Local Government Reorganisation Joint Scrutiny Committee
Friday 30 September 2022
10.00 am The John Meikle Room, The Deane House, Belvedere Road, Taunton, TA1 1HE

SUPPLEMENT TO THE AGENDA

To: The Members of the Local Government Reorganisation Joint Scrutiny Committee

We are now able to enclose the following information which was unavailable when the agenda was published:

Item 2	Minutes of the Previous Meeting (Pages 3 - 12)

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Minutes of the Local Government Reorganisation Joint Scrutiny Committee Meeting held in the John Meikle Room, The Deane House, Belvedere Road, Taunton, TA1 1HE on Friday 22nd August 2022 at 10am

Present:

Committee members in attendance: Cllr Bob Filmer - SCC (Chair) Cllr Sue Buller - SWT, Cllr Theo Butt Philip - SCC, Cllr David Mansell - SCC, Cllr Barrie Crow - SDC, Cllr Tom Deakin - SCC, Cllr Philip Ham - MDC, Cllr Chris Inchley - MDC, Cllr Jo Roundell-Greene - SCC, Cllr Diogo Rodrigues - SDC, Cllr Brian Smedley - SCC.

Other members present: Cllr Heather Shearer, Cllr Leigh Redman, Cllr Simon Carswell, Cllr Dawn Denton, Cllr Andy Dingwall, Cllr Faye Purbrick, Cllr Val Keitch, Cllr Liz Leyshon, Cllr Marcus Kravis, Cllr Ros Wyke, Cllr John Cook-Woodman, Cllr Connor Payne, Cllr Ben Ferguson, Cllr Ray Buckler, Cllr Tim Kerley, Cllr Ray Tully, Cllr Tony Lock (virtual), Cllr Lucy Trimnell (virtual), Cllr Sue Osborne (virtual)

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Agenda item 1: Apologies for absence

Apologies for absence were received from the following members, all of whom were substituted by another member.

- Cllr Mandy Chilcott substituted by Cllr Connor Payne
- Cllr Hazel Prior-Sankey substituted by Cllr Ben Ferguson
- Cllr Brian Hamilton substituted by Cllr Ray Buckler
- Cllr Paul Maxwell substituted by Cllr Tim Kerley
- Cllr Mark Lithgow substituted by Cllr Ray Tully

Agenda item 2: Minutes of the Previous Meeting

The minutes of the previous meeting held on 7th March 2022 were approved as a correct record and signed by the Chair.

Agenda item 3: Declarations of Interest

The Committee noted the details of the personal interests of all Councillors present already declared in relation to their membership of County, District, Town and Parish Councils.

Agenda item 4: Public Question time

Mr N Hall, a resident in Somerset, who had spoken at the previous meeting on 7th March 2022 brought the following issues back to the committee:

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- The need for fairness in licensing and planning, with more effective public consultation.
- The fact that he had not received a written response form Somerset County Council or Mendip District Councill regarding a licencing issue concerning Glastonbury Festival Events Ltd and an application to increase attendance and the impact of this on the local community i.e. noise pollution, Covid outbreaks, heavy traffic.
- He added that previous noise monitoring and patrols have not helped with the issues above.
- He asked for a more effective consultation process in the community regarding Glastonbury Festival 2023 and added that he hoped that the new Somerset Council will take this issue forward seriously.
- He added that Glastonbury Festival Ltd is soon to submit a planning application.

The Chair thanked Mr Hall for his attendance and assured him a written response would be provided.

Agenda item 5: Appointment of the Vice Chair of the LGR Joint Scrutiny Committee

The Chair of the committee invited nominations for the appointment of the Vice Chair of the LGR Joint Scrutiny Committee.

Cllr Tim Kerley proposed Cllr Brian Hamilton, this was seconded by Cllr Crow.

The committee unanimously agreed to appoint Cllr Brian Hamilton as the Vice Chair.

RESOLVED:
That Cllr Brian Hamilton is appointed as the Vice Chair of the Local Government Reorganisation Joint Scrutiny Committee.

Agenda item 6: Terms of reference for the committee

The LGR Programme Director, Alyn Jones, presented the Terms of Reference document to members. He added that this committee would be very busy and asked the committee to consider adopting a 6-week cycle for meetings going forward. He added that the committee can adjust that power as they see fit.

Members felt that the committee should be flexible to meet the needs of the LGR implementation programme.

Members agreed to adopt a 6-week committee cycle, with flexibility to hold 'extraordinary' meetings if required.

RESOLVED:
That the Terms of Reference for the LGR Joint Scrutiny Committee are noted.

Agenda item 7: Programme progress update

The LGR Programme Director, Alyn Jones gave a presentation to the committee and highlighted the following key points:

- Programme score card for month of June currently amber status
- The LGR scrutiny committee were invited to review and note the scorecard
- The red risks due to resourcing were to be expected. Many officers were being asked to continue business as usual and undertake LGR work, this has resulted in competing demands and pressures within the system.

The committee also received an update from the Acting Strategic Manager for Business Change, Alastair Higton, who highlighted some further key points including:

- There are 520 individuals working on the programme at the current time.
- The nature of the scorecard means that it is formulated from lots of data from across all the LGR workstreams.
- This Information is live data, updated every 15 minutes
- The key principle of the programme is to be transparent and asked members to challenge it.
- Tranche 1 is the 'day one' activities that must be in place on vesting day and cannot be delayed. Tranche 1 is on track.
- Quality assurance is done on each workstream.
- MTFP AND LGR are aligned together to deliver a balanced budget.
- The programme milestones are largely green
- Price Waterhouse Cooper work alongside programme directors to check and challenge the programme.

The following questions and comments were received by members:

- What does RAG status stand for? Some members felt that a glossary of terms and acronyms would be useful.
- Page 41 Bullet point 1 regarding the risks of the budget gap and losing the predicted savings on the programme. Are workstreams now not confident in delivering the LGR savings? Members were advised that there is a sharp focus on benefits realisations of the programme. This is about the risk of confusion regarding the significant MTFP gap. The programme is working closely with 151 offices so that the work is focussed on MTFP budget gap. It was concluded that the wording was clumsy, and the Programme Director would request that PWC review the wording to make it clearer.
- Minimum viable product - what is this and, is this part of tranche 1? Members were advised that the MVP is essentially the minimum required for delivery of key services i.e., the MTFP (must be landed by vesting day) or the website which needs to be in place by day 1 for people to access council services.
- Page 36 – The summary for June 22 and the key headlines including 'clear vision of the new council' for the operating model. Is there a clear model now?
- Importance of technology for delivering services and achieving savings. The Programme Director explained that this would largely be part of Tranche 1 and would create efficiencies, for example there would be one central phone line for customer enquiries.

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- Risk of overcomplication with the programme and this needs to be managed.
- If internal finance/accounting systems on track? The Programme Director advised that this risk has an amber status, but he is confident that the direction of travel is reassuring, and it will go to green. He described how migration for payroll and HR to SAP, replacement of Microsoft Dynamics System, and the migration of email systems and servers are on all track
- RAG ratings, was there confidence that with a number of greens moving into amber that this is not becoming a trend. 'how confident are you that greens moving to ambers does not become a trend?'. The Programme Director agreed that it is key to track issues and look out for trends.
- Resourcing issues, were they financial or personnel issues? Following the appointment of the Tier 1 officers to the new Somerset Council what was the progress of moving towards the appointments to the next tier and was this likely to impact the delivery of the programme? . The Programme Director advised that he felt confident that the workstreams are taking on tasks and making sure resource is managed in the most efficient way. i.e., service alignment.
- Staff turnover and the extent to which this is due to uncertainties of the LGR programme. and whether this risk should be considered?
- Any examples of how the councils intend to make savings during the LGR programme. The Programme Director advised that there are 1171 contracts across all 5 councils. A review of these contracts has now been down so now we are looking at where we can make efficiencies across those contracts, and some of those contracts may be coming to an end naturally. The Programme Director further advised that the programme provides the tools so that the councils can make those savings by having those discussions.
- Page 41 Asset realisation and whether the programme has assessed and addressed inherited debt, particularly associated assets with debts. The Programme Director advised that this is part of tranche 1 activity and bringing budgets together. The programme has been designed to support this. The Programme Director further added that there is a Section 24 notice that provides assurance that any financial decisions that are taken are considered by the continuing authority. The Portfolio Holder for Finance (non-committee member) suggested that it might be wise for a Section 151 officer to attend this committee. She added that external advisors 'Arling Close' are working on the treasury management aspects of the LGR programme and that Section 24 is now a standing item at all Executive meetings.
- Importance of the Council being confident in making savings as previously predicted in the One Somerset business case, particularly around whether there was a Plan B if predicted savings were not made. The Programme Director One advised that the programme is constantly under review and tweaked as needed to get closer to achieving to those predicted savings.
- Concerns about the risk of poor engagement with town and parish councils and stressed the importance of effective engagement in the implementation of the LGR programme.

RESOLVED:

That the Programme progress update is noted.

[MEETING ADJOURNED 11:25 – 11:33]

Agenda item 8: Programme risk review

The Risk Manager, Angela Farmer, for the LGR programme introduced the Programme risk review with a presentation to highlight key points including:

- The definition of risk.
- An overview of how risks are managed under the LGR programme.
- Monthly risk reports go to the programme board and programme steering group
- The difference between programme level risks and workstream level risks
- Risk is assessed based on impact on the programme and what can be done to mitigate it. Next it's presented to board and steering group to decide on the most appropriate way forward.
- Inherent score is the score before any action is taken, residual score is the score after action is taken. Is that the correct term?

The following questions and comments were received from members:

- What is the highest score? The Risk Manager advised that this is 25. It is a 5x5 matrix.
- Risk of inflation to 10% - is this a risk that is now going to be managed? The Risk Manager agreed there is a significant budget gap risk and this has a score of 22 to reflect the severity of this risk.
- Resourcing risk - Is this a high risk and how is that being managed? Alyn Jones asked the committee to feedback on whether they think the proposed actions on resourcing are sufficient. He added that the programme will continue to provide opportunities for Q&A with staff, and that he will be attending all LGR staff briefings across the districts to answer questions and concerns. The Programme Director felt that it is important to be very clear with staff about what LGR means form day one, and concluded that 95% of staff will transfer across on day one, and that the majority will remain in their current place of work for the time being. Staff need to be reassured of this.
- Page 52 Finance reference risk no. 10 inherent score is 22. But after actions residual score is still 22. Is there a risk that the new unitary will be operating on a deficit? The Programme Director confirmed that this should be reviewed.
- Page 59 Customers reference risk no. 111 – overspend of £15.5m in costs. Is there any background on the higher programme costs? In addition to this, redundancies, why are these higher than predicted?
- Page 54 people. There is overall insufficient amount of people. Is there going to be a freeze on recruitment? Can members have a summary of the types of roles that are struggling to fill? Which parts of LGR is this affecting the most? Do these risks fall under tranche 1, or tranche 2? The Programme Director advised that there are no blanket restrictions on recruitment at the moment, moreover a process of mutual aid between the 5 councils to identify and fill in gaps.

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- Risk no. 10 regarding very high residual score for the budget gap. One member felt that this seems realistic and that much of this is out of The Council's control.
- Risk no. 12 loss of staff. Can we look at controls and actions.
- Risk no 228 Contracts and lack of decisions. The inherent score was high but if has come down. Need to monitor this risk.
- Current weekly review process of risks – was this likely to lead to an increase in the frequency of reviews by the Board? The Risk Manager advised that this could be increased if necessary.
- Positive interactions with residents and the new council – were processes in place that will make this less of a risk to customers and communities? The Programme Director reassured the committee that this is the case and that the goal is for customers to not notice any difference in services.
- ICT migration of services and systems changes for staff: were the Council providing sufficient training for all staff? the Acting Strategic Manager for Business Change advised that there is a working group looking at ensuring colleagues are well prepared and trained on the new systems.
- Town and parishes and engagement – had a stakeholder mapping exercise been conducted? The Programme Director advised that the programme board will reflect on how best to support towns and parishes and assured the committee that steps are being taken, including engagement with SALC and parish clerks.
- Page 54 risk no. 25 staffing. The residual score is quite low and did not reflect that staff are overworked, adding that staff are the most important asset and requested that the committee should look at this in more detail. The Programme Director noted the request and confirmed that this is going to be an area of focus for programme.
- Staff briefings. Clarity was sought on how they are run. The Risk Manager confirmed that Q&A sessions for staff are hosted by the Chief Executives' at each authority with all staff, in addition to service level briefings are held across all councils.

RESOLVED:

That the current 17 LGR programme risks are noted.

Agenda item 9: Local Community Networks: Approach to Consultation

The Head of Corporate Services at Mendip District Council, Sara Skirton and LGR Workstream Lead for Customers and Partnerships, Jan Stafford gave a presentation to the committee which covered the following key points regarding the approach to consultation.

- The LCN journey to date and what we can realistically deliver between now and April '23 and beyond.
- Timescales and approach to consultation and engagement.
- One Somerset business case remains the direction for LCN's.
- important to remember that this is a journey, and we need to make sure this journey fits for Somerset – every county is different, and there is no one size fits all approach
- The additional considerations for LCNS, i.e. size, location, boundaries, workloads of unitary councillors

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- LCN design principles and values
- There are three pilots underway in Frome, Wincanton, and Exmoor, with an evaluation framework for each one.
- Terms of reference are in early draft stages, as well as LCN boundaries, LCN financial modelling and LCN staffing needs
- This will include detail around governance i.e., virtual or in person, when and where they meet.
- Minimum Viable product - What can we realistically deliver? This does not mean that we are not being ambitious. But we have to me pragmatic.
- The development approach from now until April '23.
- The development approach from April 24 and onwards i.e., what has worked and what has not worked?
- LCN Assets
- Indicative timescales for LCN's in '23.
- There are 3 proposals for LCN geographies.
- Is Local Community Network the right name?
- Live consultation begins in less than 2 weeks, a report will be going to executive in November '22.

The following questions and comments were received from members:

- How are we engaging with public? What about roadshows, libraries etc⋯
- What is the size of the team doing this consultation? The LGR Workstream Lead for Customers and Partnerships advised that there was a team of 5, including a CCP board linked to this work.
- How do we engage with the smaller councils and community groups? The LGR Workstream Lead for Customers and Partnerships advised that the team would work with Somerset Association of Local Councils SALC (need to put this in full) and SLCC (again in full) to ensure as much engagement as possible with all councils and community groups.
- What are LCN's going to do about licencing and planning? This should be a key thing to consider in the consultation. Sara Skirton advised that they are working with colleagues to look at this but assured the committee that these services are in place from day 1 and customers will not have a gap in service provision.
- Warding arrangements for the new council. Would the LCN work shape the boundary review? The portfolio Holder for Finance confirmed that the boundary commission will be starting a review in the autumn but that any new boundaries will not come in force until '27.
- Role of LCN's and a phased approach to their introduction and what is likely to be in place by April 2023. Sara Skirton confirmed that there is no intention of the LCN's being in place by April '23.
- To what extent do we expect individuals to engage in this consultation? The LGR Workstream Lead for Customers and Partnerships advised that the communications strategy includes a range of mechanisms i.e., online engagement, radio, roadshows, drop-ins, also work with partners who already have successful methods of engaging with local people and use those already established links too.
- Representation of parish representatives on LCN's, should larger parishes or town councils receive an increased number of representatives? Sara Skirton advised that in

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terms of LCN governance there is still work to do and the number of representatives on each LCN had yet to be confirmed.

RESOLVED:
That the approach to Local Community Networks consultation report is noted.

Agenda item 10: Summary of Outcomes taken Implementation Board

The LGR Programme Director, Alyn Jones gave a brief overview of the summary of outcomes from the LGR Implementation Board.

Members noted the following outcomes:
- Terms of Reference for LGR Implementation Board
- Risk Register
- Programme Strategic Objectives
- Local Community Networks engagement and formation of a Working Group
- LGR Advisory Forum set up comprising representatives from partner organisations
- Consequential Parliamentary Order update
- LGR Implementation Board membership and meeting dates.

RESOLVED
That the outcomes from the LGR Implementation Board are noted.

Agenda item 11: LGR Joint Scrutiny committee work programme

The Service Manager Governance Scrutiny, Jamie Jackson referred the committee to the work programme as published and invited comments and questions from members:

- The Chair advised that there are 19 items to be taken across 5 scheduled meetings, which means 4 items per meeting. If anyone else has anything else they would like to see on the work programme, please contact the County Council's Scrutiny Manager, Jamie Jackson.
- The Chair asked the committee to consider if some work can be done by task and finish groups to share the workload.
- Have proposed future meeting dates these taken into consideration the change in dates for the implementation board.
- The Chair advised that meetings of the committee were likely to be hosted at different district offices across the county.
- After some discussion and debate around meeting times and locations the Chair concluded that as a range of views had been expressed, he would take it away as something to give more consideration to. The Chair agreed to provide an update at the next meeting.

RESOLVED
That the LGR Joint Scrutiny Committee Work Programme be noted.

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Agenda item 12: Any Other Urgent Items of Business

There were no urgent items of business.

[MEETING CLOSED 1.30pm)

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