years.

Following a strengthening labour market, in moves that were largely anticipated, the US Federal Reserve increased rates at its meetings in December 2016 and March 2017, taking the target range for official interest rates to between 0.75% and 1.00%.

Following the referendum result, gilt yields fell sharply across the maturity spectrum on the view that Bank Rate would remain extremely low for the foreseeable future. Since September there has been a reversal in longer dated gilt yields which have moved higher, largely due to the MPC revising its earlier forecast that Bank Rate would be dropping to near 0% by the end of 2016. The yield on the 10-year gilt rose from 0.75% at the end of September to 1.24% at the end of December, which is almost back at pre-referendum levels of 1.37% on 23rd June. 20- and 50-year gilt yields have also risen considerably in the third quarter to 1.76% and 1.70% respectively, however in the fourth quarter yields have remained flat at around 1.62% and 1.58% respectively.

After recovering from an initial sharp drop in Quarter 2, equity markets rallied, although displaying some volatility at the beginning of November following the US presidential election result. The FTSE-100 and FTSE All Share indices closed at 7342 and 3996 respectively on 31st March, both up 18% over the year. Commercial property values fell around 5% after the referendum, but had mostly recovered by the end of March.

Money market rates for overnight and one week remained low since Bank Rate was cut in August, at 0.10% and 0.13% respectively.

Lending rates for all periods moved significantly in August, in response to the unexpected bank base rate reduction, which was in response to the equally unexpected vote to leave the EU in June. 3-month, 6-month and 12-month LIBID rates had averaged 0.46%, 0.61% and 0.90% respectively during 2015-16, but decreased by 0.14%, 0.15%, and 0.20% respectively during 2016-17. 3-month, 6-month and 12-month LIBID rates ended the year at 0.22%, 0.37% and 0.61% respectively. An anomaly in the pricing of risk saw that the 2-year SWAP rate averaging 0.09% less than a 1-year deposit. A summary of PWLB and key benchmark rates is included below.

PWLB Rates 2016-17 (Maturity rates unless stated)

	1 Year	5 Year	5 Year EIP	10 Year	10 Year EIP	30 Year	50 Year
01/04/2016	1.33	1.82	1.50	2.51	1.86	3.33	3.15
30/04/2016	1.37	1.95	1.59	2.65	1.99	3.40	3.21
31/05/2016	1.36	1.93	1.58	2.56	1.97	3.26	3.07
30/06/2016	1.15	1.46	1.23	2.06	1.49	2.79	2.53
31/07/2016	1.07	1.31	1.13	1.84	1.34	2.65	2.44
31/08/2016	1.09	1.23	1.12	1.65	1.25	2.29	2.08
30/09/2016	1.03	1.21	1.06	1.72	1.23	2.45	2.30
31/10/2016	1.16	1.64	1.34	2.27	1.67	2.88	2.69
30/11/2016	1.01	1.66	1.26	2.43	1.70	3.00	2.77
31/12/2016	0.97	1.55	1.19	2.28	1.59	2.81	2.66
31/01/2017	1.08	1.74	1.34	2.50	1.79	3.07	2.88
28/02/2017	1.00	1.44	1.15	2.14	1.48	2.83	2.64
31/03/2017	1.03	1.44	1.16	2.11	1.48	2.76	2.54
Minimum	0.96	1.15	1.03	1.62	1.17	2.27	2.07
Average 2016-17	1.13	1.56	1.28	2.21	1.60	2.89	2.69
Maximum	1.40	2.00	1.63	2.71	2.04	3.46	3.28
Spread	0.44	0.85	0.60	1.09	0.87	1.19	1.21
Average 2015-16	1.41	2.20	1.76	2.85	2.25	3.54	3.42
Difference in average	-0.28	-0.64	-0.48	-0.64	-0.65	-0.65	-0.73

Money Market Rates 2016-17 (LIBID Source = BBA)

	O/N LIBID	7-Day LIBID	1-Month LIBID	3-Month LIBID	6-Month LIBID	12-Month LIBID	2-Yr SWAP
01/04/2016	0.36	0.36	0.39	0.46	0.61	0.88	0.78
30/04/2016	0.36	0.36	0.38	0.47	0.62	0.90	0.86
31/05/2016	0.35	0.37	0.39	0.46	0.61	0.89	0.82
30/06/2016	0.35	0.36	0.39	0.43	0.55	0.80	0.49
31/07/2016	0.35	0.34	0.31	0.37	0.46	0.68	0.47
31/08/2016	0.10	0.12	0.15	0.26	0.40	0.61	0.42
30/09/2016	0.10	0.12	0.14	0.26	0.41	0.63	0.43
31/10/2016	0.10	0.12	0.14	0.28	0.44	0.69	0.61
30/11/2016	0.10	0.13	0.14	0.26	0.43	0.67	0.65
31/12/2016	0.09	0.11	0.13	0.24	0.41	0.65	0.60
31/01/2017	0.10	0.12	0.14	0.23	0.41	0.65	0.69
28/02/2017	0.10	0.12	0.14	0.23	0.39	0.61	0.56
31/03/2017	0.10	0.11	0.13	0.22	0.37	0.61	0.61
Minimum	0.09	0.11	0.13	0.22	0.37	0.59	0.38
Average 2016-17	0.19	0.20	0.22	0.32	0.46	0.70	0.61
Maximum	0.36	0.37	0.39	0.47	0.62	0.90	0.88
Spread	0.27	0.26	0.26	0.25	0.25	0.31	0.50
Average 2015-16	0.36	0.36	0.38	0.46	0.61	0.90	0.96
Difference in average	-0.17	-0.16	-0.16	-0.14	-0.15	-0.20	-0.35

Appendix D

The Portfolio Position as at 31st March 2017 and a comparison with 2016 is set out below: -

	31st March 2016 £m	31st March 2017 £m	Change £m
Borrowing – Long-term			
Public Works Loan Board	159.05	159.05	0.00
Rate (%)	4.59	4.59	0.00
Market loans	170.5	170.5	0.00
Rate (%)	4.72	4.72	0.00
Sub-total	329.55	329.55	0.00
Rate (%)	4.66	4.66	0.00
Short-Term Borrowing			
External Borrowing	0.0	0.0	0.0
Total Borrowings	329.55	329.55	0.0
Cash Managed on behalf of others			
ENPA / SWRB	0.23	0.00	-0.23
Organisations in the Comfund	9.88	9.64	-0.24
Total	10.11	9.64	-0.47
Lending			
Revenue Lending	13.17	7.86	-5.31
Rate (%)	0.57	0.35	-0.22
Comfund Investment	254.36	211.31	-43.05
Rate (%)	0.86	0.69	-0.17
Total Lending	267.53	219.17	-48.36
Rate (%)	0.85	0.68	-0.17

The Council's need to borrow for capital purposes is determined by the Capital Programme and Capital Strategy. Council Members were aware of the major projects identified for 2016 to 2019. All Capital projects were to be funded from Capital Receipts and Grant allowances from central Government, thereby eliminating the need to borrow for 2016-17.

During 2016-17, there were no scheduled debt maturities. Both the PWLB and LOBO portfolios remained the same.

The cash managed on behalf of others includes that of Exmoor National Park Authority (ENPA) and the South West Regional Board (SWRB). SCC continues to manage revenue balances on their behalf, and under contractual arrangements sweeps their cash into the SCC account daily, from where it is lent into the market in the name of SCC. There are arrangements in place for the allocation of interest received on these amalgamated balances, and SCC should not be at a disadvantage as rates paid to ENPA and SWRB should always be less than those achieved by the investments.

The same principle holds for the Comfund external investors (a limited group of not-for-profit organisations with links to SCC) but here, the rate achieved is passed on to investors and an admin fee is charged.

In addition, during 2016-17, SCC was retained to manage the Local Enterprise Partnership (LEP) Growth Deal Grant on behalf of the other Enterprise Partners. A grant of £56.7m was received on 11th April 2016.

Revenue balances held on behalf of others at year-end decreased from £0.23m to £0.00m. Investment in the Comfund by external bodies decreased slightly, from £9.88m to £9.64m.

The Comfund investment of £211.31m was £43.05m lower, whilst revenue lending was also reduced by £5.31m, resulting in less cash earning a lesser rate of interest, as bank rate was cut to 0.25% in August.

Total lending as at 31st March 2017, including unspent LEP money, stood at over £219m, a decrease of £48m from 2016.

Appendix E

Temporary Borrowing

There were no temporary loans taken during 2016-17.

The nature of the deposit yield-curve throughout the year meant that the benefit of investing in shorter periods up to 2 or 3 months was marginal. The majority of revenue balances were therefore kept in Call Accounts and Constant Net Asset Value (CNAV) Money Market Funds. These not only reduced counterparty risk while providing returns superior to short-term deposits, but also provided minimal liquidity risk through instant access.

The benefits of not needing to borrow meant a year of zero interest paid on temporary loans.

Another benefit is nil temporary borrowing brokerage fees.

Appendix F

Long-Term Borrowing

The rate at which the Council can borrow from its main source, The PWLB, is directly affected by Market movements in Gilts (PWLB rates are set with a direct correlation to Gilt yields). They are set twice daily and fluctuate according to market sentiment.

UK Government Gilts are the main beneficiary when negative sentiment is felt (uncertainty in the lead up to the UK vote on whether to leave the EU, and the subsequent outcome, uncertainty over the US Presidential election, and doubts over European and Chinese growth). Greater demand = higher price = lower yield = lower PWLB rates. The opposite holds true, i.e. positive sentiment translates into higher yields.

Gilt yields across all durations ended the year lower than in March 2016, the third year of reducing yields. For maturity rates over 1-year, reductions were seen all along the curve, 5-year Gilts losing 0.45% and 50-year, 0.56%.

The PWLB 50-year maturity rate averaged 2.69% for the year, 0.73% down on 2015-16. The trend was repeated for 5, 10, and 30-year, where average yields reduced by 0.64%, 0.64%, 0.65% respectively. Spreads across all maturities over 5-years were volatile, the five-year Maturity rate showing a maximum of 2.00% and a minimum of 1.15%, and the 50-year Maturity rate a maximum of 3.28% and a minimum of 2.07%, producing volatile spreads of 0.85% and 1.21% respectively during the year.

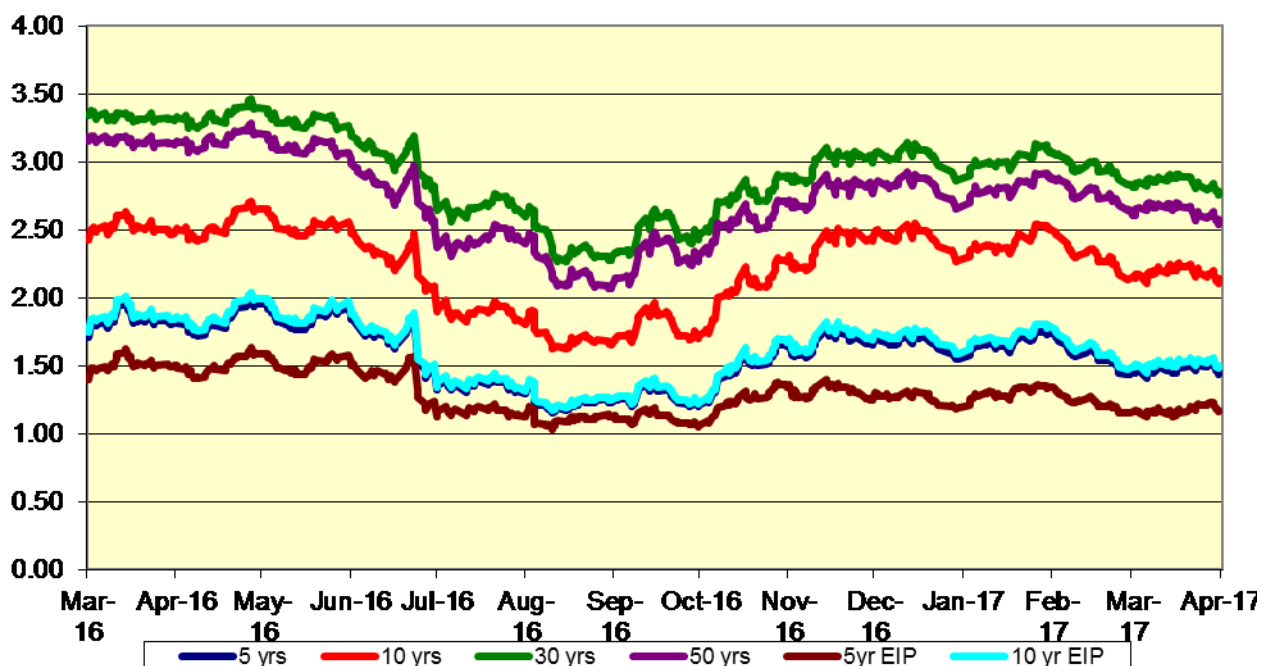
When yields decline, it becomes more expensive to repay debt prematurely. To give an example, to repay the entire PWLB portfolio in March 2014 would have incurred a premium of £33.5m. By March 2015 this had increased to £73.8m as yields fell, and further to £79m by the end of March 2016. During 2016-17 with yields falling further, a year-high premium of £130m would have been payable in August, ending the year in March at £103m. Any decision to reschedule or repay debt would need to be taken in this dynamic environment.

The table and graph below summarise PWLB borrowing rates during the year.

PWLB Rates 2016-17 (Maturity rates unless stated)

	1 Year	5 Year	5 Year EIP	10 Year	10 Year EIP	30 Year	50 Year
01/04/2016	1.33	1.82	1.50	2.51	1.86	3.33	3.15
30/04/2016	1.37	1.95	1.59	2.65	1.99	3.40	3.21
31/05/2016	1.36	1.93	1.58	2.56	1.97	3.26	3.07
30/06/2016	1.15	1.46	1.23	2.06	1.49	2.79	2.53
31/07/2016	1.07	1.31	1.13	1.84	1.34	2.65	2.44
31/08/2016	1.09	1.23	1.12	1.65	1.25	2.29	2.08
30/09/2016	1.03	1.21	1.06	1.72	1.23	2.45	2.30
31/10/2016	1.16	1.64	1.34	2.27	1.67	2.88	2.69
30/11/2016	1.01	1.66	1.26	2.43	1.70	3.00	2.77
31/12/2016	0.97	1.55	1.19	2.28	1.59	2.81	2.66
31/01/2017	1.08	1.74	1.34	2.50	1.79	3.07	2.88
28/02/2017	1.00	1.44	1.15	2.14	1.48	2.83	2.64
31/03/2017	1.03	1.44	1.16	2.11	1.48	2.76	2.54
Minimum	0.96	1.15	1.03	1.62	1.17	2.27	2.07
Average 2016-17	1.13	1.56	1.28	2.21	1.60	2.89	2.69
Maximum	1.40	2.00	1.63	2.71	2.04	3.46	3.28
Spread	0.44	0.85	0.60	1.09	0.87	1.19	1.21
Average 2015-16	1.41	2.20	1.76	2.85	2.25	3.54	3.42
Difference in average	-0.28	-0.64	-0.48	-0.64	-0.65	-0.65	-0.73

Movements in PWLB rates (March 2016 - March 2017)



During 2016-17, there were no scheduled debt maturities, and due to the elevated premiums, rescheduling of existing debt was not cost effective.

The year-end average rate of the PWLB portfolio remained at 4.59%.

The Council has £170.5m of loans that are LOBO loans (Lender's Option Borrower's Option) of which all but £25m were in their option state during 2016-17. None of the lenders exercised their option to request an increase in the rate applied. As stated in the 2016-17 Treasury Management Strategy Statement (point 2.5), it is SCC policy not to accept any option to pay a higher rate of interest on LOBO loans, and would invoke its own option to repay the loan.

In June, Barclays Bank announced that they had waived all their rights to the options on the LOBO loans that they made. This included the £57.5m held by SCC. These loans are now effectively long-term fixed loans. Whilst it may have been beneficial to SCC for the loans to be called in the present environment, the likelihood of this was extremely low. The forfeiture of options does give more certainty to the SCC Market Loan portfolio in the longer-term.

The weighted average LOBO rate for SCC for the year was 4.72%.

With no debt activity during the year, the weighted average term for SCC market loans at 31st March was 34.74 years, whilst the PWLB loans average was 27.2 years.

Appendix G

Lending

The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council's aim is to achieve a yield commensurate with these principles.

Security: Security of capital remained the Council's main investment objective. This was maintained by following the counterparty policy as set out in the Annual Investment Strategy, and by the approval method set out in the Treasury Management Practices. Current approved counterparties are listed below. Those used during the year are denoted with a star.

Bank or Building Society		Bank or Building Society	
Australia & NZ Bank	*	Santander UK	*
Bank of Scotland	*	Standard Chartered Bank	*
Bank of Montreal	*	Svenska Handelsbanken	*
Bank of Nova Scotia		Toronto-Dominion Bank	*
Barclays Bank Plc		United Overseas Bank	*
Canadian Imperial Bank of Commerce			
Close Brothers Ltd	*		
Commonwealth Bank of Australia	*	Sterling CNAV Money Market Funds	
DBS Bank Ltd	*	Blackrock MMF	
Goldman Sachs International Bank	*	Goldman Sachs MMF	
HSBC Bank	*	Deutsche MMF	
Landesbank Hessen-Thuringen	*	Invesco Aim MMF	*
Lloyds Bank	*	Federated Prime MMF	*
National Australia Bank	*	JP Morgan MMF	*
National Westminster	*	Insight MMF	*
Nationwide BS	*	Standard Life MMF	*
Nordea Bank	*	LGIM MMF	*
OP Corporate Bank	*		
Oversea-Chinese Banking Corporation	*	Other Counterparties	
Rabobank	*	Other Local Authorities	*
Royal Bank of Scotland		Debt Management Office	

SCC has continuously monitored counterparties, and all ratings of proposed counterparties have been subject to verification on the day, immediately prior to investment. Other indicators taken into account have been:-

- Credit Default Swaps and Government Bond Spreads.
- GDP and Net Debt as a Percentage of GDP for sovereign countries.
- Likelihood and strength of Parental Support.
- Banking resolution mechanisms for the restructure of failing financial institutions i.e. bail-in.
- Share Price.
- Market information on corporate developments and market sentiment towards the counterparties and sovereigns.

Although the global financial situation continued to stabilise, there were still many events that affected the creditworthiness of financial institutions.

Various indicators of credit risk reacted negatively to the result of the referendum on the UK's membership of the European Union. UK bank credit default swaps saw a modest rise but bank share prices fell sharply, on average by 20%, with UK-focused banks experiencing the largest falls. Non-UK bank share prices were not immune, although the fall in their share prices was less pronounced.

Fitch and Standard & Poor's downgraded the UK's sovereign rating to AA. Fitch, S&P and Moody's have a negative outlook on the UK. Moody's has a negative outlook on those banks and building societies that it perceives to be exposed to a more challenging operating environment arising from the 'leave' outcome.

None of the banks on the Council's lending list failed the stress tests conducted by the European Banking Authority in July and by the Bank of England in November, the latter being designed with more challenging stress scenarios, although Royal Bank of Scotland was one of the weaker banks in both tests.

The tests were based on banks' financials as at 31st December 2015, 11 months out of date for most. As part of creditworthiness research and advice, analysis of relevant ratios - "total loss absorbing capacity" (TLAC) or "minimum requirement for eligible liabilities" (MREL) – is regularly received to determine whether there would be a bail-in of senior investors, such as local authority unsecured investments, in a stressed scenario.

New investments with Standard Chartered Bank were suspended in March 2016 due to its' relatively high credit default swap (CDS) level and disappointing 2015 financial results. The Council's two deposits with Standard Chartered at that time, matured in July and August 2016. Standard Chartered was reintroduced to the counterparty list in March 2017 following its strengthening financial position, and significant reduction in its' CDS price.

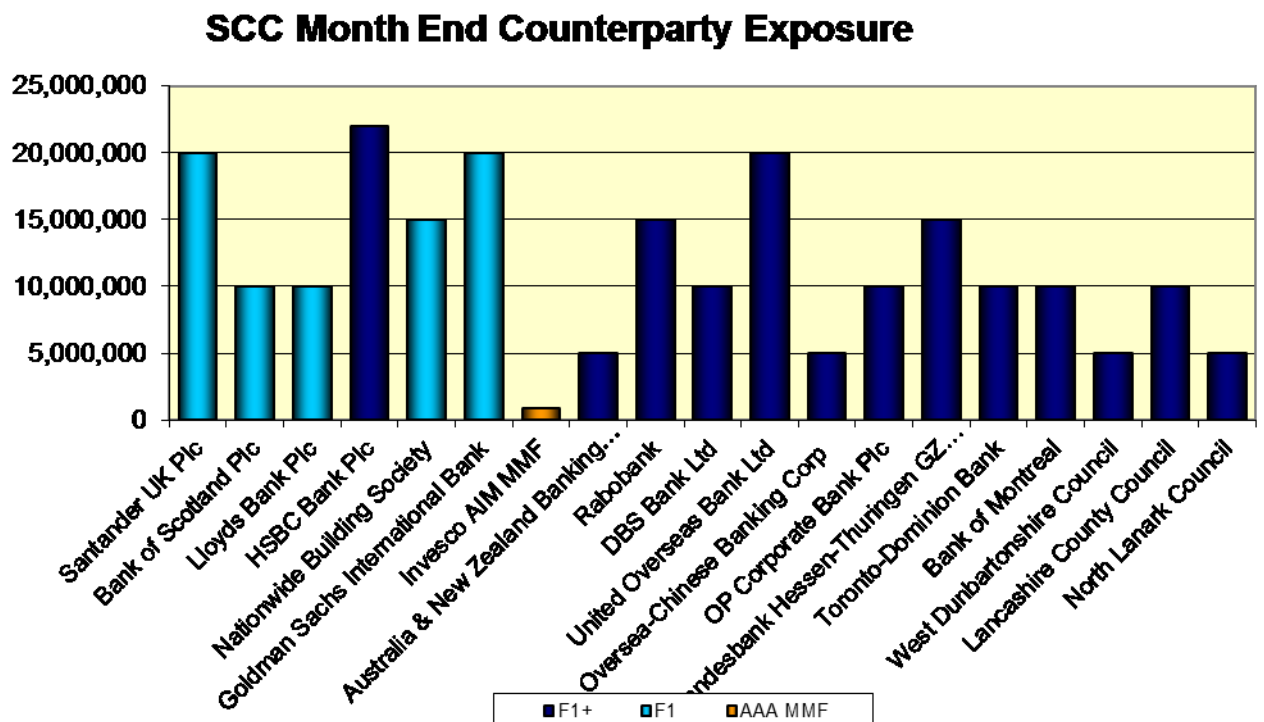
At year-end maximum durations per counterparty were as follows: -

- Nat West & RBS – **35 days**;
- Barclays, Goldman Sachs International, and Standard Chartered – **100 days**;
- Nationwide BS, Santander UK, OP Corporate, Landesbank Hessen-Thuringen and all Australian banks – **6-months**;
- HSBC, Bank of Scotland, Lloyds, Nordea, Rabobank, Svenska Handelsbanken, and all Canadian and Singaporean banks – **13-months**;

Another means of assessing inherent risk in an investment portfolio is to monitor the duration, the average weighted time to maturity of the portfolio. As the revenue element of lending is generally instant access or short-term lending, it is more appropriate to monitor the Comfund element of lending. The Comfund portfolio started the year with a duration of 154 days. This peaked in May and August at 169 days, and ended the year at 152 days. The average Comfund duration for the year was 163 days (146 in 2015-16).

In order to maintain diversification of the portfolio, some deposits were placed with UK Local Authorities. This allowed for longer-dated maturities with excellent creditworthiness and an appropriate yield.

The chart below shows the names of approved counterparties with deposit exposures as at 31st March 2017.



Liquidity: In keeping with the CLG guidance, the Council maintained a sufficient level of liquidity through the use of call accounts, money market funds (MMFs), and short-term deposits. Some call accounts and MMFs offered yields in excess of those on offer for time deposits up to 3-months, which meant that it was beneficial to use these facilities. This was beneficial not just for liquidity and yield, but in mitigating counterparty and interest rate risk. During the year, identified core balances and reserves have been lent for longer periods when deemed appropriate, via the Comfund. The Comfund aim is to create a portfolio of deposits with a rolling maturity providing sufficient liquidity, whilst enabling advantage to be taken of the extra yield offered in longer periods.

Yield: The Council sought to optimise returns commensurate with its objectives of security and liquidity. UK Bank Rate halved to 0.25% in August, with the possibility of even lower rates to come. With increased uncertainty following the vote to leave the EU, deposit rates continued along the even lower for even longer path. 3-month, 6-month and 12-month LIBID rates had averaged 0.46%, 0.61% and 0.90% respectively during 2015-16. Rates remained at these levels until the outcome of the referendum was known in June, when rates began to decline. They reduced dramatically when bank base rate was cut in August, all ending the year approximately 0.25% lower. The average 3, 6, and 12-month rates lost 0.14%, 0.15%, and 0.20% respectively, to 0.32%, 0.46% and 0.70% for 2016-17. A table of rates is shown below.

Money Market Rates 2016-17 (LIBID Source = BBA)

	O/N LIBID	7-Day LIBID	1-Month LIBID	3-Month LIBID	6-Month LIBID	12-Month LIBID	2-Yr SWAP
01/04/2016	0.36	0.36	0.39	0.46	0.61	0.88	0.78
30/04/2016	0.36	0.36	0.38	0.47	0.62	0.90	0.86
31/05/2016	0.35	0.37	0.39	0.46	0.61	0.89	0.82
30/06/2016	0.35	0.36	0.39	0.43	0.55	0.80	0.49
31/07/2016	0.35	0.34	0.31	0.37	0.46	0.68	0.47
31/08/2016	0.10	0.12	0.15	0.26	0.40	0.61	0.42
30/09/2016	0.10	0.12	0.14	0.26	0.41	0.63	0.43
31/10/2016	0.10	0.12	0.14	0.28	0.44	0.69	0.61
30/11/2016	0.10	0.13	0.14	0.26	0.43	0.67	0.65
31/12/2016	0.09	0.11	0.13	0.24	0.41	0.65	0.60
31/01/2017	0.10	0.12	0.14	0.23	0.41	0.65	0.69
28/02/2017	0.10	0.12	0.14	0.23	0.39	0.61	0.56
31/03/2017	0.10	0.11	0.13	0.22	0.37	0.61	0.61
Minimum	0.09	0.11	0.13	0.22	0.37	0.59	0.38
Average 2016-17	0.19	0.20	0.22	0.32	0.46	0.70	0.61
Maximum	0.36	0.37	0.39	0.47	0.62	0.90	0.88
Spread	0.27	0.26	0.26	0.25	0.25	0.31	0.50
Average 2015-16	0.36	0.36	0.38	0.46	0.61	0.90	0.96
Difference in average	-0.17	-0.16	-0.16	-0.14	-0.15	-0.20	-0.35

Comfund

Comfund investment decreased to £211.31m at year-end 2017, by £43.05m from the £254.36m at year-end 2016.

The total of other investors' balances also decreased slightly by £0.24m.

The average balance of the Comfund throughout 2016-17 was £250m, a £7.8m decrease on the previous years' average.

The Comfund vehicle, with an annual return of 0.77% out-performed the benchmark for the year, by 0.35%.

A total of approximately £1.93m was earned in interest in the year, a decrease of £160,000 on the figure for 2015-16 of £2.09m. The rate achieved was only 4 basis points lower in an environment where available rates and balances were significantly reduced.

Comfund administration charges received from investors totalled approximately £38,500 for the year.

Revenue

Revenue balances averaged £35.5m during the year, with a yield of 0.42%. This compares favourably to a normal money market fund benchmark of 7-day LIBID (London Interbank Bid Rate, an average of bid rates that banks are willing to lend to each other), the average for which was 0.20%. This income stream earned interest of over £148,000.

Combined

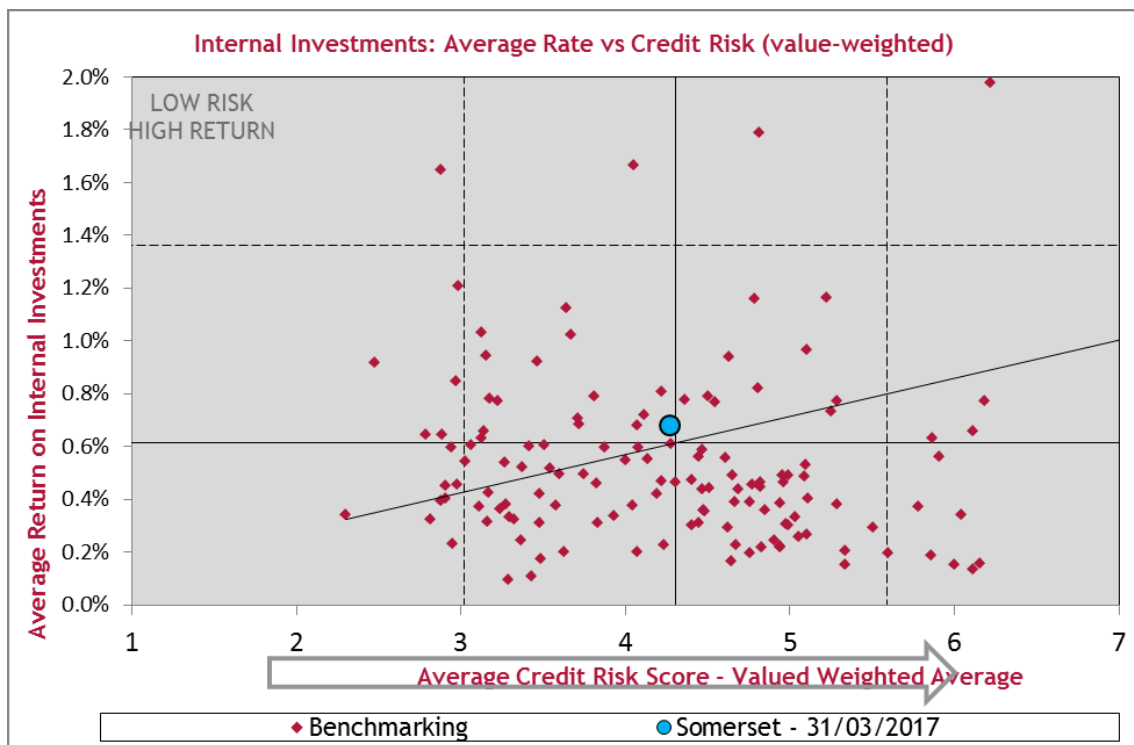
The combined average daily balance of the Council's investments during 2016-17 was £285.5m against £312.9m for 2015-16. The overall weighted investment return of combined in-house investments was 0.73% against a return of 0.75% for 2015-16.

2016-17 was the eighth complete year that SCC had the services of retained Treasury advisors, Arlingclose. It would therefore seem appropriate to look at SCC performance compared with other Authorities that use Arlingclose, i.e. that share much of the same investment advice, particularly regarding counterparties. However, many of the caveats mentioned in appendix B may apply. Furthermore, it has become apparent that many Authorities currently have exposure to Property Funds in their Treasury portfolios. With this in mind, a more equitable comparator, figures for internally managed investments only, has been used. The Arlingclose report compares quarter-end figures only, and comparisons can be seen below.

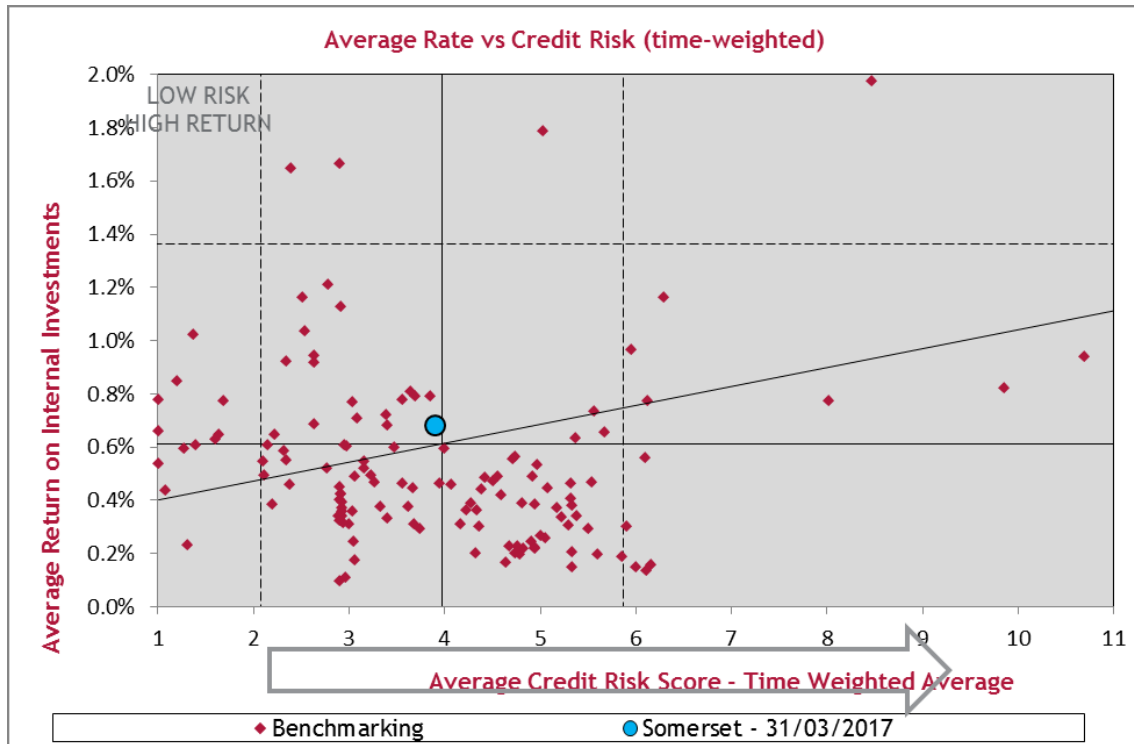
	Average Rate		Average Balance	
	SCC	Others	SCC	Others
June 2015	0.83%	0.69%	£299m	£65m
September 2015	0.73%	0.60%	£282m	£64m
December 2015	0.69%	0.52%	£242m	£62m
March 2016	0.68%	0.61%	£218m	£55m
Average	0.73%	0.61%	£260m	£62m

Using this methodology, SCC performance has been above that of comparators. This has been achieved with an average investment balance of more than 4 times that of the average for the universe.

From a risk perspective, both SCC and Other Authorities' average credit rating score was AA- throughout the year. (To give this some perspective, the United Kingdom Government is rated one notch above at AA). The performance relative to risk can be seen in the two graphs below.



It can be seen in both graphs that SCC performance is above the average rate of return whilst being below the average credit risk score.



Security and liquidity have been achieved while returning an overall rate in excess of average rates for all periods up to 1 year (see table 2 above), on a portfolio with an average duration of less than 6 months. Performance was ahead of the Arlingclose comparison group.

The overall return has produced a total income of £2.08m, down by £280,000 from 2015-16 on much reduced balances and rates. If balances had been invested in the relatively risk-free Government Debt Management Account Deposit Facility (DMADF) run by the Debt Management Office (DMO), at 6-month rates, the return would have averaged approximately 0.13%, or £371k, a reduction in income of £1,705,000.

All treasury management activities have not only mitigated risk to SCC to permit the achievement of objectives, but have brought in income and benefits of approximately £206,000.

Icelandic Investments Update

As has been previously reported, SCC in common with 126 other Local Authorities (44% of County Councils and 24% of District Councils), numerous charities, banks, and building societies, and the Audit Commission, had deposits with two Icelandic banks, Glitnir and Landsbanki, at the time the Icelandic Government repatriated their overseas assets, and also in the UK subsidiary of another, Kaupthing Singer & Friedlander (KSF), when the UK FSA placed it into administration.

The current position is this: -

Landsbanki & Glitnir – As reported in the end of 2015-16 Treasury Management Outturn Report, SCC has concluded any interest that it had with these two banks.

Kaupthing, Singer & Friedlander – The estimated range for total dividends was increased at the lower end in the Administrator’s October 2016 report, and is now at 86p-86.5p in the pound.

A further dividend of £51,574.66 was received in November 2016. Future dividends will be paid subject to consultation with the Creditors’ Committee, and when the level of distributable funds makes it cost effective to do so.

In total, as at 31st March 2017 £23,086,582.66 had been recovered. The shortfall of £1.91m from the original investment was written off back in 2008-09.

Appendix H

Prudential Indicators

Prudential Indicators are agreed and set by Council prior to each financial year. The key objectives are to ensure, within a clear framework, that the Capital Investment plans of the Council are affordable, prudent, and sustainable.

The indicators are regularly monitored, with actuals reported to the Director of Finance & Performance monthly.

The Council can confirm that it has complied with its Prudential Indicators for 2016-17, with the exception of one band within the Maturity Structure of Borrowing Indicator. This is a technical breach as it was not due to Treasury activity, but was due to the fact that the £57.5m of Barclays LOBOs have become fixed-term loans. Prudential guidance treats this differently, and the loans have moved between bands intra-year. The higher limit on loans maturing between 30-40 years was set at 20%, but reached 26.3% in June as the £57.5m loans moved to that band. Those indicators agreed by Full Council and actual figures as at 31st March are included below:

Borrowing	Limit for 2016-17	As at 31-03-17
Authorised Limit	374	340
Operational Boundary	360	340
Upper limit – Fixed Interest	100%	100%
Upper limit – Variable Interest	30%	0%

Maturity Structure of Borrowing	Upper	Lower	Actual
Under 12 months	55%	20%	28.9%
>12 months and within 24 months	20%	0%	0.0%
>24 months and within 5 years	20%	5%	7.4%
>5 years and within 10 years	20%	5%	9.0%
>10 years and within 20 years	20%	5%	12.2%
>20 years and within 30 years	20%	0%	0.0%
>30 years and within 40 years	20%	5%	26.3%
>40 years and within 50 years	25%	5%	16.2%
>50 years and above	10%	0%	0.0%

Limit for Principal sums invested > 364 days £100m **Actual** £45m

Appendix I

Risk Management & Governance

During the year, all Council treasury management policies, practices, and activities remained compliant with all relevant statutes and guidance, namely the CLG investment guidance issued under the Local Government Act 2003, the CIPFA Code of Practice for Treasury Management, and the CIPFA Prudential Code.

The CLG's Guidance on Investments, revised during 2009-10, reiterated security and liquidity as the primary objectives of a prudent investment policy. All lending was compliant with guidance issued by the CLG, with the investment strategy agreed, and activities conducted within the procedures contained in the TMPs.

As required by the CIPFA TM Code, a mid-year review was presented to Full Council in November 2016.

Officers from the Treasury Management team reported debt and investment positions and performance via comprehensive reports at monthly meetings with the Director of Finance & Performance and/or the Strategic Manager (Finance Technical).

All recent audits conducted by the South West Audit Partnership have received a 'Comprehensive' Audit Opinion, the highest rating for its management of risk.

There was no audit during 2016-17, so the Audit report dated 28th September 2015 was the last one. It awarded the best possible outcome, as quoted below.

"I am able to offer substantial assurance as the areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed".

The audit was also complimentary regarding policy, procedures and processes, as per the quoted passages below.

"The procedures for Treasury Management remain unchanged and all key controls assessed during the audit were found to be operating effectively. The Council's Treasury Management Policy, which adopts the key recommendations of CIPFA's Treasury Management in the Public Services Code, is robust and the low risk managed approach continues to be of benefit to the Council".

"In addition, it has been established that all recommendations made in the last review have been actioned. As a result, no recommendations have been made in this report. All Council officers involved in this audit were found to be open and transparent, committed to further improvement and receptive to feedback".

Arlingclose have been retained Treasury Advisors throughout the period.

During the year Treasury staff have continued to attend regular courses and seminars provided through the CIPFA Treasury Management Network (TMN), its advisors, Arlingclose, and other ad hoc events including treasury software supplier forums.

Somerset County Council

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Requisitioned Items

Cabinet Member: All

Division and Local Member: All

Lead Officer: Julian Gale - Strategic Manager, Governance & Risk

Author: Julian Gale, Strategic Manager - Governance & Risk

Contact Details: (01823) 359047

1. Staff Pay Award

- 1.1.** The following requisitioned item will be proposed by Cllr Jane Lock and seconded by Cllr Simon Coles:

This Council welcomes the Government's possible relaxation of the Public Sector Pay Cap for nurses and police officers. Devon and Somerset Fire and Rescue Service are considering a breach of the cap and increasing the pay of fire fighters by 2%.

It is time Somerset County Council stopped taking its' staff for granted and did the same. Of course it should be funded by central government but failing that we believe it is essential to address the pay freeze and the 1% pay rises of recent years, which in real terms has been a pay cut for our loyal and hardworking staff.

I propose this Council tasks the HR Policy Committee with reviewing the level of staff pay awards and reports back to the November Council meeting. This is with a view to a 2% increase in staff salaries from April 2018, with a particular focus on those employees on the lower pay scales.

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Report of the Leader and Cabinet – Items for Information

Cabinet Member: Cllr Davis Fothergill – Leader of Council

Division and Local Member: All

Lead Officer: Scott Wooldridge - Service Manager, Community Governance

Author: Scott Wooldridge - Service Manager, Community Governance

Contact Details: 01823 356748

1. Summary

- 1.1. This report covers key decisions taken by the Leader, Cabinet Members and officers between 10 May 2017 and 7 July 2017, together with the items of business discussed at the Cabinet meetings on 14 June 2017 and 10 July 2017 (attached as Appendix A to this report). The Leader and Cabinet Members may also wish to raise other issues at the County Council meeting.

2. Details of decisions

- 2.1. Agenda and papers for the Cabinet meetings on 14 June 2017 and 10 July 2017 are published within the Cabinet webpages on the Council's website. Individual Leader, Cabinet Member and Officer key decision records and related reports are also published within the Cabinet webpages on the Council's website.

LEADER OF COUNCIL (Customers and Communities) – Cllr David Fothergill		
Item	Date of Meeting	Summary of Decision
Council Performance Report – End of March (Q4) 2016/17	14 June 2017 by Cabinet	<p>SUMMARY OF DECISION: This report provides members and senior officers with the information they need to lead and manage the performance of the outcomes set out in the County Plan and the organisation.</p> <p>The report has been updated to reflect the County Plan that was adopted by full Council in February 2016 and a review of the priorities and the performance information that contributes to them has been carried out.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>
Council Performance Reports End of May 17/18	10 July 2017 by Cabinet	<p>SUMMARY OF DECISION</p> <p>Following consideration of the officer report, appendix and discussion, the Cabinet:</p> <ol style="list-style-type: none"> 1. Considered the information contained within the 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. Agreed the report and Appendix A as the latest position for Somerset County Council against its County Plan. <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>

RESOURCES AND ECONOMIC DEVELOPMENT – Cllr David Hall		
Item	Date of Meeting	Summary of Decision
Decision to approve the appointment of a supplier to deliver the Highbridge phase two development, and to accept the Unlocking Growth Deal Fund funding and sign up to the terms and conditions of the funding.	30 May 2017 by the Cabinet Member for Resources and Economic Development	<p>SUMMARY OF DECISION: This report is therefore now seeking approval to appoint the supplier outlined in appendix D as the contractor to complete the development, and accept the £233,000 LEP Unlocking Growth Fund funding, and sign up to the terms and conditions of the funding agreement in order to deliver the Phase 2 development.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>
Connecting Devon and Somerset Superfast Extension Programme Phase 2 award of contract and funding agreement with Department for Culture Media and Sport	8 June 2017 by the Director of Finance and Performance and the Director of Commissioning and Lead Commissioner for Economic and Community Infrastructure in conjunction with the Cabinet Member for Resources and Economic Development	<p>SUMMARY OF DECISION: The Director of Commissioning and Lead Commissioner for Economic and Community Infrastructure in consultation with the Cabinet Member for Business, Inward Investment and Policy approves the finalised contract and State Aid clearance having been given by BDUK authorises that of SCC shall sign and contract with preferred supplier for Lot 1 using the contract for that Lot.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>

RESOURCES AND ECONOMIC DEVELOPMENT – Cllr David Hall

Item	Date of Meeting	Summary of Decision
Capital Budget Monitoring Report Q4 2016-17	14 June 2017 by Cabinet	<p>SUMMARY OF DECISION: This report outlines the County Council Capital Investment Programme outturn position for 2016/17 and updates Members on changes since the Quarter 3 report presented in February 2017.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>
Revenue Budget Monitoring Report Q4 2016-17	14 June 2017 by Cabinet	<p>SUMMARY OF DECISION: The report outlines the Council's Revenue Budget final outturn position for the 2016/17 financial year. It also sets out a number of consequent issues requiring decisions.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>
Somerset Energy and Innovation Centre – Appointing a Construction Company	10 July 2017 by Cabinet	<p>SUMMARY OF DECISION</p> <p>Following consideration of the officer report, impact assessment and discussion Cabinet RESOLVED to:</p> <ul style="list-style-type: none">• Approve the appointment of the construction works contractor Wilmott Dixon via the SCAPE Major Works Construction Framework for the construction of SEIC2; and• Authorise the development of the design for SEIC 3 to progress to RIBA Stage 3. <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>

RESOURCES AND ECONOMIC DEVELOPMENT – Cllr David Hall

Item	Date of Meeting	Summary of Decision
Revenue Budget Monitoring Reports End of May 2017/18	10 July 2017 by Cabinet	<p>SUMMARY OF DECISION</p> <p>Following consideration of the officer report, appendix and discussion, the Cabinet RESOLVED to note the contents of the report and the potential outturn position for the year.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>
Development of the Medium Term Financial Plan 2018/19 (MTFP)	10 July 2017 by Cabinet	<p>SUMMARY OF DECISION</p> <p>Following consideration of the officer report and discussion, the Cabinet RESOLVED to note the forecast MTFP position for the years 2018/19 to 2021/22 as set out in this report and supported the proposed approach to the development of the MTFP.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>

HIGHWAYS AND TRANSPORT – Cllr John Woodman		
Item	Date of Meeting	Summary of Decision
See cross cutting decisions.		

CHILDREN AND FAMILIES – Cllr Frances Nicholson		
Item	Date of Meeting	Summary of Decision
Award of Family Based Care (fostering) Peninsula Framework	24 May 2017 taken by the Director of Children’s Services	<p>SUMMARY OF DECISION: The South West Peninsula group of authorities have recently concluded a tender for the provision of local foster placements for children and young people in care.</p> <p>The Peninsula authorities have since started discussions to determine the best procurement options enabling a way forward beyond March 2018.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>
Hamp Academy, Bridgwater - Proposed Modular Classroom and Specialist Practical Unit	7 June 2017 by the Commercial and Business Services Director	<p>SUMMARY OF DECISION: This report seeks approval to appoint the main contractor for the project and to place the main order for the manufacture of the proposed modular classroom and specialist practical unit in advance of the receipt of planning permission</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>

CHILDREN AND FAMILIES – Cllr Frances Nicholson		
Item	Date of Meeting	Summary of Decision
School Place Planning Infrastructure Growth Plan for Somerset 2017	22 June 2017 by the Cabinet Member for Children and Families	<p>SUMMARY OF DECISION: The Early Years and School Place Planning Infrastructure Growth Plan for Somerset has been refreshed and updated.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>
Creation of two New Academies in Somerset	26 June 2017 by the Cabinet Member for Children and Families and the Commercial and Business Services Director	<p>SUMMARY OF DECISION: The Secretary of State for Education has directed via an Academy Order, the conversion to Academy Status of two schools:-</p> <ul style="list-style-type: none"> • Holy Trinity Church of England School, Taunton • Wembdon St George's Church of England Primary School <p>These are technical decisions to facilitate decisions taken by the Secretary of State for Education. Both schools will become sponsored academies due to their recent Ofsted inadequate inspection outcome.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>

PUBLIC HEALTH AND WELLBEING – Cllr Christine Lawrence		
Item	Date of Meeting	Summary of Decision
Somerset Prevention Charter	14 June 2017 by Cabinet	<p>SUMMARY OF DECISION: As part of the work of the Somerset Sustainability and Transformation Plan (STP) being led by the NHS and Somerset County Council, the Somerset Health and Wellbeing Board have approved a new Somerset Prevention Charter</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>

CORPORATE AND COMMUNITY SERVICES – Cllr Anna Groskop

Item	Date of Meeting	Summary of Decision
No decisions		

ADULT SOCIAL CARE – Cllr David Huxtable

Item	Date of Meeting	Summary of Decision
Provision of Healthwatch Somerset	21 June 2017 by the Cabinet Member for Adult Social Care	<p>SUMMARY OF DECISION: This report gives information regarding the recommendation to award a contract for a new Healthwatch Somerset (HWS) service. The role of Healthwatch is set out in legislation and is tasked with being the consumer champion for health and social care, covering provision for children, young people and adults.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>

CROSS CUTTING – As specified

Item	Date of Meeting	Summary of Decision
Appointment of suppliers to a framework agreement for services in connection with a Travel Behaviour Change and Road Safety Training and Awareness Programme associated with the Hinkley Point C development	<p><i>Cabinet Member for Resources and Economic Development and Cabinet Member for Highways and Transport:</i></p> <p>14 June 2017 by Cabinet</p>	<p>SUMMARY OF DECISION: Given the financial thresholds envisaged, an OJEU compliant procurement process has therefore been undertaken to appoint suppliers to a new framework agreement that will have a maximum duration of four years. Though the framework is being established primarily to deliver the HPC related programme, the County Council may also use the framework to procure any other travel demand projects and programmes that it may wish to deliver. The contract will also be made available to members of the South West Highways Alliance.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report.</p> <p>REASONS FOR DECISION: As set out in the officer report.</p>

Report of the Scrutiny Committee for Policies and Place

Cabinet Member: N/A

Division and Local Member: All

Lead Officer: Julian Gale – Group Manager, Community Governance Group

Author: Jamie Jackson – Service Manager Scrutiny, Community Governance Group

Contact Details: 01823 359040

1. Summary

- 1.1.** The Scrutiny Committee for Policies and Place is required by the Constitution to make an annual report to the Council and also to provide each other meeting of the Council with a summary progress report and outcomes of scrutiny. This is our first regular report of this new quadrennium and covers the work of our first 2 meetings held on 13 June and 4 July 2017.
- 1.2.** The Committee agreed their work programme would comprise items considered directly at meetings plus other items considered or “commissioned” using flexible arrangements outside of the formal committee structure.
- 1.3.** Members of the Council are reminded that:
 - all Members have been invited to attend meetings of the Scrutiny Committee and to contribute freely on any agenda item;
 - any Member could propose a topic for inclusion on the Committee’s Work Programme;
 - any Member could be asked by the Committee to contribute information and evidence, and to participate in specific scrutiny reviews.
- 1.4.** The Committee has 9 elected Members and we have meetings scheduled approximately for every month. Our next meeting will be held in the Luttrell Room at 10.00am on 5 September 2017.

2. Background

2.1. Scrutiny Work Programme

At each meeting the Committee considers and updates its work programme, having regard to the Cabinet’s forward plan of proposed key decisions. The Committee also agreed to hold themed meetings and Members are looking forward to this approach, in particular the attendance of representatives and/or stakeholders from partner agencies.

2.2. 13 June 2017

Our first meeting began with us hearing questions and statements from members of the public on the Highways England road improvement scheme and the A358 - M5 to Southfields Improvement Response to non-statutory consultation. The Chairman thanked the members of the public that spoke and others who were in attendance to observe and listen and he noted that the concerns and opinions they had expressed were no doubt shared by many people in the local area. We considered the report and received a presentation from the Strategic Commissioning Manager – Highways and Transport. It was explained that HE would be responsible for the design, delivery and operation of the route, and the

Council was a consultee only and the scheme if progressed would be consented through the Development Consent Order mechanism used for nationally significant infrastructure projects. The role of the Council was explained as was the process of the current non-statutory stage of consultation by HE that would be used to help inform choice of a preferred route. It was highlighted that those wishing to make representations about the route were encouraged to contact HE directly. The Chairman thanked all those for attending and contributing to agenda item 5 and sharing their views on this important project and he reminded the Committee that Highways England were consulting on this scheme, not the Council, and therefore that all consultation responses should go to Highways England. The Chairman also reminded those present that the Cabinet Member for Resources and Economic Development, who had spoken on agenda item 5, would be taking a non-key decision (scheduled for 22 June) and comments on the proposed scheme could also be submitted to him to help inform the Council's response on the options consultation. We accepted the update.

Next we received a presentation from the Strategic Commissioning Manager – Community Infrastructure and the Service Manager – Flood Risk Management who together provided an overview and an update on the role and work of the Council as the Lead Local Flood Authority (LLFA). It was noted at the outset that the structure of Flood and Water Management in England was complicated and a diagram was shown of the various local agencies and the roles they each played. The overall aim of the presentation was to highlight the various on-going works undertaken by the Council and in collaboration with others to make a positive difference to Flood risk management in Somerset. It was suggested that the work of the Somerset Rivers Authority be discussed at a future meeting and we accepted the update.

We then received a PowerPoint presentation from the Commercial and Business Services Director on the Council's overall ICT strategy. The main focus of the improvements was to work across 3 themes to increase productivity; resilience and compliance. The update was accepted.

We then had to consider nominating 2 Members for Joint Scrutiny work in Somerset and in respect of the Joint Scrutiny of the Somerset Rivers Authority the Committee agreed to nominate Cllr Ham and Cllr Wedderkopp. In respect of the Joint Scrutiny of the Somerset Waste Board the Committee agreed to nominate Cllr Lock and Cllr Lewis.

4 July

Our July meeting began with us considering a performance monitoring report that provided an overview of the Council's performance across the organisation. The Strategic Manager – Performance began by addressing comments made by the Chairman after he had spoken at the last Cabinet meeting to urge an improvement on the timeliness of the data and information contained in the performance reports. It was noted that one proposal was to send the Chairmen of the 3 Scrutiny Committees an earlier draft performance report prior to publication. We accepted the report and the Chairman sought and received assurances that Officers across the Council were effectively and regularly taking action to improve and manage the budget situation as the Committee remained concerned with the projected overspend and he repeated his frustration at the time delay in the information being reported.

We then received a received a thorough overview of the report from the Service Manager – Economy which explained that Connecting Devon and Somerset (CDS) was a local government-led partnership that worked to extend superfast broadband infrastructure in areas where commercial providers did not plan to

deliver a Next Generation Access (NGA) broadband service. We accepted and noted the report and the Chairman it was suggested that any Members with specific enquires regarding broadband in their area contact the Officers directly. We then had the benefit of a report and a presentation from the Devon and Somerset Trading Standard Service Manager outlining the performance of the service during 2016/17 and its operational plan for 2017/18. It was reported that the joint service has consistently exceeded its savings target since its creation in 2013 with no significant impact on service delivery. Savings for 2016/17 are on track currently. We welcomed the report and the Chairman commended the officers as this was a good example of collaborative working and showed the benefits of working with neighbouring authorities. We requested an update in 12 months.

Our attention then turned to considering a report and received a verbal overview from the Acting Strategic Manager – Registration and Scientific Services.

Members had the benefit of hearing an overview of the services provided and it was noted that service volumes continued to increase year on year. The service at the same time had continued to achieve a high level of performance, often exceeding regional and national attainment. There was a brief discussion about further expansion and Members heard that the next steps for the service would be to increase service provision by offering services to other authorities.

However, it would be important that the service was able to assure the quality of services currently provided before expanding. The Chairman thanked the officer for the update commended the transformation, congratulated all staff involved and it was agreed that the update was for 12 months

Our final agenda item was to provide us with an update on the County Plan Vision Projects progressed by the vision volunteers. By way of background it was explained that the projects came about following the publication of the County Plan in January 2016 which set out the visions for a University for Somerset, a Garden Town in the County, creation of new Business Parks and a push on Energy Initiatives. The Chairman thanked the Officer for the update and the update was accepted and it was agreed to receive a further update in six months

3. Consultations undertaken

- 3.1. The Committee invites all County Councillors to attend and contribute to every one of its meetings.

4. Implications

- 4.1. The Committee considers carefully, and often asks for further information about the implications as outlined in, the reports considered at its meetings.
- 4.2. For further details of the reports considered by the Committee please contact the author of this report.

5. Background papers

- 5.1. Further information about the Committee including dates of meetings in the new quadrennium, and agendas & reports from previous meetings are available via the Council's website. www.somerset.gov.uk/agendasandpapers

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Somerset County Council

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Annual Report of the Scrutiny for Policies, Adults and Health Committee

Chairman: Cllr Hazel Prior-Sankey

Division and Local Member: All

Lead Officer: Julian Gale – Strategic Manager – Governance and Risk

Author: Jamie Jackson – Governance Manager - Scrutiny

Contact Details: 01823 359040 jajackson@somerset.gov.uk

1. Summary

- 1.1** The Scrutiny for Policies, Adults and Health Committee is required by the Constitution to make an annual report to the Council each year and also to provide each other meeting of the Council with a summary progress report and outcomes of scrutiny.
- 1.2** The Committee agreed their work programme would comprise of items considered directly at meetings plus other items considered or 'commissioned', using flexible arrangements outside of the formal committee structure.
- 1.3** Members of the Council are reminded that:
 - all Members have been invited to attend meetings of the three Scrutiny Committees and to contribute freely on any agenda item;
 - any Member could propose a topic for inclusion on the Scrutiny Work Programmes;
 - any Member can be asked by the Committee to contribute information and evidence and to participate in specific scrutiny reviews.
- 1.4** The Committee has 9 elected Members.
- 1.5** The meeting on 21 June 2017 focused on: Update on the Development of the Somerset Sustainability & Transformation Plan; CQC Inspection of Somerset Partnership NHS Foundation Trust; Joint Strategic Needs Assessment and Update on the Somerset-Wide Integrated Sexual Health Service.

2. Background

2.1 Scrutiny Work Programme

At each meeting, the Committee considers and updates its work programme, having regard to the Cabinet's forward plan of proposed key decisions. Members appreciate the attendance of representatives and stakeholders from partner agencies

2.2 21 June 2017

The Committee received a report from the Senior Responsible Officer, Somerset Sustainability & Transformation Plan (STP). They also received an executive

summary of the STP.

The Somerset STP has been developed jointly by Somerset Clinical Commissioning Group, Somerset County Council, Somerset Partnership NHS FT, Yeovil District Hospital NHS FT and Taunton and Somerset NHS FT and was launched in November 2016. It sets out a shared vision for reforming health and social care to address the challenges of the rising needs of our population, changing demographics and increasingly stretched resources.

The report detailed the key aims that the STP will focus on in order to close the current health and wellbeing, quality and financial gaps. These were identified through a prioritisation process undertaken by the STP programme executive group.

The next phase of the STP is to take forward these priority schemes, working with health and social care professionals, patients, service users and the public to develop new models of care that are effective and sustainable. A programme of engagement work is now being planned and undertaken with representative groups, including experts by experience and voluntary sector groups, relevant to the priority areas identified to ensure that a wide range of views are taken into account in developing the new models. If the outcome of these reviews leads to significant service change then the STP will undertake a formal consultation with people, families and communities across Somerset.

The Committee discussed the need to focus on prevention, the huge costs associated with consultations, the need for more detail in the plan and the need to address workforce challenges.

We noted the report and asked for a further update at the 20 September 2017 meeting.

The Committee then received a report and presentation from the Chief Executive, Somerset Partnership NHS Foundation Trust regarding the inspection of the Trust by the Care Quality Commission (CQC) in February and March 2017.

The Trust had previously been inspected by the CQC in September 2015 where the CQC rated the Trust as requires improvement overall. Following the inspection in March 2017, the CQC changed the overall rating of the Trust to good.

The report detailed the significant progress made by the Trust in addressing the concerns the CQC had raised in September 2015. CQC has still identified areas for improvement for the Trust, particularly in relation to community hospital and mental health inpatient services and the Trust will be developing an action plan to address the areas identified as requiring improvement. The Trust is ambitious to move from good to outstanding.

In addition, the Chief executive was also able to provide updates regarding the temporarily closed ward at Minehead Hospital and the Magnolia Ward in Yeovil. It was confirmed that the temporarily closed ward at Minehead Hospital will re-open on 11th July 2017 with staff relocating from the ward at Williton Hospital. It was also confirmed that the Magnolia Ward in Yeovil will be temporarily closed as of the 12th July 2017 on the grounds of patient safety. The ward cares for older

patients with dementia but there is currently insufficient staff to maintain a safe service. A number of steps have been taken to try to mitigate the temporary closure including: opening four additional beds in Taunton; purchasing extra spot care in the Yeovil area and the provision of a seven day outreach service.

The Committee congratulated the Trust on its improved performance and discussed the performance and inspection of dental services and the need to improve mental health services.

We noted the report.

Following this, the Committee received a report from the Joint Strategic Needs Assessment (JSNA) Project Manager and a Public Health Specialist.

Production of an annual JSNA is a statutory duty for Health and Wellbeing Boards (HWB). The assessment presents evidence on the scale and nature of the population's health and care needs, and likely future need, to inform decision making by the Board and its members. The bulk of the information is published as a website at www.somersetintelligence.org.uk/jsna. An annual summary is also produced, usually concentrating on a cross-cutting issue or population group in the county. The draft annual report for 2017 has a focus on ageing well. It looks at the health, social care and wellbeing needs of the population aged over 65 and is complemented by a qualitative report detailing personal experience and attitudes to ageing well.

The report is produced collaboratively by the partners on the Health and Wellbeing Board, and consulted upon widely to assess whether it is presenting a useful and realistic picture of need. The Health and Wellbeing Board is formally a committee of the County Council, but also includes members from each district council in Somerset, the Somerset Clinical Commissioning Group and Healthwatch, representing patients' views. The HWB is required to take the findings of the JSNA into account in developing the Health and Wellbeing Strategy. Somerset County Council and CCG are required to take it into account in commissioning decisions.

The report highlighted a number of key themes including: the importance of prevention and lifestyle choices; that inequalities in health are very evident and that good transport, housing policy and social contact have a significant impact on the ability to remain independent, active and included in community life.

The Committee discussed: the importance of investing in prevention; the role of the 3rd sector and the need for the JSNA to inform the HWB strategy.

We noted the report.

Finally, the Committee received a report from a Public Health Specialist which updated the Committee on the progress of the Somerset-Wide Integrated Sexual Health (SWISH) service including areas of concern raised in the last report to the Committee in November 2016.

The SWISH Service is making strong progress and is performing well against the key performance indicators and outcomes for the service.

The service continues to manage public demand through the telephone booking system. The online triage and booking system is still not operational after it was found the provider were unable to deliver the required service despite initial assurances. New software is being developed by the company and it is expected that the new system will be viable at the end of 2017/18.

Access to the service in the Yeovil area has been improved with the opening of a weekly clinic based at Hendford Lodge medical practice. There is still a need to monitor service access by east Somerset residents and SWISH are currently reviewing DNAs and waiting times for services.

There have been developments with the HIV pathway to improve the transition for patients diagnosed with HIV through SWISH and The Eddystone Trust to the HIV treatment service at Taunton and Somerset NHS Foundation Trust. The HIV treatment service have completed a look back review on patients with a late diagnosis and identified missed opportunities within primary care and hospital A&E for patients attending with a variety of conditions. The Consultant for HIV is sharing information across clinical networks to raise awareness and will be working with the Somerset Sexual Health Network to disseminate knowledge and good practice.

A pathway for Post Exposure Prophylaxis (PEP) for sexual exposure has been developed and SWISH are now being reimbursed by NHS England for the associated antiretroviral therapy drugs as per national guidance. The Consultant for HIV has developed pathways with Taunton and Somerset NHS Trust, Yeovil District Hospital NHS Foundation Trust and Optima (occupational health) to support needle stick injuries for healthcare workers and to ensure these are not sent inappropriately to sexual health services.

SWISH are responsible for managing the chlamydia screening programme for 15-24 year olds, including sub-contracting services from general practices and pharmacies. The service has developed a multi-faceted plan to increase coverage of the programme and this includes visiting general practices to provide training and to identify chlamydia champions to increase the confidence and skills of practitioners in offering opportunistic screening. There is good evidence within Somerset of young people accessing screening online and through minor injury units and pharmacies all of which show high positivity rates demonstrating that these areas are targeting the right young people.

A significant challenge for the new SWISH service is managing demand within a fixed budget. This is a national issue, with the numbers of attendances to sexual health services increasing across the country whilst services are having to deal with cost efficiencies. SWISH is funded through both fixed costs (e.g. staffing and estates) and non-fixed activity costs (e.g. pathology for sexual health tests, STI treatment, contraception and medical supplies). During 2016/17 there were nearly 16,000 attendances at SWISH services demonstrating huge demand. To mitigate against financial risk an improvement plan has been developed with Somerset Partnership with identified areas of focus. SWISH have a leadership role for the whole sexual health system and are responsible for ensuring that pathways exist with other services including those provided by General Practices, pharmacies, HIV treatment services, sexual assault centres and abortion services as well as training and updating practitioners.

To ensure financial viability it is essential that service demand is managed across the health system and that prevention targets those at greatest risk. An example of this would be access to Long Acting Reversible Contraception (LARC) which SCC also commission from General Practices. SWISH is not commissioned to provide contraceptive services for the whole of the population and most women would and should access this through their GPs. A training programme is being put in place for GPs and Practice Nurses to ensure more women can access them for LARC and to reduce the numbers of women being sent by GPs to the SWISH service for e.g. routine coil fits and removals. The Somerset Sexual Health Network is engaged with the Local Medical Committee to review access to LARC and to increase uptake in training and provision in General Practice. In addition the SWISH website has been amended to reflect that contraceptive services and some sexual health services are available from General Practice to raise public awareness.

The Committee discussed the importance of prevention and education and services to support female genital mutilation.

The Committee noted the report.

3. Consultations Undertaken

The Committee invites all County councillors to attend and contribute to its meetings.

4. Implications

The Committee considers carefully and often asks for further information about the implications as outlined in the reports considered at its meetings.

For further details of the reports considered by the Committee, please contact the author of this report.

5. Background Papers

Further information about the Committee including dates of meetings and agendas and reports from previous meetings, are available via the Council's website:

www.somerset.gov.uk/agendasandpapers

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Report of the Scrutiny for Policies, Children and Families Committee

Chairman: Cllr Leigh Redman

Division and Local Member: All

Lead Officer: Julian Gale – Strategic Manager – Governance and Risk

Author: Jamie Jackson – Governance Manager - Scrutiny

Contact Details: 01823 359040 jajackson@somerset.gov.uk

1. Summary

- 1.1.** The Scrutiny for Policies Children and Families Committee is required by the Constitution to make an annual report to the Council and to provide each other meeting of the Council with a summary progress report and outcomes of scrutiny. This report covers the work of the Committee's first meeting of the new quadrennium on 16 June 2017.
- 1.2.** The main focus of our work programme will be to ensure the continuous improvement and delivery of the 7 priorities contained within the Children and Young Peoples Plan (CYPP). In this endeavour the Chairman has again suggested that each Member of the Committee volunteer to act as a 'champion' for each of the 7 programmes.
- 1.3.** Our predecessor Committee were pleased to see continuing progress in many areas of the Council's improvement agenda for children and young people and our central focus will also be to constantly ask - What impact does that have on children in Somerset?
- 1.4.** The Committee has 8 elected Members, 1 space being vacant. We also have 7 co-opted members. We have 2 Church representative vacancies along with 1 Parent Governor vacancies and we are looking at ways to ensure those positions are occupied. We have retained our Schools Compact representative and a representative from the Schools Forum; our co-opted members have voting rights on education matters only. We look forward to once again hearing first hand testimony from front line staff who will we invite to attend and participate at our meetings.
- 1.5.** Members of the Council are reminded that:

 - all Members are invited to attend meetings of all the Council's Scrutiny Committees and to contribute freely on any agenda item;
 - any Member could propose a topic for inclusion on the Scrutiny Work Programmes;
 - any Member can be asked by the Committee to contribute information and evidence, and to participate in specific scrutiny reviews.

2. Background

2.1. Scrutiny Work Programme

As noted above the focus of our work programme will be the 7 priorities of the CYPP with practical work to support and challenge service improvement. The Committee fully supported this at our first meeting and look forward to working with the Director of Children's Services (DCS) and other Officers to ensure topics dealt with during Scrutiny meetings support the improvement process.

Each of our future meetings will have specific agenda items to consider the work programme and this will allow members and officers to suggest items we should scrutinise in more depth. We are also very keen to enhance our ability to monitor our suggested outcomes and recommended actions to ensure these have been progressed, and to assist us in this we will continue to review our outcome tracker at every meeting to ensure this is meaningful.

2.2. 16 June 2017

Our first main agenda item was an update information report that provided the Committee with details of the Children and Young People's Plan (CYPP) a three year plan that had started in April 2016 that set out the actions the Council and its partners were taking to continue and sustain improvements in Children's Services. The Plan followed a multi-agency approach, and was overseen by the Somerset Children's Trust and had 7 improvement programmes, each managed by a relevant Board to ensure improvement in those areas. We accepted the report and the Chairman encouraged Committee Members to consider the CYPP before the next meeting in July and he also expressed his desire for each Member of the Committee to become a volunteer champion, taking a specific interest in one of the 7 programmes. The Committee also requested that a glossary of acronyms be provided to aid understanding.

We then considered a report that provided details of a peer review carried out last May by Gloucestershire County Council of the Council and partners, as part of the preparation for a Local Area Inspection of Special Educational Needs and Disability 0-25 (SEND 0-25) by OFSTED and the Care Quality Commission (CQC). The Chairman asked how the required improvements would be brought and monitored and the Director of Children's Services replied that the peer review had recommended priority areas and a lead officer had been identified to drive through a rapid response. The priority area groups would meet fortnightly and focus on addressing the findings of the peer review and would report to a newly established multi-agency SEND 0-25 Intervention group. It was also noted that an Interim Head for SEND was now in post, and this would provide valuable capacity and expertise in the Council's response to the peer review. We accepted the report and it was suggested and agreed that an update be provided in a few months to give the Committee an overview of the progress.

Next was a report that provided us with an update (requested by the previous Committee in 2016) on the capital projects that were submitted to the Education Funding and Skills Agency (EFSA) to support sufficiency of places for the new requirement to deliver 30 hours a week funded places for 3 and 4 years old from 1 September 2017. This had been brought about by the Childcare Act 2016 that discharged a duty to Local Authorities to secure sufficient places for the extended entitlement of 30 hours childcare for eligible working parents of 3 and 4 year olds. We heard that Somerset had submitted 6 projects for consideration by the EFSA and all 6 projects had been approved with total capital funding awarded to Somerset of £1,515,027.31. We had a brief discussion about the estimated sufficiency of places and the overall supply and demand estimates and it was reported that by the end of last May, some 280 providers out of 496 that would

accept the extra entitlement had registered as offering 30 hours spaces, 56% of providers and approximately 3902 spaces. We accepted the report. Our final report provided an overview of the on-going fostering recruitment activity, and Members heard that a rolling programme of pro-active recruitment activity continued with the support of the Communications Team and that it had been particularly good at raising awareness and the profile of this important area. It was reported that the recruitment of sufficient numbers of foster carers for children in care had become a rising challenge both locally and nationally, and there had been a national rise in the number of children in care although Somerset had been able to hold this number steady at approximately 475 children for a period of 12 months. In response to a question it was stated that this was due to improved care planning and support provided to families to enable them to continue to care for children at home. During consideration and discussion of the report Officers encouraged Members to share ideas and suggestions for improving the overall fostering offer in Somerset and Members suggested attendance at local Shows or Fetes being held across the County in the summer months and it was also suggested that information articles be included in local Parish/Village magazines to raise awareness of the possibility of fostering. The Chairman thanked the Officers for the update

3. Consultations undertaken

- 3.1. The Committee invites all Councillors to attend and contribute to its meetings.

4. Implications

- 4.1. The Committee considers carefully, and often asks for further information about the implications as outlined in the reports considered at its meetings. For further details of the reports considered by the Committee please contact the author of this report.

5. Background papers

- 5.1. Further information about the Committee including dates of meetings in the new quadrennium, and agendas & reports from previous meetings are available via the Council's website.
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Somerset County Council

County Council

– 19 July 2017

Annual Report of the Cabinet Member for Business, Inward Investment and Policy (now Resources and Economic Development)

Cabinet Member: Cllr David Hall - Cabinet Member for Resources and Economic Development

Division and Local Member: N/A

Lead Officer: Paula Hewitt – Lead Director for Economic and Community Infrastructure & Director of Commissioning

Author: Paul Hickson - Strategic Commissioning Manager, Economy and Planning

Contact Details: 07977 400838

1. Summary

- 1.1. I will use this report to set out progress and achievements from the last year in the services that fall under my Cabinet responsibilities for business, inward investment and policy, as well as looking forward to what the next year has in store.
- 1.2. This report focusses on the key highlights from these services from the past year. Beyond this it is also important to recognise the importance of on-going service activity and the tremendous contributions our staff make to businesses and communities.

2. Business, Inward Investment and Policy – the last 12 months

2.1. Economic Development

2.1.1 Heart of the South West Local Enterprise Partnership (LEP)

The LEP is crucial to creating the climate for growth and enabling delivery of the economic priorities from our County Plan. SCC is a key partner in the Heart of the South West LEP and in the past year we have continued to work effectively with the LEP and its wider partners to promote growth in the Heart of the South West area. The LEP concluded negotiating its third Growth Deal with Government in February 2012. The LEP and its partner local authorities worked closely with local MPs to encourage Government to agree a significant deal for the Heart of the South West, resulting in £43.57 million being committed to the area. For Somerset this includes investment in the Somerset Energy Innovation Centre in Bridgwater, the iAero centre in Yeovil, improvements to the Toneway in Taunton, access infrastructure for the Huntspill Enterprise Zone and funds for the Connecting Devon and Somerset programme. These schemes combined account for £27 million of the LEP's Growth Deal 3 award – a favourable outcome for Somerset. Overall the LEP has secured £223 million from its three Growth Deals and schemes benefitting Somerset account for £100 million of these funds. SCC is also working with the LEP and its local authority partners to develop a Heart of the South West productivity plan to supersede the current strategic economic plan for the area and provide a basis for negotiation with government about future funding for growth and infrastructure. A “green paper” for the plan was issued in February 2017 and SCC worked with Somerset partners to prepare a detailed response to this. SCC has also led work on

behalf of the LEP (and its neighbouring LEPs in Cornwall and Dorset) to secure funds for the development of an energy strategy for the South West peninsula. In March 2017 a successful bid was made to BEIS for £100,000 to support this work.

2.1.2 Skills and Employment

There is considerable evidence that availability and retention of suitably skilled workers is one of the key barriers to growth facing Somerset businesses. Equally the potential of career pathways and apprenticeship opportunities in sectors such as engineering and construction is often under-estimated by young people and their advisors at home and in schools. During the past year we have made significant progress in our approach to employment and skills issues. The Somerset employment and skills steering group has been rejuvenated under the leadership of Fiona McMillan and a revised Somerset employment and skills strategy developed, with working groups taking forward key strands of activity. This includes a task and finish group involving SCC, the Somerset Further Education Colleges and other partners to take forward our County Plan ambition of creating a University of Somerset. We have recently commissioned research to evidence future demand for higher level qualifications from employers as a key part of the business case for the University. This work will be completed by September 2017.

2.1.3 Enterprise Zone

Working with the LEP and Sedgemoor District Council we have secured from Government Enterprise Zone status for the Huntspill Energy Park. This will accelerate the delivery of this strategic employment site and provide additional business incentives - crucial to our ambitions to secure local investment relating to the Hinkley Point C supply chain. As part of the LEP's Growth Deal 3 settlement funds were allocated in February 2017 to enable the construction of the access infrastructure needed to unlock this site. In addition the partnership has agreed a Memorandum of Agreement for the operation of the Enterprise Zone with Government and secured commercial support grant funding from DCLG to support the legal and technical work needed to bring the Enterprise Zone forward. Further to this a shadow Governance Board has been established, The Lead Director (Paula Hewitt) and I have a seat on this Board. The partnership has worked closely with the site owners on commercial aspects of the development, including site assembly, negotiating the section 106 agreement associated with the planning consent and marketing of the site.

2.1.4 Superfast Broadband - Connecting Devon and Somerset (CDS)

This year significant progress has been made in the delivery of high speed broadband to homes and businesses across Somerset. Phase 1 of the CDS programme has now reached its conclusion with confirmation of the final outturn of coverage being verified by BT in its final coverage report on 5 June 2017. 335,625 premises across the CDS geography are now able to access a fibre enabled service. Of these 335,625 premises 282,042 now have access to a superfast broadband service of 24 Mbps and above. This equates to an over delivery of 2,767 premises that can access superfast broadband.

2.1.5 The phase 2 intervention area has been divided into two areas: Exmoor and Dartmoor National Parks and the remainder of the Connecting Devon and Somerset area. The National Parks deployment is being delivered by Airband Community Internet Ltd and has to date delivered a 30Mbps broadband service to 3,701 premises across some of the hardest to reach areas in the UK.

Finalising where the phase 1 supplier BT was providing a service across the National Parks has meant that the contract has been extended to the 30th September 2017. This has enabled Airband; working with the CDS team to plan a second stage of deployment, targeting those individuals and businesses that otherwise would not be able to access a superfast broadband service. The second stage of deployment is underway, which will enable Airband to not only achieve its contractual targets, but ensures that those desperate for an enhanced broadband service will receive it.

2.1.6 The remainder of the phase 2 area has been divided into 6 separate lots, 5 of which have been awarded to Gigaclear and 1 to Airband (a pure fibre network provider). Currently detailed planning is being undertaken to ensure that as much coverage as possible will be achieved by the funding at their disposal. It is expected that the planning stage will be completed shortly and build can begin on the next stage of the CDS programme.

2.1.7 Somerset Energy Innovation Centre (SEIC)
SCC is leading the development of the SEIC in Bridgwater as a key part of our strategy to facilitate the development of a low carbon energy business cluster in Somerset and in particular maximise on supply chain business opportunities linked to the construction of Hinkley Point C. Phase 1 of SEIC comprises a 3000 square metres of office building and is now at 90% occupancy. During the past year EDF Energy has taken a lease and invested significantly in the ground floor of the building so that it can form an induction centre for Hinkley Point C for its contractors and construction workforce. The full vision for SEIC involves a further two phases of construction to complete the facility, with the funding strategy for this including further investment via Growth Deals and EU Structural Funds. A full business case has been submitted to DCLG for European Regional Development Fund (ERDF) grant support for phase 2 and Growth Deal 3 funds were awarded by the Government in February 2017 for phase three. It is our understanding that if our application for European Funds is successful they will not be impacted by Brexit. Alongside this we are progressing the development of these two remaining phases, with full planning consent being secured for phase 2 in January 2017.

2.1.8 Aerospace/iAero Yeovil Centre
Aerospace and advanced engineering is of particular importance to Somerset's economy and we are at the centre of the UK's rotorcraft sector, linked to the presence of Leonardo Helicopters and significant parts of its supply chain in the county. We are working closely with the industry, the LEP and other partners to sustain and develop this sector and as part of this we are developing plans for an aerospace centre in Yeovil to support innovation in the supply chain and the development of new products and processes. We have secured planning permission for the development of this centre and are at advanced stages in the process of securing £6.5 million of Growth Deal 3 and ERDF funding to support its construction. In addition SCC has agreed to allocate capital and revenue funding totalling £1.4 million for the scheme. In April 2017 we jointly commissioned with SSDC a report assessing the importance of the sector and its future support needs to influence Government thinking as part of our response to its Industrial Strategy consultations.

2.1.9 Somerset Growth Plan
The Somerset Growth Board comprises Somerset local authorities, Further Education Colleges and representatives of the business community and is

designed to ensure effective joint working on economic development across Somerset stakeholders. It has an important role in ensuring a shared Somerset voice to the LEP and Government. During 2016/17 SCC has led the process of refreshing the Somerset Growth Plan on behalf of the board to ensure that there is a focussed and forward looking position in Somerset's growth priorities to support the work of the partners. A draft plan was endorsed by the board in February 2017 and is in the process of being finalised and signed off formally by the partners.

2.1.10 Inward Investment

SCC and the Somerset District Councils work closely together in an informal joint service arrangement to encourage new investment in Somerset, using the brand "Into Somerset" for this purpose. A jointly agreed memorandum of understanding has been signed by the partners and a number of marketing tools are in use including an inward investment website ("intosomerset.co.uk"), social media, ("twitter.com/into somerset") and marketing collateral (e.g. a branded brochure and banner). The Into Somerset twitter account is updated daily by SCC and currently has over 10,200 followers. In April 2017 the "Into Somerset" website was refreshed to ensure the site continues to attract interest from a range of potential inward investors and businesses looking to re-locate or grow. Visits to the website are currently averaging circa 400 unique users per month, an increase of around 20% on the previous year. Circa 349 enquiries and searches have been registered on the commercial property search website since October 2015. The enquiries cover all sectors and scale of activity from single entrepreneurs through to potential investments leading to significant numbers of new jobs. There are over 500 commercial properties listed on the commercial property search section of the website and these are refreshed daily by the 300+ agents that supply data.

2.1.11 In addition to this general marketing and investment casework activity SCC is working with South West local authorities and LEPs to stimulate nuclear related inward investment and business development. A contract was awarded for targeted work to promote the area in March 2017 with two elements; business support and technical advice for SMEs to access supply-chain opportunities from the new nuclear build at Hinkley Point; and an Inward investment campaign to promote the South West as an attractive area for nuclear related investments.

2.1.12 Supporting Businesses and the Local Economy

Our network of enterprise centres provides an infrastructure to support new start and growing small businesses across rural Somerset. In addition to the five existing centres in the network we have made significant progress in the past year with plans for a further three developments: new centres at Wells and Wiveliscombe and a second phase of the Highbridge enterprise centre. Planning permission has been secured for all three developments and we are finalising Growth Deal and ERDF funding to enable the schemes to proceed. Occupancy rates remain high across the network. Alongside this physical infrastructure for small businesses SCC has worked with partners in the Heart of the South West to secure ERDF and BEIS funding for support services for small businesses through the Growth Hub and a dedicated service to support the growth of social enterprises. SCC is directly funding the advisory service element of the Growth Hub and the social enterprise programme.

2.2 New Nuclear in Somerset

- 2.2.1** On 29 September 2016 the UK Government, EDF Energy and China General Nuclear Power signed contracts, including the Contract for Difference, which marked the end of the development phase and formal launch of the Hinkley Point C (HPC) project. Works at the HPC site are fully underway, including the main excavation works where the reactor buildings will stand once construction is complete and the southern landscaping area that will separate the site from nearby hamlets. The first two of fifty tower cranes are now in place, together with some important new operational/infrastructure features including:
- a 57,000 tonnes capacity aggregate store;
 - two new temporary bridges to separate light and heavy vehicles on site;
 - number of workers on site has now exceeded 2000.
 - a spray concrete batching plant that is providing concrete to aid ground stability particularly on the sides of the excavations.
- 2.2.2** The site has reached a major milestone with the pour of the first nuclear safety concrete for the first permanent structures of the station. The installation of the temporary jetty at the site is progressing which will allow 80% of aggregates needed for concrete production to be brought via sea transport throughout construction. The 'associated developments' are moving forward and include good progress at the Junction 23 Park and Ride site and advanced preparations for accommodation campus construction in both Bridgwater and on-site.
- 2.2.3** The early completion of a package of road improvement schemes being delivered by EDF Energy in Somerset are key to ensuring that the local infrastructure is fit for purpose during the construction of Hinkley Point C. EDF Energy has already delivered a number of key schemes, most recently the important junction improvements at Bristol Road/The Drove and The Drove/Wylds Road which were delivered in parallel to reduce traffic disturbance and the overall construction programme. The focus of highway works in the next year will continue to be in the north of Bridgwater.
- 2.2.4** In addition to supporting EDF Energy in the delivery of and communications surrounding these infrastructure schemes, SCCs focus has been in the development and delivery of a range of mitigation measures funded through the S106 agreement including highway improvements, rights of way, landscape, archaeology and skills and education interventions. In particular, SCC completed in October 2016 construction of a shared use footpath/cycleway on the 1.5km stretch between the junction of the C182 with Combwich and the new Cannington Bypass. The scheme included carriageway widening and resurfacing with improved drainage. The scheme is part of a wider package of Corridor Improvement Schemes that SCC will deliver over the next few years. Construction of a new footway/cycleway alongside the A39 between Cannington Main Road Roundabout and Sandford Hill Roundabout commenced at the end of June which will provide a safe off road route for cyclists and pedestrians we are continuing to promote its use.
- 2.2.5** SCC has been supporting 'Education Inspire' and the 'Young HPC' initiatives which are programmes delivered by EDF Energy to prepare young people to take advantage of the huge opportunities that the construction and operation of HPC will bring. The Inspire programme began in 2011 and aims to enthuse young people to continue to study Science, Technology, Engineering and Mathematics (STEM) subjects and the construction and built environment.

Between September 2016 and February 2017, 9361 pupils, 115 education institutions and 410 education professionals were engaged. Direct engagement is taking place between the SCC and EDF Energy and its Tier One contractors to inform and shape their Education and Skills Plans by giving advice and guidance and facilitating engagement with Somerset schools.

2.2.6 In October 2016, the Secretary of State for Education announced target geographical areas for investment due to scoring low on Social Mobility measures and West Somerset was identified in the first tranche of areas to be supported. A project proposal has been developed, one element of which involves supporting the 14-25yrs age group. Through this, the County Council facilitated EDF being identified as a 'Cornerstone Employer' as part of the Careers and Enterprise Company's West Somerset plan. This work is on-going. Activity has been taking place to ensure that the HPC project benefits and leaves a legacy for those distanced from employment, disadvantaged or vulnerable. This has included liaison with front line services that work with groups of young people for whom an opportunity to be engaged in the HPC development could be life-changing.

2.2.7 We now have an impressive suite of assets to support our collective ambition to secure the wider benefits from the HPC development, supported by investments secured by the Heart of the South West Local Enterprise Partnership. In addition to SEIC and Huntspill Energy Park described earlier they include:

- National College for Nuclear (SW Hub) - to be based in Cannington and opened later this year, the College will increase the concentration of specialist nuclear expertise, reinforcing Somerset place at the forefront of nuclear development and meeting the needs of the nuclear industry for 30,000 new employees in particular to facilitate new nuclear build in the UK.
- Hinkley Point Training Agency – a not for profit training agency designed to act as a facilitator for skills intervention for HPC.
- Hinkley Supply Chain Portal and Hinkley Enabling Team - the Councils and the Somerset Chamber of Commerce have been working closely for many years now with EDF Energy to develop a robust local supply chain that will support the project. Already nearly 2,000 Somerset businesses have registered on the dedicated website as potential suppliers for the Hinkley Point C project. The Somerset Chamber has been capturing the specific needs of the collaboration being sought and helping to identify potential matches within its supplier database. EDF Energy has already awarded £465 million worth of contracts across the South West. Some successes to date include:
 - The Somerset Larder which is a coalition of South West caterers in a contract worth around £50m. 150 jobs have been created and it involves over 30 local suppliers
 - HOST of Somerset will service the temporary worker accommodation. Its contract is worth about £150m and will create 190 local jobs, including landscaping staff, cleaning, catering, security, and maintenance.

2.2.8 Through the Hinkley Strategic Delivery Forum (HSDF) we have been working with local, regional and national partners, including the Local Enterprise Partnership. The initial focus for HSDF has been delivery of the Hinkley Deal which provided additional funding and support from Government. HSDF is now being reshaped to strengthen the link between the Government's ambitions, set out in its Industrial Strategy Green Paper, and the opportunities and challenges

for Somerset and wider the South West in particular associated with a 'sector deal' on Nuclear.

2.3 Waste

2.3.1 Improving Recycling and Reducing Residual Waste

Household waste arisings increased slightly in 2016/17 by 1734 tonnes (0.67%). This represents a slower rate of growth than has been recorded in recent years and is likely to reflect population growth. However the amount of waste landfilled increased with a corresponding downturn in recycling (0.15%). Despite this, the recycling rate in Somerset remains encouraging at 52.7% - significantly above both the South West and England averages. Somerset Waste Partnership (SWP) has made real progress this year to address our performance in residual waste sent to landfill by signing a contract with Viridor that will see energy recovered from residual waste starting in 2020.

2.3.2 SWP has obtained agreement from all the local authorities in Somerset through the Somerset Waste Board (SWB) on a new service model for kerbside collections. The *Recycle More* service will enable residents to recycle additional materials and considerably reduce residual waste. Recycle collections will continue to be weekly and residual waste collections can be every 3 weeks, with additional storage capacity provided where needed for households with nappies and adult hygiene waste. Implementation arrangements and a roll out timetable for the new services are currently being reviewed. The introduction of *Recycle More* and the move from landfill disposal to energy from waste will stop the trend of increasing waste arisings and declining recycling rates and deliver a step improvement in performance along with significant reductions in costs. SWP remains active in supporting community based food waste avoidance, promoting home composting, encouraging use of reusable nappies and promoting furniture reuse.

2.3.3 Recycling Centres

Somerset recycling centres continue to perform well with a 5% increase in visits and an increase in recycling rate to 76%. A significant change was made to the recycling centres in 2016/17 with the introduction of a permit system for vans and trailers. This scheme was introduced to address the cross-border use of the centres by residents of neighbouring authorities, to reduce congestion, and to reduce commercial waste being brought into the sites. SWB considered the findings of the permit review at their June meeting.

2.4 Heritage

2.4.1 The South West Heritage Trust continues to build upon its reputation and over the past year has continued to develop how it meets its objectives relating to looking after our heritage assets. The Somerset Rural Life Museum has re-opened following its redevelopment; I would urge that Members visit this impressive, historical and educational facility. The Trust has developed its digital engagement and has installed new ICT systems to improve access and information storage. This will give a strong framework for the future. Engagement and learning are important parts of the Trust's work and the strength of its public programmes, including in terms of its learning offer. I would like to congratulate the Chief Executive of the Trust, Tom Mayberry, for his recent awarding an MBE.

2.4.2 Outside Somerset the Trust has overseen the renewal of the North Devon Record Office. The Weston-Super-Mare Museum has been redeveloped to give a modernised and improved attraction in North Somerset. The Trust is building its leadership role when it comes to managing and protecting heritage assets. This is helping to build its profile in the South West. The strength of its key partnerships, and building key partnerships, continues to be a focus for the Trust and is seen as an important part of its work. We continue to build new relationships to further the Trust's growing reputation.

2.5 Libraries

2.5.1 Our libraries welcomed nearly 2 million visitors and issued 2.3 million items in the past year. Taunton Library is the third busiest South West Library for borrowing (after Bristol and Exeter). A programme of 3,500 events across the county attracted over 50,000 participants. Participation levels continue to grow year on year, supporting the delivery of key commissioned priorities around literacy, health and wellbeing and digital inclusion.

2.5.2 The new Library Management System was launched in June 2016 across the seven local authorities in the LibrariesWest Consortium and the library ICT team has worked tirelessly to ensure the new system works reliably and efficiently. The new web presence www.librarieswest.org.uk enables customers to simultaneously search the collections of all seven authorities, including the two new partners Dorset and Poole. Conversations considering the future addition of Bournemouth libraries have started, as Poole and Bournemouth's library services work towards a merger of their services.

2.5.3 Library opening hours were reviewed from June 2016. Hours were varied in many of libraries including Taunton, which now opens until 5.00pm on Saturdays. North Petherton Parish Council has raised funds to ensure the opening hours of their local Library remain the same. The first Library Hub was opened at Glastonbury in June 2016. The new look library has been positively received by customers and the library team is providing the first point of contact for all customers to the hub. Two further hubs are due to open – Williton in December 2017 and Shepton Mallet (Shape Mendip), 2018. The One Public Estate programme is exploring opportunities at Bridgwater, Chard, Taunton and Yeovil.

2.5.4 Work continues to identify partners to share library buildings. In May 2017 NSL parking services moved into the first floor of the Taunton Library building and Registration services are due to re-locate to Bridgwater Library in September 2017. During 2016/17 a number of key projects were initiated maximising the impact and added value for libraries. The Glass Box Project has been receiving local and national recognition for its experimental and collaborative approach to digital skills and enterprise. Digital skills workshops for business have been well received; for example 120 businesses were trained by a Google trainer and Cosmic regularly run sessions as part of Get Up to Speed and Get Business, Get Digital initiatives. We are running regular one to one advice drop-ins for start-ups. Activities such as 3D printing, robotics and coding have proved popular with participants and brought new expert STEM volunteers and business partnerships to the service. A partnership with Taunton Deane Borough Council has secured funding for the second year of the Glass Box Project, which will further develop the offer to inspire businesses with digital events, whilst generating income to continue the digital making aspect of the initiative.

- 2.5.5** Wi-Fi use in libraries has doubled in the last 12 months. The SCC's network upgrade, which is currently being rolled out to all libraries, should help to manage the increasing network demand. Digital inclusion through basic computer skills delivery continues to be funded through The Good Things Foundation/UKOnline. The needs of learners are changing, leading to more hands on tablet workshops.
- 2.5.6** A jointly funded project with Public Health has enabled the creation of two Wellbeing Zones in Taunton and Yeovil libraries. These spaces are designed to create active use by health and wellbeing partners commissioned by SCC and from the voluntary sector, for drop ins, group discussion and wellbeing promotions. ShelfHelp, a new reading scheme to support young people's mental health has been launched. A long term health conditions collection will be available soon. The 2016 Roald Dahl themed Summer Reading Challenge generated excellent numbers with 8,000 children participating; helping to prevent the trend of children's reading skills dipping over the holidays.
- 2.5.7** The national 'Love To Read' partnership with the BBC has initiated a monthly Somerset Libraries slot on BBC Radio Somerset. The 'Out of the Mouth of the Parrett' project was designed and delivered in partnership with Theatre Melange, South Somerset and Sedgemoor District Councils. The £65,000 Arts Council funding enabled the collection of personal stories of life and work on and around the River Parrett. The project culminated in a free three week event housed within a spectacular world of light and sound and live performance, specially constructed in Bridgwater Library. The stories collected throughout the project will be loaded onto YouTube shortly. Staff and community led Fun Palaces were run for this first time in October 2016 bringing communities together with science and creativity. School children from areas of deprivation were given live theatre experiences in libraries through an Arts Council funded, LibrariesWest and Travelling Light Theatre partnership.
- 2.5.8** The Conversation Café, a SWRLS (South Western Regional Library Service) funded project between Somerset College and Somerset Libraries, brings together foreign speakers to practise speaking English in a social yet educational setting. The evaluation has demonstrated the initiative is changing people's lives, supporting them with English skills development, leading to better chances of employment and enrolment onto formal English and vocational FE or HE courses. 19,000 volunteer hours plus 18 active friends groups have enabled a diversity of events and activities on offer to communities. Volunteer opportunities are wide ranging and include digital volunteering, Regional Voluntary Service home library service delivery, and young people volunteering during the summer holidays. A volunteer steering group member was recruited to represent library customers as part of the Parrett project.

2.6 Trading Standards

- 2.6.1** The joint service continues to flourish and on 1 May this year expanded to include Torbay Council. The template of creating the joint Devon/Somerset service was used as a basis for including Torbay and the move has proved positive. Plymouth City Council has enquired about possible further expansion; if so, the Trading Standards joint service would cover a contiguous boundary with the Heart of the South West Local Enterprise Partnership which will mean consistency in advice and approach for all businesses in the LEP area.

- 2.6.2** Work countering a wide range of scams and rogue traders has proven successful across the trading standards area and this work to protect the vulnerable, continues to be given high priority. As an example the service intervened when an elderly resident in Minehead fell victim to a complex and distressing romance scam that saw her sending significant amounts of money to criminal operators using a false identity as a front.
- 2.6.3** The service has performed well through farm visits and working with farmers particularly at markets; indeed, a collaborative and positive relationship has been built up thanks to the efforts of staff. Animal health and welfare continues to be an important part of the work and the service has continued to identify and prosecute owners not looking after their animals. We are ensuring that this remains a high priority for the service.
- 2.6.4** The service contributes to keeping people safe in other ways and last month stores across Somerset were visited by Police and Trading Standards officers in a joint operation aimed at preventing the sale of knives to under 18s. Officers from the Devon, Somerset and Torbay Trading Standards Service assisted Avon and Somerset Police during “Operation Sceptre”; advising businesses on the increasing prevalence of knife crime and the legal requirements to check potential purchasers age. This is a good example of how the service interacts with a partner to get the best result for communities in the joint service area.

2.7 Flood and Water Management

- 2.7.1** We have had another winter without a repeat of the severe weather and flooding of 2013/14. Work continues on delivering the Flood Action Plan with partners working together to deliver its aims. The Somerset Rivers Authority (SRA) is now in its third year and work is on-going to deliver its programme across the county. The Councils of Somerset continued to show unity and raised the £2.85million needed to fund the SRA’s on-going work for this financial year. We are making progress towards the SRA becoming a precept raising body and have identified the potential routes to do this.
- 2.7.2** Positive progress on delivering the Flood Action Plan continues with partners maintaining their commitment to deliver the work. As the SRA becomes more established its processes and working practices are being refined, and prioritisation of schemes has been updated to reflect the Flood Action Plan. Further dredging has taken place to extend the area already dredged. Work continues on the proposed Bridgwater Barrier, with consultation events bringing us towards a preferred option to take forward. Work continues on the development of the preferred solution for the Upper Tone Alleviation scheme to allow growth and improve flood water management in the county.
- 2.7.3** SCC’s work as Lead Local Flood Authority progresses and we have taken leadership of the work stream relating to urban water management in the Flood Action Plan. We have been working with planners in the district/borough councils to improve work around SUDS (Sustainable Drainage Systems) and embed the current guidance into planning practice. This important work to improve the quality of drainage in new developments continues and we are proactively trying to shape development in terms of drainage so that areas are more resilient and developments do not create unwarranted flood risk.

- 2.7.4** Representing SCC on the Wessex Regional Flood and Coastal Committee, (WRFCC) and our region continues to be one of the most effective in terms of implementing flood management schemes. SCC is looking to work even more effectively with the WRFCC to make the most of opportunities that present themselves through accessing Flood Defence Grant in Aid to fund schemes that will help flood management in Somerset.
- 2.7.5** The Somerset Water Management Partnership brings together a wide range of stakeholders to discuss and debate the topical issues relating to flood and water management, in the county. The Partnership has continued to develop under my Chairmanship. The partnership continues to be an important conduit for information as we move forward with the SRA.
- 2.7.6** From a policy perspective we have reviewed the Preliminary Flood Risk Assessment and next year we will be looking at our Local Flood Risk Management Strategy, both in an effort to solidify the framework for making bids for schemes that can both guide the direction of the service and improve our flood resilience even further.

2.8 Leisure

- 2.8.1** Negotiations were held with the service provider, 1610 Ltd, around the Medium Term Financial Plan and delivered £300,000 reduction in the annual management plan that is payable through the current contract, which ends in 2019.
- 2.8.2** A robust mechanism is in place for regular contract management to ensure delivery against agreed outcomes. The provider has held a number of events and initiatives which help to improve health and wellbeing of our residents across the nine sites they manage. 1610 target groups who may find it difficult to stay fit and healthy and tailor activities to attract participants; as an example ten park-based 'Buggy Walks' are being held in towns across Somerset which will help parents with pre-school children to get active with a Buggy Walk followed by a circuit-based exercise session using gym equipment in local parks. As new parenthood can be an isolating experience for some, the sessions will end with a chat and catch-up in a local coffee shop or a picnic depending on the weather, so the exercise is combined with an opportunity to make new friends as well as provide overall wellbeing benefits. It is this kind of broader activity which brings multiple positives that SCC is encouraging and continues to work with the provider to realise the benefits.
- 2.8.3** The current contract ends in 2019 and work is on-going to plan for community leisure after that time. We are taking a team approach with officers from many service areas working together to help shape the future beyond the end of the current contract. Initial discussions have taken place with schools that share sites with 1610 facilities and many have expressed a desire to learn more about running facilities themselves. We are in discussion with Somerset Activity and Sports Partnership (whose core purpose is to increase participation in sport and active recreation across Somerset) and SCC is planning a workshop to help inform schools about the issues they need to consider as they look at whether they want to provide community leisure after the current contract ends.

2.9 Registration Services

2.9.1 The provision of a joint service in North Somerset has progressed well and the Annual Performance Reports for Somerset and North Somerset were extremely positive.

2.9.2 The service is focused on the customer experience and of opportunities to maximise the attractiveness of its offer. The Customer Engagement Strategy provides a framework to help the service understand and enhance relationships with customers and stakeholders, giving both groups the opportunity to contribute to the future shape of the service. It will ensure the service continues to engage with both the public and stakeholders regarding feedback received, changes made to the service and the future publication of these changes.

2.10 Civil Contingencies

2.10.1 The Partnership continues to serve the local authorities of Somerset effectively following a restructure of both the team and the Partnership governance and there have been a number of notable successes over the last year. We have strengthened partnership working even further by adopting a Joint Emergency Response Plan across all six councils. This means we have consistent processes and scalable emergency response capabilities in the event of an emergency. This is a very positive step forward for our planning for any incidents that may arise and helps provide mutual aid to partners more effectively.

2.10.2 Following the last major incident in Somerset, the 2013/14 floods, we have developed a policy for managing volunteers who turn up at an incident and want to help. This policy has attracted national interest and directly informed national guidance. A large multi-partner live exercise received good media interest and strong community involvement, and our plans were refined as a result.

2.10.3 To capitalise on the interest in this issue the partnership held a conference in May saw over a 100 delegates learn more about our policies and those of others, such as local authorities and the Police. The feedback from delegates about the conference (the first of its type the partnership had arranged) was excellent.

2.10.4 We continue to be a key partner in the Local Resilience Forum and are leading on two areas of work – community resilience and the welfare of people stranded on motorways.

2.11 Planning Policy, Control and Enforcement

2.11.1 SCC has statutory responsibility to prepare up to date for minerals and waste plans,

2.11.2 Work continues on the Somerset Waste Plan; a lot of preparatory and review work is needed to give a sound evidence base and the team are currently developing this.

2.11.3 Within the last year, the Planning Control Team has improved its performance against its Key (Central Government) Performance Indicator (KPI), which relates to the determination of 50% of most types of minerals and waste planning

applications within the target time set for with an agreed extension of time in place. The team achieved an outturn of 80% up from 73% the previous year. The team has dealt with a similar number of planning applications as last year but has dealt with/is dealing with a significantly greater number of large planning applications than last year including two planning applications for new primary schools in Yeovil, large planning applications for the disposal of quarry waste at Moon's Hill Quarry, lateral expansion of Callow Rock Quarry, and significant further mineral extraction at Halecombe Quarry on the Mendips, and improvement works at Junction 25 of the M5.

- 2.11.4** The Enforcement and Compliance team has been busy dealing with planning and Rights of Way-related enforcement cases and a number of gypsy and traveller incursions on SCC-owned land, with a number of significant and high profile incursions on vulnerable and sensitive sites notably at the Gateway Park & Ride site, the former St Augustine's School in Taunton and Showground Road in Bridgwater.
- 2.11.5** The Somerset Ecological Service (traded arm of the Service's ecological advice function) has significantly grown its external income generation and continues to grow its business client base, whilst maintaining its Service Level Agreement services to its District Council clients, and the in-house advisory function.
- 2.11.6** We will continue to provide direction to residual statutory and important 'Countryside' projects, notably the DEFRA New Burdens Payment-funded Devon & Severn Inshore Fisheries and Conservation Authority (IFCA), and the Severn Estuary Partnership (SEP) and Association of Severn Estuary Relevant Authorities (ASERA) and the South West Coastal Advisory Group (SWCAG). DEFRA has recently confirmed an extension to its New Burdens Payment commitment until 2020.

2.12 Scientific Services

- 2.12.1** In September 2016, the service relocated from County Hall to new purpose built laboratories and office accommodation on the Westpark 26 Trading Estate at Wellington. The service's reputation as a first choice laboratory within the industry continues to be very positive both in the private and public sectors. This was supported by the service receiving one of its best ever feedback results during its annual inspection by UKAS following the move to the new site.
- 2.12.2** Overall, the service's outturn figures continue to be healthy with an encouraging underspend, however the asbestos section have had a difficult year with a reduction of income levels in comparison to previous years.

2.13 Corporate Policy

- 2.13.1** This year the authority continued to develop its Performance Management Framework in line with the County Plan 2016-20 priorities. This has led to the creation of a revised Performance wheel with segments grouped together under 'Peoples Priorities', effective running of the Council, and progress in relation to the Council's Vision projects.

- 2.13.2** The Performance team has worked closely with Directors and data owners to identify the relevant measures to be included in performance reports and work is underway with the Senior Leadership Team (SLT) to further develop the Directors Scorecards. Work continues to develop and promote the Council's value for money culture.
- 2.13.3** The team has coordinated Council responses to several key Government consultations for example on local authorities' local development frameworks.
- 2.13.4** In addition to the well-received fortnightly policy updates for senior managers a regular update on issues relating to Brexit is now being produced to help the Council plan ahead as Brexit negotiations begin.
- 2.13.5** The Performance Team will continue to maintain oversight of policy developments and support Cabinet and SLT's approach to key policy and performance issues.

3. Background Papers

- 3.1** No background papers.

Somerset County Council

County Council

– 19 July 2017

Annual Report of the Cabinet Member for Highways and Transport

Cabinet Member: Cllr John Woodman - Cabinet Member for Highways and Transport

Division and Local Member: N/A

Lead Officer: Paula Hewitt – Lead Director for Economic and Community
Infrastructure & Director of Commissioning

Author: Mike O’Dowd-Jones - Strategic Commissioning Manager for Highways and
Transport

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1. Summary

- 1.1** As Cabinet Member for Highways and Transport I intend to use this report to highlight the key activities and achievements of the past year within these areas and to look ahead to what the coming months may hold.

2. Highways and Transport Activities and Achievements

2.1 Highways and Transport Commissioning, Strategic Planning and Commercial Activity

- 2.1.1** The Commissioning Team focuses on finding the best way of delivering services in the future, thereby enabling operational staff to focus on the day to day running of our highway and transport networks. This team works closely with operational staff and commercial and procurement colleagues to develop new models of service delivery and put in place new contracts with external suppliers. The team also works with a wide range of stakeholders to secure investment in new infrastructure.

- 2.1.2** SCC has continued to work closely with Highways England (HE) as they develop vital improvements to the A303/A358/A30 corridor. These schemes if designed correctly will bring huge economic benefits to the area. HE has undertaken early consultations on three sections of the improvement at Stonehenge, Sparkford to Ilchester and M5 to Southfields. We have highlighted a range of issues, community concerns and potential local impacts to HE and urge them to give these matters careful consideration and undertake more technical work on the key issues before their further consultations and finalising their preferred routes. We continue to work with our Local Authority partners to keep the pressure on Government to deliver the three A303/A358 schemes that have currently been allocated funding and to ensure further funds are allocated for the remaining sections in the next Road Investment Strategy period from 2020.

- 2.1.3** We have continued to work closely with Great Western Railways (GWR) to develop the designs for enhancements to Taunton and Bridgwater Rail

stations utilising Department for Transport and Local Enterprise Partnership funds that we have secured. Early stakeholder consultations on both schemes have been completed and further consultation will be undertaken on final designs shortly, before GWR progress construction of the schemes.

- 2.1.4** We have continued working closely with other Local Authorities in the Heart of the South West Local Enterprise Partnership (LEP) area to agree investment in new strategic transport infrastructure, as part of the ongoing 'growth deal' process. We have secured £6.4m from the third growth deal towards 'Phase 1' of the Toneway Corridor improvements in Taunton which will enable us to upgrade the Creech Castle junction. We are now commencing more detailed design work and will consult on detailed proposals later in the year.
- 2.1.5** We secured a £4m growth deal 3 contribution towards a new access road to the proposed Huntspill Enterprise Zone near Puriton.
- 2.1.6** We have progressed schemes awarded funding under the first two growth deals. We have completed construction of the Huntworth Roundabout junction improvement in Bridgwater which has significantly increased the capacity of the junction and 'unlocked' the Bridgwater Gateway development site. We have progressed the procurement of improvements to Yeovil Western Corridor and have started major water utility diversion works with a view to the main construction contract starting in the Autumn.
- 2.1.7** A full funding package for improvements to M5 Junction 25 has been secured, including signing a funding agreement with the Local Enterprise Partnership and securing a £4m contribution from Highways England's Growth and Housing Fund. Other contributions from Taunton Deane Borough Council, developers and Somerset County Council complete the funding package. We have completed public consultation for the scheme and submitted a planning application to enable planning consent to be granted. Land acquisition is also underway. The scheme will play a vital role in relieving congestion at the junction and enabling planned growth and development in Taunton to take place including the 'Nexus 25' employment site which is being progressed by Taunton Deane Borough Council.
- 2.1.8** These works are designed to complement the wider A358 improvement scheme and programmed to be in place in advance of the A358 works.
- 2.1.9** We have submitted funding bids into the Government's 'National Productivity Investment Fund' for delivery of improved footway/cycleway connectivity between Taunton and areas to the east of the M5 including a new cycle bridge over the M5.
- 2.1.10** We secured a £300k DfT grant to trial new intelligent transport technology along the Hinkley Point C freight routes. This will enable the large fleet associated with the Hinkley Development to travel through the signal controlled sections of the route more efficiently using 'green waves' which reduce the number of times that 'platoons' of vehicles have to stop at traffic signals. This efficiency improvement will have benefits for all vehicles not just the EDF fleet.

- 2.1.11** Along with other authorities in the South West the Council has continued to lobby for much needed investment in rail infrastructure and services to the South West through the South West Peninsula Rail Task Force (PRTF). As part of PRTF we launched a well-received 20 year rail blueprint for the region which will feed into rail investment decisions and rail industry delivery plans.
- 2.1.12** We continued to work closely with our MP's to discuss campaigns for new rail stations at Wellington and Langport/Somerton and have facilitated discussions with local interest groups, Parish and District Councils to add our support to the development of proposals for these new stations. The DfT has unfortunately been unable to help local authorities fund the considerable scheme development costs needed to work proposals up to the required level of feasibility to qualify for construction funds, so we are working with local council's and communities to help them identify sufficient funds to undertake the very initial stages of work needed to move these schemes forward.
- 2.1.13** We have continued to support District colleagues in their various growth and regeneration programmes such as the Yeovil Vision and the Taunton Growth Programme. We are working closely with Taunton Deane to implement a new parking signage project funded by them; we have helped develop and consult on an exciting project to improve the public space in the town centre including considering removing traffic from a number of roads on a trial basis, and have jointly developed a new forward-looking 20 year Taunton Transport Strategy which we will consult on shortly. We have also commissioned technical work funded by Sedgemoor, South Somerset and Mendip District Councils to help them test the transport implications of local development and regeneration plans and to develop major transport schemes for the future.
- 2.1.14** A huge amount of work was undertaken on the procurement and mobilisation of our new Highway Maintenance contract during the year. We successfully completed an ambitious procurement process in collaboration with Devon and Plymouth Councils to put in place exciting new contracts that will enable us to jointly develop and implement more efficient ways of working and enable creativity and innovation within the contract.
- 2.1.15** Our contract is with Skanska and key benefits are requirements for efficiency, commercialisation and social value. Examples of the benefits of the new contract are a minimum of 85% of supply chain spend to remain in the local economy; creation of apprenticeships; use of digital by design principles; actively seeking community volunteers to be trained in delivering non-essential aspects of the highway service; opportunities for those with learning difficulties and care leavers to work and gain work experience in Somerset Highways; and providing support to district and parish councils wishing to fund network improvement or network safety projects.
- 2.1.16** We successfully completed phase-one of our 'invest to save' programme for Light Emitting Diode (LED) highway lighting, replacing approximately half our stock (18,000 lamps) with LED's saving 4.6million kWh per year and

delivering approximately £370k per annum in revenue savings to the authority. We are now considering further roll-out of LED lighting.

2.1.17 A range of financial savings were implemented throughout the year and I am pleased that the service was able to deliver a significant underspend at the end of the financial year, to help the overall corporate position.

2.2 Highways Maintenance

2.2.1 The highways service again rose to the considerable challenge of keeping our highway network operating safely and efficiently.

2.2.2 We repaired 18,787 potholes between April 2016 and March 2017, a slight increase when compared with the previous year (18,758). 1,656 planned highway inspections were undertaken, 100% of which were completed within the time tolerances defined within the Highway Safety Inspection Manual. A total of 24,213 safety defects (including potholes) were identified during planned and reactive inspections of the network which is a decrease when compared with the previous year (25,095).

2.2.3 The recently established Asset Delivery Team (ADT) has improved the way we manage the highway asset to make sure that we target capital investment where and when it is most needed to reduce our short-term and reactive maintenance costs. Membership is made up of both Somerset County Council and Skanska employees who are co-located in the Priorswood Depot. This collaborative approach is bringing immediate reward with the team developing new systems and processes to improve how we deliver our capital maintenance programme.

2.2.4 We have continued our investment in structural maintenance delivering over 1,000,000m² of surface dressing and more than 400 schemes across the county incorporating works disciplines such as resurfacing (28km), drainage, footways and earthworks.

2.2.5 The major maintenance scheme at the A39 Causeway, Street was short-listed in the Chartered Institution of Highways and Transportation Awards 2017 and is currently vying for the Institution of Civil Engineers Peoples Award 2017. The innovative engineering solution was in-situ stabilisation using resin injection combined with 'traditional' reconstruction and resurfacing. The £285,000 scheme was completed one day ahead of programme and hundreds of people followed the story resulting in a significant decrease in enquiries and complaints.

2.2.6 The Rights of Way (RoW) team have worked hard to increase their performance indicator 'ease of use' from 77% to 82.3% over the last year. Maximising volunteers' hours has been essential in increasing the ease of use indicator and in 2016/17 volunteer hours increased to over 19,000.

2.2.7 Work to develop the second stretch of the England Coast Path from Brea to North Somerset continues.

- 2.2.8** The RoW bridge capital programme saw the installation of 2 new 7-15m bridges at Cotford St Luke and Fivehead, 3 footbridge refurbishments, and 2 contributions and support to private landowner bridge projects.
- 2.2.9** Our Structures team has continued the planned and reactive inspection programmes with 950 structures inspected over the year. The information gained is being used to develop the future works programme and allow long term investment in the structures stock to be targeted at those sites where it will be most effective.
- 2.2.10** The structures capital works programme saw major maintenance or strengthening works carried out at 62 sites including bridge replacements at Halse and Leeford; strengthening works at Hillcommon and Thorney Halt; and repairs at Tarr Steps, Fivehead, Lyte's Cary, Withycombe, and Parkfield Drive, Taunton.
- 2.2.11** Works to repair bridge scour damage and improve flooding resilience in the Kings Sedgemoor Drain at Dunball were completed in conjunction with the Somerset Rivers Authority (SRA). A multi-year programme of works to improve flood resilience has been started with funding provided by the SRA, and works were completed at the first six 6 sites.
- 2.2.12** The winter of 2015/2016 was very prolonged and our last action to pre-salt the treated network in advance of ice forming took place on 27 April 2016 which is later than usual. Overall the County had an average winter for 2016/2017, with eleven pre-salting actions in November, 9 in December, 17 in January, 11 in February and 4 in March, giving a total for 2106/2017 of 54 (two from the previous winter). There was no need to undertake the enhanced winter treatment which is carried out during extended periods of cold weather or snow to provide access to settlements off the standard treated network. There were only a couple of occasions where snow fell on high ground, these were treated with increased salt spread rates without the need to call on the farmers/agricultural contractors for assistance.
- 2.2.13** The winter was slightly dryer than average with 96% of the norm rainfall recorded in Taunton. The one major emergency event was Storm "Angus", Saturday 19 November 2016 to Wednesday 23 November 2016 (five days), when 102mm rain fell in 48 hours in Taunton (more than the average for November and around 1/8th of the annual average rainfall).
- 2.2.14** During 2016 the DfT introduced an 'incentive' element to the capital allocation of Highway Maintenance funding, based upon a 22 question self-assessment which required each local authority to evidence how efficiently they deliver highways services. Somerset was confirmed as a 'band 3' authority (the highest) which means we retain all of our DfT capital allocation. This is a great achievement and Somerset is ranked in the top 33% of highway authorities. We cannot afford to become complacent and must maintain our 'band 3' classification to ensure future funding is secured.

2.3 Small Improvement/Minor Schemes Programme

2.3.1 Over the last year we have continued the delivery of our successful 'Small Improvement Schemes'(SIS) programme which enables local communities (through their local County Councillor) to request proposals for small highway improvements. To date the schemes have generally focussed on improving road safety and accessibility.

2.3.2 As of mid-June 2016,

- 72 schemes from the earlier 2011/12 programme are complete, only 1 remains for construction.
- 46 schemes from the 2012/13 requests are complete 1 remains in construction
- Of the 2013/2014 13 are in the design stage, 44 schemes are complete with 10 at construction stage and 23 are either on hold due to unresolved issues or abandoned because they are not technically feasible.
- Of the new 2015/16 commissions 12 being progressed for feasibility, although only 2 reports remain outstanding, 20 are being progressed for design, 1 is with contractor for construction, 4 are on hold due to unresolved issues and 2 are being progressed through Traffic Management. 3 are complete.

2.3.3 Two safety engineering schemes have been completed, these were the A371 route safety review from Wincanton to Rodney Stoke in May 2016, and also the Brean Rd/Rectory Way, Lympsham Junction Improvement, which was identified following a fatal collision.

2.4 Transport Improvements and Road Safety

2.4.1 Construction of the Taunton Northern Inner Distributor Road continued against the challenging backdrop of an ongoing dispute with the contractor. The road will play a key role in opening up the redevelopment of the Firepool area and improves the strategic transport route across Taunton. We are continuing to seek damages from the contractor for every day of delay on the project.

2.4.2 We are progressing the delivery of Colley Lane Southern Access Road in Bridgwater and completed planning requirements and land negotiations as well as important statutory processes such as side roads orders, compulsory purchase orders and bridge orders. Advance works have been undertaken such as site clearance and ecological work and procurement for a construction contract will commence shortly.

2.4.3 Improvements to Yeovil Eastern Corridor were largely concluded this year with construction of a second exit from the Tesco store to relieve pressure from u-turning traffic on the Horsey junction following issues raised during the consultation process. We are consulting South Somerset District Council and other stakeholders on the best use of the remaining DfT grant funds for further minor improvements on the corridor. Work in Yeovil will now move to the Yeovil Western Corridor.

2.4.4 We continue to support new development in the County and facilitate the implementation of associated infrastructure. The service comments on a large number of planning applications each year and continues to respond to over 80% of them within the 21 day target period. The service undertakes about 600 technical audits of developers transport and infrastructure proposals per year and continued to meet targets for completing audits within 40 working days despite the submission of some very large, complex proposals demanding substantial input from officers.

2.4.5 We have continued to work closely with the promoters of major employment sites such as Bridgwater Gateway and Puriton Energy Park and major housing sites such as Monkton Heathfield and Comeytrove in Taunton, Keyford and Upper Mudford in Yeovil, to support the progress of applications and approvals needed to commence development. Key infrastructure elements of the Monkton Heathfield development are well underway along with many other significant developments across the County. On average, each year, we complete approximately £15m of new and improved highway infrastructure secured through our intervention in the planning process and through partnership with private developers. It is estimated that this infrastructure delivers with it assets valued at about £5m that contribute towards our own highway improvement objectives.

2.4.6 Road Safety

The Road Safety team has continued work to reduce the toll of people injured on Somerset's roads. In 2016, sadly 25 people died in fatal collisions, whilst 158 were seriously injured and 1370 people suffered minor injuries. The cost to our society of these people being injured is in excess of £80 million. Whilst the number of pedestrians injured increased slightly (5%), when comparing 2015 with 2016, the numbers of motor and pedal cyclists involved in collisions reduced by 3 and 8% respectively.

2.4.7 Looking at the longer term statistics, and bearing in mind that the number of people fatally injured on the roads increased last year from above the 2015 figures, the trend over the last six years shows that our road safety work has contributed to a gradual decrease in slight injuries and collisions. The data also suggests a very gradual decrease in the number of Killed and Serious Injury (KSI) collisions and casualties. This is set against a background of increasing traffic growth; in 2015 there was a 2.5 % growth in vehicle kilometres across the County. In Somerset, road safety has always been a priority and I am very keen that work continues to reduce the number of people injured on our road network, particularly those killed and seriously injured.

2.4.8 Somerset Road Safety uses a wide range of delivery mechanisms to try to keep the number of recorded injury collisions down. Key road safety tools are:

- Detailed data analysis;
- public engagement,
- partnership working; and
- road safety engineering.

- 2.4.9** These have been applied over the last year by continuous liaison with our partners such as Devon and Somerset Fire and Rescue (DSFRS), one focus with them being on child road safety through the trucks and child safety (TACS) programme. We have also worked closely with Avon and Somerset Police, Highways England and the Ambulance Service. We held two local road safety sessions with these partners, one at Cartgate Service area, one at junction 23 of the M5.
- 2.4.10** We also believe in using the latest tools to spread our road safety message wider, therefore we use social media such as Facebook, Twitter and Instagram. Our reach and engagement across social media platforms amounts to over 570,000 last financial year.
- 2.4.11** To try to continue the pace of reductions of the number of people injured in collisions across the County, the Road Safety, Commissioning and Public Health teams are working together on a new strategy, which will build on the above work, use broader health related datasets and encourage other partnerships to ensure that we have a continuing downward trends in road collisions.

2.5 Traffic Management

- 2.5.1** In 2015 we upgraded our traffic signal infrastructure from old analogue technology to digital as part of the move into SMART office. We have now moved into phase 2 of the operation; allowing us to implement our new Traffic Control and Information Centre (TCIC) and have a member of the communications team embedded into the TCIC.
- 2.5.2** We have launched the new Travel Somerset website which provides a 'one stop shop' for all traffic and travel information for Somerset. The Travel Somerset twitter site now has over 1800 followers and has received very good feedback. The number of followers increased to over 3,000 during the Glastonbury festival. This improved website and twitter feed are supported by the improved TCIC which is currently operational 7am to 7pm Monday to Friday and enables the team to pro-actively manage the highway network and provide a greater level of up-to-date information to road users.
- 2.5.3** Over the last 12 months we have successfully delivered two large traffic signal upgrades; one at the junction of East Street/East Reach and Hurdle Way, Taunton, improving capacity and upgrading the pedestrian and cycle facilities; the other was an upgrade to the Shuttle junction at Ansford, Castle Cary.
- 2.5.4** Street works co-ordination remains a huge challenge for us with the demand to occupy the highway network increasing. Over 23,000 sets of work have been undertaken in the last year, a 40% increase from the previous year. Over 6,500 facilitated by temporary signals, again this is a 60% increase from the previous year. 1,435 Fixed Penalty notices were issued for incorrectly noticed works.
- 2.5.5** The Traffic Management team continues to work very closely with emergency services and event organisers on traffic management plans for

both planned and unplanned incidents and events to ensure the highway network is managed effectively. We always try and ensure that we minimise the disruption to the network and have seen significant benefits in the work we have been doing particularly for the larger events such as Glastonbury festival and carnival season. Last year's Glastonbury Festival suffered from exceptionally wet weather. Unfortunately the result meant that access to the site was hampered which, in turn, created significant traffic congestion on the surrounding road network. Over the past year we have been working closely with the festival organisers to ensure measures are put in place to mitigate the impact on the network should a similar event occur in the future, and traffic management ran smoothly for the 2017 festival..

- 2.5.6** Between April 2016 and March 2017 we processed over 1000 temporary Traffic Regulation Orders (TROs) for road closures for works and events, up 25% from previous year, and over 100 permanent TROs for various parking restrictions and speed limits etc. this is up 50% from the previous year.
- 2.5.7** We currently operate 28 Speed Indicator Devices (SIDs) over 351 sites across the County and have successfully worked with 12 communities to take over the management and deployment of these signs themselves.
- 2.5.8** With the demand for sign maintenance increasing along with the current budget pressures, the maintenance of the traditional finger arm signs are no longer a priority in terms of sign maintenance, however, we value the importance of our historic fingerpost signs and are keen to work with local communities to help preserve them and find other ways to fund their maintenance. We are currently working with partners and contractors, including Exmoor National Park and the South West Heritage Trust, and are just about to launch a guidance document for communities to survey, restore and maintain these fingerposts themselves.

2.6 Parking Services

- 2.6.1** Over the last year there have been some important developments in parking services.
- 2.6.2** New residential parking areas were introduced in Bridgwater, Street and Wells.
- 2.6.3** We renegotiated our parking enforcement contract resulting in:
- Improved flexibility and increased enforcement coverage across the County.
 - Extension of existing supplier for a further two years.
 - Schedule of service credits agreed in respect of poor performance.
 - Commitment to support Council initiatives to further service enhancements.
- 2.6.4** We also agreed to in-source the back office processing of penalties and permits to deliver an improved quality of service for customers and procured a new parking IT system with improved functionality for residents.

- 2.6.5** We completed a pilot of blue badge fraudulent misuse resulting in a successful prosecution.
- 2.7 Transporting Somerset**
- 2.7.1** Over the last year Transporting Somerset ensured around 9,000 Mainstream and SEN pupils who were entitled to free home to school transport were safely delivered to and from school every day. Transporting Somerset has provided over 160,000 trips to enable individual service users to reach their care placements and health patients to attend clinics and hospitals.
- 2.7.2** Financial support continues to be provided annually for 61 public transport contracts (which include College Transport routes, Slinky Demand Responsive bus services and Taunton Park and Ride) which are not able to operate commercially. This financial support is provided to ensure a statutory need is met, or where on a discretionary basis the Council considers it appropriate to ensure a service is provided.
- 2.7.3** Our Public Transport Team issued around 18,000 Concessionary Bus passes, both new applications and renewals and over 3,000 County Ticket bus passes to students attending Further Education. A new card management system has also been implemented recently.
- 2.7.4** The Taunton Park and Ride service was revised from 1 August 2016. The main changes were a reduction in peak time frequency from every ten minutes to every 12 minutes with all journeys now operating via Musgrove Park Hospital and the Bus Station. This change allowed us to meet MTFP savings targets for the Park and Ride service in 2016/17.
- 2.7.5** Following the cessation of Webberbus operations in May 2016 a small number of bus services previously operated commercially were not considered viable by other operators. Transporting Somerset was able to negotiate partial replacements for some of these including two Bridgwater Town Bus Services. In West Somerset we intervened when two bus services (100/101 Minehead Town Service and Minehead to Porlock) were under threat of withdrawal. A series of meetings were held with Parish Council's affected by these withdrawals and agreement was reached for them to take over on-going funding.
- 2.7.6** New CCTV equipment has been installed at both Taunton Park and Ride sites as part of measures aimed at discouraging traveller incursions.
- 2.7.7** We have recently awarded a contract to The Buses of Somerset for the provision of a half hourly bus service on Mondays to Saturdays serving the new housing development at Monkton Heathfield. The service is being supported using section 106 developer funding and provides direct links from the new housing development to Crown Medical Centre, Taunton Station and Taunton Town Centre.
- 2.7.8** A grant scheme for bus operators has been set up using Department for Transport funding to improve smart travel options for bus users in Somerset. Grants were offered to allow bus companies to bid for matched funding to

upgrade their ticket machine equipment to accept contactless payments and also to provide a real time information feed to bus stop displays and mobile phone travel applications. The date for applications has recently closed and we are currently assessing the bids.

2.7.9 We have recently tendered and awarded the Driver and Passenger Assistant Training contract for an initial period of four years commencing on 5 June 2017. The provider, Anstey James Ltd is a local company based in Yeovil who will be providing training courses across the County to both our contractors, volunteers and Somerset County Council staff who undertake passenger transport operations.

2.7.10 Transport is the subject of one of the 5 MTFP themes. A review of policy, processes and provision is underway to enable savings to be achieved across all areas of SCC passenger transport over the next 4 years. The £2.2m saving identified for 2017/18 has been 94% achieved and work is now underway to enable further savings for years 2-4 to be achieved.

2.7.11 Transport Commissioners are working to deliver a Total Transport portal utilising DfT funding. This will allow individuals to search for transport solutions, both scheduled and non-scheduled services and in some cases book their travel directly with the providers. Somerset is working in partnership with Gloucestershire CC. A specification has been written and we are currently out to market to secure a provider to build the portal. This will allow individuals to search for transport solutions, both scheduled and non-scheduled services and in some cases book their travel directly with the providers.

3. Background Papers

None

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Somerset County Council

County Council

– 7th July 2017

Local Government Ombudsman (LGO) Complaint Findings

Cabinet Member:

Division and Local Member:

Lead Officer: Julian Wooster Director of Children's Services

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1. Summary

- 1.1. The Local Government Ombudsman has requested that Full Council notes its findings into a complaint involving a young man with special educational needs and the Council's fault in not providing appropriate therapy. The Council has accepted the findings. This report gives insight into the case and highlights the learning for the Council and the changes in processes and procedures that should prevent further similar cases arising.

Background

The Local Government Ombudsman (LGO) independently and impartially investigates complaints. His aim is to resolve disputes about councils and other bodies by recommending redress which is proportionate, appropriate and reasonable based on all the facts of the complaint. Each case that comes to the Ombudsman is different and it takes the individual needs and circumstances of the person complaining into account when making recommendations to remedy injustice.

The LGO has no legal power to force councils to follow recommendations. The main areas of redress it asks councils to acknowledge are to:

- Apologise
- Financial remedy
- Improve its procedures so similar problems don't happen again.

- 1.2. The LGO as part of an investigation has recommended Full Council to be aware of the following complaint and the actions the Council has agreed to undertake.
- 1.3. The aim of a Special Educational Needs (SEN) Statement (being replaced Education Health & Care Plans (EHCP)) is to make sure that the child gets the right support to enable them to make progress in school. A Statement (or EHCP) is normally made when all the educational provision required to meet a child's needs cannot reasonably be met by the resources within a child's school. In addition to 'education' resources the Statement (& EHCP) is also required to cover 'health' and 'care' services necessary for a child's educational progress, where services are not being provided by the NHS or other agencies.

1.4 Special educational needs background and complaint

Mr & Mrs X's son, Y, is disabled and has special educational needs. The Council has identified that he experiences significant difficulties due to his severe and complex speech, language, communication, sensory and physical needs and associated developmental delay. He attends a Local Authority special school.

The LA failed to commission or provide therapy for Child Y's needs as detailed in his statutory plan (Statement), specifically his speech and language needs, and his occupational therapy needs. Due to this failure to offer the necessary therapies, Child Y's special educational needs provision was disrupted. During this time he lost a term and a half of therapy. The LGO found this to be a significant injustice to a child with significant additional needs and special educational needs.

From February 2016 the LGO found the Council again failed to ensure that Child Y received the provision detailed in Part 3 of his Statement. From February 2016 Child Y should have received one hour a week of direct support from a Speech and Language Therapist and one hour a week direct support from an Occupational Therapist. The annual review of Child Y's learning took place in April 2016, and this provided evidence that the lack of therapy provision had impacted on his learning and friendship groups.

Mr & Mrs X complained the Council failed to ensure their son received the required therapy. They say this has caused their son a significant disadvantage. It has also caused them additional frustration as they complained to the Ombudsman about a similar fault in 2015 and their complaint was upheld.

2. Recommendations

2.1. Council to note the LGO Recommendations

To remedy the injustice caused, the LGO recommends the Council:

1. Apologises to Mr & Mrs X for failing to meet its statutory obligations with regard to therapies specified in their son's Statement
2. Pays Mr & Mrs X £300 for the time and trouble of bringing the complaint to the Ombudsman again when they could reasonably have expected the matters to have been resolved by their previous complaint to us
3. Pays Mr & Mrs X £1000 for them to use for Y's educational benefit for the disruption to his special educational needs support and the cumulative detrimental effect this is likely to have had on him given the findings in this case and the previous case
4. Keeps a clear record of the number of sessions Y has missed with the Speech and Language Therapist and the Occupational Therapist from February to July 2016. Also to record the number of additional sessions he has since received to make up for that loss so this can be audited and updated until all the additional sessions have been provided
5. Produces an action plan of how it will monitor whether it has received Annual Review reports from schools within the timescales set out in the Council's policy and how it can enforce this

6. Addresses as a priority the lack of commissioning expertise and puts in place a clear action plan to establish good practice, achievable outcomes and a robust short, medium and long term commissioning strategy
7. Produces an action plan against practical targets, not just a series of meetings, to ensure therapies are provided as soon as possible, before any new commissioning arrangement post 2017. The Council should report its progress against this action plan to the LGO every two months until the issue is resolved;
8. Considers complaints from other families that arise as a result of the issues highlighted in our report and takes appropriate action to remedy any injustice the families have been caused. If those people remain dissatisfied the Council should ensure they are signposted to the Ombudsman

2.2. The Council has accepted the LGO's recommendations.

3. Implications

3.1. As a result of the findings from the LGO's report, the Authority has ensured that the Speech and Language and Occupational Therapy is in place, and missed sessions are being caught up to ensure Child Y has received his entitlement.

Number of hours of therapy required to be delivered to make up for lost provision.

	March 18th 2017	June 20 th 2017	
Occupational Therapy	17 hours	11 hours	Remaining hours will be delivered up to half term and during the summer holidays
Speech and Language Therapy.	5.5 hours	1.5 hours	Will be completed by the end of term

3.2. As a result of the LGO's report the Authority has changed the way Annual Reviews are recorded, addressed the back log of recording and is improving the reporting and tracking of Annual Review information. This will enable the Authority to identify where pupils are not making expected progress, and investigate possible reasons for this.

3.3. The Authority has increased its commissioning capacity and has recently appointed a Commissioner for Special Educational Needs & Disabilities. This post will link closely with the Clinical Commissioning Group, the SEND service and education sector to ensure a more coherent and joined up approach is in place so that appropriate interventions are in place for families to support an assessment and EHC plan. The SEND Joint Commissioning Group is actively working to ensure joint arrangements are in place and commissioning of therapies is a priority across education, health and care.

3.4. The Authority has commissioned Occupational Therapy, Physiotherapy and SALT for 6 children since June 2016. We have also provided intensive interactive therapy for an additional child.

There has been one complaint regarding lack of therapy since the LGO's investigation. In this case the SALT provision was delivered by the Teaching

Assistant at the school and overseen by the therapist. The therapist who reviewed the child and wrote a report (March 2017) resigned from the case and a new therapist is now being sought. Meanwhile the child is continuing to receive their SALT therapy from the TAs at the school as planned. The Authority has liaised with and visited the school and is confident that the therapy is being delivered and all sessions recorded well.

- 3.5. Overall the Special Educational Needs Team has improved the processes to ensure that the provision specified in the Education Health and Care Plan is being delivered. They have also developed systems that assess whether this is proving effective. This will be monitored through the annual review process, and recorded on the child or young person's file.

4. Background papers

- 4.1. LGO's report