

Report of the Scrutiny Committee for Policies and Place

Executive Member: N/A

Division and Local Member: All

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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 regular report covers the work of meetings held on 8 November, 6 December 2022, 10 January, 1 February and 7 February 2023.

1.2. The Committee agreed the 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 13 elected Members, and currently has meetings scheduled monthly. The next meeting will be held in County Hall in person at 10.00am on 7 March 2023.

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 where required with attendance of representatives and/or stakeholders from partner agencies.

2.2. 8 November 2022

Revenue Budget Monitoring Report – Month 6/Quarter 2 September 2022

The Committee received the month 6/quarter 2 report and noted the £21.2m overspend. Adult Services showed an improvement of £800,000 from month 5 and predicted £12.7m overspend. Children’s Services showed a deterioration of

£300,000 from month 5 and predicted £16.6m overspend. Economic and Community Infrastructure predicted a £200,000 positive variance. Of the £5m savings in the 2023-23 budget, £1.1m had been achieved, £2.3m was on track to be realised, £1.1m was at risk and £600,000 deemed unachievable. Capital programme predicted to be £25.4m overspent, £15.8m to be profiled into next budget. The Committee discussed the element of at-risk funds (£1m) related to Family Safeguarding in Children's Services; risk of increased homelessness and effect on budget; whether budget improvements would continue or decrease; role of external consultants in addressing Adult Services budget difficulties; role of Shaw Trust Project in controlling Children's Services budget; risk to capital programme and mitigations; and use of and likely 25% reduction in reserves to close 2022-23 budget.

Briefing on Highway Service Demand, Management & Contracts, and Assessment of the 'Report It' Function

Members received a report from Strategic Manager – Highway Maintenance. Highway network is SCC's largest asset at c£7.5m of highways, bridges and streetlights. Winter Service a statutory duty and include high-costs services such as gritting. Risk-based approach to maintenance with priority to most-used roads. Works are reactive and routine maintenance; planned and programmed works; regulatory responsibilities; and emergencies. Annual allocation for capitals works c£30m, £22m of which is spent on highway maintenance which equates to 30-40 schemes per year and includes surface dressing (£6m pa). Annual revenue budget £12.8m which includes salaries and routine reactive works. Report It service developed in-house for customers to report and track issues to completion, operational since May 2021 resulting in decrease in call volumes and increase in issues reported. No SCC direct labour force with use of contracted services and consultancy, however vacancies remain due to recruitment difficulties. Customer Partnerships, such as the Exmoor trial are valuable tools. LGR likely to increase customer expectation and, provide opportunities for integration of services such as grass-cutting for improved functionality. Schedules for grass-cutting, gully cleaning and clearing of overhanging vegetation are published on Travel Somerset webpage as well as capital works undertaken by utility companies. Report-It feedback from residents was discussed and the Officer explained that Report-It is not always suitable for more complex issues. An interactive map-based tool will be launched in 2023 to show areas of ecological non-intervention.

Update on Cessation of SCC Activities at Dillington House

Members received a report from Head of Support Service for Education (SSE) following the decision taken by the Executive in September to cease SCC activities at Dillington House. A Deed of Variation was negotiated to minimise disruption to SCIL teacher-training and pre-booked weddings, as well as arrangements for exit to minimise loss to the public purse. Operations will cease on 30 September 2023 with exit by 30 November 2023. Alder King have been appointed to review the Condition Surveys undertaken by SCC and the landlord. Consultations have commenced with Dillington staff and trade unions, and proposals have been developed to address staff retention. Work has also started on exiting existing contracts, disposal of

assets and relocation of artefacts. Members requested more detail on exit costs which the Officer agreed to present at a future meeting, as well a request of detail of the staff retention scheme which was provided. Alternative adult education providers have been contacted to ascertain if they are providing similar courses.

Scrutiny at Somerset Council

Members received a report from Scrutiny Manager including a request for three volunteers Members from each of the four Scrutiny Committees to form a combined task and Finish Group to recommend proposals to the Executive for the structure of Scrutiny for the new Somerset Council from April 2023. The Group would take advice from the Centre for Governance and Scrutiny and be a politically proportionate from each of the existing Scrutiny Committees. Members stated that the work of LGR Scrutiny Committee would be integral to new arrangements.

6 December 2022

Revenue Budget Monitoring Report – Month 7 October 2022

The Committee received the month 7 report and noted the £21.3m overspend, a £100,000 adverse variance from the previous month. Adult Services budget showed an adverse variance of £12.6m, an improvement from the previous month. Children's Services showed a deterioration of £400,000 to £17.2 adverse variance due to pressure on external placements. £500,000 improvement in Economic and Community Infrastructure, giving a £700,00 favourable variance, due in part to the Recycle More initiative. Members agreed £7m removal from capital programme for vehicles, depots and containers, as well as removal of £2.156m due to reduction of Taunton Secondary School scheme. The Committee discussed the role of the external budget consultant; actions to reduce pressure on external placements in Children Services budget; lobbying of government for additional funds; potential need for council tax increases; level and use of reserves in short-term; impact of move away from external placements in Children's Services budget; and MTFP challenges adding to the financial pressures in delivering LGR, including significant impact of high interest rates.

Somerset Cultural Strategy

Members received a report from Lead Officer for Cultural Strategy. Development of the Strategy has contributed to priority designation by the Arts Council. The Strategy is a cross-district initiative covering all forms of culture aiming to increase engagement which important health and wellbeing benefits. Commissioning of external consultants was explained and the role of the strategy in accessing external and national funding.

Somerset Economic Futures: Economic Scenario Planning for Somerset

Strategic Commissioning Manager Economic Development & Planning - Paul Hickson outlined the project against the backdrop of global economic challenge of covid recovery, labour market shortages, rising cost of living, transition to net zero as well as for Somerset, a move to unitary. Members were informed of initial findings from SWOT analysis:

- *Strengths.* Somerset's location in the south of England and in the centre of the south-west region, good access to London and the south-east, quality of life as a draw in attracting investors and retaining business base, significant

knowledge-based business strengths e.g. aerospace cluster around Leonardo Helicopters in South Somerset.

- *Weaknesses*: Lack of city region as economic engine leading to a dispersed economy, lack of university or other higher education institution for attracting skilled-workforce or supporting research and development which may lead to low per capita productivity and low social mobility.
- *Threats*: Vulnerability to climate change, ageing workforce and associated challenge for future labour supply, mid-position in deprivation indices which does not attract government funding.
- *Opportunities*: Energy sector growth, post-pandemic quality of life offering, desire for ambition for the economic future.

Four scenarios will be considered:

- *Scenario 1*: 'Status quo' continuation of existing trends, least ambitious.
- *Scenario 2*: 'Health & Wellbeing' focus for healthy ageing, quality of life and contribution to economic activity to secure future workforce.
- *Scenario 3*: 'Fatality and dynamism' focusing on accelerating growth over time and supporting smaller micro business economy including how to attract, retain and develop talent within Somerset.
- *Scenario 4*: 'Clean and green' economy beyond net zero with Somerset as a contributor to wider decarbonisation and net energy generation in the region and beyond.

Initial feedback has identified desire to attract, retain and develop talent; connectivity; economic resilience; social mobility; and social capital.

Somerset Council Complaints Policy

Members received a report on the proposed Complaints Policy for the new Somerset Council from 1 April 2023 from Service Manager for Customer Experience and Information Governance. The proposed policy, an amalgam of the existing authorities' policies with no major change to any and close reference to the Ombudsman Best Practice Guidance and Code of Practice. Consideration was also given to specific statutory and legal requirements of the management of complaints about children in social care settings. There was discussion regarding best practice in response times; advocacy and data sharing; organisational culture and the need a robust Complaints Policy; importance of staff training ahead of potential upturn in complaints at Vesting; requirement to work collaboratively with services; need for review of policy and procedure as well as monitoring and benchmarking; and the need for adequate staff resources to address any upturn in complaints.

10 January 2023

Public Questions

Two public questions were received from the following group/individuals which were addressed in the following item's presentation:

- Mr Keith Read – Community of Parishes/West Hatch Parish Council Chair
- Mr Kevin Comer – Hatch Beauchamp Parish Council.

A358 Southfields to Taunton

The Committee received a report from Strategic Manager – Infrastructure

Programmes Group outlining extensive experience of the team in managing Development Consent Orders (DCOs) as developed by National Highways with the planning application submitted by government and determined by the Secretary of State for this scheme. The new Somerset Council will become involved once the final scheme is announced. National Highways have a preferred scheme which will form part of the Strategic Road Network and will not be maintained by Somerset Council. DCO will grant planning consent with a series of other consents including compulsory purchase. The Examination Stage of the final consultation will include open hearings and specific land acquisition hearings. The Community of Parishes were advised to make representation at the Examination Stage as the council/s are unable to present views on behalf of others. SCC are fully supportive of project to improve connectivity, resilience, promote economic growth and offer environmental improvements, as well as improvements to air quality and congestion in problem areas. The scheme will contribute towards measures of the Climate Emergency Strategy. There was discussion about the current scheme reflecting previous lobbying by SCC and others to upgrade the route between London and the M5 at Taunton; finalisation of design standard after examination and consultation; the ability to influence but not change design as set by National Highways as an Expressway; importance of public engagement; recognition of local concerns about the high specification of the route including the concern that local traffic may divert onto unsuitable adjacent roads; and the challenge of merging views of five councils preceding Somerset Council from April 2023.

Council Tax Exceptional Hardship Scheme

The Committee received a report from the Lead Officer for Revenues and Benefits for the transition to unitary from April 2023. The following points were highlighted: the need for the service to be operational from day one; the new Council Tax Reduction Scheme; proposed policy as discrete discretionary safety net to those who do not qualify for council tax reduction or may need a top-up to council tax reduction; provision for those who may be disadvantaged from the alignment of the four district schemes; deliberate non-specific eligibility to allow appropriate discretionary help to address individual circumstances; levels of current and future spend on Council Tax support; and government support to top-up council tax support schemes. There was discussion on monitoring of support; premise of support rather than chasing for payment where individuals are unable to pay; use of Breathing Space Regulations and close working with Citizens Advice for debt support; and concern from some Members about the increase in support.

Housing Benefit War Pension Disregard Policy

The second report from the Lead Officer for Revenues and outlined information on the mandate of the Housing Benefit Scheme as largely dictated by DWP; local discretion to disregard war disablement/war widows pension income for entitlement to benefit; and alignment to the recently strengthened Armed Forces Covenant. There is no expected increase in expenditure.

Libraries Update

Strategic Manager – Library and Registration Services, presented an overview which outlined that Somerset had 19 core library buildings fully supported by SCC following a comprehensive review of need and demand; 13 community partnership libraries that remain part of statutory provision with financial commitment to 2026

delivering the same service as core libraries but delivered in varying ways tailored way to their communities with some managed by volunteers, some by paid staff and some through hybrid arrangements; wide range of services offered in addition to the core service allowing access to skills and development; access to specialist collections and e-resources in collaboration with Libraries West; outreach service and home visits for those physically unable to visit a library; lending Service for thermal cameras, blood pressure monitors, iPads etc; free mobile data and refurbished devices in conjunction with the Good Things Foundation; national initiative 'Reading Well' for readers with mild and moderate health issues are 'prescribed' books as an alternative to medication working with medical professionals to promote the initiative; and health and wellbeing projects in collaboration with NHS and Public Health. The Committee received a demonstration of projector used for those living with dementia, autism or learning disabilities in care homes, residential homes, or their own homes and supported through Adult Social Care. There was debate and questioning on the softer social services offered by libraries which were highlighted as extremely valuable considering the pressures facing many areas.

Insurance Policy Contract Award

The Committee noted the recommendation to the Executive for award of contracts of insurance for a period of three years from 1 April 2023, with the option of a four-year extension, noting the critical need to ensure insurance cover is in place by this date.

1 February 2023 – Extraordinary Meeting

Public Questions

The Committee received a public question from Peter Travis of the Somerset Bus Partnership. Officers responded by stating that there is a review of all public transport assets; the public are encouraged to report incorrect or missing timetable information including vandalised timetable cases; review of all bus stops is logistically difficult; and funding opportunities are being sought for a project in relation to bus stops and timetable information.

Somerset Council Plan

Leader of the Council, Cllr Bill Revans introduced the report and the Strategic Manager – Commissioning Development. The following points were highlighted; new draft Somerset Council Plan sets out ambition for greener, more sustainable Somerset that is healthier and more caring, and a flourishing and more resilient county; cross-cutting values have been identified and form a key component; engagement with partners and other stakeholders now complete and feedback being carefully considered; the draft Plan is high level vision to be supported by forthcoming Business Plan with more detail on how to deliver the Council Plan's priorities; and an overarching commitment to build a fairer, greener, more flourishing Somerset that cares for the vulnerable. The Committee welcomed the draft Plan's ambitions; felt the message could be more forceful in terms of sustainable development; and requested the final Plan be as inclusive as possible.

Medium Term Financial Planning

Lead Member for Finance and Human Resources – Cllr Liz Leyshon introduced the

report and Director of Finance and Governance. The following points were highlighted: proposed balanced budget to protect frontline services delivered by existing Councils and voluntary sector partners; complexity of combining five budgets for operation from 1 April; unprecedented demand for services particularly in Social Care, as well as pressures of high inflation and LGR; RAG-rated capital programme updated for new and existing schemes (some with government funding); LGR implementation budget £3.12m for 2022-23 with £900,000 additional funding requirements, approx. £4m under flexible use of capital receipts; new savings proposals of £3.9m related to staffing, £2.9m from tier 2 & 3 appointments and £1 from other appointments equating to 300 posts over 3 years; section 25 checks show robust budget estimates, realistic projection for service demand; adequacy in level of reserves proposed to stay at £47.4m in the range of £30-50m; and assurance of reasonable level of reserves for next year's budget. Members discussed effect of high inflation and pay award; level of contingency funds; higher risk for Somerset Council in 2023-24 compared to other authorities; request for overview of district capital projects and greater opportunity for scrutiny of larger projects including high profile cases; business rate income; Children Services budget savings through internal placements; and request for urgent review of CCTV provision.

7 February

Budget Monitoring Report – Month 9 (December)

The Committee received the month 9 report and noted the deteriorating picture from the month 7 position. Children's Services showed a deterioration of £3.6m from the previous report due to new placement and extension of existing placements, contributing to a £16.6m overspend. Adult Services should receive discharge funds from government which will improve the financial situation.

Revenue benefit monitoring forecast to the end of March is £24.3m overspent, a £3m variance from month 7. Economy, Community and Infrastructure (ECI) £700,000 underspend. Capital budget for 2022-23 is £130m with forecast spend of £105.2m, giving a positive £24.8m variance. Forecast outturn level of reserves is £91.6m which will be reduced by revenue overspend. Debate and questioning centred on level of risk of care homes closing with a growing demand for placements; increased demand for placements in Children's Services; use of reserves to balance this year's budget with due consideration of levels of reserves; role of asset disposal in next year's budget; decision on whether the County Farms estate would be protected from liquidation of assets to give certainty to tenants; and issues surrounding the Core Offer to schools which may lead to reduced uptake and income.

Income and Arrears Management Policy

The Committee received a report from Lead Officer for the transition to unitary, in relation to Revenues and Benefits highlighting the following: policy to align five existing policies and to set key principles in relation to collection and enforcement of debt; no prescribed process and procedure to allow collection of many types of debts (Council Tax, business rates, housing benefit overpayment, commercial rent etc) in the most appropriate way; housing rental arrears or parking fines are

covered by other policies; and recognition that debt underpins many wider social issues and that impact of debt collection can create issues elsewhere with vulnerability a key factor and early engagement advantageous in all cases. Members discussed the aspiration to reduce the current £56m council tax/business rate debt; need for early engagement to improve payment rates including potential use of technology including text, email and automated dialling; debt write-off provisions including monitoring; Council's duty of care for those struggling with debt and the need to identify vulnerability at the earliest opportunity; and anticipated improvement in debt analysis after vesting.

Scrutiny Arrangements for New Somerset Council

The Committee received a report from the Scrutiny Task and Finish Group with recommendations which will be presented to the Executive. Five scrutiny committees were proposed Scrutiny for Children and Families, Scrutiny for Adults and Health, Scrutiny for Corporate and Resources; Scrutiny of Climate and Place; Scrutiny for Communities. A sixth informal steering group was also proposed, as well as an officer dedicated to scrutiny. It was proposed that Scrutiny Chairs will be from opposition parties. There was discussion about the budget adequacy for effective scrutiny amid broad consensus for the new structure.

Contract Award for Professional Consultancy Services for Planning, Design, Engineering and Place Services

The Committee noted the recommendation to the Executive for award of a four-year contract, with the option of a four-year extension from 18 July 2023.

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 future meetings, and agendas & reports from previous meetings are available via the Council's website. www.somerset.gov.uk/agendasandpapers

Note: For sight of individual background papers please contact the report author.