

SCRUTINY FOR POLICIES, ADULTS AND HEALTH COMMITTEE

Wednesday 26 January 2022

10.00 am Luttrell and Wyndham Rooms,
County Hall, Taunton, TA1 4DY



To: The members of the Scrutiny for Policies, Adults and Health Committee

Cllr H Prior-Sankey (Chair), Cllr M Healey (Vice-Chair), Cllr A Bown, Cllr M Caswell, Cllr P Clayton, Cllr A Govier, Cllr J Lock and Cllr M Keating

All Somerset County Council Members are invited to attend.

Issued By Scott Wooldridge, Monitoring Officer and Strategic Manager - Governance and Democratic Services - 18 January 2022

For further information about the meeting, please contact Jennie Murphy - JZMurphy@somerset.gov.uk or 01823 357686 or Julia Jones - jjones@somerset.gov.uk or 01823 359027

Guidance about procedures at the meeting follows the printed agenda and is available at (LINK)

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

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

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



RNID typetalk

AGENDA

Item Scrutiny for Policies, Adults and Health Committee - 10.00 am Wednesday 26 January 2022

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

1 **Apologies for Absence**

To receive Member's apologies.

2 **Declarations of Interest**

Details of all Members' interests in District, Town and Parish Councils can be viewed on the Council Website at [County Councillors membership of Town, City, Parish or District Councils](#) and this will be displayed in the meeting room (Where relevant).

The Statutory Register of Member's Interests can be inspected via request to the Democratic Service Team.

3 **Minutes from the previous meeting held on 03 November 2021** (Pages 9 - 16)

The Committee is asked to confirm the minutes are accurate.

4 **Public Question Time**

The Chair will allow members of the public to ask a question or make a statement about any matter on the agenda for this meeting. These questions may be taken during the meeting, when the relevant agenda item is considered, at the Chair's discretion.

5 **Scrutiny for Policies, Adults and Health Committee Work Programme** (Pages 17 - 18)

To receive an update from the Governance Manager, Scrutiny and discuss any items for the work programme. To assist the discussion, attached are:

- The Committee's work programme
- The Cabinet's forward plan - [Somerset County Council](#)

6 **Fit For My Future (FFMF) -Update** (Pages 19 - 28)

To receive the report and offer comments.

7 **NHS Dental Services** (Pages 29 - 36)

To receive the report.

Item Scrutiny for Policies, Adults and Health Committee - 10.00 am Wednesday 26
January 2022

8 **Adult Social Care (ASC) Performance report** (Pages 37 - 44)

To receive the report.

9 **Adult Social Care (ASC) Budget Report** (Pages 45 - 94)

To receive the report.

10 **Any other urgent items of business**

The Chair may raise any items of urgent business.

This page is intentionally left blank

Guidance notes for the meeting

1. Council Public Meetings

The former regulations that enabled virtual committee meetings ended on 7 May 2021. Since then, all committee meetings need to return to face-to-face meetings. The requirement is for members of the committee and key supporting officers to attend in person, along with some provision for any public speakers. However due to the current COVID restrictions and social distancing measures only a small number of people can attend as meeting room capacities are limited. Provision will be made wherever possible for those who do not need to attend in person including the public and press who wish to view the meeting to be able to do so virtually.

Anybody attending the meeting in person will be asked to adhere to the current Government guidance and Council procedures in place to safely work during COVID 19. These include limiting numbers in a venue, maintaining social distancing, using hand sanitisers, wiping down areas that you have used, wearing face coverings when not sitting at a table (unless exempt from doing so) and following one-way signs in the venue/building. You will also be asked to sign in via the NHS Test and Trace app or to sign an attendance record and will be asked relevant questions before admittance to the meeting. Everyone attending the meeting will be asked to undertake a lateral flow test up to 72 hours prior to the meeting.

Please contact the Committee Administrator or Democratic Services on 01823 357628 or email democraticservices@somerset.gov.uk if you have any questions or concerns.

2. Inspection of Papers

Any person wishing to inspect minutes, reports, or the background papers for any item on the agenda should contact Democratic Services at democraticservices@somerset.gov.uk or telephone 01823 357628.

They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers.

Printed agendas can also be viewed in reception at the Council offices at County Hall, Taunton TA1 4DY.

3. 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: [Code of Conduct](#)

4. **Minutes of the Meeting**

Details of the issues discussed, and recommendations made at the meeting will be set out in the minutes, which the Committee will be asked to approve as a correct record at its next meeting.

5. **Public Question Time**

If you wish to speak, please contact Democratic Services by 5pm 3 clear working days before the meeting (Thursday 20th January 2022). Email democraticservices@somerset.gov.uk or telephone 01823 357628.

Members of public wishing to speak or ask a question will need to attend in person or if unable can submit their question or statement in writing for an officer to read out.

In order to keep everyone safe, we respectfully request that all visitors to the building follow all aspects of the Covid-Secure guidance. Failure to do so may result in you being asked to leave the building for safety reasons.

After entering the Council building you may be taken to a waiting room before being taken to the meeting for the relevant agenda item to ask your question. After the agenda item has finished you will be asked to leave the meeting for other members of the public to attend to speak on other items.

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

At the Chair's invitation you may ask questions and/or make statements or comments about any matter on the Committee's agenda – providing you have given the required notice. You may also present a petition on any matter within the Committee's remit. The length of public question time will be no more than 30 minutes in total (20 minutes for meetings other than County Council meetings).

You must direct your questions and comments through the Chair. You may not take a direct part in the debate. The Chair will decide when public participation is to finish.

If an item on the agenda is contentious, with many people wishing to attend the meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting. Remember that the amount of time you speak will be restricted to three minutes only.

In line with the council's procedural rules, if any member of the public interrupts a meeting the Chair will warn them accordingly.

If that person continues to interrupt or disrupt proceedings the Chair can ask the Democratic Services Officer to remove them as a participant from the meeting.

Provision will be made for anybody who wishes to listen in on the meeting only to follow the meeting online.

6. **Meeting Etiquette for participants**

- Only speak when invited to do so by the Chair.
- Mute your microphone when you are not talking.
- Switch off video if you are not speaking.
- Speak clearly (if you are not using video then please state your name)
- If you're referring to a specific page, mention the page number.
- Switch off your video and microphone after you have spoken.
- There is a facility in Microsoft Teams under the ellipsis button called turn on live captions which provides subtitles on the screen.

7. **Exclusion of Press & Public**

If when considering an item on the agenda, the Committee may consider it appropriate to pass a resolution under Section 100A (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act.

If there are members of the public and press listening to the open part of the meeting, then the Democratic Services Officer will, at the appropriate time, ask Participants to leave the meeting when any exempt or confidential information is about to be discussed.

8. **Recording of meetings**

The Council supports the principles of openness and transparency. It allows filming, recording and taking photographs at its meetings that are open to the public - providing this 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. No filming or recording may take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chair can inform those present at the start of the meeting.

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

A copy of the Council's Recording of Meetings Protocol is available from the Committee Administrator for the meeting.

SCRUTINY FOR POLICIES, ADULTS AND HEALTH COMMITTEE

Minutes of a Meeting of the Scrutiny for Policies, Adults and Health Committee held in the Luttrell Room, County Hall, Taunton, TA1 4DY, on Wednesday 3 November 2021 at 10.00 am

Present: Cllr H Prior-Sankey (Chair), Cllr P Clayton, Cllr A Govier, Cllr J Lock, Cllr M Keating and Cllr J Thorne

Other Members present: Cllr M Chilcott, Cllr G Frascini, Cllr A Kendall, Cllr C Lawrence, Cllr T Munt, Cllr C Paul, Cllr L Redman and Cllr B Revans

Apologies for absence: Cllr M Healey, Cllr A Bown and Cllr M Caswell

23 **Declarations of Interest** - Agenda Item 2

There were no new declarations.

24 **Minutes from the previous meeting held on 08 September 2021** - Agenda Item 3

The minutes were agreed.

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

There were no public questions.

26 **Scrutiny for Policies, Adults and Health Committee Work Programme** - Agenda Item 5

The Committee considered and noted the Council's Forward Plan of proposed key decisions in forthcoming months including Cabinet meetings. The Committee agreed to have a workshop with Scrutiny Children's and Families to look at Mental Health Services in general. To add the New Hospital Programme to the agenda for the meeting in January 2022

27 **Integrated Quality, Safety and Performance report.** - Agenda Item 6

The Committee had a report that provided an update on the Somerset Clinical Commissioning Group (CCG) Integrated Quality, Safety and Performance and an overview of performance against the constitutional and other standards to the period ending July 2021. It was a retrospective report which compared the reported month (July 2021) to the same period in 2019/20 to provide a comparative view of performance. The report covered the following key areas and gave detailed information on each. This included a great deal of statistical historic information: -

- **Primary Care.** Where there were 227,471 consultations with either a GP or other healthcare professional of which 57.3% were face to face.
- **NHS 111.** Performance in July 2021 was better than the average for England and continued to experience ongoing pressures and demands.
- **A&E Performance.** For each of the four Hospitals covering the Somerset area was outlined. All have seen increased demand, but Yeovil District Hospital remains one of the highest performing Trust nationally.
- **Emergency Admissions.** The overall number of admissions was lower in all but Yeovil District Hospital where they had increased by 5.6%.
- **Elective Care – Referral to Treatment.** The number of elective referrals during 2021/22 have continued to restore with cancer demand returning to pre pandemic levels and routine referrals continuing to increase. The waiting times have all increased with particular pressure on General Surgery, Orthopaedics, ENT and Ophthalmology.
- **Elective Care -Diagnostic Waiting times.** All diagnostic modalities continue to be impacted by the Covid-19 pandemic due to services working at reduced capacity as a result of the ongoing impact of social distancing in waiting rooms and enhanced infection control measures (PPE and cleaning measures between patients), staff sickness (isolation) and recruitment challenges and this has led to a significant increase in the number of patients waiting in excess of 6 weeks for their diagnostic test or procedure.
- **Elective Care – Cancer.** Referral levels have returned to pre Covid-19 levels with some cancer pathways showing a higher level of growth.
- **Mental Health -Improving Access to Psychological Therapies.** The number of people accessing treatment for the period April - July is 2,836 against a local indicative target of 3,442 (c.600 below plan); performance for the period is lower than plan and this is due to the annual target being profiled evenly across the year rather than increasing in the later quarters, however we anticipate access will increase over the course of the year as new staff commence in post and new access routes are put in place, e.g. Long Term Conditions (LTC).
- **Quality – Safeguarding.** Initial Health Assessments within 28 days: performance decreased further in June and July. Dental checks for children looked after for more than 1 year performance continues to recover with 47.1% of eligible CLA accessing a dental assessment T
- **Quality – Continuing Healthcare.** The focus of NHS England’s CHC Assurance during 2021/22 will be on the system recovery and recovering performance on the following standards: • Performance against the 28 Day Standard for July 2021 was recorded at 88% (against the 28 day ambition) which is our highest level of attainment since the commencement of this Key Performance Indicator in April 2018.
- **Quality – LeDeR.** In July 2021, three Notifications were received into the Service, which is consistent with the number of notifications received on a monthly basis in 2021/22.

- **Quality -Pressure Ulcers.** Pressure Ulcers information for both the trusts will differ from previous results due to the validation work that is undertaken on each incident. Please note that validation for Somerset FT is still ongoing and we have yet to receive the latest updated information. Somerset Foundation Trust have identified some additional leadership resource to support the team to aid validation
- **Quality -Infection Control.** There has been a national increase in C-Diff. infections resulting in a regional collaborative initiative to identify trends, themes etc. to ascertain development initiatives aimed at the reduction of C-Diff. nationally
- **Quality Maternity.** Both trusts currently under pressure due to increase in numbers and acuity, and Covid-19 related staff absence. Support available across the system and regionally. This is expected to ease as new midwives are recruited
- **Ambulance Services.** This was the main thrust of the presentation as the Committee had raised concerns at the last meeting and requested a targeted presentation. The Committee were given a presentation that covered all the performance areas. Category 1 response times have declined during the cumulative period April 2021 to August 2021 as a consequence of the increased activity levels; this increase is attributed to both an increase in demand as well as a re-categorisation of incidents from Category 2 to Category 1 during 2020/21. In addition, SWAST also introduced additional guidance to assist in the triage of patients with ineffective breathing. A consequence this has led to a deterioration in the time it is taking to hand over patients to the care of the Emergency Department or Ward and thus impacting upon ambulance resource availability.
- During August 2021 Category 1 performance was:
 - Somerset: 9.6 minutes against the 7-minute Mean standard, 21.0 minutes against the 15 minutes 90th Percentile standard
 - SWAST: 11.1 minutes against the 7-minute Mean standard, 18.32 minutes against the 15 minutes 90th Percentile standard
 - National: 8.3 minutes against the 7-minute Mean standard, 15.06 minutes against the 15 minutes 90th Percentile standard
- Category 2 response times have also deteriorated during the cumulative period April 2021 to August 2021 as a consequence of the increased activity levels and during August 2021 Category 2 performance was:
 - Somerset: 61.3 minutes against the 18-minute Mean standard, 126.2 minutes against the 40 minutes 90th Percentile standard
 - SWAST: 53.9 minutes against the 18-minute Mean standard, 118.1 minutes against the 40 minutes 90th Percentile standard

- National: 38.4 minutes against the 18-minute Mean standard, 84.2 minutes against the 40 minutes 90th Percentile standard

Overall, the volume of calls to the Ambulance Service have increased by 13.9% when comparing April 2021 to August 2021 to the same period in 2019, and the call outcome with the greatest level of growth is hear and treat.

To manage the high volumes of calls SWAST have significantly invested in the 2 clinical hubs and redeployed a number of senior clinicians including Specialist Paramedics and GPs to support remote triage which has resulted in the Hear & Treat rates increasing from 10% to 30% on most days (thus avoiding an ambulance to be dispatched). They have Secured additional resource to support the normal resourcing levels with an average of 5-6 additional crews each day. They have extended the agreement with Devon & Somerset Fire & Rescue Service whereby a number of Co Responder fire fighter colleagues are working alongside the lead clinicians as drivers. Increased the overall operational resourcing levels within the county and based on 2019 figures equating to an additional 1000 hours of conveying ambulance resources each week and during the extreme pressures over the past 3 weeks have further extended this. SWAST is working with Acute Trusts in tackling ambulance handover delays; this is a system priority in order to reduce risk of harm to patients both in the community and delayed at hospital. By ensuring that the Patient Transport Service is being most effectively deployed to support Urgent and Emergency Care and elective recovery they have freed up more resources. They have put on place measures to assist in accepting ambulance transfers rapidly (including to SDEC and specialities) in order to improve bed flow and finally by ensuring the Directory of Services is fully updated in each area to ensure correct onwards patient care/referral to speciality.

The Committee discussed the report and during this discussion the following points were raised: -

- The report stated that 57% of the 227,471 consultations were face to face but it did not break that down between GP's and other Healthcare professionals and that was the figure that the Committee were interested in knowing. The Committee were advised that that breakdown was not immediately available but assured that 203 per 1,000 population were seen face to face and this was a higher than the national average. There was some concern raised in relation to repeat referrals to pharmacists who in fact had missed a serious illness. The Committee were aware that there is some political pressure on having face to face consultations when there were some significant advantages for a rural place like Somerset in using technology to communicate. The Committee also acknowledged that some of the pressures were due to staff shortages and not the pandemic.

- The use of Private and Community Hospitals was not covered in the report and the Committee asked that this be shared in a briefing paper so it could be scrutinised at a later date,
- There was nothing in the report about vaccination levels and the Committee requested an update on that with particular reference to the uptake by pregnant women.
- The Committee asked for more information on the targets for Mental Health services as the 75% 'national ambition'.

The Somerset Scrutiny for Policies Adults and Health Committee: -

Discussed the report and requested a further paper covering Ambulance telephone and response times, extremes not averages, further details on Community Hospitals beds, level of vaccinated pregnant women, Mental Health targets and the percentage of face-to-face GP appointments -excluding those seen by other healthcare professionals.

28 **SSAB Annual Report** - Agenda Item 7

The Committee had before it the Annual Report of the Somerset Safeguarding Adults Board (SSAB). The Somerset Safeguarding Adults Board (SSAB) operates as an independently chaired, multi-agency body under The Care Act 2014. It became statutory from April 2015. The SSAB's role is to have an oversight of safeguarding arrangements within the County, not to deliver services or become involved in the day-to-day operations of individual organisations, including those of Somerset County Council. The Board is required by The Care Act 2014 to produce and publish an Annual Plan and Report each year. The plan is normally considered by the Scrutiny for Policies, Adults and Health Committee in the spring (this did not happen in 2020 or 2021 due to the Coronavirus Public Health Crisis) and the Annual Report in the autumn. The purpose of the report was to present both the Board's refreshed Annual Plan for 2021/22 and Annual Report for the 2020/21 financial year.

The main objective of the Somerset Safeguarding Adults Board (SSAB) is to seek assurance that local safeguarding arrangements and partner organisations act to help and protect people aged 18 and over who:

- have needs for care and support; *and*
- are experiencing, or at risk of, abuse, neglect or exploitation; *and*
- are unable to protect themselves from the risk of, or experience of, abuse or neglect as a result of their care and support needs.

By its very nature a strategic plan is a high-level and contains objectives that will be updated as work progresses. The plan also does not reference specific groups of adults, other than in one specific case, in recognition that while the general level of risk may vary, safeguarding work is rarely group specific. Our overarching priorities for 2021-22 are:

- Listening and learning,

- Enabling people to keep themselves safe,
- Working together to safeguard people who can't keep themselves safe and
- Board Governance.:

The Committee discussed the report and strategic plan and were interested to know what actions were taken and if outcomes were followed up. They were assured they were. The Committee wanted confirmation that the links with other bodies were strong and that follow-up actions were followed through. They were satisfied that they were.

The Somerset Scrutiny for Policies Adults and Health Committee: -

Considered the Annual report, noted progress and agreed to continue to promote safeguarding across the County Council and in services that are commissioned.

29 **Adult Social Care Reform and Assurance** - Agenda Item 8

The Committee had a report and presentation on recent developments in relation to national plans relating to Adult Social Care reform and assurance. It was made clear that at this stage these represented directions of travel as the full details are not yet available.

Social Care Transformation: On 7 September 2021, the Government set out its new plan for health and social care. It provided an overview of how the plan would tackle the elective backlog in the NHS and put the NHS on a sustainable footing. It also set out details of the plan for adult social care in England, including a cap on social care costs and how financial assistance will work for those without substantial assets. The plan covers wider support that the government will provide for the social care system and explains how the government will improve the integration of health and social care. It also outlines the government's plan to introduce a new Health and Social Care Levy.

ASC Assurance: In February 2021, the Government set out legislative proposals for a Health and Care Bill, due to receive Royal Assent in Quarter 1, 2022. This included proposals for a new assurance framework for adult social care, and the introduction of a new duty for the Care Quality Commission (CQC) to assess Local Authorities delivery of their statutory adult social care duties under The Care Act 2014:

- 'As social care affects a greater number of people at some point during their lives, accountability for services becomes increasingly important for both national and local government. It is therefore only reasonable for government to want to ensure the ASC system is delivering the right kind of care, and the best outcomes, with the resources available. We also want to be able to readily identify best practice across the system,

building on existing sector-led support and improvement programmes. To achieve this, we want to work with local authorities and the sector to enhance existing assurance frameworks that will support our drive to improve the outcomes and experience of people and their families in accessing high quality care and support, regardless of where they live. To support these goals, we propose to introduce through the Health and Care Bill, a new duty for the Care Quality Commission to assess local authorities' delivery of their adult social care duties'.

Both Government announcements will impact the Local Authority in terms of demands, expectations, and human / financial resources required to support the impacts of the activity. This level of detail has not yet been explored and it is therefore not possible to fully understand this impact or indeed any accompanying support that reflects it. It is anticipated that a higher level of care act assessments and brokerage/care sourcing functions on the back of proposed reforms. There are tight implementation timescales for all systems and processes to be in place for new reform and assurance activity.

The Committee discussed the report and asked about the likely time frame for a new White Paper on the much-anticipated changes to Deprivation of Liberty rules and was informed that it was due very soon. The Committee discussed the pressure the new arrangements will place on smaller providers, and it was acknowledged that some will be lost. The promised reforms, as a starting point, was welcomed but the finer details of the funding package were urgently needed and would no doubt need to lead to an increase in Council Tax at a local level.

The Somerset Scrutiny for Policies Adults and Health:

Considered and commented on the report.

30 Any other urgent items of business - Agenda Item 9

There were no other items of business.

(The meeting ended 12:15)

CHAIR

This page is intentionally left blank

Scrutiny for Adults and Health Work Programme – 2022

Agenda item	Meeting Date	Details and Lead Officer
	26 January 2022	
Budget paper and MTFP Dental Services		Mel Lock Louise Fabus
Performance report to include outsourcing of Care Reviews		Mel Lock
FFMF - Refresh Strategy		Maria Heard
	02 March 2022 Formal	
Integrated Care Boards – Update to include Governance Process CCG Performance update - real issues NHS Consultation (MPH redevelopment)		James Rimmer Maria Heard Phil Brice
	06 April 2022 - Informal	
Feedback from Transitions Mental Health Response times?		Tim Baverstock /Emily Fulbrook Louise Finnis/ Andrew Keefe
	08 June 2022 - Informal	
	06 July 2022 - Formal	
	07 September 2022 - Informal	

ITEMS TO BE ADDED TO AGENDA:

Impact of Covid on health and care staff, oral health, Deprivation of Liberty Safeguarding (awaiting legislation)

Note: Members of the Scrutiny Committee and all other Members of Somerset County Council are invited to contribute items for inclusion in the work programme. Please contact Julia Jones, Democratic Services Team Leader, who will assist you in submitting your item. jjones@somerset.gov.uk 01823 355059 or the Clerk Jennie Murphy on jzmurphy@somerset.gov.uk

Update on the Fit for my Future (FFMF)

Lead Officers: Maria Heard, Programme Director, Fit for my Future Programme Director
Dr Alex Murray, Clinical Lead, Fit for my Future

Author: Maria Heard

Contact Details: maria.heard1@nhs.net

Cabinet Member:

Division and Local Member:

1. Summary

- 1.1 Fit for my Future is a strategy for how we will support the health and wellbeing of the people of Somerset by changing the way we commission and deliver health and care services. It is jointly led by Somerset Clinical Commissioning Group and Somerset County Council, and includes the main NHS provider organisations in the county.
- 1.2 This report is an update on the Fit for my Future programme of work and reflects the impact of the Covid-19 pandemic on the work of the programme.

2. Issues for consideration / Recommendations

Members are asked to note the update and support the direction of travel.

3. Impact of Covid-19 on the Fit for my Future Programme

- 3.1 The Fit for my Future programme has been impacted by the national public health restrictions put in place in response to the Covid-19 pandemic, as well as staff from across the health and care system prioritising our system's response to the pandemic. The programme was paused at the end of March 2020 to support Somerset's Covid-19 response, with the exception of completing the consultation on the future location of adults of working age inpatient beds and engaging on our early thinking around neighbourhood and community services. In recent months, we have started to pick up specific elements of the programme, noting that progress reduces in response to the incidence of Covid-19.
- 3.2 The work we did on an alternative model of care, looking after more people in the community was a core tenant of Somerset's Covid-19 response and enabled us to try out this model of care, providing valuable support to people in Somerset as well as providing us with learning on how we develop our services over the longer term.

4. Fit for my Future Programme Update

- 4.1 The progress of the Fit for my Future programme continues to be impacted by the Covid-19 pandemic as staff across the health and care system continue to prioritise our system response, including the delivery of the vaccine programme. The Fit for my Future programme has therefore prioritised some key areas which we are taking forward, in conjunction with colleagues from across the system. This includes:
 - Refresh of the Fit for my Future strategy as we move into an ICS
 - Working to develop the vision for community hospitals and how we utilise our

- community hospitals, including inpatient facilities
- Reviewing MIU services at Minehead Hospital
- Hyper acute Stroke Care
- Services delivered from Victoria Park Medical Centre
- Focus on prevention, specifically healthy weight and hypertension

4.2 Refresh of the Fit for my Future Strategy

We are reviewing and finalising the FFMF strategy as we move forward as an Integrated Care System from 1 July 2022. This will ensure that the ICS has a high-level strategy, which addresses the consequences of the Covid-19 pandemic, meets the requirements of Integrated Care Systems and has the support from across the system, including health services, public health, social care, children’s services, the voluntary sector, primary care and the CCG.

Meetings took place with the Strategy Coordination Group and the Strategy Development Group in November/December, together with meetings of the Somerset Engagement and Advisory Group (SEAG) and Somerset NHS Foundation Trust (SFT) Board of Governors in early December.

The focus of these meetings was to discuss and establish the scope of the new strategy; consider whether the title “Fit for my Future” was the right name and title for the strategy; a review of FFMF aims to reflect the wider nature of the proposed strategy and ICS development to make clear what we are trying to achieve; to understand suggestions for improvement and to finalise the model of support and clinical care. It will also incorporate the learning and changing needs emerging from the Covid-19 pandemic and the revised ICS requirements.

Positive feedback received from groups and people are pleased that they are being included in the refresh process.

Next steps

We continue to look for opportunities to engagement with wider stakeholders; finalise proposals for work done to date; agree the prioritisation process for strategy development and planning guidance for 2022/23; undertake a gap analysis of work underway through use of strategy driver diagrams and to produce final outcomes for sign off at the FFMF Programme Board in March 2022.

4.3 Developing the vision for Community Hospitals

The final Community Hospital vision was presented to Somerset NHS Foundation Trust executives and shared with the FFMF Programme Board. Considerable engagement has taken place and from the comments we have received it is felt that this had been co-produced including by local members of the community involved in the decision-making process. We would like to take the opportunity to thank members of Somerset County Council’s Scrutiny for Policies, Adults and Health Committee who have been involved in this process.

The last engagement event for Community Hospital Inpatient beds took place on 7 December 2021 and had been attended by the community who were broadly in support. A Community Hospital Vision – Engagement Summary was produced which summarises the engagement carried out and the final vision and aims for Community Hospitals in Somerset (See appendix to this report).

Next steps involve ensuring the right people are involved in the transformation group due to be set up in spring 2022 and will be tasked with implementing the strategic vision for all community health (diagnostics, Cavell centres, screening, and vaccination hubs) with several working groups reporting into it. We will also be

considering how we address the continued temporary closure of inpatient beds in our community hospital through considering what we need in Somerset in the future.

4.4 Minehead Hospital MIU temporary closure

Minehead Minor Injury Unit (MIU) has been temporarily closed during the night-time hours of 9pm – 8am for 4 months in response to safety concerns that had been raised. During this time a review of the MIU service and the impact on night-time closure was undertaken. This included engagement with the public, staff, and wider stakeholders. The report on the review findings concluded that:

- there were no safety risks identified following the closure of the MIU and no discernible impact on the surrounding healthcare services that could have been more appropriately managed had the MIU been open at night.
- there were clear concerns about access to urgent and emergency care as a whole in Minehead and the West Somerset area with many respondents commenting that the MIU acted as a 'safety net' for the local population in the event of urgent and emergency healthcare need.
- As MIUs are not designed to deliver the level of urgent and emergency care described the use of this service as a 'safety net' would attribute to further safety concerns where the MIU was to remain open at night.

Further recommendations were proposed to address the concerns highlighted in the report and approved by the Somerset NHS Foundation Trust board in November 2021. Recommendations included:

- Somerset NHS Foundation Trust, local GPs, SWAST and Somerset CCG needing to work together to agree a model that will best respond to the urgent and emergency health care needs of the local population.
- A communication campaign reinforcing the role and services available within the MIU and how it differs from an Accident and Emergency Department.
- A further extension to the MIU closure overnight of 6 months was agreed whilst awaiting outcomes from recommendations undertaken.

Progress update:

- An initial meeting has occurred bringing key healthcare organisations together to determine a future model for Minehead and West Somerset area with Somerset CCG leading this work. A further meeting has been held with the stakeholder group extending to include local council and transport services.
- A communications campaign has been undertaken by the Trust communications team working closely with the CCG. This is building on the current Choose Well campaign and includes specific messaging including videos on what services the MIUs provide including their important differences to that of an Emergency Department.
- Minehead MIU continues to provide a service between 8am and 9pm supporting the daytime activity and demand. The impact of the night-time closure continues to be monitored.
- Final report with recommendations is in development and is expected in Spring 2022.

4.5 Somerset Stroke Services

The stroke strategy, which was drafted in 2019, has been reviewed and remains as relevant post Covid-19 as it was when produced in the autumn of 2019. It provides a direction of travel for the next five years, setting out how stroke services should operate across the pathway from prevention to living with stroke.

By implementing the strategy, the population of Somerset will be engaged in a conversation about improving their health and keeping well. They will be more knowledgeable about what they can do to manage their risk factors and fully informed of the health and social prescribing options available to minimise the risk of a stroke. There will be proportionately fewer strokes as a result, but where people do suffer a stroke or Transient Ischaemic Attack (TIA), the population will be aware of the signs (FAST) and seek immediate help. Our services will respond quickly, providing access to world-class services. Stroke experts will be on hand 24/7 to respond, making a quick diagnosis and determining the best course of treatment that will result in the best possible outcome for the patient including an increased access to Thrombectomy services and best use of Thrombolysis. Integrated, joined up services will support patients and their families through the acute phase and in to any rehabilitation phase needed. Patients will be helped to return home as soon as possible to maximise their rehabilitation potential and maintain independence. To enhance the support available from our services, patients and families will be connected with community groups and volunteer networks that can help with adjusting to life after stroke, maintaining and improving physical and emotional wellbeing to the best possible level.

We have progressed a number of recommendations in the stroke strategy and are currently reviewing the provision of acute hospital-based services providing stroke treatment, in particular Hyper Acute Stroke Units (HASU). HASUs provide expert specialist clinical assessment, rapid imaging and ability to deliver intravenous thrombolysis (clot busting drugs), typically for up to 72 hours after admission¹.

There is an increasing national evidence base indicating that the centralisation of hyperacute stroke services improves patient outcomes through better access to thrombectomy, thrombolysis and specialised acute care, leading to fewer deaths and less disability for survivors². This view is supported by the Stroke Association who add that evidence shows that reorganising stroke services and creating large Hyper Acute Stroke Units (HASUs) with the equipment and expertise to treat patients all day, every day, can save lives and improve outcomes³.

The Somerset population currently access stroke services at Musgrove Park Hospital, Yeovil District Hospital as well as out of county to Royal United Hospital Bath and United Bristol Hospitals and Weston NHS FT. A number of our neighbouring NHS systems are also reviewing stroke care, with BNSSG coming to speak to this committee in 2021 and Dorset currently reviewing their stroke provision. We recognise that any changes we propose, will impact on neighbouring systems.

Recent progress we have made includes:

- Reconvening the Stroke Transformation Steering Group, which commenced monthly meetings in November 2021 and which will include a representative from the Stroke Association
- Discussion regarding changes since Draft Stroke Strategy published in 2019.

¹ [configuration-decision-support-guide-appendices-2.pdf \(england.nhs.uk\)](#)

² [NIHR Evidence - Centralising stroke services can save lives - Informative and accessible health and care research](#)

³ Stroke Association – What we think about: Reorganising acute stroke services [psp_-_reorganising_acute_stroke_services.pdf](#)

Issues included workforce and facilities capacity; impact on SWASFT; impact on Dorset and other local systems; Inclusion of neuro rehab to the workstream

- Data Modelling refresh

Priorities going forward:-

- We will ensure that we have good stakeholder engagement to establish requirements for Somerset patients and to develop 'Somerset Stroke Service'. This will include unpaid carers as a key stakeholder advising our work
- Equality Impact Assessment to understand who might be impacted by any proposed solutions
- HASU/TIA Pathway mapping across the county
- Development of potential solutions for Hyper Acute Stroke Units which we will take to the public for their views

The current timeline estimates that we will develop the Pre-Consultation Business Case (PCBC) by early May 2022 with expectation to go out to public consultation in September. Assessment of the feedback and production of the Decision Making Business Case (DMBC) in early 2023 with anticipated decision being made at the end of March 2023.

4.6 **Prevention**

System working continues to take place with NHS, Public Health and Somerset County Council with £1m additional focused investment agreed.

Our agreed priorities for the Somerset system include Healthy Weight and Hypertension.

Recent examples of work on prevention include:

- Healthy Weight Alliance
- Somerset Activity & Sports Partnership - Somerset Moves – Our Draft Strategy (sasp.co.uk)
- Tobacco control – NHS Long Term Plan requires that all inpatients are offered stop smoking support. £143k received with further years' funding expected. SFT has agreed to recruit Programme Coordinator and team to help achieve this.
- Social Prescribing: Contracts in place for the whole county. Inaugural meeting with all providers held in October
- CCG grants with VCSE Partners: New grants with Spark Somerset, Citizens Advice, SFT and SASP being finalised

4. Background papers

- 4.1 The full engagement report on the vision for community hospitals in Somerset has been published on the Fit for My Future website www.fitformyfuture.org.uk

This page is intentionally left blank

Community Hospital Vision – Engagement Summary



This document is an overview of the engagement completed to develop the community hospital vision and strategic aims. It sets out how the agreed vision and aims will be used to develop local community hospital plans.



Background

The engagement took place from April 2021 to October 2021.

The purpose was to develop a single vision for all thirteen community hospitals in Somerset.

The goal of the first stage of engagement was to understand what was important to people when they think about using community hospitals in the future. Then we discussed and agreed the steps we'll take to get there. These conversations helped us write the draft vision statement and aims.

The final stage of engagement allowed people to discuss whether the vision statement and aims made sense. They looked at the words and language used and checked for any gaps. It was also important to understand how satisfied people were with the vision and aims to finalise them.

Who we heard from

Somerset NHS Foundation Trust, Yeovil District Hospital NHS Foundation Trust, Somerset Clinical Commissioning Group, Somerset County Council, Voluntary, Community and Social Enterprise sector, Somerset group of Charities, Primary care, League of friends, Trusts Governors and other interested people.

Our actions

We arranged a series of working groups, workshops, an online survey and opportunities for individual and group feedback.

April
2021

The engagement group agreed on a plan for how we would create the community hospital vision.



30 attendees

352 comments

June
2021

We formed the vision using the five aims for Fit for my Future, Somerset's Health and Care Strategy, with input from the community hospital leadership and engagement groups.



808 comments

Jun/Jul
2021

We shared and refined the draft vision during partnership workshops.



160 attendees

815 comments

Sept/Oct
2021

We shared a reworked draft, giving people the opportunity to rate each aim for fit and agree the overall vision.



56 attendees

Community Hospital Vision: What did we hear?

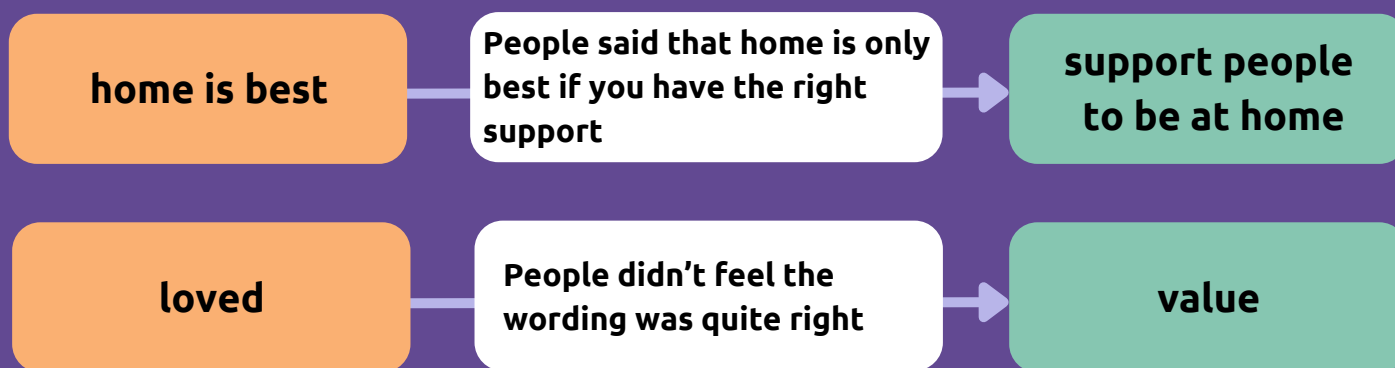
Generally, people liked being involved with creating the vision and aims. There were some doubts about whether these discussions and feedback would lead to action. Overall, people understood that the groundwork was needed to take the right actions in the future.

Wordcloud showing attendees thoughts and feelings about the vision so far



Using the right words

In early discussions, changes were made to some of the language used so that it matched what people were thinking.

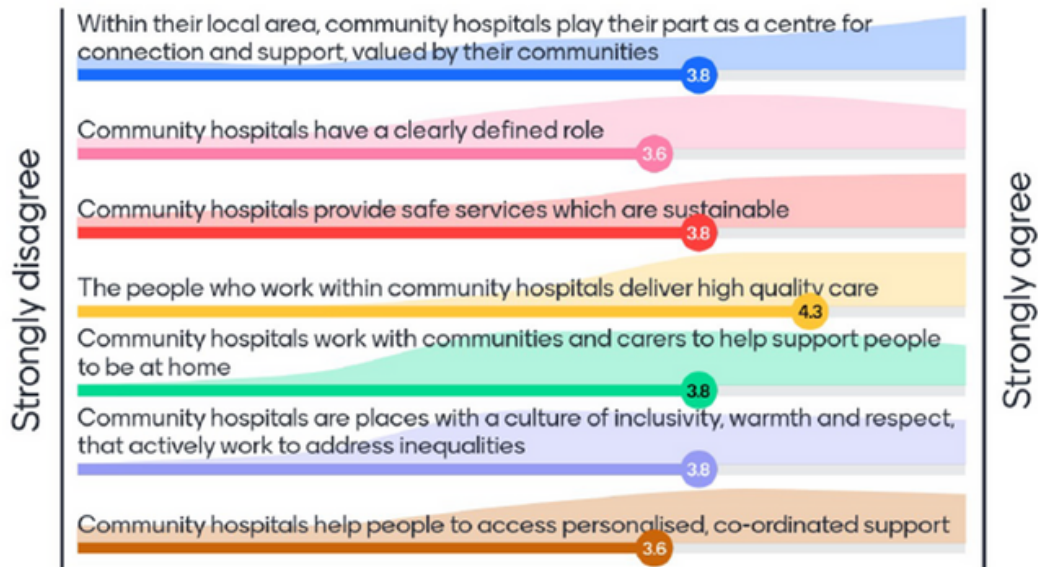


In later stages, we made other changes to the vision wording, removing 'local area' from the first vision statement because it means different things to different people and isn't clear.

The colleague statement was also changed to emphasise how important colleagues are and that the community hospitals are a great place to work.



What you told us



Feedback on the vision



'Feels right and understandable for everyone'

'Considered & comprehensive'



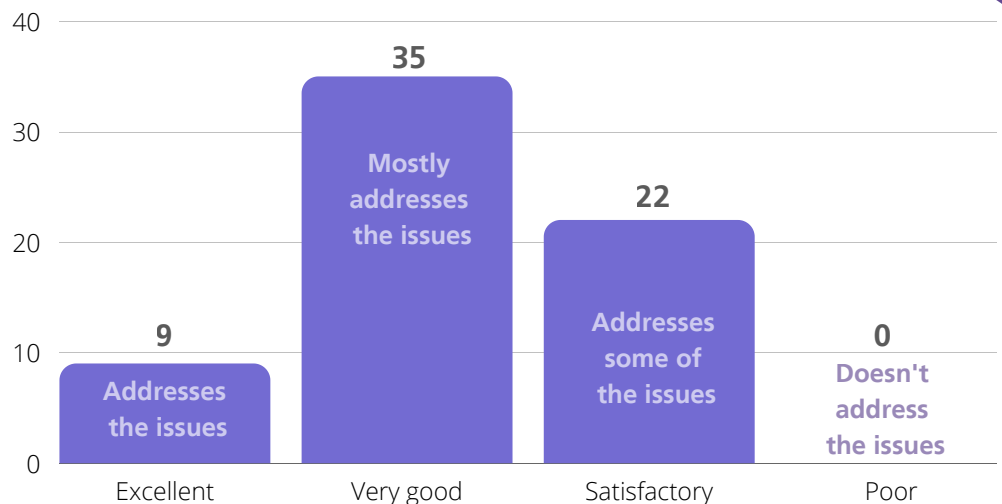
'Great if we can deliver'

'Understand high level - concerned about detail'

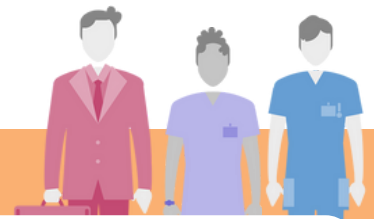


How people rated the Vision

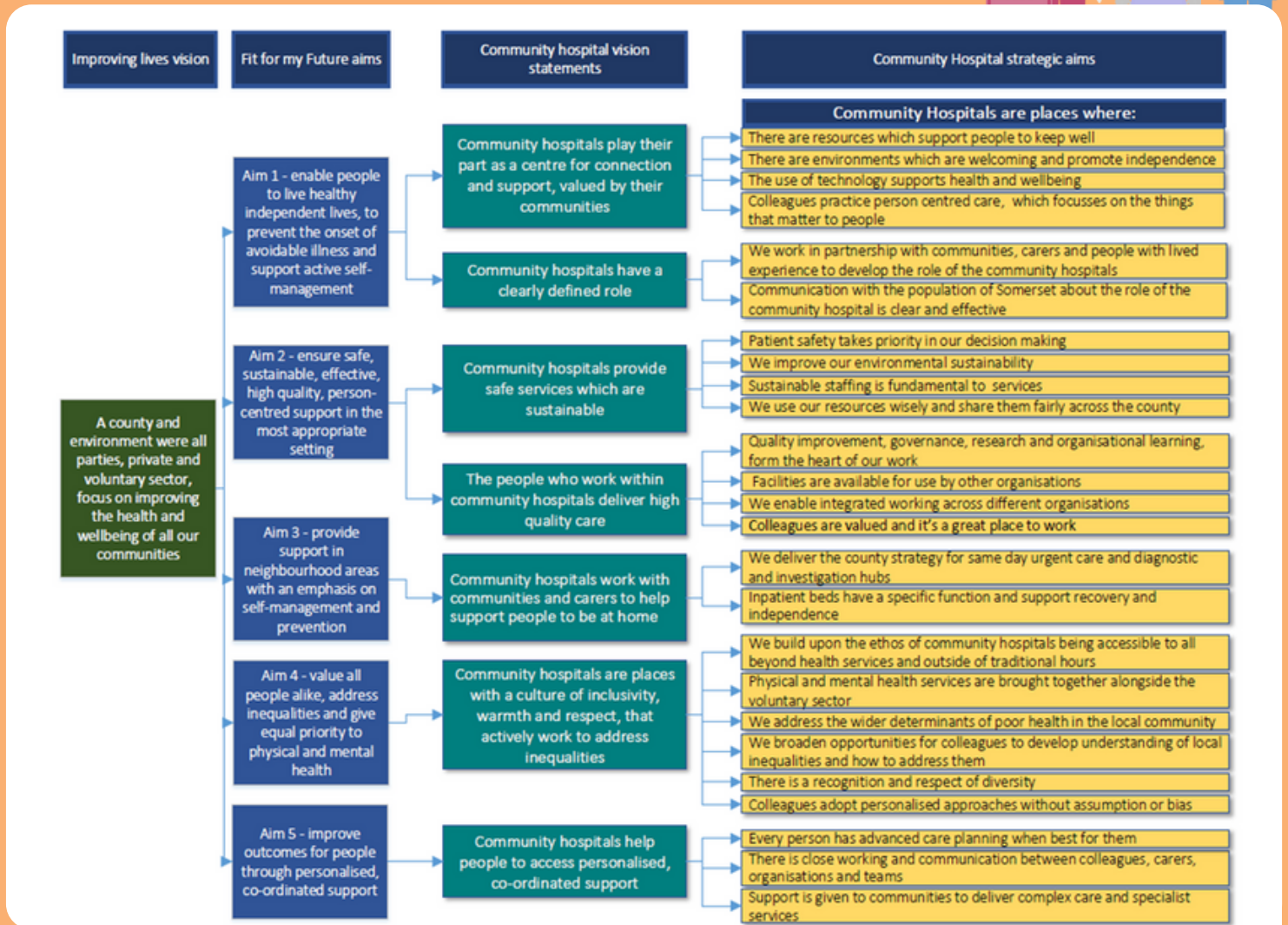
When focused on the vision statements, the scores were between 3.6 – 4.5/5



Overwhelmingly, the feedback was in agreement to using the aims to determine plans for each community hospital.



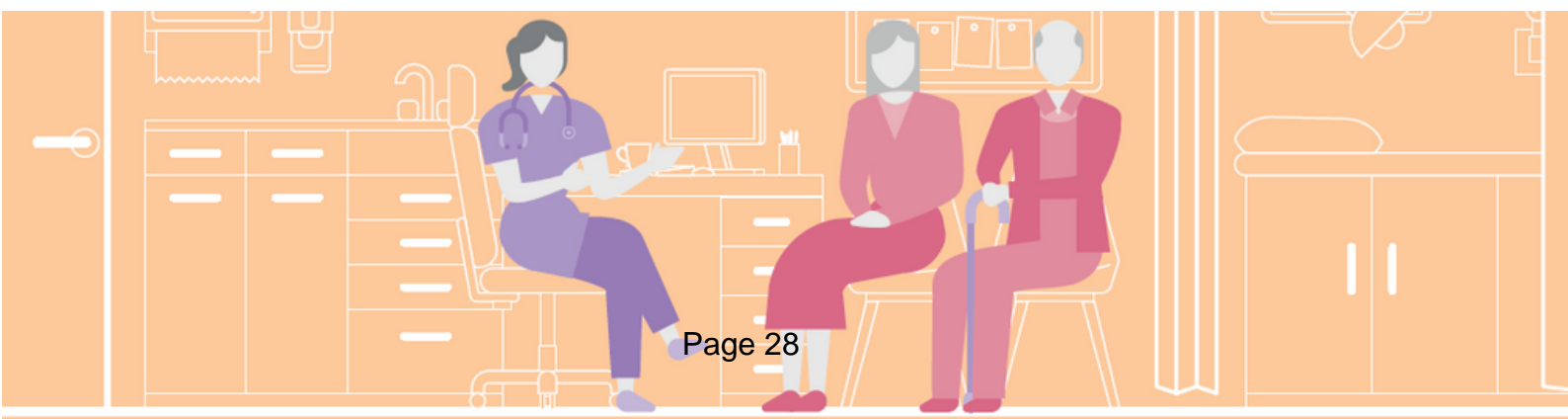
Agreed vision and aims for Community Hospitals



Next steps



With the vision statements and strategic aims agreed upon, these will now be used for the next phase of planning. This will start with a summary session in December 2021 and will lead to setting up localised groups that will work together to form local community hospital plans.



For information

Dental Access for Adults and Children in Somerset

January 2022

Background

NHS England and NHS Improvement is responsible for the commissioning of dental services across England, having taken over from primary care trusts when the NHS was reorganised in 2013. NHS England's offices in the South West region manage these contracts locally.

Dental services are provided in Somerset in three settings:

1. Primary care – incorporating orthodontics
2. Secondary care
3. Community services – incorporating special care

1. Primary care (high street dentistry)

The dental practices are themselves independent businesses, operating under contracts with NHS England and NHS Improvement. Many also offer private dentistry. All contract-holders employ their own staff and provide their own premises; some premises costs are reimbursed as part of their contract. NHS England and NHS Improvement does not employ dentists directly.

Domiciliary treatment is provided by a small number of contractors who provide treatment for people who are unable to leave their home to attend a dental appointment either for physical and/or mental health reasons, including people in care homes.

Dental contracts are commissioned in units of dental activity (UDAs). To give context the table below sets out treatment bands and their UDA equivalent:

Band	Treatment covered	Number of UDAs
1	This covers an examination, diagnosis (including x-rays), advice on how to prevent future problems, a scale and polish if clinically needed, and preventative care such as the application of fluoride varnish or fissure sealant if appropriate.	1
2	This covers everything listed in Band 1 above, plus any further treatment such as fillings, root canal work, removal of teeth but not more complex items covered by Band 3.	3

3	This covers everything listed in Bands 1 and 2 above, plus crowns, dentures, bridges and other laboratory work.	12
4	This covers emergency care in a primary care NHS dental practice such as pain relief or a temporary filling.	1.2

Covid-19 Impact 2020/21 onwards

At the end of March 2020 under direct instruction of the Chief Dental Officer for England, face to face dentistry ceased and dental practices provided remote triage of dental emergencies, advice and guidance, and prescriptions for antibiotics as necessary. Meanwhile, urgent dental care hubs were established at pace to accommodate dental emergencies. These hubs remain focused on providing care for those patients who do not identify with a regular dentist despite the commencement of face to face treatment.

Despite the commencement of face to face appointments compliance with infection protection control protocols has reduced the number of patients that can be treated and clinical priority needs to be given to those that are currently mid treatment, children and vulnerable groups and to those who need urgent care.

Between 8th June and 31st December 2020 practices were expected to achieve 20% of their usual patient volume, based on last year's delivery. This activity was a combination of both face to face care and remote triage as per national guidance. This rose to 45% between 1st January and 31st March 2021; to 60% from 1st April to 30th September 2021; to 65% from 1st October and 31st December 2021; and to 85% from 1st January to 31st March 2022. Activity levels are expected to increase to 100% from 1st April 2022 onwards

The Chief Dental Officer has confirmed contracts will continue to be in place for 100% of normal volumes, and it will continue to be a requirement that all NHS funded capacity is used to deliver the maximum possible volume of safe care for patients with ongoing contractual protection for practices unable to deliver their full contractual activity between January and March 2022. During this period, practices will be expected to deliver at least 85% of contracted UDAs and 90% of contracted Units of Orthodontic Activity (UOAs).

Access rates to high street dentistry

Over recent years there has been a steady fall in the number of patients in Somerset who have been able to access an NHS dentist.

The total number of adults seeing an NHS dentist in Somerset has decreased from 214,715 (47.6% of the population) in December 2020 to 196,949 (43.7%) in June 2021. This is a drop of 17,766 patients (8.27%) over the past 6 months.



Even so, the access rate for the adult population of Somerset (43.7%) is higher than the access rate for England as a whole (41.1%). This is measured by looking at the proportion of people who have seen an NHS dentist in the past 24 months.

The number of children who have seen a dentist in Somerset in the last 12 months has also increased from 31,810 (28.6%) in December 2020 to 37,160 (33.4%). This is an increase of 5,350 patients (16.82%) in the last 6 months.

The proportion of children in Somerset accessing a dentist (33.4%) is greater than the access rate for children across the whole of England (32.8%). This is measured by looking at the proportion of people who have seen an NHS dentist in the past 12 months.

For further details on these statistics, please see:

<https://digital.nhs.uk/data-and-information/data-tools-and-services/data-services/general-practice-data-hub/dentistry>

Commissioned dental activity



There are 66 practices in Somerset who provide NHS general dental services, as indicated in the above map.

Over the past two years, NHS England has commissioned dental activity from these providers as follows:

- 20/21 total UDAs commissioned 946,666 – value £24,940,784
- 19/20 total UDAs commissioned 916,494 – value £23,714,461



In 2019/20, NHS England contracted 916,494 units of dental activity (UDAs) from these providers. This figure included a number of recurrent and non-recurrent reductions which were made to contracts at the request of providers due largely to the number of dentist vacancies in practices across the county. In 2019/20 this meant that 143,300 UDAs were unable to be delivered.

In addition to this commissioned activity, there are 12 Foundation Dentists (FDs) working in practices across the county. Each FD delivers approximately 1,875 UDAs per annum, which equates to approximately 5,000 patients.

Orthodontics

A procurement exercise to secure new contracts was completed in 2019 enabling an increase in the number of local dental practices beginning to provide the service by extending their opening hours. Due to the pandemic, between 8th June and 31st December 2020, practices were expected to achieve 20% of their usual patient volume, based on their previous year's delivery. This increased to 70% 1st January and 31st March 2021 of their normal annual target (pro-rata). From 1st April to 30th September 2021, practices were expected to deliver 80% of their normal annual target (pro-rata); increasing to 85% between 1st October to 31st December 2021. From 1st January to 31st March 2022 activity levels have been increased to 90%.

Urgent dental care

The Somerset Dental Helpline provides access to urgent care appointment slots for patients in need of relief from acute dental pain; acute infection; and bleeding or trauma. Access to urgent dental care would normally be expected to be available within 24 hours of making contact with the service. Appointments are provided for people without a dentist.

The Somerset Dental Helpline can be contacted directly by calling 0300 123 7691 or by emailing dentist4u@sompar.nhs.uk. The hours of operation are 08.00 – 20.00, 7 days a week, 365 days per year. Clinics are provided out of hours on weekends and bank holidays from two sites; Bridgwater and Taunton.

If a patient calls NHS111, they will be directed to the helpline during its hours of operation. Outside of this time, the patient will be triaged by NHS Pathways and signposted for care appropriate to their symptoms.

Only those cases with a significant dental emergency, such as rapid facial swelling, uncontrolled bleeding or facial trauma, would be expected to be treated at accident and emergency departments.

In addition to the above, the South West dental commissioning team have recently launched a procurement to increase the number of urgent care treatment slots by asking practices to



provide additional urgent care sessions. Unfortunately, however, practices within Somerset did not feel that they had sufficient capacity to participate with this initiative. The initiative has been re-launched in January 2022 and Somerset practices will be specifically targeted with the aim of encouraging practices with additional capacity to provide urgent care treatment for additional NHS funding.

Workforce

As indicated above, the key issue affecting access to NHS dentistry is workforce. A shortage of dentists in Somerset (estimated at 23 wte) affects the ability of high street practices to deliver their contracts. The reasons for this are not necessarily different to those affecting other sectors of the health and social care system. Somerset is viewed as a lifestyle choice by both the medical and dental profession and younger clinical professionals tend to favour larger cities with greater transport links and more training opportunities.

Foundation dentists, who are undergoing further training for a year after graduation, tend to relocate at the end of their foundation year, moving elsewhere to follow training pathways or to take hospital-based jobs.

It is difficult to determine why established dentists leave. Anecdotally, factors include the challenges of working in NHS practices that are experiencing high demand from patients and the opportunities in private care.

Improving access to primary care for people in Somerset

NHS England and NHS Improvement is seeking to increase access to NHS dental services by:

- Running a South West recruitment day supported by the British Dental Journal and dental providers to attract dental care professionals.
- Innovation in commissioning to make contracts more attractive to an associate or dentist with additional skills.
- Working with dental providers to explore what more can be done to maximise contracts.
- Reinvesting funding that has not been spent on meeting contracted activity levels in dental activity elsewhere (dependent on the availability of workforce to deliver activity). Pre-pandemic, we were in discussions with dental providers in Somerset to agree short term non recurrent increases to their current contracts to create additional interim capacity in areas of need. We will be able to make these increases permanent once a formal procurement process has been completed in compliance with our statutory duties.

- Ensuring as places become available, they are allocated to those patients who are on the helpline's list.
- Ensuring we commission dental services to meet those areas of demand within available resources by resourcing a Local Dental Network and a number of Managed Clinical Networks for dentistry through which we work with dentists, public health and the dental school to develop referral pathways and increase dental capacity.
- We have a small number of practices piloting a new prototype contract model as part of national work looking at contract reform, as it is considered that the current contract disincentivises dentists from undertaking NHS dental work. The outcome of this work will feed into a national contract review process.
- In collaboration with Health Education England and the Universities of Plymouth and Bristol, we offer funding to local dentists undertaking post-graduate courses in Restorative; Periodontal; Endodontal and Oral Surgery to increase the number of local specialists and improve access.
- Rebasing contract activity to allow for reinvestment. Any schemes will take into account national initiatives and regional difficulties, e.g. Dental Checks by 1, or increasing urgent care sessions for patients who do not have a routine dentist.

2. Secondary care provision

In Somerset, NHS England and NHS Improvement contracts with Somerset NHS Foundation Trust to provide secondary care including oral and maxillofacial surgery. Secondary care has been impacted greatly by the pandemic as services initially ceased to allow additional capacity to treat Covid-19 patients in hospitals. All services have now been resumed but in some cases, the frequency of clinics has been reduced due to capacity at the hospital sites. This has led to an increase in waiting list sizes for some treatments.

Clinical Commissioning Groups (CCGs) have produced elective recovery plans and the funding available (elective recovery fund) is being used to procure additional capacity. The Getting it Right First Time (GIRFT) programme is also underway in the South West, looking at oral and maxillofacial surgery pathways to improve flow of patients, ensure more equitable access to treatment and better outcomes.

3. Community services

Somerset NHS Foundation Trust is also commissioned by NHS England and NHS Improvement to provide a range of community services. They operate from a range of sites throughout Somerset. Special care dentistry is concerned with the improvement of the oral health of individuals and groups in society who have a physical, sensory, intellectual, mental, medical, emotional or social impairment or disability; or, more often, a combination of these factors. Special care dental services provide urgent care, check-ups and treatment. In



Somerset, the service also provides oral surgery and general anaesthetic for patients who cannot be treated by local anaesthetic.

Special care dental providers are currently experiencing difficulties in recruiting to specialist posts. Measures are in place, supported by the Special Care Managed Clinical Network, to secure additional specialists while longer term solutions are developed.

Other community services are:

- Children's General Anaesthetic
- Adult General Anaesthetic
- Orthodontics (complementing high street orthodontics)

Community dental providers, including Somerset NHS Foundation Trust, were rapidly reassigned as Urgent Dental Care Centres when the pandemic started in March 2020 to ensure that patients with urgent dental needs were able to be seen and treated at a time when all other dental providers were only able to provide telephone advice and antibiotics. Although they have now resumed their normal service provision, they are still covering some urgent care provision for non-registered patients as demand for this service is still high.

Local authorities are the lead commissioner of oral health promotion programmes to improve the health of the local population as part of their statutory responsibilities. Oral health promotion in Somerset is delivered via the community dental provider and consists of oral health education and fluoride varnish application.

4. Urgent Dental Care Centres

Urgent dental care centres were established in April 2020 to provide urgent treatment to patients who met the criteria for urgent care. There were six centres across Somerset. Out of the six sites, one is still accepting urgent care referrals. The level of referrals has reduced as practices are now able to see their own patients for urgent care. There remains high demand from patients who do not have a regular NHS dentist.

5. Dental Reform Strategy for the South West

The South West Dental Reform Programme was established in 2020 to improve access to oral health services, develop workforce initiatives to improve recruitment and retention of the dental workforce, and improve the oral health of the population. The programme is run by NHS England and NHS Improvement and Health Education England, alongside our strategic Integrated Care Partnerships and Local Authority Public Health leads to bring together the NHS England and NHS Improvement Dental Commissioning Team and Transformation Team with key stakeholders with responsibility for oral health in the region (Public Health England, Health Education England, Local Dental Committees, the Local Dental Network, and Integrated Care System (ICS) representatives) as well as public and patient voice partners. The purpose of the programme is to inform a roadmap/plan for the future of NHS dental services and oral health improvement in the South West.



As an early milestone, an [Oral Health Needs Assessment \(OHNA\)](#) was commissioned and published earlier in 2021 and the Dental Reform Programme team held a first SPRINT workshop on 10th June. Over 150 delegates attended with representatives from the dental profession; Healthwatch; Health Education England; Overview and Scrutiny and regional and national NHS colleagues. Dental case studies were considered, and discussions held about what works well, what opportunities could be explored, what barriers there are currently and how we overcome them. A report summarising the event outputs and recommendations is available [here](#).

A further prioritisation session based on the workshop findings was held in July. In addition, three programme working groups have been established in September on access, oral health improvement and workforce. The results from the workshop and prioritisation session together with the Oral Health Needs Assessment will be used by the working groups who began meeting in September. Some of the prioritised actions for the access working group that particularly relate to Somerset include:

- Review of all seven Dental Helpline specifications across the region, including the Somerset helpline
- Develop a standard service specification for high street dental practices incorporating flexible commissioning (identifying some of their existing funding to address specific patients, e.g. providing care for high needs patients, improving access to urgent dental care).

The Dental Reform Programme roadmap is due to be published in the Spring 2022.

Somerset County Council
Scrutiny Committee
– 26 January 2022

Adult Social Care Performance Update Report

Lead Officer: Mel Lock, Director of Adults Social Care

Author: Niki Shaw and Jon Padfield, Quality & Performance, Adults Social Care

Contact Details: NXShaw@somerset.gov.uk; JPadfield@somerset.gov.uk

Cabinet Member: Cllr David Huxtable, Cabinet Member for Adults

Division and Local Member: All

1. Summary

- 1.1.** This report provides an update to Scrutiny Committee members on key developments in relation to demand and performance activity across adult social care both nationally and locally, as well as associated risks, mitigation activity and reform plans.
- 1.2.** 2021 has proved another demanding year; one that has further demonstrated the fragility of the broader care sector and required the Local Authority to flex and respond to wider system pressures in a range of creative and/or resource-intensive ways. Workforce capacity challenges, both within and outside of the service, have hampered the delivery and achievement of some ambitions and performance targets, with the pandemic resulting in additional demand and pressure on an already over-stretched and nationally under-resourced set of services and supports. Workforce challenges across the independent adult social care provider market in particular is an ongoing cause for concern for health and care services given our shared reliance on its sufficiency and capacity.
- 1.3.** As the New Year commences, the service will focus its attention on supporting Somerset's Integrated Care System (including the ongoing Covid response), contributing to Unitary-related planning, responding to the government's new plans for adult social care reform¹ in England, reviewing its structure, and preparing for external monitoring and assessment from 2023, as well as continuing to deliver core required activity.

2. Issues for consideration / Recommendations

- 2.1.** For Scrutiny Committee to note the key updates provided in relation to Adult Social Care demand and performance, and to consider whether it wishes to make any recommendations arising from the report and wider discussion.

3. Background

- 3.1.** On 29/11/2021, ADASS (The Association of Directors of Adults Social Services) published a further [survey report](#), indicating that, for most areas of care, the national trends previously evidenced within their July 2021 [Spring Survey](#) and September 2021 [Rapid Survey](#) had not only continued, but had escalated.
- 3.2.** The survey evidenced that despite more care at home being delivered across the

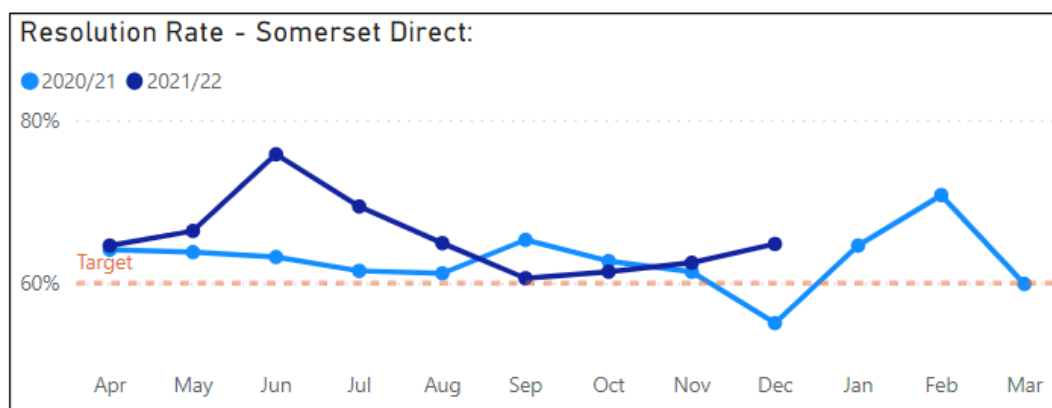
¹ [Adult social care charging reform: further details - GOV.UK \(www.gov.uk\)](https://www.gov.uk/adult-social-care-charging-reform)

country, it was failing to keep pace with increasing demand and complexity of need. More people were waiting for assessments, care and support, or reviews, and – as a result of the unavailability of care and support due to workforce recruitment and retention issues – some people were only able to be offered care options that would not have been what they might have ordinarily chosen or need. Concerns about staffing levels, business closures and care package ‘handbacks’ were also evidenced to be much more profound.

This national picture mirrors the experience and evidence within Somerset, as outlined in the key performance messages for Adult Social Care below:

3.3. Demand for care and support in Somerset:

- Demand for care and support has risen sharply since the start of the pandemic. In 2019, Somerset Direct (the Council’s ‘front door’) handled 53,379 adult social care related enquiries; this figure rose to 64,413 in 2020 and has again remained well above pre-pandemic levels this year with a total of 70,139 contacts/calls received between 1st January and 31st December 2021. Despite this, the proportion of calls resolved by Somerset Direct at ‘first point of contact’ has consistently been well above target every month of 2021/22 ytd (year to date). This supports our ongoing objective for an effective front door that helps people find solutions to their problems and demonstrates its impact in terms of the delivery of good outcomes and diversions from formal/statutory care services:



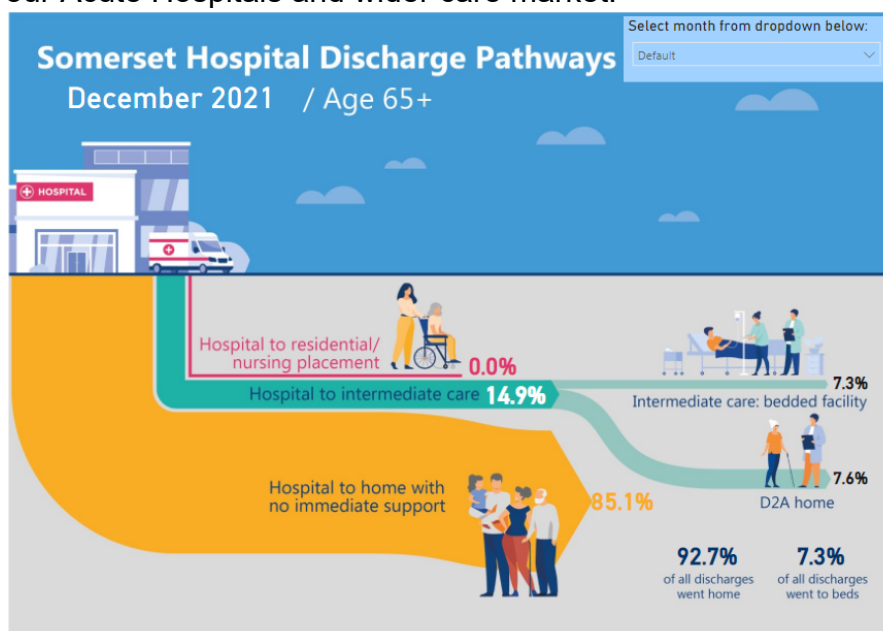
- High demand is also evident within the work of our frontline operational Adult Social Care teams (which are also impacted by staffing challenges), impacting on performance within desired targets and timeframes. Whilst 4,937 assessments and 6,560 reviews were completed during the year, at the time of writing, there are 438 overdue Care Act assessments and 2,369 reviews more than a month beyond the year overdue. To address this, the Service has procured the support of Diverse Rec/Imperium Resourcing (as a contracted out managed service) to undertake all non-allocated overdue Reviews (0-180 days) across our four Locality Teams, both in and out of county. At the time of writing, the Managed Service had secured 15 Social Workers, 3 Quality Assurance leads and a project lead to comprise the team. Recruitment is continuing in January with the aim of having 25 Social Workers and 5 Occupational Therapists in post for February. The aim is for each worker to complete a minimum of 3 reviews per week. An experienced internal Service Manager has been appointed to oversee the work of the Reviews team, routinely reporting on progress and ensuring compliance with required quality standards and local process expectations.

3.4. Adult Safeguarding in Somerset:

- Safeguarding adults means protecting a person’s right to live in safety, free from abuse and neglect; it is a critical aspect of Local Authority work. Data and performance in this area is also routinely monitored via the county’s statutory, multi-agency Safeguarding Adults Board, which published its most recent [Annual Report](#) in October 2021 and also contributed to ‘Stop Adult Abuse Week’ across the region (15-19 November 2021), leading a training session on ‘Safer Cultures’.
- Somerset has seen a further decline in the number of safeguarding contacts received this year, with fewer enquiries undertaken as a result, contrary to national trends. Close analysis suggests that this trajectory is a consequence of the significant work undertaken by the service, the Board and Somerset Direct over recent years to improve clarity and understanding of adult safeguarding criteria, and to reduce or re-direct the previously high proportion of inappropriate safeguarding contacts to more appropriate settings, services or functions.
- Neglect and Acts of Omission remain the most common safeguarding risk type locally, with the person’s own home the most common risk location. At the time of writing, 93% of concluded safeguarding enquiries for this financial year to date have resulted in the risk being either reduced or removed.
- Somerset’s Adult Safeguarding service has received valuable feedback direct from service users, carers, relatives and advocates following the launch of new safeguarding questionnaires in May 2021, supported by the input and recommendations of Healthwatch Somerset. To date, the majority of individuals report very positively about their experience of support received as part of the Somerset Safeguarding process and feel safer as a result.

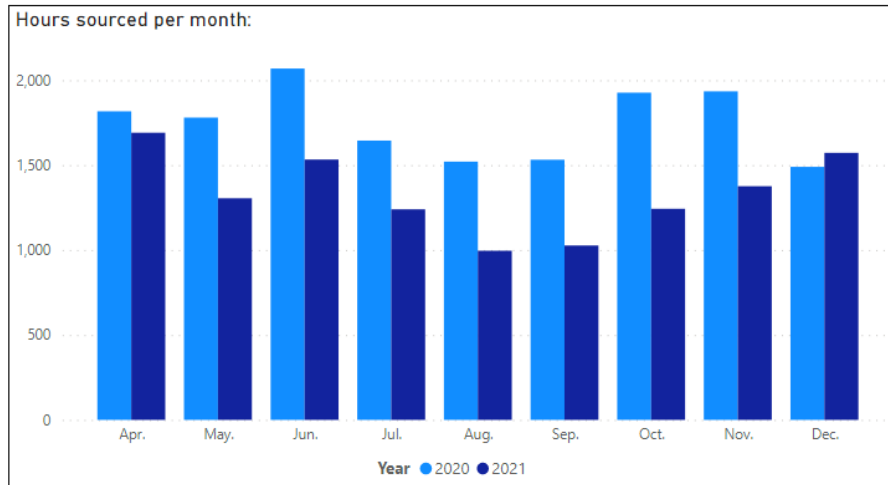
3.5. Intermediate Care and Discharge to Assess in Somerset:

- Large numbers of older people referred from acute hospitals are likely to require a service or some form of help from social care, even if only for a short period of time. We work closely with local health system partners, with a focus on a ‘home first’ approach that promotes a focus on rehabilitation and reablement. Latest available Hospital Discharge Pathway outcomes data for December 2021 is captured below, with 92.7% of all hospital discharge patients returning home – a positive result given the many pressures within our Acute Hospitals and wider care market.

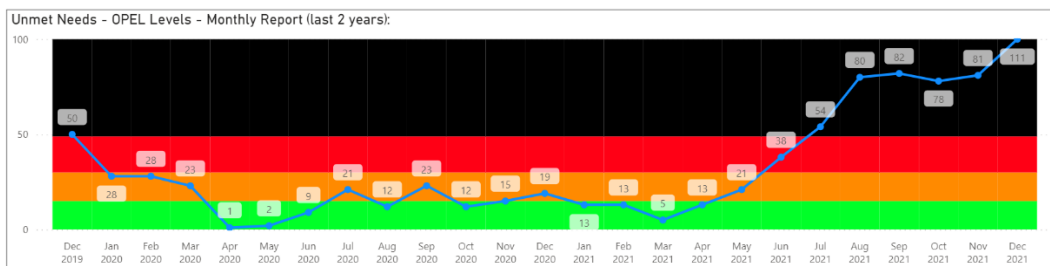


3.6. Somerset's Care Provider market and external social care workforce:

- Demand for homecare has remained very high both locally and nationally, but supply has been severely impacted by provider workforce capacity and availability. The service has seen a reduction in the number of average hours of homecare sourced per month during 2021/22 ytd when compared with the previous financial year (see chart below), but an increase in the average care package size (*average of 10.2 hours per package in 2020 compared to 11.0 hours in 2021*), suggesting an increasing level or complexity of need.



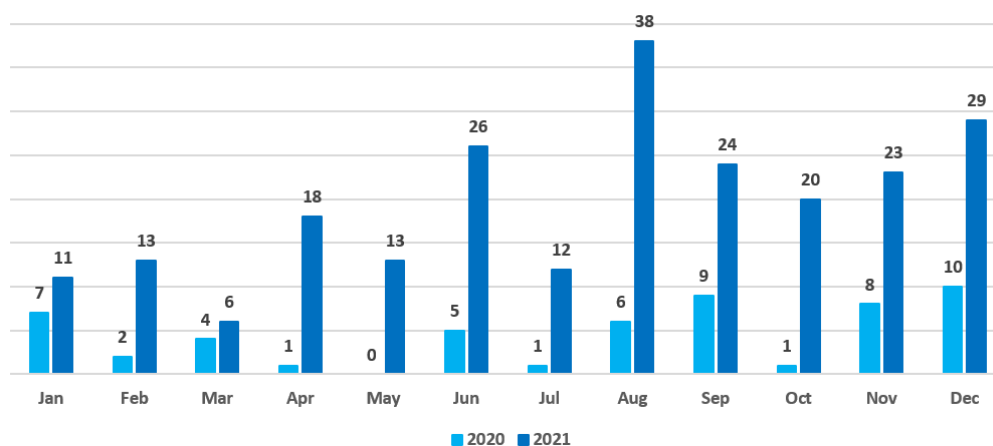
- Although 17,512 hours of homecare were sourced during 2021, levels of unmet care need (*unmet need defined as care packages requested and advertised that have not been sourced within a week*) have remained stubbornly high since the summer, consistently reporting at high OPEL 4 escalation level:



In December 2021, it took our Sourcing Care Team an average 12 working days from date of request for care being submitted to the care package being sourced and commencing; this compares to 6 working days in April 2021.

- In addition to packages of care proving hard to source, the Local Authority has also had to manage and risk assess unprecedentedly high levels of care package 'handbacks' during 2021; the most common cause for these have been staffing capacity challenges within domiciliary agencies to enable the safe delivery of care. Although occasional care package handbacks are not uncommon and can occur for a variety of reasons, during 2021 there were a total of 233 package handbacks, compared to 54 during 2020, placing additional pressure on Local Authority staff to find replacement care within an already over-stretched care market:

Number of homecare package handbacks by month and year



From 3 January 2022, we have been paying domiciliary care providers to hold packages of care open for up to 2 weeks when a person is admitted to hospital. This change will not only provide better care continuity, but is also expected to reduce hospital delays and care package handbacks.

- Direct payments allow individuals to receive cash payments from the Local Authority instead of our commissioned care services. This offers people greater flexibility, choice and control of their support package, and has been encouraged and prioritised over the pandemic, enabling people to benefit from the growing numbers of micro-provision and other forms of more localised support. 1,454 people were in receipt of a direct payment at the end of April 2021; by December 2021, this had risen to 1,573 people, an increase of 8.2%.
- New placements into residential and nursing care continue to be closely tracked and monitored. So far this year for people aged 65 and over there have been an average of 45.2 permanent placements per month compared to a target of 52 per month. The monthly average for the same period last year was 44.2. We have also made an average of 3.1 placements per month for working age people (aged 18-64). This is the same as the same period last year. As well as permanent placements, we are also closely monitoring the number of temporary or interim placements being made. A key part of this is ensuring that temporary placements are reviewed in a timely manner. We do however know that the Covid response and challenges with homecare capacity has meant that more temporary placements have been used and is leading to more permanent placements or increased dependency. Currently we are utilising 110 additional beds as part of our system coordinated response, supported by Athena which have a small team working across 3 sets of additional beds used for hospital discharge and due to be expanded in the new year. Covid has also led to more complexity in peoples' recovery and ongoing needs, and the Omicron variant had caused a further challenge in relation to capacity due to care home outbreaks being subject to 28 days closure to admissions and visits rather than 14 days up until 8 January 2022.
- The sustainability of Somerset's adult social care provider market has also been affected during the year, with the Local Authority's Adult Social Care Commissioning, Quality and Operational teams having to support a growing number of Care Home or business closures over the last twelve months and

ensure the safe transfer of residents or clients to suitable alternative provision. Commissioners have also stepped in to provide financial assistance to mitigate the business failure or short-term issues of pivotal suppliers where it has been deemed essential to do so. To date this has meant bespoke support of c.£200k to a number of different providers, as well as other coordinated non-financial help. This is in excess of provider allocated grant funding but has been funded via the contingency elements of the various infection control and workforce funding as per the guidance.

- A growing number of regulated care providers have received an overall Inspection judgement outcome of less than 'Good' by the independent regulator, the Care Quality Commission, over the course of the pandemic. In December 2020, 11.91% of providers were judged to be 'Requires Improvement' or 'Inadequate' overall; by December 2021 this figure had risen to 16.24%. The corresponding demands on our internal Quality Assurance, Contracts and Safeguarding teams has consequently increased as we work with the providers in question to monitor and help improve their provision.
- Adults Social Care has continued to actively support the care market during the year, with practical advice, guidance and routine communications concerning latest COVID impacts or implications. We have also invested significantly into our Proud to Care Somerset initiative, including through our '[12 days of caring at Christmas](#)' campaign which attracted very high engagement across media platforms, to help raise the profile of the sector and attract individuals into care. Latest available ASC Workforce Data (2020/21)² published by Skills for Care in October 2021 revealed high turnover and vacancy rates within the independent care sector in Somerset, particularly in non-residential CQC regulated settings where the turnover rate was reported at 33.7%, and the vacancy rate at 9.4%. Together with the ICS Somerset People Board, the service continues to work with the sector on other initiatives including career progression, joint posts with the NHS, salaried positions and different models of care as part of our ongoing commitment to supporting the vital care workforce. In mid-December 2021, Somerset County Council and the NHS announced a significant cash investment to increase pay and recognise the hard work and critical contribution of carers in Somerset. This included a 9% uplift to domiciliary care providers in CQC regulated settings who agree to pay all their staff a minimum of £10.50ph, a retention bonus of £250 for all those working in registered care for the last six months, and a £250 welcome payment for new starters in domiciliary care. This was widely welcomed by the market and its employees, has set Somerset apart from other Local Authorities in taking direct action, and underlines our commitment to those working in social care.

3.7. Somerset's internal adult social care workforce and practice quality

- The service continues to struggle with recruitment into frontline operational roles and is remains reliant on a large number of locum staff. Recruitment activity continues, supported by the expert assistance of a new HR Business Partner and HR Engagement Partner; this is an area of continued focus and effort for the service, alongside retention of existing staff at a time of increased demand and pressure, but is contributing to some performance and quality monitoring impacts as detailed earlier within this report.
- Morgan Hunt, a multi-award winning agency with a specialism in international

² [My local area \(skillsforcare.org.uk\)](https://www.skillsforcare.org.uk)

recruitment, has been appointed to support both Adults and Children's Social Care in Somerset through the recruitment of 20 x Social Workers from South Africa, Zimbabwe and Namibia (10 per service area). This model has worked successfully in a number of other Local Authority areas, though is reliant on effective induction, support and training, and we anticipate it starting later in the Spring.

- In November 2021, as part of our Carnival of Practice, our Principal Practice Leads for Social Work and Occupational Therapy, officially launched a new [Practice Quality Framework](#), setting out clearly the focus of adult social care in Somerset, our practice standards for staff, the tools and approaches in place to support staff to undertake their work effectively, and how we will know we are getting it right. More recently, on 10th January 2022, as part of progressing our practice quality ambitions (as well as responding to SWAP Audit recommendations), the service launched a new Stakeholder [Feedback Form](#) in order to more actively seek, learn from and report on, feedback from those receiving our services.
- In readiness for future external inspection commencing in 2023, the service is preparing a detailed self-assessment to support and inform peer review and monitoring activity during the year ahead. Understanding our strengths, challenges and opportunities for ongoing development across the '7 Ps' (*Place; Practice; Performance; Partnerships; Pounds; People; Person-centred*) will be fundamental in supporting our ongoing service planning and development ambitions.
- The service maintains an up-to-date risk register on the corporate JCAD system, and has ensured transparency of risks and all possible mitigations at levels throughout the health and care system, and County Council. Financial monitoring also takes place on a routine basis with reporting at all levels.

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

This page is intentionally left blank

Somerset County Council

Scrutiny for Policies, Adults and Health Committee

26 January 2022

Medium Term Financial Plan for Adults and Health Services

Lead Officer: Jason Vaughan

Author: Jason Vaughan

Contact Details: jzvaughan@somerset.gov.uk

Cabinet Member: Cllr Mandy Chilcott

Division and Local Member: All

1. Summary

This report introduces the key areas of specific interest within the Medium-Term Financial Plan to the Scrutiny Committee for Adults and Health Services. The attached report was considered by Cabinet on the 20th January and it includes details of the amendments to Adults Services and Public Health Services for 2022/23. The Directors and Strategic Finance Managers will attend the Committee to provide assurances around the changes made to budgets and funding for 2022/23. A review of this detail through Scrutiny will be presented as part of the overall challenge and assurance process to Cabinet on the 14th February and Council on the 23rd February in setting the final budget for 2022/23.

The MTFP will link pressures, growth, and savings to the delivery of the Council's key priorities within the Council's vision to create:

- A thriving and productive County that is ambitious, confident and focussed on improving people's lives;
- A county of resilient, well-connected and compassionate communities working to reduce inequalities;
- A county where all partners actively work together for the benefit of residents, communities and businesses and the environment, and;
- A county that provides the right information, advice and guidance to enable residents to help themselves and targets support to those who need it most.

2. Issues for consideration / Recommendations

The Committee is requested to consider the proposed budget for 2022/23 for Adults and Public Health Services budgets. The Committee is asked to review specific proposals for changes from previous years, so that they can comment on them, offer assurance to Cabinet and/or identify any matters for consideration that they would like to highlight to the Cabinet.

3. Background

Preparations for the 2022/23 budget were reported to Cabinet in January 2022 and highlighted the difficulties of producing the 2022/23 budget against the backdrop of the Covid-19 pandemic, uncertain funding, and preparations for Local Government Reorganisation. The full report and Appendices are attached to this report.

4. Adult Services

The draft proposals recognise the importance of Adult Services and the budget adds further investment of £18.1m, which is an increase of 12.8% to this key frontline service. This recognises additional pressures as a result of demand for services, which continue to be at an unprecedented level.

Table 1: Changes to the Adults Services Budget

Adults Services	£'m	£'m
2021/22 Original Budget		141.592
Removal Of Once Off Budgets for 2021/22	0.000	
In Year Permanent Virements	0.000	
		0.000
2021/22 Base Budget		141.592
Additional Funding Requirements:		
Inflation (Contractual, General, and Pay)	8.147	
Demographic and other Demand Increases	6.859	
Other Funding Requirements	1.686	
Growth	0.000	
Total Additional Funding Requirements		16.692
Pay Award		1.009
Savings Previously Agreed		(0.628)
Prior Year Savings Not Delivered		0.000
New Savings Proposals		0.000
Use Of Reserves		1.019
Technical Adjustments		0.000
2022/23 Proposed Base Budget		159.684
Change £m		18.092
Change %		12.78%

Predicting future years demand is made more difficult by Covid-19 and one of the

key challenges around this is identifying whether the current demand is on-going as peoples social care needs have increased, or whether there is a degree of temporary demand. These budget proposals have tried to strike a balance between the two and to ensure the budget proposals are robust.

The additional requests for funding are shown in the table below:

Table 2 – Additional Requests for Funding

Description	2022/23 £'m
Fair Cost of Care	1.686
Demographic Growth	5.159
Increased Demand	1.500
Void Beds - Empty Rooms within Supported Living	0.200
Provider Inflation	8.147
Total	16.692

Inflationary increases recognise the increased statutory pressures on providers such as increased national living wage, as well as general price inflation which is currently running at 5.1%. This figure also includes contractual inflation for the Discovery in line with the contract.

The anticipated demographic growth in demand across the service has been calculated using Office for National Statistics population data and trends from previous years.

Transformation saving proposals for 2022/23 include £0.578m linked to Independent Living Accommodation Solutions. Capital investment in new forms of accommodation both owned by us (with rental income) and in partnership with others. This proposal is linked to a capital bid and would provide different accommodation options to those currently available in our housing and provider market. These are outlined in the table below:

Table 3 – Transformation, Savings, and Income Proposals

Risk	Title	Description	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
High	Independent Living Accommodation Solutions	Capital investment in new forms of accommodation both owned by us (with rental income) and in partnership with others. Linked to a capital bid this would provide different accommodation options to those currently available in our housing and provider market.	0.578	0.000	0.500	Existing/ Amended
Low	Community focused redesign of traditional service	Community focused redesign of traditional service	0.050	0.025	0.000	Existing
Total			0.628	0.025	0.500	

Please note the above savings proposals were agreed as part of the 2021/22 budget.

Adults' Transformation

The Adults Improvement Programme continues to offer a test and learn environment to test ideas with key stakeholders.

New Models of Micro Provision are aiming to increase the options available to people and professionals in deciding how their care and support is provided either through a different model to access micro providers, or using a different payment method,

Individual Service Fund (ISF). A midpoint review indicated positive progress and a number of people coming through the pilot to test the solutions.

Technology Enabled Care aims to increase the technology options available to support people in their own homes. There has been an ongoing delay in the implementation of the prescriber portal, necessitating mitigating actions and a new agreed timeline, with scalable opportunities now expected to be understood in June 2022. Proposals are now starting to be received and TEC installations have begun. Benefits analysis to be conducted shortly.

The Intermediate Care Model has been under significant pressure with demand, capacity and flow within the wider system creating some challenges that have affected capacity to deliver the improvement plan. As a consequence, the Intermediate Care Board agreed in September the essential deliverables needed ahead of the winter pressures, with the remainder of the plan is due to go on hold until the new year.

There are a number of grants embedded within the Adults' Services budget as follows:

Table 4 – Grants

Grant/Fund	2021/22 £'m	2022/223 £'m	Increase £'m
Improved Better Care Fund	22.685	23.372	0.686
Better Care Fund	13.890	TBA	-
War Pension Disregard	0.248	TBA	-
Independent Living Fund Grant	1.193	TBA	-

In addition to the grants outlined the referendum limit for the Adult Social Care Precept is 1% next year. If Members approve this increase it assists with funding Adult Social Care by £2.7m in 2022/23. The Government has also increased the Social Care Grant which can be used to support Adult or Children's Services by £6.6m in 2022/23.

A further £1.7m has been allocated as the first tranche of funding for Social Care from the Reforms as Market Sustainability and Fair Costs of Care Fund. A verbal update will be given at the meeting as information becomes clearer around Government expectations. However, it remains a risk at present as to whether this will be sufficient to meet those requirements,

There are no new capital programme bids from Adult Services. The new bid in 2021/22 for Adult Residential Investment remains in the capital programme with an amended profile for delivery.

5. Public Health

The total Public Health grant for 2021/22 is £21.284m and this is expected to increase by £0.659m to £21.943m although we wait final confirmation from government. The 2022/23 Budget Proposals would see the overall spend on Public Health increase by £0.584m with the Public Health Grant increasing in line with inflation and a small reduction in the additional funding the Council provides.

Table 5: Changes to the Public Health Budget (Excluding the Public Health Grant)

Public Health (Excluding Grant)	£'m	£'m
2021/22 Original Budget		1.411
Removal Of Once Off Budgets for 2021/22	0.000	
In Year Permanent Virements	0.000	
		0.000
2021/22 Base Budget		1.411
Pay Award		0.025
New Savings Proposals		(0.100)
2022/23 Proposed Base Budget		1.336
Change £m		(0.075)
Change %		-5.30%

The Comprehensive Spending Review committed to maintaining the Public Health grant at current levels in real terms until 2024/25, but we await the detail. Somerset receives a very low proportion of the overall Public Health grant and is 141st out of the 152 authorities with Public Health responsibilities, when comparing allocation per person in the population.

In addition to the public Health grant the council also puts additional funding into Public Health of over £1.4m and the savings proposals include the removal of a community support post saving £0.030m and a £0.070m reduction in funding for health improvement. The community support roles and responsibilities have been absorbed amongst the remaining members of the team and present a low risk saving. The health improvement saving is higher risk and reduces the work that can be progressed to improve overall health and wellbeing as well as for those who experience inequalities. However, there is significant Public Health reserve which should mitigate against this

The transformation, savings, and income generation proposals are outlined below:

Table 6 – Transformation, Savings, and Income Proposals

Risk	Title	Description	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
High	Health Inequalities	Reduce available funding for Health Inequalities to meet target saving	0.070	0.000	0.000	New
Low	Community Support Post	Community focused redesign of traditional service	0.030	0.000	0.000	Existing
Total			0.100	0.000	0.000	

The change to the Public Health Grant is as follows:

Table 7 – Grants

Grant/Fund	2021/22 £'m	2022/23 £'m	Increase £'m
Public Health Grant	21.284	21.943	0.584

Note – this has yet to be confirmed

6. Consultations undertaken

Any proposals requiring consultation will not proceed until that consultation has been completed.

7. Implications

Financial implications have been outlined within this report.

8. Background papers

MTFP Report to Cabinet October 2021

MTFP Update Cabinet January 2022

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

This page is intentionally left blank

Transformation, Savings, and Income Generation Proposals

Appendix 2

Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
Adults	High	ADULTS-2122-02	Independent Living Accommodation Solutions	Capital investment in new forms of accommodation both owned by us (with rental income) and in partnership with others. Linked to a capital bid this would provide different accommodation options to those currently available in our <u>housing and provider market</u>	Mel Lock	Cllr David Huxtable	0.578	0.000	0.500	Existing/ Amended
Adults	Low	Adults-2021-01	Community focused redesign of traditional service	Community focused redesign of traditional service	Mel Lock	Cllr David Huxtable	0.050	0.025	0.000	Existing
Adults Total							0.628	0.025	0.500	
Public Health	High	PH-TSIPG-2223-01	Health Inequalities	Reduce available funding for Health Inequalities to meet target saving	Trudi Grant	Cllr Clare Paul	0.070	0.000	0.000	New
Public	Low	PH-TSIPG-2223-02	Community Support Post	Remove post. Currently Vacant.	Trudi Grant	Cllr Clare Paul	0.030	0.000	0.000	New
Public Health Total							0.100	0.000	0.000	
Children's	High	Child-2021-02	Special Educational Needs and Disability Information, Advice and Support	Special Educational Needs and Disability Information, Advice and Support	Julian Wooster	Cllr Frances Nicholson	(0.240)	0.000	0.000	Existing/ Amended
Children's	High	Child-2021-03	Travel Plans	Travel Plans	Julian Wooster	Cllr Frances Nicholson	0.000	0.000	0.000	Existing/ Amended
Children's	High/Medium	CH-TSIPG-2223-04	Pathway to Independence	Hold inflation rate at previous years level for 1 year	Julian Wooster	Cllr Frances Nicholson	0.300	(0.300)	0.000	New
Children's	Medium	CH-TSIPG-2223-05	Turnover Factor	Reduction in expenditure due to employee turnover	Julian Wooster	Cllr Frances Nicholson	0.500	0.000	0.000	New
Children's	High	Child-2021-01	Family Safeguarding	Family Safeguarding	Julian Wooster	Frances Nicholson	0.984	0.000	0.000	Existing
Children's	High	CHILD-2122-02	Children's Residential Placements	Children's Residential Placements	Julian Wooster	Cllr Frances Nicholson	0.312	0.156	0.000	Existing/ Amended
Children's	Low	CHILD-2122-04	Staffing	Reduce staffing budgets for permanent and locum staff through a combination of savings from predicted recruitment timescales and reduced use of locums where possible. This is a one year saving due to the unknown impact of the pandemic.	Julian Wooster	Cllr Frances Nicholson	(0.470)	0.000	0.000	Existing
Children's	Low	CH-TSIPG-2223-01	Reduction in travel from New Ways of Working	reduction of 25% of travel and mileage budgets in recognition of new ways of working.	Julian Wooster	Cllr Frances Nicholson	0.011	0.000	0.000	New
Children's	Low	CH-TSIPG-2223-02	Reduction in travel from New Ways of Working	reduction of 25% of travel and mileage budgets in recognition of new ways of working.	Julian Wooster	Cllr Frances Nicholson	0.005	0.000	0.000	New
Children's Total							1.401	(0.144)	0.000	
ECI	High	EC-TSIPG-2223-07	Highway Lighting - saving from migration to LED	Revenue saving as a result of capital investment to change lighting stock to LED	Paula Hewitt	Cllr John Woodman	0.105	0.105	0.105	New
ECI	High/Medium	ECI-2122-03	Economy & Planning - Additional income from Monitoring and Ecology services	Additional income will be generated by the Planning Service via Planning Monitoring Visits and a growth in the provision of Traded Ecology Services.	Michele Cusack	Cllr David Hall	0.012	0.014	0.000	Existing

Transformation, Savings, and Income Generation Proposals

Appendix 2

Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
ECI	High/Medium	ECI-2122-10	Trading Standards - Reduction in budget	Devon, Somerset & Torbay Trading Service is a joint service hosted by Devon County Council. The Legal Agreements surrounding this joint service set out a formula for the budget contributions from each partner authority of 30.8% for SCC, 61.7% for Devon County Council (DCC) and 7.5% for Torbay Council (TC) to meet the three Council's responsibilities as trading standards authorities. The proposed three year saving from Somerset County Council (SCC) is 6% and is estimated as the maximum amount of savings that can be sustained in the joint service without making the joint service model unsustainable. It would be achieved by a loss of circa 1.5 FTE in the volume of service provided to Somerset. Given the proportionate funding model for the joint service a reduction in contribution/funded capacity in Somerset would be managed by a higher level of discretionary service operating in Devon as opposed to a similar proportionate reduction of the budget in this part of the joint service area of operation	Michele Cusack	Cllr David Hall	0.021	0.021	0.000	Existing
ECI	High/Medium	ECI-2122-16	Flood & Water Management - Income Generation - Pre-Application Advice	Income Generation from providing chargeable Pre-Application Advice	Michele Cusack	Cllr David Hall	0.010	0.010	0.000	Existing
ECI	High/Medium	EC-TSIGP-2223-06	Vacancy Factor - Highways	Vacancy factor across the Highways service area.	Paula Hewitt	Cllr John Woodman	0.010	0.000	0.000	New
ECI	High/Medium	EC-TSIGP-2223-17	Vacancy Factor - Property	Property - Vacancy factor saving	Paula Hewitt	Cllr Mandy Chilcott	0.020	0.000	0.000	New
ECI	Medium	ECI-2122-12	Property - savings from energy generation projects	Linked to capital bid. Proposal to generate revenue savings / income stream through energy generation projects.	Paula Hewitt	Cllr David Hall	0.130	0.132	0.000	Existing
ECI	Medium	EC-TSIGP-2223-05	Vacancy Factor - Economy & Planning	The staff complement within Economy & Planning is well established, however this savings target realises there is a small degree of anticipated staff turnover	Paula Hewitt	Cllr David Hall	0.005	0.000	0.000	New
ECI	Medium	EC-TSIGP-2223-08	Vacancy Factor - Libraries	Vacancy Factor estimated for whole Library Service of 0.5%. To be taken in 2022-23 and built into revised budget going forward.	Paula Hewitt	Cllr David Hall	0.015	0.000	0.000	New
ECI	Medium	EC-TSIGP-2223-12	Property - Rental Income (Other Sites)	Property - increases in rental income from rent reviews, inflationary increases, and additional rent as a result of new leases in place across the SCC property estate	Paula Hewitt	Cllr Mandy Chilcott	0.030	0.000	0.000	New
ECI	Low	ECI-04	Waste HWRC Contract Extension	Waste HWRC Contract Extension	Paula Hewitt	Cllr David Hall	0.400	0.000	0.000	Existing
ECI	Low	ECI-2021-01	Slim my waste feed my face	ECI (Waste) Saving: Somerset Waste Partnership 'Slim my waste, feed my face'	Paula Hewitt	Cllr David Hall	(0.005)	(0.042)	0.000	Existing
ECI	Low	ECI-2122-05	Traffic Management, Road Safety & Parking - Reduce costs and maximise income	Budget savings will be made by maximising income across all services. In addition to this there is a one off saving of £200K from 2021/2 running costs as the "20 when lights flash project" has been delayed due to the Covid-19 project.	Paula Hewitt/Alyn Jones	Cllr John Woodman	(0.175)	0.060	0.000	Existing

Transformation, Savings, and Income Generation Proposals

Appendix 2

Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
ECI	Low	EC-TSIGP-2223-01	Pre-application Highways Advice Service	Implementation of a pre-application advice service linked to new council guidance on the scoping process for transport assessments submitted by developers in support of their planning applications. Will replace current free ad-hoc discretionary advice	Paula Hewitt	Cllr John Woodman	0.050	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-02	Advertising on Highway Assets (roundabouts and fleet)	Implement an advertising service to enable businesses and internal clients to advertise on highway assets including roundabouts and fleet.	Paula Hewitt	Cllr John Woodman	0.000	0.085	0.025	New
ECI	Low	EC-TSIGP-2223-03	Vacancy Factor - H&T Commissioning	Vacancy Factor	Paula Hewitt	Cllr John Woodman	0.005	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-04	Recharge of Director's time spend on CDS to the CDS Programme	Recharge of Director's time spend on CDS to the CDS Programme	Paula Hewitt	Cllr David Hall	0.029	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-09	Recycle More	Recycle More project will reach breakeven in quarter 3 of 22/23, it is assumed 25% of the modelled saving will be achieved in year 1. The value of the saving is dependent on volumes of all waste streams at the kebside.	Paula Hewitt	Cllr David Hall	0.250	0.750	0.000	New
ECI	Low	EC-TSIGP-2223-10	Anerobic Digester Negotiation on Gate Fee	The Anaerobic Digestion contract price review concluded that the price per tonne currently being paid is correct. However, given the continued below expectation performance of the plant and the failure to provide any form of energy share value, SWP secured a price reduction to reflect these failings for food tonnages above 1,500 per month.	Paula Hewitt	Cllr David Hall	0.070	0.020	0.000	New
ECI	Low	EC-TSIGP-2223-11	Property - Rental Income (County Hall Hub)	Property - short term income generated as a result of a licence in place with a third party to occupy desk space at County Hall.	Paula Hewitt	Cllr Mandy Chilcott	0.015	(0.013)	(0.003)	New
ECI	Low	EC-TSIGP-2223-13	Property - New ways of Working (reduction in office consumables)	Property - reduction in the requirement for stationery, reprographics works, and postage across the shared office accommodation offices of the Corporate Estate as a result of a move to paperless working.	Paula Hewitt	Cllr Mandy Chilcott	0.024	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-14	Property - Optimisation & Rationalisation of the Corporate Estate	Property - The optimisation of the Council owned estate has freed up desk space enabling the relocation of staff from leased in buildings to Council owned buildings. As a result this has enabled the surrender of licenced desk spaces, reducing rental expenditure.	Paula Hewitt	Cllr Mandy Chilcott	0.021	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-15	Property - Corporate Landlord Savings	Property - savings as a result of reduced running costs and the centralisation of utility contracts & FM contracts	Paula Hewitt	Cllr Mandy Chilcott	0.028	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-16	Property - Reduction in Utilities Costs (energy efficiency)	Property - reduced utility costs across the Corporate Estate due to energy efficiency measures, and lower than anticipated inflation increases for utilities.	Paula Hewitt	Cllr Mandy Chilcott	0.010	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-18	Increase in Temporary Traffic Regulation Order charges	Proposal to increase the charges for temporary Traffic Regulation Orders by 5% which would equate to approximately £70,000 but as there are increased costs associated with these works, in reality it would only generate an additional £35,000 in income.	Paula Hewitt	Cllr John Woodman	0.035	0.000	0.000	New
ECI Total							1.116	1.143	0.128	

Transformation, Savings, and Income Generation Proposals

Appendix 2

Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
Customers, Digital & Workforce	High/Medium	CR-TSIGP-2223-11	Reduction in Pathway to Employment Budget	Saving represents a 25% reduction in current budget, supporting vulnerable/disadvantaged young people into employment.	Chris Squire	Cllr Mandy Chilcott	0.000	0.000	0.025	New
Customers, Digital & Workforce	Medium	C&SS-2122-07	Replacement for STAR payroll system	To procure a new payroll system to replace the current IRIS solution that removes the current manual work within HRAP and enables clients to make their own payroll transactional changes whilst maintaining the expertise and support that the HRAP service provides in respect of statutory and contractual compliance, pensions, employment status etc. The system will also enable new business opportunities. The alternative is to move to SAP but this does not present the same opportunities for increasing business.	Chris Squire	Cllr Christine Lawrence	0.050	0.100	0.000	New
Customers, Digital & Workforce	Medium	CR-TSIGP-2223-04	Staff Vacancy Factor - Change	Applying of a 1% staff vacancy factor	Chris Squire	Cllr Faye Purbrick	0.014	0.000	0.000	New
Customers, Digital & Workforce	Low	C&SS-2122-11	Further BC vacancies and full training budget	Remaining Business Change (BC) training budget for project and change L&D needs of £30k. Delete the IT vacancy in BC team being held for One Somerset requirements £28k. Temporary reduction in resources of 0.5fte Gr12 £18k. Net saving from not replacing the BC Strategic Manager offset by upgrading 2 Service Managers for 9 months £51k. Total savings of £127k in 2021/22 being £69k one off and £58k ongoing	Chris Squire	Cllr Christine Lawrence	(0.069)	0.000	0.000	Existing
Customers, Digital & Workforce	Low	C&SS-2122-12	Reduction to Learning and Development Budget	Reduction in allocation of Learning and Development Budget of £200k on proviso that training is accessible through the workforce reserve	Chris Squire	Cllr Christine Lawrence	0.000	(0.200)	0.000	Existing
Customers, Digital & Workforce	Low	CR-TSIGP-2223-01	Removal of Corporate Affairs Director Post	Removal of Director Post -set out in confidential paper approved by Cabinet and Full Council	Chris Squire	Cllr Christine Lawrence	0.080	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-02	Staff Vacancy Factor - Communications	Applying of a 1% Vacancy factor	Chris Squire	Cllr Christine Lawrence	0.006	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-03	Retaining interim management arrangements in Business Change Team.	Once off net saving from not replacing the Business Change Strategic Manager offset by continuing upgrade of 2 Service Managers and 1 Project and Change Manager for 2022-23 implementation Local Government Reorganisation in Somerset	Chris Squire	Cllr Faye Purbrick	0.061	(0.061)	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-05	SAP Hosting	Our SAP support partner is moving our SAP environment to a different platform 21/22 which will realise savings from 22/23	Chris Squire	Cllr Faye Purbrick	0.092	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-06	Vacancy Factor ICT	Applying of 1% Staff Vacancy Factor	Chris Squire	Cllr Faye Purbrick	0.050	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-07	New Ways of Working Budget reductions	Further saving re NWOW from further reductions from printing, postage, travel etc	Chris Squire	Cllr Mandy Chilcott	0.002	0.000	0.000	New

Transformation, Savings, and Income Generation Proposals

Appendix 2

Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
Customers, Digital & Workforce	Low	CR-TSIGP-2223-08	Staff Recognition Scheme Budget	Removal of Staff Recognition Scheme budget which funds the annual Staff Award Ceremonies and other Staff recognition events/rewards.	Chris Squire	Cllr Mandy Chilcott	0.000	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-09	OD contracts income (Academies - OH, Care First)	Increase sales of contracts to academies, monitor sales price - modest increase	Chris Squire	Cllr Mandy Chilcott	0.002	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-12	Staff vacancy factor - HR&OD	Applying a 0.5% vacancy factor across the HR&OD teams staffing budgets, then a saving achieved somewhere in the business area at the point we have a vacancy/vacancies.	Chris Squire	Cllr Mandy Chilcott	0.015	0.000	0.000	New
Customers, Digital & Workforce Total							0.303	(0.161)	0.025	
Finance & Governance	Medium	FG-TSIGP-2223-03	Staff Vacancy Factor	Vacancy Factor to be applied	Jason Vaughan	Cllr Mandy Chilcott	0.008	0.000	0.000	New
Finance & Governance	Low	C&SS-2122-13	15% reduction in days from SWAP for internal audit. Requires 12 months notice.	Full year saving of £60,000 by reducing the amount of internal audit days by 15%. Currently receive 1,400 days of internal audit service per annum. Requires 12 months notice so £35,000 of once-off funding is required in order to achieve full year saving.	Jason Vaughan	Cllr Mandy Chilcott	0.030	0.000	0.000	Existing
Finance & Governance	Low	FG-TSIGP-2223-01	Support to CDS Project	Strategic Manager support to CDS project	Jason Vaughan	Cllr Mandy Chilcott	0.029	0.000	0.000	New
Finance & Governance	Low	FG-TSIGP-2223-02	Staff Qualification Training	Reduction to staff training budget	Jason Vaughan	Cllr Mandy Chilcott	0.010	0.000	0.000	New
Finance & Governance	Low	FG-TSIGP-2223-05	Non renewal of DX subscription	Non-renewal of DX subscription	Jason Vaughan	Cllr Mandy Chilcott	0.015	0.000	0.000	New
Finance & Governance Total							0.093	0.000	0.000	
Corporate Costs	Low	NS-TSIGP-2223-01	Reduce budget for bank charges	The authority is maximising the use of an internal borrowing strategy therefore the saving represents a reduction to the Brokeridge Fee budget.	Jason Vaughan	Cllr Mandy Chilcott	0.050	0.000	0.000	New
Corporate Costs	Low	NS-TSIGP-2223-02	Remove foreign currency loss budget	Budget previously held for contingency to align foreign currency exchange gain or loss at the end of the accounting period. Removal of this budget due to possibilities of it being a gain or loss.	Jason Vaughan	Cllr Mandy Chilcott	0.010	0.000	0.000	New
Corporate Costs	Low	NS-TSIGP-2223-03	Reduce travel budget	Reduced travel budget given new ways of working.	Jason Vaughan	Cllr Mandy Chilcott	0.002	0.000	0.000	New
Corporate Costs	Low	NS-TSIGP-2223-04	Reduce central redundancy budget	Centralised redundancy budget reduced with redundancy costs being picked up within services.	Jason Vaughan	Cllr Mandy Chilcott	0.500	0.000	0.000	New
Corporate Costs Total							0.562	0.000	0.000	
Other unachievable savings							(0.170)			
Overall Total							4.033	0.863	0.653	

This page is intentionally left blank

Medium Term Financial Plan - 2022/23 Budget Update Appendix A

Cabinet Member(s): Cllr Mandy Chilcott - Cabinet Member for Resources

Local Member(s) and Division: All

Lead Officer: Jason Vaughan, Director of Finance & Governance

Author: Jason Vaughan, Director of Finance & Governance

Contact Details: JV Vaughan@somerset.gov.uk

1. Summary

- 1.1.** This report sets out details of the draft Revenue and Capital Budgets for 2022/23 together with Medium Term Financial Plan (MTFP) projections for 2023/24 and 2024/25. It builds upon the update to Cabinet on the 20th October 2021 which set out the 2022/23 Medium Term Strategy and Plan.
- 1.2.** The overall financial environment for local authorities over the last few years has been very challenging through increased demand for services, the impacts of austerity and the Covid pandemic. County Councils are particularly challenged because Adults and Children's Services are predominantly demand led. Despite this, Somerset has managed to significantly improve its financial standing over the last 3 years through a culture of good financial management running through the whole organisation resulting in underspends of £5.9m in 2018/19, £6.4m in 2019/20 followed by £9m in 2020/21. These underspends plus specific proposals in the MTFP's have restored the Councils reserves to more robust levels from their very low levels in 2018. Given the uncertainties, risks and challenges it was vital that the Council improved its financial resilience and had more funding in reserves. We have seen nationally a number of Councils coming under extreme financial stress resulting in the issuing of Section 114 notices, applying for capitalisation directives, or entering discussions with Department for Levelling Up, Housing and Communities. The significant improvements made with our financial management process and overall financial standing means that this Council is not in that position and is able to put forward budget proposals for 2022/23 that will see continued and substantial investments in our front-line services.
- 1.3.** The overall budget will see an increased investment of £31.2m (9.03%) in services for 2022/23 (**Table 2**) over the current years base budget. The increased investment is focussed on frontline services with the Adult Services budget increasing by over £18m (12.78%), Children's by over £12m (13.28%) and ECI by £2m (3.54%). New transformation, savings, and income proposals of £2.6m have been made with little or no impact on front line services in addition to existing savings plans of £1.4m). Reserves will be utilised for once-off expenditure only such as implementing Local Government Reorganisation and the cost of elections in 2022. There is also new investment of over £48m into new capital schemes on top of the existing programme. These include £24.2m for roads, a further £2.8m for schools, £0.7m for small road safety schemes, £1m towards Local Transport Improvement Schemes, and £1.9m towards achieving the Council's commitment to Climate Change and reducing carbon. The Council has also set aside £10m of reserves to support the work on the new Somerset Council which will deliver on-going savings estimated to be £18.5m per annum.

- 1.4.** Preparation of the 2022/23 budget estimates continue to be difficult given the uncertainties concerning the ongoing impacts of Covid-19 upon services and lack of information regarding longer term Government funding particularly in relation to Adult Social Care and its reform. The Local Government Reorganisation in Somerset in April 2023 also brings further complexities when looking at forecasts for future financial years.
- 1.5.** The Comprehensive Spending Review announced on 27th October 2021, set out the details of overall funding for each government department including Local Government over the next 3 years. However, the full details of the various government grants (for one year only) including the Social Care Grant, Revenue Support Grant, Improved Better Care Fund, Rural Services Delivery Grant, and New Home Bonus were announced as part of Governments Finance Settlement announcement on 16th December. These draft figures are subject to consultation and the final figures will be confirmed in February 2022. There are some grants, such as Public Health grant and DfT Highways Maintenance grant, that have still not been announced but are expected over the next few weeks and best estimates have been used for these. It was announced that the capping for general council tax increases would be set at 2% and a further 1% for the Adult Social Precept. All reviews of funding including Fairer Funding and Business Rates have been delayed until at least 2023/24.
- 1.6.** With so much uncertainty it is important that the process for producing the budget is robust and takes account of the very latest information. The work on budget proposals obviously focuses upon the 2022/23 but a key part of good financial management is to set out a forecast for future years and the councils does this through its Medium-Term Financial Plan (MTFP). The 2022/23 budget will be the last budget of Somerset County Council prior to the creation of the new Somerset Council from April 2023. However, the MTFP will be produced for 2022/23, 2023/24 and 2024/25 in order to aid the new Council with its financial planning. A separate exercise will be undertaken to bring together the 5 councils into one Somerset Medium Term Financial Plan. This exercise will be undertaken once the individual councils have set their own budgets for 2022/23 in February.
- 1.7.** The detailed 2022/23 budget proposals and MTFP for future years is set out in the report and forms the basis of engagement with the Scrutiny Committees. This then enables them to scrutinise the budget process and proposals, giving their feedback for consideration by Cabinet at its meeting on 14th February. The final budget proposals from Cabinet will be considered by Council at its meeting on 23rd February 2022.

2. Recommendations

2.1. That the Cabinet

1. Approves the draft 2022/23 Revenue Budget and Capital Scheme proposals as the basis for consulting all three Scrutiny Committees in January/ February.
2. Receives the final budget proposals at its February meeting including the comments and feedback from Scrutiny.

3. Approves two all member budget briefings sessions to ensure full member engagement and understanding of the budget prior to its consideration at Council.
4. Approves the schools block funding as outlined in Appendix 4 (to follow).

3. Reasons for recommendations

- 3.1 To update Cabinet on the detailed proposals for Revenue and Capital Budgets prior to Scrutiny and ahead of the statutory deadline for preparing the budget for 2022/23.

4. Other options considered

- 4.1. The Council has a legal duty to set a balanced budget each year and these proposals fulfil that requirement.

5. Links to County Vision, Business Plan and Medium-Term Financial Strategy

- 5.1. The MTFP will link pressures, growth, and savings to the delivery of the Council's key priorities within the Council's vision to create:
 - A thriving and productive County that is ambitious, confident and focussed on improving people's lives;
 - A county of resilient, well-connected and compassionate communities working to reduce inequalities;
 - A county where all partners actively work together for the benefit of residents, communities and businesses and the environment, and;
 - A county that provides the right information, advice and guidance to enable residents to help themselves and targets support to those who need it most.

6. Consultations and co-production

- 6.1. The budget proposals have been developed by the Senior Leadership Team (SLT) working with the Cabinet. A general online consultation on the budget is being undertaken. Where a detailed consultation is required this will be arranged as the agreed proposals for change are developed and implemented by the relevant directors
- 6.2. The Council's Scrutiny Committees will be consulted upon the detailed budget proposals in January and February 2022. The LGR Joint Committee will look at the 5 Councils budget proposals at its meeting 4 February 2022 to assess the impact they have upon the new Somerset Council's finances.

7. Financial and Risk Implications

- 7.1. The financial implications are set out in the report.
- 7.2. The Corporate Risk Register includes a Strategic Risks ORG0057 – Sustainable

MTPF with a current risk score of 4x4=16. This risk reflects the future uncertainty surround Government funding for Councils that will be reviewed during the next financial year

- 7.3.** The LGR Programme has a risk for Somerset Council of 'Significant budget gaps of Districts & County when combined for year 1, significantly impacting the financial sustainability of the new Council'.

8. Legal and HR Implications

- 8.1.** The legal implications will be assessed as part of the overall budget process that will conclude in February 2022.
- 8.2.** Any HR implications will be reviewed as part of the budget process

9. Other Implications

9.1. Equalities Implications

There are no equalities implications for Members to consider within the new transformation, savings, and income proposals.

9.2. Community Safety Implications

There are no community safety implications arising from this report.

9.3. Sustainability Implications

There are no sustainability implications arising from this report.

9.4. Health and Safety Implications

There are no health and safety implications arising from this report.

9.5. Health and Wellbeing Implications

There are currently no implications

9.6. Social Value

There are currently no implications

10. Scrutiny comments / recommendations:

- 10.1.** The specific budget proposals for Children's Services will be reviewed by the Children's and Family Scrutiny Committee on the 25th January and the Adults and Public Health budgets will be scrutinised by the Adults and Health Scrutiny Committee on 26th January. The overall 2022/23 budget proposals and process will be considered by the Polices Place Scrutiny Committee on 2nd February 2022 and their feedback will be reported to the 14th February Cabinet meeting.

11. Background

11.1. The overall financial environment for local authorities over the last few years has been very challenging through increased demand for services, the impacts of austerity and the Covid pandemic. Despite this, Somerset has managed to significantly improve its financial standing over the last 3 years through good financial management resulting in underspends of £5.9m in 2018/19, £6.4m in 2019/20 followed by £9m in 2020/21. These underspends plus specific proposals in the MTFP's have restored the Councils reserves to more appropriate levels from their very low levels in 2018. Given the uncertainties, risks and challenges it was vital that the Council improved its financial resilience and had more funding in reserves.

Nationally we have seen a number of Councils coming under extreme financial stress resulting in the issuing of Section 114 notices, applying for capitalisation directives, and entering into discussions with Department for Levelling Up, Housing and Communities.

The significant improvements made with our financial management process and overall financial standing means that this Council is not in that position and is able to put forward robust budget proposals for 2022/23 that will see continued investments in our front-line services with an increased investment of £31.2m (9.03%) in services for 2022/23, over the current years base budget. The increased investment is focussed on frontline services with the Adult Services budget increasing by over £18m (12.78%), Children's by over £12m (13.28%) and ECI by £2.5m (3.54%). There is also new investment of over £48m into new capital schemes on top of the existing programme.

This is the final budget for Somerset County Council. It is planning financially for the new unitary with £10m of reserves being made available to support the implementation work on the new Somerset Council which will deliver on-going savings of £18.5m per annum. Transformation work will continue within Adult and Children's Services as outlined in this report. The budgets of all five authorities will also be pulled together as the starting position of the Council which will need addressing as part of budget setting for 2023/24.

11.2. Current Financial Position

A key part of the improvements in financial management has been the continuation and improvement of the monthly Budget Monitoring report to Scrutiny and Cabinet. The report has been enhanced for 2021/22 with the inclusion alongside the financial performance data with:

- key explanations, actions & mitigating controls
- key performance cost drivers
- key risks, future issues & opportunities

On a quarterly basis the monthly report is supplemented with additional items

such as Capital Programme, Treasury Management, Covid Grants, Reserves, and monitoring progress against the delivery of savings. This approach ensures that a comprehensive strategic overview of the Councils finances is regularly provided and has been a key part of Councils improved financial standing. This has been recognised by our external auditors. This robust approach to the monitoring and managing of our finances puts us in a strong position when having to deal with the very challenging and quick moving impacts of the Covid-19 pandemic upon the Councils finances and has ensured that we continue to maintain tight financial control over our essential services and activities.

The latest Budget Monitoring report for Month 8 of 2021/22 (the position at the end of November 2021), is forecasting an underspend of £1.1m against the 2021/22 budget, with the variances against each service as set out below:

Table 1 – Financial Position at the End of November 2021

Service	Current Budget £'m	Forecast Outturn £'m	Total Net Variance £'m	Adverse (A)/ Favourable (F)
Adult Services	144.1	145.7	1.6	A
Children's Services	98.9	102.1	3.2	A
Public Health	1.4	1.4	0.0	-
Economic and Community Infrastructure	76.5	77.2	0.7	A
Direct Services Position	320.9	326.4	5.5	A
Customers Digital and Workforce	16.6	16.7	0.1	A
Finance and Governance	9.4	9.5	0.1	A
Accountable Bodies	7.4	7.4	0.0	-
Corporate Costs	(5.0)	(5.0)	(2.4)	(F)
Trading Units	0.0	0.0	0.0	-
Total Service Position	349.3	352.6	3.3	A
Corporate Contingency	6.0	1.6	(4.4)	(F)
Covid-19 Emergency Fund	2.0	2.0	0.0	-
Total after Contingencies	357.3	356.2	(1.1)	(F)

Reserves	(24.8)	(24.8)	0.0	-
Council Tax	(270.0)	(270.0)	0.0	-
Business Rates	(56.3)	(56.3)	0.0	-
Revenue Support Grant	(6.2)	(6.2)	0.0	-
Total Month 8 Position	0.0	(1.1)	(1.1)	(F)

As part of developing robust budget proposals for 2022/23, account has been taken of what is happening in the current financial year and the variances within it. It is not just a case of taking last year's budget and adding inflation. This is particularly true for the demand led areas within the Adults and Children's budgets that are projecting an overspend position for 2021/22.

11.3. Building and developing the 2022/23 Budget Proposals & MTFP for future years

Over the last couple of years there has been a radical overhaul of the budget setting process to ensure that robust budgets are set. The underlying methodology has changed from a service siloed approach to a more comprehensive council priority led corporate approach. This has entailed moving away from an approach of issuing service controls and expecting each service to manage within its financial envelope, to a corporate approach of building the budget up on best estimated and forecast, identifying priorities and opportunities, developing deliverable savings, and managing risks. This change in approach and the resulting robustness of the budget estimates has been recognised by Grant Thornton in their works as the Council's external auditors and is one of the key components in the improved Value for Money rating which now sees the Council achieving the highest rating possible of Unqualified.

It has become abundantly clear that the MTFP forecast produced in February 2021 has become out of date as the on-going financial impact of Covid-19 has significantly impacted upon a number of services. The approach taken in developing the 2022/23 budget proposals was therefore more of a 'Zero Based' approach with future demand in service budgets being built up from scratch based upon the latest information and projections around prices and new estimates of future demands. There has been both Cabinet and SLT challenge sessions to review the 2022/23 budget proposals.

Another improvement in financial management processes has been to have greater member engagement and involvement in the council's finances. The monthly Budget Monitoring to Scrutiny and Cabinet is the main foundation of this but there are also 3 all member briefings focused upon the budget proposals to coincide with key reports being considered by the council. The first of these took place in October and there are sessions planned for both the 7th and 17th February.

As Section 151 Officer (Chief Finance Officer), I have some specific duties in respect of the budget. The first is to comment upon the robustness of the budget estimates and the second is provide assurance to members on the adequacy of the council's level of resources. I will be providing detailed commentary on these in my Section 25 report which will form part of the final budget report to Cabinet and full Council in February 2022.

11.4. 2022/23 Revenue Budget

The development of the 2022/23 budget has progressed well and the current budget proposals will mean that there is a balanced budget for the coming year which will see continued investment in services and further additions to the capital programme. The budget proposals have been built up based upon the latest information and forecasting, but it has to be acknowledged in the current climate that there are still some areas of uncertainty, and it is therefore proposed to retain the current budget Contingency of £6m within the proposals. This equates to approximately 1.6% of the net 2022/23 budget and based upon previous experience is at an appropriate level given the overall level of reserves and potential calls on funding.

The overall financial environment continues to be challenging but despite this there is continued investment in key front-line services and a capital programme that meets priority needs. The draft proposals have been subject to review by SLT through various challenge processes. The latest estimates in preparing the 2022/23 budget are shown below in **Table 2** and then on a Service-by-Service basis in **Table 3**.

The change between the 2021/22 Original Budget of £356.072m to the £376.344m in the 2022/23 Proposed Budget is shown in **Table 2** and on a service by service in **Table 3**.

Table 2: Summary of changes to 2022/23 Revenue Budget

All Services	£'m	£'m
2021/22 Original Budget		356.072
Removal Of Once Off Budgets for 2021/22	(10.887)	
In Year Permanent Virements	0.000	
		(10.887)
2021/22 Base Budget		345.185

Additional Funding Requirements:		
Inflation (Contractual and General)	12.872	
Demographic and other Demand Increases	13.114	
Other Funding Requirements	4.485	
Growth	0.068	
Total Additional Funding Requirements		30.539
Pay Award		5.633
Savings Previously Agreed		(2.308)
Prior Year Savings Not Delivered		0.861
New Savings Proposals		(2.585)
Use of Earmarked Reserves for Service Budget		12.056
Technical Adjustments		(13.037)
2022/23 Proposed Base Budget		376.344
Change £'m		31.159
Change %		9.03%
Funding of Budget Requirement:		
Council Tax @ 1.99% and ASC Precept @ 1%		(277.264)
Revenue Support Grant		(6.407)
Business Rate Retention		(78.189)
Somerset Rivers Authority Funding		(2.578)
Use of Earmarked Reserves for Service Budget		(12.056)
Other Base Budget Contribution To Reserves		0.150
Collection Fund Deficits		0.000
Funding of Budget Requirement		(376.344)

- **Inflation (pay/general/contractual)** – the pay award has not yet been agreed for 2021/22. The latest offer of 1.75% has been rejected – the budget for 2021/22 was 1%. An estimates of 2.5% has been made for 2022/23. All salaries budgets have been reviewed regarding the announcement of the 5.9% increase in the National Living Wage and the introduction of the 1.25% NI increase.
- **Demographic & Demand Changes** – greater details are shown in under each service area’s narrative within this report.
- **Funding** – This now includes the single year Provisional Settlement figures. A further update will be made in February once the final

Settlement figures are published.

- **Current savings plans** – the details of these are attached at **Appendix 2**.
- **Council Tax** – the table above assumes Council tax of 1.99% for general Council Tax and 1% for the Adult Social Care Precept for financial planning purposes. The actual level of council tax will be set by Council in February and will be considered in the context of the full budget including savings and growth proposals. The tax bases have now been set by the District Councils and reflect an overall increase of 0.66%.
- **Business Rate Retention** – the income from business rates will not be clear until mid-January. The estimates assume that the reset and the review of business rates will not have an impact on overall funding levels.

11.5. Changes to Service Budgets

Each of the tables below sets out the draft budget proposals on a service-by-service basis. They show how the budget changes from the current year's budget to the 2022/23 budget proposals and incorporate the detailed changes set out in **Appendix 1** and **Appendix 2**.

Table 3 2021/22 Budget (original and current) and Proposed 2022/23 Budget

Service	2021/22 Original Budget £'m	2021/22 Current Budget £'m	2022/23 Proposed Base Budget £'m
Adults Services	141.592	141.592	159.684
Public Health (Excluding Grant)	1.411	1.411	1.336
Children's Services	96.005	92.731	105.048
Economic & Community Infrastructure	73.107	69.332	71.785
Customers, Digital & Workforce	15.805	15.142	16.863
Finance & Governance	9.114	9.431	11.393

Accountable Bodies	7.433	2.942	4.329
Corporate Costs	(5.195)	(4.195)	(0.093)
L&A Traded Services	0.000	0.000	0.000
Total Before Contingency	339.272	328.385	370.344
Contingencies	16.800	16.800	6.000
Total SCC	356.072	345.185	376.344

Included within Corporate Costs are various budgets including Debt Charges, Interest Receivable, Bank Charges, Pensions Deficit, Apprenticeship Levy and Audit Fees. Also included here are the various non-ringfenced grants such as New Homes Bonus, Social Care Support Grant, Services Grant, and Rural Service Delivery Grant. The Contingency budget has been shown separately from the other Corporate Costs Budgets.

Appendix 1 sets out the details of the Additional Requirements for each service that are included within the estimates above. **Appendix 2** sets out the Transformation, Savings, and Income Generation Proposals included within the draft budget proposals. These include plans previously approved by Council in February 2021.

11.6. Adults Services

The draft proposals recognise the importance of Adult Services and the budget adds further investment of £18.1m, which is an increase of 12.8% to this key frontline service. This recognises additional pressures as a result of demand for services, which continue to be at an unprecedented level.

Table 4: Changes to the Adults Services Budget

Adults Services	£'m	£'m
2021/22 Original Budget		141.592
Removal Of Once Off Budgets for 2021/22	0.000	
In Year Permanent Virements	0.000	
		0.000
2021/22 Base Budget		141.592
Additional Funding Requirements:		

Inflation (Contractual and General)	8.147	
Demographic and other Demand Increases	6.859	
Other Funding Requirements	1.686	
Growth	0.000	
Total Additional Funding Requirements		16.692
Pay Award		1.009
Savings Previously Agreed		(0.628)
Prior Year Savings Not Delivered		0.000
New Savings Proposals		0.000
Use Of Reserves		1.019
Technical Adjustments		0.000
2022/23 Proposed Base Budget		159.684
Change £m		18.092
Change %		12.78%

Predicting future years demand is made more difficult by Covid-19 and one of the key challenges around this is identifying whether the current demand is on-going as residents needs have increased, or whether there is a degree of temporary demand. These budget proposals have tried to strike a balance between the two and to ensure the budget proposals are robust.

Inflationary increases recognise the increased statutory pressures on providers such as increased national living wage, as well as general price inflation which is currently running at 5.1%. This figure also includes contractual inflation for the Discovery in line with the contract.

The anticipated demographic growth in demand across the service has been calculated using Office for National Statistics population data and trends from previous years.

New transformation saving proposals for 2022/23 include £0.578m linked to Independent Living Accommodation Solutions. Capital investment in new forms of accommodation both owned by us (with rental income) and in partnership with others. This proposal is linked to a capital bid and would provide different accommodation options to those currently available in our housing and provider market.

Adults' Transformation

The Adults Improvement Programme continues to offer a test and learn environment to test ideas with key stakeholders.

New Models of Micro Provision are aiming to increase the options available to people and professionals in deciding how their care and support is provided either through a

different model to access micro providers, or using a different payment method, Individual Service Fund (ISF). A midpoint review indicated positive progress and a number of people coming through the pilot to test the solutions.

Technology Enabled Care aims to increase the technology options available to support people in their own homes. There has been an ongoing delay in the implementation of the prescriber portal, necessitating mitigating actions and a new agreed timeline, with scalable opportunities now expected to be understood in June 2022. Proposals are now starting to be received and TEC installations have begun. Benefits analysis to be conducted shortly.

The Intermediate Care Model has been under significant pressure with demand, capacity and flow within the wider system creating some challenges that have affected capacity to deliver the improvement plan. As a consequence, the Intermediate Care Board agreed in September the essential deliverables needed ahead of the winter pressures, with the remainder of the plan is due to go on hold until the new year.

11.7. Public Health

The total Public Health grant for 2021/22 is £21.284m and this is expected to increase by £0.659m to £21.943m although we wait final confirmation from government. The 2022/23 Budget Proposals would see the overall spend on Public Health increase by £0.584m with the Public Health Grant increasing in line with inflation and a small reduction in the additional funding the Council provides.

Table 5: Changes to the Public Health Budget (Excluding the Public Health Grant of £21.943m for 2022/23)

Public Health (Excluding Grant)	£'m	£'m
2021/22 Original Budget		1.411
Removal Of Once Off Budgets for 2021/22	0.000	
In Year Permanent Virements	0.000	
		0.000
2021/22 Base Budget		1.411

Pay Award		0.025
New Savings Proposals		(0.100)
2022/23 Proposed Base Budget		1.336
Change £m		(0.075)
Change %		-5.30%

The Comprehensive Spending Review committed to maintaining the Public Health grant at current levels in real terms until 2024/25, but we await the detail. Somerset receives a very low proportion of the overall Public Health grant and is 141st out of the 152 authorities with Public Health responsibilities, when comparing allocation per person in the population.

In addition to the public Health grant the council also puts additional funding into Public Health of over £1.4m and the savings proposals include the removal of a community support post saving £0.030m and a £0.070m reduction in funding for health improvement. The community support roles and responsibilities have been absorbed amongst the remaining members of the team and present a low risk saving. The health improvement saving is higher risk and reduces the work that can be progressed to improve overall health and wellbeing as well as for those who experience inequalities. However, there is significant Public Health reserve which should mitigate against this.

11.8. Children's Services

The draft proposals recognise the importance of Children's Services. The budget makes a further investment of £12.3m; a 13.3% increase on the adjusted budget into this key frontline service.

Table 6: Changes to the Children's Services Budget

Children's Services	£'m	£'m
2021/22 Original Budget		96.005
Removal Of Once Off Budgets for 2021/22	(3.211)	
In Year Permanent Virements	(0.063)	
		(3.274)
2021/22 Base Budget		92.731
Additional Funding Requirements:		
Inflation (Contractual and General)	2.227	
Demographic and other Demand Increases	5.683	

Other Funding Requirements	1.895	
Growth	0.014	
Total Additional Funding Requirements		9.819
Pay Award		2.113
Savings Previously Agreed		(1.276)
Prior Year Savings Not Delivered		0.690
New Savings Proposals		(0.816)
Use Of Reserves		1.780
Technical Adjustments		0.007
2022/23 Proposed Base Budget		105.048
Change £m		12.317
Change %		13.28%

Predicting future years demand is always difficult and Covid-19 has further increased this difficulty. One of the key challenges around this is identifying what is on-going demand and what is temporary demand. The budget proposals have therefore tried to strike the balance between the two and to ensure the budget proposals are robust.

Inflation includes contractual inflation for existing contracts for Home to School transport and care placements as well as several smaller contracts across Children's Services.

Demographic and other demand changes include projected increased demand for care and school transport.

Other funding requirements are £1.366m for a change in financing of budgets previously funded by the Dedicated Schools Grant and £0.529m for changes in legislation that impact on the use of unregulated placements and paid seats income for school transport.

New transformation, savings, and income generation proposals for 2021/22 include a £0.5m turnover factor in Children's Social Care and £0.3m due to the forecast impact of implementing the Building Local Capacity Programme. The SENDIAS transformation saving of £0.480m is not considered deliverable and has therefore been removed, along with the final year of the Travel Plan saving of £0.210m.

Use of reserves reflects the removal of the one-off £2.0m investment supporting the work undertaken on the SEND improvement plan and £0.1m PAUSE funding from the prevention fund. Drawdowns of £0.350m to support the Family Safeguarding transformation programme and £0.330m for the school's reorganisation project for the Crewkerne/Ilminster area are also included.

Children's Transformation

The Children's Transformation Programme will broaden to incorporate a wider scope of work than in the previous year, reflecting the emerging need across the service and enabling a coherent approach to a complex programme of work across Children's Services.

The programme will promote excellent outcomes for children and families and is underpinned by four key features:

- Strong partnership working
- Providing the right help at the right time to prevent problems starting and growing
- A strengths-based approach that promotes resilience
- Working with families as a whole

The programme will continue to focus on delivering a whole family, strengths-based, system approach which reduces reliance on statutory services and supports excellent outcomes. Strong partnership and prevention themes run throughout all elements of the programme.

The Family Solutions Somerset model (comprising Family Safeguarding, the Family Drug and Alcohol Court, Pause and Safe Families) continues to embed and develop as we work closely with partners to provide families with the support that they need to improve their resilience, enabling parents to parent safely. Through a strengths-based approach, the model empowers social workers, adult practitioners, and families to work together to improve family outcomes. This prevention model has been increasingly important, in maintaining stable and slightly reducing numbers of children in care, as the impact of the pandemic on family tensions has seen a rise nationally in the number of children coming into care.

The Building Local Capacity programme has seen significant developments this year with the appointment of Homes 2 Inspire (part of the Shaw Trust) as our Strategic Partner to deliver children's homes, high needs fostering and therapeutic education. This innovative programme seeks to improve outcomes for our most complex young people through offering a wraparound model of support. Capital investment has been agreed for the purchase of the first children's homes and work will continue over the next twelve months to develop and deliver the service in partnership with Homes 2 Inspire and other key partners including Somerset CCG, Somerset NHS Foundation Trust and in particular with the CAMHS service.

Development and improvement work continues within our Fostering Service which is now aligning with the strengths-based, child-centred approach of the Family Solutions model and to prepare the service for closer collaboration and alignment with the High Needs Fostering provision which will be developed in collaboration with Homes 2 Inspire.

The renewed Early Help Strategy underpins system wide work to develop a coherent,

system-wide offer which empowers families and builds strength and resilience in our communities through a strengthened partnership approach.

Work continues with Somerset CCG and partners across education, health, and social care to strengthen SEND services and deliver the Written Statement of Action. In 2022, work will focus on embedding improvements to the way we: work in partnership with families; ensure clear and effective pathways for identifying children and young people with SEND; promote inclusive practice in schools; and strengthen joint commissioning. As the Written Statement of Action approaches completion, there will be a focus on ensuring that improvements have a lasting impact as well as developing a shared understanding of needs and priorities to inform a new SEND strategy.

The Education Partnerships programme of work (incorporating the LA Maintained Schools Model, Communications and Digital project, Crewkerne and Ilminster Reorganisation Project and the development of the Education Strategy) aims to strengthen relationships and partnership working across schools and communities under a new Education Strategy for Somerset - building on the positive foundations which emerged during the pandemic and incorporating action points emerging from the Written Statement of Action Inclusion Inquiry. The programme seeks to establish a sustainable education model for Somerset – improving access and opportunities for all to high quality education and training, reducing inequalities and providing positive, sustainable learning environments.

Common themes running throughout this programme of work include the need to continue to develop a system-wide, partnership and strengths-based approach to improving outcomes for families whilst improving the sustainability of service delivery through prevention.

Key Risks

Demand for Children’s Services, especially those with complex needs, continues to increase reflecting - increasing poverty amongst Somerset families, impact of COVID measures on children, and contextual safeguarding issues.

11.9. Economic & Community Infrastructure Services

The draft 2022/23 Budget proposals would see an investment of £2.454m in the service which equates to an increase of 3.54%.

Table 7: Changes to the Economic & Community Infrastructure Budget

Economic & Community Infrastructure	£’m	£’m
2021/22 Original Budget		73.107
Removal Of Once Off Budgets for 2021/22	(3.776)	
In Year Permanent Virements	0.000	

		(3.776)
2021/22 Base Budget		69.332
Additional Funding Requirements:		
Inflation (Contractual and General)	1.963	
Demographic and other Demand Increases	0.277	
Other Funding Requirements	0.587	
Growth	0.054	
Total Additional Funding Requirements		2.882
Pay Award		1.114
Savings Previously Agreed		(0.394)
Prior Year Savings Not Delivered		0.000
New Savings Proposals		(0.723)
Use Of Reserves		(0.426)
Technical Adjustments		0.000
2022/23 Proposed Base Budget		71.785
Change £m		2.454
Change %		3.54%

Additional funding requirements include inflation for waste, highways, and transport contracts, as well as general inflation for utilities, rates, and rents. Provision has also been made for demographic growth in waste. Pressures have also been included for the Taunton Park and Ride service, the significant work associated with the procurement of key highways contracts, the increasing pressure in enforcement services as well as dealing with the effects of ash dieback.

New transformation, savings, and income generation proposals for 2022/23 include an increase of income across the Traffic Management and Parking service, together with the continuation of the role out of Recycle More (which will reduce residual waste at the kerbside), savings from contract renegotiation and increased income from optimisation of our property estate.

11.10. Customers, Digital & Workforce Services

The budget proposals would see an increased investment of £1.721m which equates to an 11.37% increase in the service.

Table 8: Changes to the Customers, Digital & Workforce Budget

Customers, Digital & Workforce	£'m	£'m
--------------------------------	-----	-----

2021/22 Original Budget		15.805
Removal Of Once Off Budgets for 2021/22	(0.601)	
In Year Permanent Virements	(0.062)	
		(0.663)
2021/22 Base Budget		15.142
Additional Funding Requirements:		
Inflation (Contractual and General)	0.473	
Demographic and other Demand Increases	0.021	
Total Additional Funding Requirements		0.494
Pay Award		0.868
Savings Previously Agreed		0.019
Prior Year Savings Not Delivered		0.154
New Savings Proposals		(0.322)
Use Of Reserves		0.508
Technical Adjustments		0.000
2022/23 Proposed Base Budget		16.863
Change £m		1.721
Change %		11.37%

Central Services will have significant resourcing issues, due to the Local Government Reform programme. Work will include the transfer of staff into the new organisation, work to merge ICT systems & processes, restructuring of services, and the redesign of public-facing platforms such as websites and contact centres.

There are also key risks around recruitment of specialist roles that may lead to increased interim staff costs. We have already experienced loss of staff to other organisations, including those some distance away with staff able to work from home. There is also a risk of reduced income in our HR Admin & Payroll services, with a number of academies moving to multi academy trust status.

11.11. Finance & Governance Services

The budget proposals would see an increased investment of £1.962m which equates to an 20.80% increase in the service following changes to how the insurance team are funded and funding for elections in May 2022.

Table 9: Changes to the Finance and Governance Budget

Finance & Governance	£'m	£'m
2021/22 Original Budget		9.114
Removal Of Once Off Budgets for 2021/22	0.192	
In Year Permanent Virements	0.125	
		0.317
2021/22 Base Budget		9.431
Additional Funding Requirements:		
Inflation (Contractual and General)	0.029	
Demographic and other Demand Increases	0.116	
Other Funding Requirements	0.317	
Total Additional Funding Requirements		0.462
Pay Award		0.493
Savings Previously Agreed		(0.030)
Prior Year Savings Not Delivered		0.017
New Savings Proposals		(0.063)
Use Of Reserves		1.083
2022/23 Proposed Base Budget		11.393
Change £m		1.962
Change %		20.80%

The main increase in the Finance & Governance budget for 2022/23 relates to the once-off costs of the elections in May 2022. There is also additional funding requirements (AFR) to cover the loss of income resulting from a reduced service level agreement with LEP, base budget funding of the Insurance Team to reduce the draw on the Insurance Fund reserve, funding of an additional role within Governance to support Schools Appeals, an increase to independent members allowances and fulfilling of a statutory obligation in supporting of an Area Coroner position. This is offset by savings to be achieved in services of new income generation, a reduction in subscriptions and applying of a staff vacancy factor in most business areas to achieve a net budget requirement of £11.4m for 2022/23.

11.12. Corporate Costs

The draft 2022/23 Budget proposals would see Corporate Costs change by £4.1m as follows:

Table 10: Changes to the Corporate Costs Budget

Corporate Costs	£m	£m
2021/22 Original Budget		(5.195)
Removal Of Once Off Budgets for 2021/22	1.000	1.000
2021/22 Base Budget		(4.195)
Additional Funding Requirements: Inflation (Contractual and General)	0.033	
Total Additional Funding Requirements		0.033
Pay Award		0.010
New Savings Proposals		(0.562)
Use Of Reserves		6.880
Technical Adjustments		(2.260)
2022/23 Proposed Base Budget		(0.093)
Change £m		4.102
Change %		-97.78%

Included within Corporate Costs are the budgets for Debt Charges, Interest Receivable, Bank Charges, Pensions Deficit, Apprenticeship Levy and Audit Fees. Also included here are the various non-ringfenced grants such as New Homes Bonus, Service Grant, Social Care Support Grant, and Rural Service Delivery Grant. The main changes are due to the Covid-19 Support Grant (£10.8m) not continuing into 2022/23 but other grants have increased by £13.0m (details of the grants are set out in para 11.14).

11.13. Climate Change

Somerset Councils' Climate Emergency Declarations set out shared ambitions to deliver a Carbon Neutral Somerset by 2030 and to build our resilience for, or adapt to, the impacts of a changing climate. We have developed a shared Strategy for Somerset with our District partners and have added £0.254m ongoing funding for Climate Change as part of the 2021/22 Budget. In addition to this the Council has made the following commitments

Table 11: Funding for Climate change

Description	£'m	Source
Climate Change funding to support Towns & Parishes	1.0	2020/21 Budget - Feb 2020
Climate Change funding to support Towns & Parishes	0.5	2020/21 Outturn - July 21
Investment in clean energy generation projects	3.1	2021/22 Budget - Feb 21
Energy efficient and decarbonisation schemes	1.3	2021/22 Budget - Feb 21
Walking and cycling initiatives	1.9	2021/22 Budget - Feb 21
Decarbonisation of buildings including County Hall and libraries	7.4	2021/22 - Decision Report Sept 21
DfT Grant - Road Decarbonisation	1.0	2021/22 Decision Report
Heat decarbonisation feasibility studies across Somerset's maintained school estate	0.4	Low Carbon Skills fund
Electric fleet vehicles and infrastructure	0.9	New bid for 2022/23
Match funding for decarbonisation grants	1.0	New bid for 2022/23
Spend on climate change	18.5	

11.14. Funding for Councils

The provisional settlement for local authorities on the 16th December outlined the following:

Revenue Support Grant (RSG)

Revenue Support Grant is distributed based on need but has been reducing year-on year. The Finance Settlement outlined that SCC has been allocated £6.407m in 2022/23 (an additional £0.199m).

Rural Services Delivery Grant

This un ringfenced grant has remained at the same level as 2021/22 of £2.521m in the provisional settlement.

New Homes Bonus

New Homes Bonus is an incentive-based grant to increase the number of new homes built and a reduction in the number of empty properties. The funding through this scheme has been reduced in recent years and the scheme is being phased out. The NHB allocated for 2022/23 is £1.266m compared to £1.246m in the current year (this includes a payment for 2021/22 performance and a final legacy payment).

Services Grant

A new once off grant has been introduced for 2022/23 to “provide funding to all tiers of local government in recognition of the vital services delivered at every level of local government”. This grant is a “once-off” grant pending local government reforms and will be distributed in future under a revised methodology.

Social Care Funding

The Social Care Grant increased by £6.632m, from £17.959m to £24.591m for 2022/23 and is expected to continue in future years. This grant can be used to support spend in both Adults and Children’s social care.

Better Care Fund

The Better Care Fund is a funding from the CCG that is intended to support the integration of health and social care, requiring Clinical Commissioning Groups and Local Authorities to pool budgets and agree an integrated spending plan. Greater integration is seen as a way to use resources more efficiently, by reducing avoidable hospital admissions and facilitating discharge from hospital. The Council received £13.903m in 2021/22 and we are awaiting confirmation of any increases for 2022/23.

Improved Better Care Fund

iBCF funding has been provided by Government since 2017/18 to support local authorities to meet adult social care needs, reduce pressures on the NHS and support the social care market, in recognition of the increasing financial pressures being seen in the delivery of adult social care. SCC has been allocated £23.372m an increase of £0.686m compared to £22.685m in 2021/22.

Local Council Tax Scheme Grant

The 2021/22 Finance Settlement announced £670m of funding nationally out of which Somerset received £4.2m based upon the average number of working age claimants and average council tax levels. This once -off funding recognised the impact on Covid-19 on council tax income. The deficit for 2020/21 will be smoothed out over three years with the grant compensating for those losses over the same period.

Council Tax

Over the last few years there has been a national shift away from government funding to locally generated funding through Council Tax. The income from Council Tax is a product of the Tax Base multiplied by the Band D Council Tax charge.

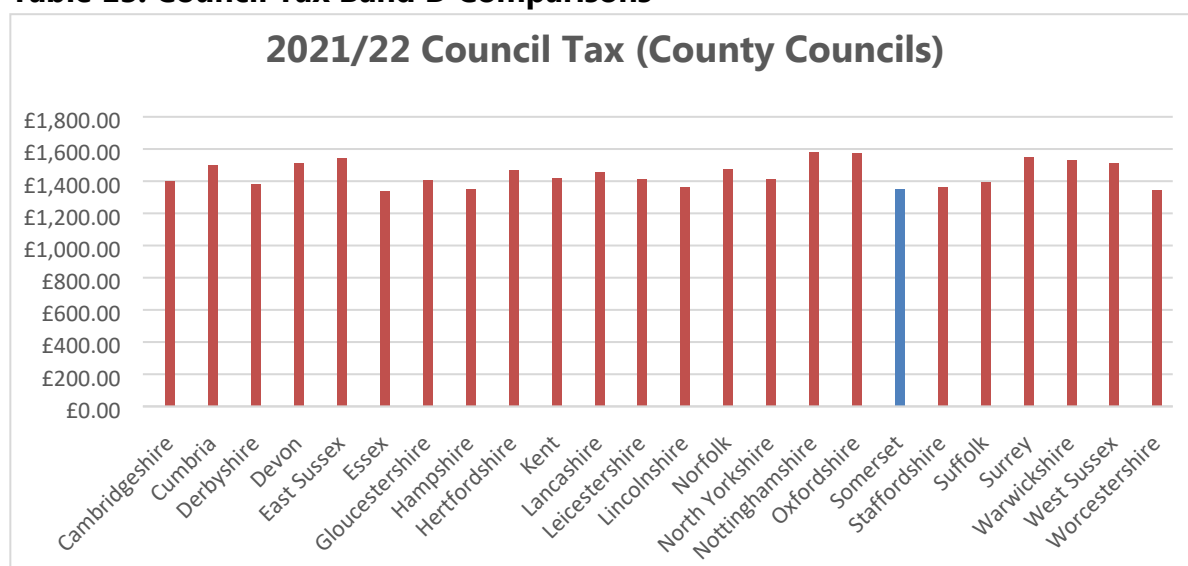
The tax base is set by the District Councils each year based upon the estimate of the number of Band D equivalent properties, discounts, local council tax support schemes and the collection rate. The MTFP in February estimated an increase of 0.5% for 2022/23 but this has improved to 0.66%. The Tax bases has now been set for 2022/23 by the District Councils and **Table 12** shows the figures for 2020/21 to 2022/23 and the increase or decrease in 2022/23 compared to 2021/22.

Table 12: Changes to the Tax Base by District

TAX BASE	2020/21	2021/22	2022/23	% Increase/ (Decrease)
Mendip	40,978.57	41,337.76	41,544.07	0.50
Sedgemoor	41,435.78	40,991.35	41,910.15	2.24
South Somerset	60,710.78	61,152.95	60,643.62	(0.83)
Somerset West and Taunton Council	56,449.87	55,947.87	56,649.32	1.25
Total	199,575.00	199,429.93	200,747.16	0.66

Table 13 shows the Council Tax charge for the current year of £1,353.53 for a Band D property which is the fourth lowest of all Shire County Councils with the average charge being £1,443.

Table 13: Council Tax Band D Comparisons



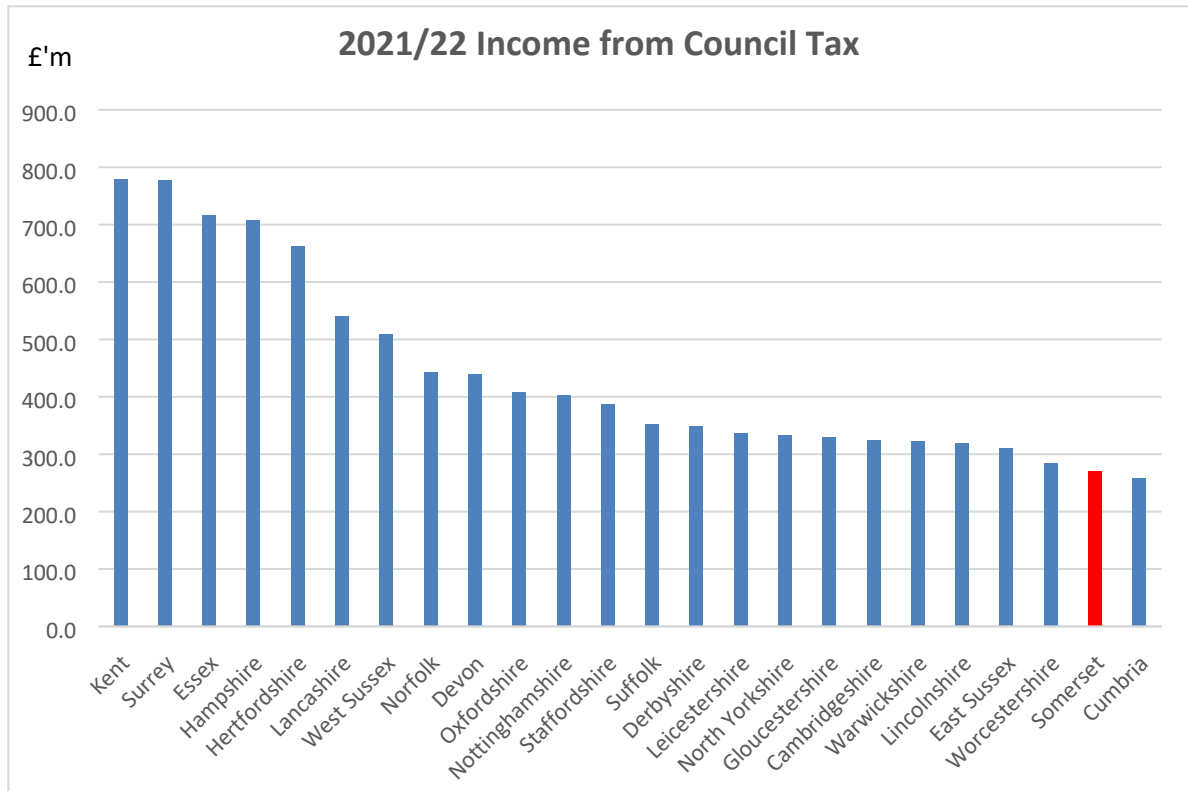
The Government controls council tax increases through the referendum limits and has set these for 2022/23 at 2% for Council Tax and 1% for Adult Social Care precept. Also, as part of Finance Settlement the government has taken these increases into account when allocating funding as part of the Core Spending Power (CSP) calculation for each council.

The provisional budget currently includes an increase of 1.99%, £26.94 per annum (52p per week) in general Council Tax and a further 1.0%, £13.54 per annum (26p per week) increase in Adult Social Care Precept in line with those referendum limits and government expectations. This would add £40.48 per annum (78p per week) to a Band D property. The overall Council Tax for 2022/23 including £12.84 towards the Somerset Rivers Authority would be £1,394.00 which is still below the current year's average charge for County Councils.

Table 14 shows the income from Council Tax for Shire Counties. Somerset CC has the second lowest income from Council Tax which demonstrates the financial impact of a

small tax base and the low Council Tax charge.

Table 14 - Income from Council Tax for County Councils Update Table



In-year collection of Council Tax by the Districts has been impacted by the Covid-19 pandemic. The Government set out legislation for authorities to spread any deficit for 2020/21 over a three-year period. Next year will be the second year of the arrangement and the grant was added to reserves to fund this. The District Authorities will provide figures for Collection Fund surpluses or losses mid-January which will show how far the pandemic continues to impact on council tax collection. The February report will provide an update on the position.

Business Rates

The review of Business Rates continues to be delayed and at present it is not certain when the reset and reforms will take place. The provisional Finance Settlement set the Tariff & Top Up for 2022/23 at £53.1m, the Safety Net at £63.2m and Baseline at £68.3m. The draft budget proposals assume a Business Rates income of £78.2m but this will need to be reviewed following the Districts providing the Business Rates figures at the end of January. All of the Councils in Somerset participate in a Business Rates pool and have applied for the pool to continue in 2022/23. An assessment of the risks and rewards of continuing with the pool is currently being undertaken.

The District Authorities will also be providing the surplus / deficit position of the Business Rates Collection Fund in the current year. Similar to Council Tax, any deficits from 2020/21 will be spread over the next 3 financial years. The position on Business Rates is made more complex with there being differences between cash and accounting positions which

are more distorted due to section 31 payments from government in supporting the business sector as a result of Covid-19. The February report will provide an update on the position.

Treasury Management

The Treasury Management Strategy sets out the full details of our approach which includes the continuation of the policy of internally borrowing and increasing our strategic treasury management investment. The Council continues to hold a positive cashflow position combined with the very low interest rate environment (even with the recent increase in base rates to 0.25%) to support this approach. This will continue to be reviewed in the light of any changes to the economic environment.

Schools and Dedicated Schools Grant (DSG)

Schools are funded by the Dedicated Schools Grant (DSG) which is initially allocated to the Council by the Department for Education (DfE). The DSG supports all expenditure in schools (who set their own budgets) and the activities that the Council carries out directly for schools. It does not cover the statutory responsibilities the Council has towards parents. These responsibilities are funded through the Councils main revenue funding and included as part of the proposed Budget.

In July 2021, the DfE published provisional allocations for the schools, high needs and central services blocks. Final allocations based on pupil numbers from the October 2021 school census have now been made.

The DfE calculate the Schools Block 2022-23 primary units of funding (PUF), and secondary units of funding (SUF) for each local authority using the July 2021 provisional allocation which is based on the October 2020 census. These are final units of funding for 2022-23 and are not updated at any later point. The PUFs and SUFs are used to allocate schools block funding to local authorities in December 2021, using pupil numbers from the October 2021 census.

Table 15 below shows how the Somerset PUFs and SUFs have increased over time¹ and in comparison, to the England averages (including and excluding London authorities) and the South West average. It also shows that Somerset continues to move up the ranking for both PUFs and SUFs.

Table 15 – Comparison of PUF and SUF funding over time

£ Values per pupil	Somerset		England		England (exc LDN)		South West		Ranking	
	PUF	SUF	PUF	SUF	PUF	SUF	PUF	SUF	PUF	SUF
2019/20	3,917	4,909	4,099	5,295	3,990	5,143	3,891	4,990	102/149	140/149
2020/21	4,153	5,164	4,279	5,496	4,179	5,343	4,109	5,201	95/149	129/149
2021/22	4,330	5,341	4,431	5,670	4,336	5,514	4,288	5,369	88/150	127/150
2022/23	4,495	5,497	4,600	5,940	4,459	5,706	4,391	5,539	71/150	122/150
Change 19/20 - 20/21	6.0%	5.2%	4.4%	3.8%	4.7%	3.9%	5.6%	4.2%	7	11
Change 20/21 - 21/22	4.3%	3.4%	3.5%	3.2%	3.8%	3.2%	4.4%	3.2%	7	2
Change 21/22 - 22/23	3.8%	2.9%	3.8%	4.8%	2.8%	3.5%	2.4%	3.2%	17	5

¹ Teachers' Pay and Pension element has been removed from the 2021-22 and 2022-23 PUFs and SUFs to enable like for like comparison to previous years

² Excluding Teachers' Pay and Pensions which is now included in the DSG (previously via separate grant allocation)

The report is attached at Appendix 4 (to follow).

High needs funding to support children with Special Education Needs and Disabilities (SEND) is receiving an additional grant in 2022-23 of £325m, with an increase in High Needs Block allocation for Somerset of £6.9m³. Nationally central schools services funding has increased for ongoing responsibilities but will decrease by 20% for historic commitments.

The Early Years hourly rate for 3-4-year-old entitlement has increased by 17p and by 21p for the 2-year-old entitlement. The total 2022-23 Early Years Block allocation has decreased by £1.1m.

With the introduction of the National Funding Formula (NFF) the DSG was ring-fenced for schools from 2018/19 making the LA responsible for the demographic pressures being observed in the SEND / High Needs element of the DSG (although schools can contribute up to 0.5% of the ringfenced sum if agreed by the Schools Forum). However, local authorities cannot contribute to any deficit. The DSG deficit at the end of 2020/21 was £14.7m and this is expected to increase to £19.7m by the end of 2021/22.

11.15. LGR and Future Year's Estimates

The approved business case for the delivery of Somerset Council outlined that once off funding of £16.5m would be required to transition the five authorities into one which would enable the delivery of £18.5m on-going savings. The 2021/22 budget included provisions of £3.2m to cover the first year's implementation costs.

The LGR Joint Committee in November 2021 approved that the District Councils would contribute 20% to those costs based upon their populations. This means that £6.9m is required as our agreed share towards the implementation costs in 2022/23. The LGR Joint Committee also agreed that each Council would set aside funds for the 2023/24 implementation in the form of a reserve to ensure that the new Unitary Council had sufficient funds for the remaining costs. SCC will ensure that £3.1m remains in the LGR Transition Costs Reserve for this purpose. A further sum will be required of circa £0.75m to fund additional member allowances between May 2022 and March 2023 (as elections are taking place in May 2022) and further negotiations are taking place with District colleagues around the funding of these.

In order to allow flexibility over the funding of the implementation costs a review is currently underway to assess the impact of either fully utilising reserves or using the Governments flexible capital receipts policy in 2022/23 and 2023/24 which would require an Efficiency Strategy to be included as part of the overall budget report in February.

This report updates Members on the progress to date with setting the last budget

³ Including Teachers' Pay and Pensions and before recoupment and deductions for direct funding of high needs places by the ESFA

2022/23 for SCC. The District Councils have also been progressing their final year's budgets. The S151 Officers are reviewing future years and ensuring those projections are on a "like for like" basis in terms of setting estimates for instance ensuring that salary increases etc are factored in at the same rate. This will enable the S151 Officers to provide an initial view of the forward picture for the new Unitary for 2023/24 and 2024/25 in the February budget setting report to Cabinet and then full Council.

The Business Case outlined that savings of £18.5m would be realised from implementing a Unitary Council for Somerset. These savings will be amalgamated with the overall budget gaps from the County Council and Districts to form one savings target for each year 2023/24 and 2024/25. The savings strategy for the new Unitary will be to realise the savings from reduced operating costs of becoming one authority as well as targeted savings that will need to be approved by the new Council but are likely to include:

- New Council priorities which will develop investment in services as well as the scope for further savings from lesser priorities,
- Using benchmarking information to inform the cost of services,
- Rationalisation of the corporate estate,
- A review of all fees and charges,
- Review of capital spend to priority areas and reduce the costs of funding the programme,
- Further review of contracts to reduce expenditure; and
- To transform services as they are joined together maximising the use of digital technology and new ways of working to maximise efficiency.

These will form part of the Medium-Term Financial Strategy and Plan that will be presented to members in October 2022.

11.16. The Capital Programme

The Prudential Code for Capital Finance in Local Authorities was updated in December 2021. The objectives of the Prudential Code are to ensure that the capital expenditure plans of local authorities are affordable, prudent, and sustainable and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved.

It required authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are made with sufficient regard to the long-term financial implications and potential risks to the

authority.

The latest monitoring report, Quarter 2, forecasts a total spend for the year 2021/22 of £173.8m. This is an underspend against the original forecast for the year of £43.8m. Of this £42.0m is expected to be spent in future years and £1.8m underspent. The report forecasts a total 5-year underspend of £7.8m.

The Capital Strategy in the short-term is to reduce the capital programme by reviewing priorities and slippage. It is recommended that only Health and Safety capital bids, those with the highest priority, and those that are wholly externally funded are considered. This will reduce the burden on the Revenue Account as much as possible, minimise the impact on resources as the Council transitions to the Unitary Council, and will help to maintain financial stability during the transition period.

Bids from services for new capital schemes due to start in 2022/23 have been received and are summarised in the table below (full details of each scheme are attached in **Appendix 3**):

Table 16 – Summary of New Capital Schemes

Scheme	New MTFP Request and Profiled Expenditure			
	2022/23	2023/24	2024/25	Total MTFP Bid Request
	£'m	£'m	£'m	£'m
Children and Young People				
Children's Residential	0.1	2.4	0.2	2.6
Schools Services	2.8	5.1	0.4	8.3
Economic and Community Infrastructure - Highways				
Bridge Structures	1.0			1.0
Road Structures	24.2			24.2
Traffic Control	2.2			2.2
Small Improvement Member Schemes	1.0			1.0
Small Improvement Safety Schemes	0.7			0.7

Highway Lighting	0.6			0.6
Rights of Way	0.5			0.5
Economic and Community Infrastructure - Property				
Property Services	1.6	2.9	0.4	4.9
Economic and Community Infrastructure - Other Services				
Traveller Measures	0.1			0.1
Fleet Management	1.8			1.8
Heritage Services	0.1			0.1
Somerset Waste Partnership	0.5			0.5
Total SCC Capital Programme	37.1	10.4	0.9	48.4

Financed by				
Borrowing	6.1	8.1	0.9	15.2
Grants	30.4	2.3		32.7
Third Party Contributions	0.5			0.5
Total	37.1	10.4	0.9	48.4

Borrowing

A further £15.2m of borrowing is needed to fund the additional capital project proposals which creates an additional revenue budget pressure of £0.8m in 2022/23.

The Authority continues to deploy an internal borrowing strategy and the benefits of this are applied into the revenue budget.

Third Party Contributions

Only Third-Party contributions received or formally agreed are used to fund the programme. Any expected contributions received in future releases the need for borrowing.

Capital Receipts

The strategy of not using borrowing to fund of short life assets (IT and Vehicles) is currently on hold pending further decision of the new Unitary Council and to ensure that the use of capital receipts can be prioritised to meet greatest need in transition arrangements. Following good accounting practice only capital receipts received will be considered for use in financing the capital programme.

Capital Receipts Flexibility

The Government announced in February 2021 that Local Authorities could continue to utilise capital receipts for transformation programmes that produced long term savings or reduce the costs of service delivery for a further three years to 2025/26. Therefore, this additional flexibility will be reviewed as part of the overall plan for funding transition costs (i.e. some of the Transition Costs normally funded from reserves could be funded through capital receipts). An Efficiency Strategy will be required if this flexibility is recommended and would require full Council approval.

Overall Capital Programme

The following tables present the capital programme in its entirety. This has taken into consideration a review of current approved programme and includes the additional new starts for 2022/23:

Table 17 – Overall Capital Programme Current 2022/23 to 2025/26

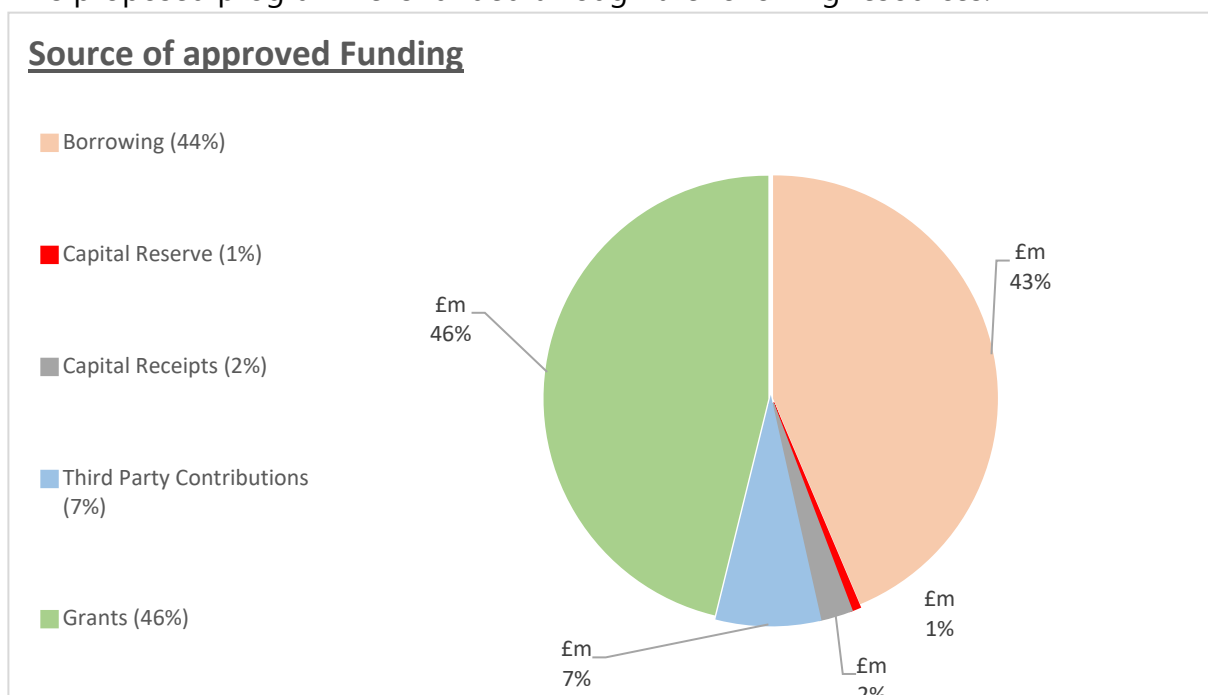
Scheme	Overall Scheme Budget		
	Total Scheme Budget	Predicted Total Expenditure	Estimated Scheme Variance
	£'m	£'m	£'m
Adult Services, Learning Disabilities and Public Health			
Adult Social Care	3.2	3.1	(0.1)
Learning Disabilities	0.1	0.1	
Children and Young People			
Children's Residential	5.2	5.2	
Children Looked After	0.0	0.0	
Special Education Needs	0.3	0.3	
Schools Access Initiative	1.4	1.4	
Community Services	0.1	0.0	(0.1)
Early Years	1.5	1.5	
Schools Services *note 1	58.1	58.1	
Corporate and Support Services			
Corporate ICT Investment	0.9	0.8	(0.1)
Economic and Community Infrastructure - Economic Development			
Business Growth Fund	1.8	1.8	
Wells Technology Enterprise Centre	0.4		(0.4)
Wiveliscombe Enterprise Centre	0.1		(0.1)
Taunton Digital Innovation Centre	6.6	6.6	
Chard Grow On Spaces	0.7	0.7	
Economic and Community Infrastructure – Highways			
Bridge Structures	6.0	6.0	
Road Structures	25.1	25.1	
Traffic Control	5.8	5.8	
Integrated Transport	1.6	1.7	0.1
Small Improvement Member Schemes	1.0	1.0	
Small Improvement Safety Schemes	2.2	2.2	
Highway Lighting	0.6	0.6	
Rights of Way	1.2	1.2	
Economic and Community Infrastructure - Highway Major Projects			
M5 Junction 25 Improvements	0.7	(0.3)	(1.0)
Toneway Corridor Capacity Improvements	2.4	2.4	
Trenchard Way Residual Works	0.7	0.7	

Major Road Network	2.0	2.0	
Various Other Schemes	(0.0)	0.5	0.5
Economic and Community Infrastructure – Property			
Property Services	13.2	13.2	
Economic and Community Infrastructure - Other Services			
Traveller Measures	0.1	0.1	
Fleet Management	2.6	2.6	
Heritage Services	0.1	0.1	
Library Services	0.7	0.7	
Somerset Waste Partnership	4.2	0.5	(3.7)
Total SCC Capital Programme	150.5	145.5	(5.0)

SCC Accountable Body Status			
Broadband Project (CDS)	25.9	25.2	(0.7)
HoTSW Local Enterprise Partnership	2.9	2.9	
Somerset Rivers Authority	0.2	0.2	
Accountable Body Status Total	28.9	28.3	(0.7)

Total Capital Programme	179.4	173.8	(5.6)
--------------------------------	--------------	--------------	--------------

This proposed programme is funded through the following resources:



There is increased funding to the current programme through confirmed external funding and a minimal requirement for new SCC resource. All cost of debt is factored into the revenue financial plans.

***Note 1** – Following a review of the schools programme against delays in housing developments and pupil numbers, it is expected that £10.1m will be made available

through month 9 2021/22 budget monitoring. Of this £1.2m will need to be held as contingency against increased material and supplier costs and £4.9m for an urgent need to expand schools placements in Chard. Any resulting underspend, proposed £4m, will be returned to the corporate pot to reduce the overall borrowing requirement.

11.17. Reserves and Balances

As part of the strategy to improve the Councils financial resilience and future financial sustainability there has been an active strategy of restoring reserves to a more appropriate level over the last three years through the MTFP and underspending. This approach has seen an increase in reserves to give the Council more financial resilience has been recognised by our external auditor and put us on a sound footing to deal with the financial uncertainties and impacts of Covid.

Reserves are either General Reserves which are held to manage general financial risks or Earmarked Reserves to be used for specific purposes. The Council also holds Earmarked Reserves on behalf of other organisations in its role as accountable body. As the council does not control these they should not be included when assessing the Council's level of reserves.

The current level of the General Reserves of £23.0m will be maintained in 2022/23. This is 6.2% of the net revenue budget. Although there is no guidance on the appropriate level of General Reserves to hold, 5% is widely acceptable as general good practice. The Council is therefore in the position of having a robust level of reserves.

We are currently reviewing all of the Earmarked Reserves and will provide the updated position as part of February to Cabinet in the light of the latest budget monitoring report, Covid Grants and figures from the District Councils on council tax and business rates surplus or deficits.

11.18. Timetable

The Cabinet approves the Medium-Term Financial Strategy and Plan and notes the current progress towards producing a balanced revenue budget for 2022/23 and capital programme is:

25 January 2022 – Children's & Families Scrutiny

Scrutiny of the January Budget Report to Cabinet focused upon the Children's Services budget

26 January 2022 – Scrutiny Adults & Health Scrutiny

Scrutiny of the January Budget Report to Cabinet focused upon the Adults & Public Health budgets

27 January 2022 – Audit Committee

Review of the Treasury Management Strategy and Capital Strategy including MRP policy

2 February 2022 - Scrutiny for Policies & Place

Scrutiny of the January Budget Report to Cabinet

4 February 2022 – LGR Joint Committee

Review of each Councils Budget proposals & their impact upon the 2023/24 budget for Somerset Council and future years MTFP's

7 February 2022 – Member Budget Briefing

All Member Budget Briefing on the budget

14 February 2022 – Cabinet

Updated Budget Report including the council tax and business rates surplus / deficit plus any comments from Scrutiny. The report will set out the proposed Council Tax increases and include the Section 25 report from Director of Finance & Governance on the robustness of the budget and adequacy of the level of reserves.

17 February 2022 – Member Budget Briefing

All Member Budget Briefing on the final budget proposals

23 February 2022 – Full Council

Budget proposals from Cabinet including council tax increase and Capital programme

11.19. Risks

Some specific service risks are outlined within the service narratives elsewhere in this report. Some of the key corporate risks are outlined in **Table 18** below and these will be monitored and reported as part of the budget monitoring process throughout the year:

Table 18 – MTFP Financial Risks

Risk	Rag Rating (R/A/G)	Risk Owner	Management and Mitigations
The longer-term impact of the Covid-19 pandemic continues to impact adversely on demands for services to escalate beyond current estimates and contingencies	R	Strategic Leadership Team	Demand will need to be continually monitored in 2021/22 for impacts on the estimates for 2022/23 budgets. The Contingency Budget of £6m will be retained in 2023/24.
Changes to Government Policy that affects future funding (Social Care)	R	Strategic Leadership Team	The Government's announcements on Social Care reform not yet fully understood. Grant funding of £1.7m has been allocated to SCC in 2023/24 to start to prepare for these changes. It is

			not currently known if this is sufficient.
Interest rates increase	A	Director of Finance and Governance	The base rate has recently increased from 0.1% to 0.25%. This does not change the current strategy of internal borrowing but we will continue to monitor and review this.
Impact on business rates is greater than currently estimated	A	Director of Finance and Governance	Although SCC has continued to participate in the business rates pool this will require reviewing before the final deadline in January. The MTFP also now assumes that the reset and reforms will not impact on the authority's income overall.
Pay awards will be higher than estimated	A	Director of Customers, Digital, and Workforce	A 1% increase was factored into the budget for 2021/22 and the employee side has now rejected an offer of 1.75%. Currently the additional cost of a 1.75% increase for 2021/22 and a 2.5% increase for 2022/23 has been factored into the MTFP.
Unitary preparations and Transitional Costs	A	Strategic Leadership Team	All workstreams and governance arrangements are now in place. Transition costs are monitored and managed through the Steering Group, Board and Joint Committee.
Economic downturn impacts on income	A	Relevant Director	Review as part of budget monitoring
Unforeseen events outside SCC's control	A	Relevant Director	Events such as extreme weather, increases in fuel and utility costs (currently a major issue) and changes in recycling material values are outside our direct control. These will need to be monitored and the MTFP updated as necessary.

Report Sign-Off

		Signed-off
Legal Implications	Honor Clarke	10/01/2022
Governance	Scott Woodridge	23/12/2021
Corporate Finance	Jason Vaughan	23/12/2021
Human Resources	Chris Squire	23/12/2021
Property	Paula Hewitt / Oliver Woodhams	23/12/2021
Procurement / ICT	Claire Griffiths	10/01/2022
Senior Manager	Jason Vaughan	23/12/2021
Commissioning Development	Sunita Mills / Ryszard Rusinek	06/01/2022
Local Member	All	N/A
Cabinet Member	Cllr Mandy Chilcott - Cabinet Member for Resources	05/01/2022
Opposition Spokesperson	Cllr Liz Leyshon	10/01/2022
Scrutiny Chair	Cllr Anna Groskop - Place Scrutiny	06/01/2022