

# Scrutiny for Policies and Place Committee

Thursday 7 November 2019

2.00 pm Taunton Library Meeting Room



To: The Members of the Scrutiny for Policies and Place Committee

Cllr A Groskop (Chair), Cllr A Bown (Vice-Chair), Cllr P Ham, Cllr B Filmer, Cllr John Hunt, Cllr L Leyshon, Cllr M Keating and Cllr T Munt

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

Issued By Scott Wooldridge, Strategic Manager - Governance and Risk - 30 October 2019

For further information about the meeting, please contact Lindsey Tawse on 01823 355059, ltawse@somerset.gov.uk or Jamie Jackson on 01823 359040, jajackson@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under 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

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**RNID typetalk**

## **AGENDA**

Item Scrutiny for Policies and Place Committee - 2.00 pm Thursday 7 November 2019

1 **Minutes from the previous meeting held on 9 October 2019. (to follow).**  
(Pages 3 - 12)

The Committee is asked to confirm the minutes are accurate.

**Are you considering how your conversation today and the actions you propose to take contribute towards making Somerset Carbon Neutral by 2030?**

## SCRUTINY FOR POLICIES AND PLACE COMMITTEE

Minutes of a meeting of the Scrutiny for Policies and Place Committee held in the Council Chamber, Shire Hall, Taunton on Thursday 9 October 2019 at 10.00am.

**Present:** Cllr A Groskop (Chair), Cllr A Bown (Vice-Chair), Cllr B Filmer, Cllr P Ham, Cllr John Hunt, Cllr L Leyshon and Cllr T Munt

**Other Members Present:** Cllr M Chilcott, J Clarke, Cllr D Hall and Cllr R Williams

### Apologies for Absence:

#### 212 **Declarations of Interest** - Agenda Item 2

There were no declarations of interest.

#### 213 **Accuracy of the Minutes of the Meeting held on 18 September 2019** - Agenda Item 3

The minutes of the meeting held on 18 September were accepted as being accurate by the Committee, subject to the inclusion of the following amended section at the end of Minute 209 (Connecting Devon and Somerset Broadband Programme Update):

*“An oral update was provided to the Committee confirming that since the report had been written 5 contracts with Gigaclear Ltd had been terminated. Scrutiny had previously been advised that Gigaclear were in default and that a recovery plan was being prepared and needed to be reviewed and considered. Despite painstaking work by all concerned it had not been possible to agree a plan that CDS and BDUK could support with confidence.*”

#### Debate

- *Further information was requested to inform residents of the areas still to be completed and the timescales for rollout. Information had been sent to members and updates provided on the CDS website.*
- *It was confirmed from BDUK that it was not possible to mix the sources and apply a voucher top-up in these instances.*
- *BDUK had been supportive throughout the contract, looking at a way forward for the future procurement.*
- *A new procurement would need to commence, since the old contracts the market had moved on substantially.*
- *Opportunity for future delivery would be identified through the new procurement exercise. A request for consideration of a quicker method of procurement, and an update on how the procurement would be dealt with*

*when that information became available. Improved connections were important and must still continue.*

- *The ownership of assets rested with the contractor, assets would be required and made available for the purposes identified. Contractual issues were still being considered.*

*The Committee noted the update on the progress of the CDS Programme.”*

**214 Public Question Time - Agenda Item 4**

There were no public questions.

**215 Revenue Budget Monitoring Report - Month 4 2019/20 - Agenda Item 5**

The Cabinet report (which was accompanied by an introductory report) set out the Month 4 forecast outturn position for 2019/20 for the net Revenue Budget of £327.967m.

It highlighted variances to service budgets, as well as emerging issues, risks, areas of concern and proposed actions to resolve them.

The County Council's Medium Term Financial Plan (2019/22) set out proposals to develop its financial resilience over the long term whilst also supporting the delivery of the Council's key priorities.

Although still relatively early in the year, the report continued to show an overall projected balanced position for the Council, with the main variances being within Children's Services and Trading Units (Dillington House). Management action was under development in these areas that aimed to ensure a balanced budget by the end of the year. However, until these were more fully developed, the variances were reported in the detail of the report set out in Appendix A and a proportion of the Corporate Contingency 'notionally' allocated to off-set the variances.

This left £6.033m of the Corporate Contingency budget unallocated and potentially available to further improve the Council's financial resilience in the medium term. A decision by the Cabinet regarding use of the contingency would be taken later in the year once the end of year position was firmer.

The budget for 2019/20 included a savings target of £21.547m and the report confirmed forecast delivery of £21.485m. Of the remainder close monthly tracking and change control mechanisms remained in place to ensure full delivery during the year.

## Background

The report was the third revenue budget monitoring for 2019/20 and remained an early forecast of the potential end of year position.

Nethertheless, it was encouraging that the forecast continued to show confidence that the more robust approach to budget planning for 2019/20 onwards had ensured that budget assumptions were realistic and deliverable with a relatively small adverse variance seen in service forecasts of 0.520m.

The aim was to sustain a tighter financial grip going forwards. This included the continuation of the formal monthly monitoring report to Cabinet and Scrutiny for Policies and Place and continual improvements to the format, content and layout of the reports to aid effective review and scrutiny. Alongside this, internal tracking and budget monitoring processes continued to be given close attention by the Senior Leadership Team.

Consultations undertaken and Implications were set out in Appendix A and Appendix B detailed the Delivery of Savings Summary 2019/20.

Background papers included the following:

2019/20 Revenue Budget Monitoring Report to Cabinet - 14 August 2019

Revenue Budget - Medium Term Financial Plan 2019/22 to Full Council - 20 February 2019.

## Debate

The Committee welcomed:

- the Council's improving financial position, acknowledging that there were still a number of factors that could change forecasts, including winter costs
- the Government's proposed increase in funding for local government in the 1920/21 financial settlement to meet higher costs/rising demand, including an additional £1.5b for Adult and Children's Social Care, noting: the 9 consultation questions referred to by the officers; that the proposed increase was unlikely to be withdrawn at this stage; and that there was no guarantee that the funding increase would be consolidated within future settlements.

The Committee noted the report.

216 **2019/20 Capital Budget Monitoring - Quarter 1 Report - Agenda Item 6**

The Cabinet report (which was accompanied by an introductory report) provided the first indication regarding the potential capital budget outturn position for the 2019/20 financial year.

It highlighted variances to the Medium Term Financial Plan assumptions, as well as emerging issues, risks, areas of concern and proposed actions to resolve them.

The report showed a projected underspend for the County Council against the approvals within the current Capital Programme.

Services had provided their forecasts for the Capital Programme. The first quarter's forecast would provide the benchmark for the rest of the year and final outturn position. Services would need to explain any significant variances to this.

Forecasting expenditure could be difficult as there were many factors which could impact on delivery of a Capital Programme, including external factors such as a reliance on contractor activity, the weather and capacity within the Council's providers to design and support the programme.

*Background*

The report was the first capital monitoring report for the year. It showed that there was a projected underspend of £1.355m against existing approvals of £788.885m.

An overview of the capital programme indicated that it was being managed proactively by services within their resources. Commitments were not being entered into without an available budget and generic approvals were being managed as costs became more certain and the programme of work adjusted accordingly. However, there remained a need to fully scrutinise the forecasts received in order to be certain of their accuracy as the financial year progressed.

The formal quarterly monitoring reports that were considered by Cabinet would continue to be presented to Scrutiny for Policies and Place at their next available meeting. Improvements would continue to be made to the format, content and layout of the reports to aid effective review and scrutiny.

Consultations undertaken and Implications were set out in the Cabinet report.

Background papers included the following:

Month 4 Capital Budget Monitoring Report to Cabinet - 25 September 2019.

### Debate

The Committee welcomed the relatively small level of underspend in the Capital Programme which reflected good overall control, and the highway improvements being undertaken, while asking for clarification on the position regarding developers' contributions in the event of underspends on infrastructure schemes etc.

The Committee noted the report.

#### 217 **External Audit Value for Money (VFM) Report - Agenda Item 7**

The report drew attention to the outcome of additional assurance work requested by the County Council's external auditors in reaching their improved Value for Money conclusion for 2018/19 reported to the Council's Audit Committee on 19 September 2019.

The external auditors had sought additional assurance from social care experts, Grant Thornton over the embeddedness of the arrangements in respect of sustainable resource deployment for Adult and Children's Social Care Services. The experts' report was used by the auditors to inform their overall VFM conclusion, and management actions were incorporated into a new VFM tracker developed by the Council in response to the VFM conclusion which was presented to the September Audit Committee meeting. Copies of both documents were circulated to the Scrutiny Committee.

The experts' report was produced in collaboration with relevant senior leaders from the Council and was being used to inform the Medium Term Financial Plan 2020/23 as well as by the auditors to inform their overall VFM conclusion.

The report had concluded that both Adult and Children's Social Care Services, in partnership with the Corporate Finance Team, had strong financial measures in place with robust mechanisms to manage and monitor spend against the budget and that the Council could deliver the Medium Term Financial Plan.

The review had identified a few areas for further action in strengthening the Council's financial resilience for Adults and Children's Social Care which were reflected in the management actions in the VFM tracker, and progress would be reported to each Audit Committee during 2019/20. Relevant parts of the experts' report would also be presented to other appropriate Scrutiny Committees.

### Debate

The Committee welcomed the positive report and assurances about the level of funding for Adults and Children's Social Care Services, noting that provision had been made for the recent pay award and that any problems could be identified at

an early stage - while being conscious of the volatile nature of demand especially in children' and its impact on resources.

The Committee noted the report.

218 **Climate Emergency Framework Update - Agenda Item 8**

The report drew attention to the emergence of a Framework for developing the county-wide Climate Emergency Strategy (which was appended) and sought comments to further shape the Strategy before it was submitted to the County Council's Cabinet.

Background

In 2019 the five Somerset local authorities each recognised or declared a “Climate Emergency” and agreed to collaborate in producing a joint Climate Emergency Strategy. While each declaration was slightly different, all aspired to achieve carbon neutrality in their own operations and to work towards achieving this across the geography of their administrative area. Given the alignment of the declarations, it was agreed that a cross-authority Strategy should be developed to identify ways in which the county of Somerset could become “Carbon Neutral” by 2030.

Experts from the field of academia, industry, climate activism and subject matter experts from across the Somerset local authorities had been engaged with to develop the scope of the Framework and identify the key areas of focus, and to help understand the scale of the challenge set by the ambitious targets within the “Climate Emergency” to inform the resulting Strategy and local Action Plans.

The Framework was intended to stimulate conversation with communities, interest groups, businesses and other relevant stakeholders in order to generate true community engagement and strategy co-development, ensuring that everyone in Somerset felt a sense of ownership of the full Climate Emergency Strategy.

It was intended that the Framework document should reach as wide a range of people of Somerset as possible to give them the opportunity to input into and shape the final Strategy document. To facilitate this, the consultation process would be multi-faceted and multi-media; it was planned that a series of “Climate Summits” would be delivered (one in each district of Somerset), run by the authorities' partners at Somerset Climate Action Network (SCAN), to give groups and individuals the chance for face to face discussion with industry experts. This would be supplemented by a bespoke website, tailored business and industry-focused consultation events (supported by the Federation of Small Businesses and the Chamber of Commerce) and young people-focused engagement events.



### Governance Structure, Proposed Timescales and Consultation Activities, and Financial and Contract Update

The work of officers representing the County Council, the four district councils and the Exmoor National Park Authority (led by the County Council's Director of Commissioning for Economic and Community Infrastructure) was being overseen by a group of senior elected members and chief executives from the respective authorities, and Strategy development was being scrutinized by a cross-authority Task and Finish Group with County Council representation through Cllrs Filmer and Munt.

There were nine workstreams: built environment; Natural Environment; Energy; Farming and Food; Industry, Business and Supply Chain; Transport; Waste and Resource Management; Flood Water and Adaptation; and Communications and Engagement.

All authorities had already committed considerable resource to development of the Framework and, as a result of the activity so far, it was becoming apparent that future development would be better served by securing project management expertise. This was likely to incur an additional cost but would be supported by a detailed costing plan and brought forward for approval through appropriate channels. It was pointed out that all actions and projects suggested or advocated by the Strategy that were over and above current "business as usual" activity were currently underfunded.

### Debate

Matters discussed/referred to following presentation of the report and Framework included:

- alignment with the Government's Clean Growth Strategy
- the urgent need to complete the Climate Emergency Strategy and move to implementing remedial actions (the Director, ECI emphasised the importance of having a properly researched, targeted and supported Strategy in place and confirmed that the initiative was being taken very seriously by all the authorities involved)
- the Strategy building on existing good practice by local authorities in terms of energy efficient/low carbon emission/climate "friendly" projects/activities (in energy and waste contracts, tree planting etc), and the need for significantly greater financial investment by local authorities and generally in this area
- the critical importance of wide-ranging communications and engagement (consultations) as a basis for community support, and the need for greater impetus in this area
- arrangements for risk management and assurance.

There was overriding cross-party support and praise for the report, Framework and work done thus far towards the development of the Climate Emergency Strategy. Members congratulated all officers and members involved. The report, as presented, was accepted and the “asks” of Scrutiny were approved.

The Committee asked that three matters were taken into consideration before the Framework was released for consultation:

- that the Senior Managers Group ramps up (via the Communications and Engagement Workstream) and really gets going with communications now about what is happening in Somerset, the emerging Framework and the consultation events/summits to ensure everyone is informed about the work and how to get involved
- include in the Framework a reference, possibly under Section 9 “Strategy Delivery” - to Our approach to Risk Management and the identification and required actions as a consequence of emerging Threats and Opportunities
- make clear in the document the approach to Assurance

A fourth comment was made by the Chair in her summing up based on members’ comments during the debate:

“We (the local authorities) must put our house in order first - We must accelerate progress on matters such as commercial waste disposal from our estates, single use plastics policy etc. and show leadership by example”.

Further to the recommendations in Paragraph 2 of the covering report, the Committee:

- noted and endorsed the timeline for the delivery of the Climate Emergency Strategy and the proposed consultation activities, and the intention to share the opportunity to contribute with residents and community groups
- recognised the significant funding pressures of the development and delivery of the resultant Climate Emergency Strategy and Action Plans
- confirmed their support for the four additional actions, as set out immediately above.

## 219 **Scrutiny for Policies and Place Committee Work Programme** - Agenda Item 9

The Chair and officers covered the arrangements/timeline for dealing with the following:

- Dillington Review
- Cycling and Wellbeing Strategy
- 5G Implementation
- Connecting Devon and Somerset Broadband Update

It was reported that a visit was being arranged to Hinckley Point “C” nuclear power station construction site.

220 **Any Other Urgent Items of Business** - Agenda Item 10

There were no other items of business.

**(The meeting ended at 11.38am)**

**CHAIR**

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