

Joint Scrutiny for Policies, Children and Families Committee (virtual meetings from May 2020 due to Coronavirus) Tuesday 16 March 2021 10.00 am Microsoft Teams Meeting



To: The Members of the Scrutiny for Policies, Children and Families Committee (virtual meetings from May 2020 due to Coronavirus)

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 G Verdon Cllr L Redman (Chair), Cllr R Williams (Vice-Chair), Cllr M Dimery, Cllr N Hewitt-Cooper, Cllr James Hunt, Cllr B Revans, Cllr W Wallace and Cllr J Williams Mr P Elliott, Mrs R Hobbs and Mrs E Tipper – co-opted members

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

Issued by Scott Wooldridge, Strategic Manager - Governance and Democratic Services - 8 March 2021

For further information about the meeting, please contact Jamie Jackson on 01823 357628 or 07790 577336 or jajackson@somerset.gov.uk or Fiona Abbott on 01823 357332 or fabbott@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Section 100A (4) of the Local Government Act 1972.

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

www.somerset.gov.uk/agendasandpapers



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AGENDA

Item Joint Scrutiny for Policies, Children and Families and Adults and Health Committee
(virtual meeting due to Coronavirus) - 10.00 am Tuesday 16 March 2021

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

1 **Apologies for Absence**

to receive Members' 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 **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.**

4 **One Somerset Programme Update including Government Consultation Process and Initial 'Stronger Somerset' Independent Report Findings** (Pages 7 - 88)

The Committee is invited to discuss and comment on the report and appendices.

The focus for this meeting will be with regard to:

a) Appendix B – Adult Social Care report

b) Appendix D – Children's Services report

Guidance notes for the meeting

1. Council Public Meetings

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 have given local authorities new powers to hold public meetings virtually by using video or telephone conferencing technology.

2. Inspection of Papers

Any person wishing to inspect Minutes, reports, or the background papers for any item on the Agenda should contact the Committee Administrator for the meeting – Fiona Abbott on Tel: 01823 357332 or email fabbott@somerset.gov.uk or democraticservices@somerset.gov.uk Papers can also be accessed via the Council's website on www.somerset.gov.uk/agendasandpapers

Printed copies will not be available for inspection at the Council offices as this requirement was removed by the Regulations.

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: <http://www.somerset.gov.uk/organisation/key-documents/the-councils-constitution/>

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 tell Fiona Abbott the Committees Administrator, by 5 pm on Wednesday 10 March. Email democraticservices@somerset.gov.uk or telephone 01823 357628.

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.

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.

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 there are many people present at the meeting for one particular item, the Chair may adjourn the meeting to allow views to be expressed more freely. If an item on the agenda is contentious, with a large number of people attending 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.

6. Meeting Etiquette

- Mute your microphone when you are not talking.
- Switch off video if you are not speaking.
- Only speak when invited to do so by the Chair.
- Speak clearly (if you are not using video then please state your name)
- If you are referring to a specific page, mention the page number.
- Switch off your video and microphone after you have spoken.

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, remove the participant from the meeting.

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.

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Somerset County Council
Joint Scrutiny Committees for Adults and
Health and Children and Families'
16 March 2021

One Somerset Programme Update including Government Consultation Process and Initial 'Stronger Somerset' Independent Report Findings

Lead Officer: Dr Carlton Brand, Programme Director One Somerset

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Cabinet Member: Cllr Faye Purbrick, Cabinet Member for Education & Transformation Division and Local Member: All

1. Summary

1.1. At the Policies and Place Scrutiny Committee in December 2020, members received an update on the work undertaken on the programme since the business was submitted on December 9, and also the outcomes of the consultation conducted by the programme team.

1.2. This paper sets out for members the work undertaken over the last two months and that planned through until the end of April. The same paper will go to both scrutiny committees, Policy & Place and Adults & Children. It specifically addresses:

1. General programme update
2. Government consultation on local government reform in Somerset and deferral of the county council election by one year
3. The County Council's planned response process to the 'Stronger Somerset' proposal' including commissioning four independent reports to provide an evidence based and balanced input to that response:
 - PwC report (overall Stronger Somerset proposal)
 - Prof. John Bolton report on Adult Social Care
 - Trevor Doughty report on Children's Services
 - Neil Gibson report on Economy, Planning and Transport Services

2. Issues for consideration / Recommendations

- 2.1.** Members are asked to note the work that has been undertaken on the programme between December 2020 and March 2021.
- 2.2.** Members are invited to note the government consultation process, timing and list of named consultees and scrutinise the county council's proposed plan to respond to this including the independent reports commissioned to inform this response.

Members are asked to scrutinise the independent reports on Stronger Somerset's proposals regarding adult social care and children's services including the PwC report as it relates to social care, and ask their questions to the authors and lead Directors. It should be noted that members are not being asked to scrutinise the Stronger Somerset proposal.

3. Background

- 3.1.** Over the past three months, the programme team have been working in the following activities:
 1. Liaising with MHCLG politicians and civil servants to secure the formal start of the consultation process which commenced February 22, 2021.
 2. Procurement and award of contracts to conduct communication and engagement activity associated with the programme in the county and nationally with all stakeholders.
 3. Procurement and award of contracts to conduct communication and engagement activity associated with the programme in the county with businesses.
 4. Further analysis and evaluation of the Stronger Somerset final business case to identify the implications for service users, residents, businesses, partners and the County Council
 5. Detailed design of the County Council's consultation response to the 'Stronger Somerset' proposal including the commissioning and procurement of four independent reports, reviewing that business case in the following areas:
 - overall review and analysis
 - review and analysis of the proposals for Adult Social Services
 - review and analysis of the proposals for Children's Services

- review and analysis of the proposals for Placed based Services including Economy, Planning and Transport
6. Further virtual engagement with Town and Parish Councils.
 7. Engagement with the Voluntary and Community Social Enterprise (VCSE) sector over a number of live 'Microsoft Teams' events including detailed question and answer sessions and informal follow up sessions with those organisations requesting further information.
 8. Working with the County Council Network (CCN), Cumbria County Council and North Yorkshire County Council on all aspects of LGR, the likely consultation format and time line, early thinking on the content of the structural change orders, implementation planning, resource planning and potential organisation design.
 9. Close working, engagement and correspondence with statutory officers, public sector and business partners and other stakeholders.

4. Consultation on Local Government Reorganisation (LGR)

- 4.1.** Councils in Cumbria (4 proposals), North Yorkshire (2 proposals) and Somerset (2 proposals) have submitted proposals for unitary local government, eight in total.
- 4.2.** The Secretary of State has launched a consultation on all eight proposals.
- 4.3.** The consultation document is available online at <https://consult.communities.gov.uk/> and responses may be made on the department's online platform 'Citizen Space' or alternatively by email to unitaryconsultation@communities.gov.uk or in writing to Governance Reform and Democracy, Ministry of Housing, Communities and Local Government, 2 Marsham Street, London SW1P 4DF. The consultation will run for eight weeks to Monday 19 April 2021 (23:59).
- 4.4.** The County Council is being consulted in relation to the unitary proposal from the Somerset District Councils, called 'Stronger Somerset'. The council is requested to respond to the following consultation questions, giving reasons for the answers:
 1. Is the council's proposal likely to improve local government and service delivery across each area? Specifically, is it likely to improve council services, give greater value for money, generate savings, provide stronger strategic and local leadership and create more sustainable structures?

2. Where it is proposed that services will be delivered on a different geographic footprint to currently, or through some form of joint arrangements is this likely to improve those services? Such services may for example be children's services waste collection and disposal, adult health and social care, planning and transport.
3. Is the councils' proposal also likely to impact local public services delivered by others, such as police, fire and rescue, and health services?
4. Do you support the proposal from the councils?
5. Do the unitary councils proposed by the councils represent a credible geography?
6. Do you have any other comments with regards to the proposed reorganisation of local government in each area?

4.5. Views are welcomed from any interested person, including residents and businesses, and in addition to consulting councils in the area, MHCLG are also specifically consulting neighbouring councils and certain other named consultees (see section 4.9). MHCLG stresses that any person or any organisation who is interested may respond and the County Council has been asked that we seek to bring the consultation to the attention of people and organisations across the county.

4.6. The context for this consultation is the provision in the Local Government and Public Involvement in Health Act 2007 which requires that before a proposal for local government reorganisation can be implemented, the Secretary of State must first consult any council affected by a proposal (i.e. a council whose area in whole or in part would become part of a proposed unitary council) that has not submitted the proposal. In addition, the statute provides that the Secretary of State may consult such other persons that they consider appropriate.

4.7. Once the consultation is concluded, the Secretary of State will decide, subject to parliamentary approval, which, if any, proposals are to be implemented, with or without modification.

4.8. In taking these decisions they will have regard to all the representations received, including those from the consultation, and all other relevant information available, and reach a balanced judgement assessing the proposals against the three criteria specified in the invite received in October 2020 where:

1. they are likely to improve local government and service delivery across the area of the proposal;
2. they command a good deal of local support as assessed in the round across the whole area of the proposal; and

3. the area of any new unitary council is a credible geography with an aggregate population which is either within the range 300,000 to 600,000, or such other figure that, having regard to the circumstances of the authority, including local identity and geography.

4.9. Somerset 'Named' Consultees

The Secretary of State has named the following consultees. This means that they will be invited by him to formally respond, whereas all others can respond if they choose to.

Principal Councils in the area: Mendip District Council, Sedgemoor District Council, Somerset County Council, Somerset West & Taunton Council, South Somerset District Council.

Neighbouring Principal Councils: Bath & North East Somerset Council, Bristol City Council, Devon County Council and the district councils within Devon County, Dorset, Council, North Somerset Council, Wiltshire Council and West of England Combined Authority

Other named consultees:

Public Service Bodies – Health Bodies: NHS Somerset CCG, Somerset NHS Foundation Trust, Royal United Hospitals Bath NHS Foundation Trust, South Western Ambulance Service NHS Foundation Trust, University Hospitals Bristol and Weston NHS Foundation Trust (UHBW), Yeovil District Hospital NHS Foundation Trust, The Somerset Sustainability and Transformation Partnership (ICS).

Policing, Fire and Rescue Bodies: Avon and Somerset Police and Crime Commissioner (Sue Mountstevens), Chief Constable of Avon and Somerset Police, Chief Fire Officer of Devon and Somerset Fire and Rescue Service.

Other Public Sector Bodies: Somerset Rivers Authority, Blackdown Hills Area of Outstanding Natural Beauty, Cranbourne Chase Area of Outstanding Natural Beauty, Mendip Hills Area of Outstanding Natural Beauty, Quantock Area of Outstanding Natural Beauty, Independent Chair Somerset Safeguarding Adults Board, Somerset Safeguarding Children Partnership, Independent Chair of the Somerset Corporate Parenting Board, Western Gateway, Peninsula Transport.

Business Bodies: Heart of the South West Local Enterprise Partnership, Somerset Chambers of Commerce, Institute of Directors (South West), Federation of Small Businesses (South West), CBI (South West)

Voluntary Sector Bodies: Spark Somerset

Other Bodies: Lord-Lieutenant for Somerset, Visit Somerset (Somerset Tourism Association) National Bodies: Environment Agency, Highways England, Local Government Association, National Housing Federation, National Association of Local Councils, Public Health England

4.10. County Council Election Deferral

The Secretary of State also confirmed that he has decided to reschedule the ordinary elections to principal councils in Cumbria, North Yorkshire and Somerset due to be held on 6 May 2021 for one year to May 2022. PCC elections, by-elections to principal councils, and parish and town council elections in these areas will go ahead. This means that in each of the three areas the county council elections will be deferred.

In reaching his decision, he has carefully considered all representations received and reached a judgement having regard to the importance of local elections and the risk of holding elections to councils when we are also consulting on their possible abolition. As soon as practicable the Secretary of State will lay before Parliament the necessary legislation to give effect to this decision.

This approach by the Secretary of State has precedence in other local authorities going through the LGR process whilst facing a scheduled election.

5. Implications – The County Council Response to Stronger Somerset

- 5.1.** The County Council will respond to the consultation on April 18, just ahead of the submission deadline. The submission will be approved by a special Cabinet meeting to be set up, around April 14.
- 5.2.** To support the Cabinet meeting there will be two Scrutiny Committee sessions to inform the consultation response as well as the regular monthly 'all member' briefings:
 1. March 10 Policies and Place Scrutiny. To review this report and the two independent reports covering the overall proposal (the PwC report) and placed-based services (the Neil Gibson report)
 2. March 16 Joint Adults and Children Scrutiny. To review the independent reports on those specific service areas (the Prof. John Bolton report and the Trevor Doughty report).

- 5.3.** An evidence-based assessment of the proposals contained in the business case will be made from a number of perspectives, including: service users, customers, our communities, elected members, partners and partnerships as well as the underpinning statutory requirements for many of our services.
- 5.4.** The One Somerset programme has been open and transparent since its inception in January 2020. In order to continue this approach, and to develop our consultation submission in an evidence-based way, we have commissioned four independent reports by national professional leads in their respective disciplines. These are described and detailed below in section 6.
- 5.5.** This approach, we believe will give elected members, MPs, Somerset stakeholders including residents and businesses as well as the departmental ministers and civil servants the evidence, analysis, risks and issues with which to make their decisions after the consultation period closes and ahead of the final decision by the Secretary of State.

6. Stronger Somerset Independent Analysis Summary

- 6.1.** On 22 February 2021, the Secretary of State for Housing, Communities and Local Government launched an eight-week consultation on local government reform in Somerset.
- 6.2.** The consultation will seek views on two possible options:
- 1) The proposal from Somerset County Council (SCC), called 'One Somerset,' for a single unitary authority replacing the existing county council and four district councils.
 - 2) The proposal from the district councils, called 'Stronger Somerset,' that would replace the existing authorities and create two unitary councils in the east and west of the county, an alternative delivery model (ADM) for the delivery of children's services, a shared services company and a combined authority.
- 6.3.** To help inform views on this matter and the wider public debate during the consultation, four independent reports were commissioned by Somerset County Council into the Stronger Somerset proposal. These reports were undertaken by experts, considered as leaders in their respective fields by their peers and Government, and with many years of experience in public service delivery and reform. Further details in section 6.7. Although these reports were commissioned by Somerset County Council, the authors retained full editorial control.

- 6.4.** In undertaking their assessments of the Stronger Somerset proposals, the authors of each report had regard for the published criteria set out by the Government and issued in October 2020 to local government in Somerset, namely, that any reform proposal should improve local government in the area; command a good deal of local support overall across the area and lead to the future authorities covering a credible geography.
- 6.5.** Using the Government's criteria, the authors then analysed the Stronger Somerset proposal for any associated risks, whether any opportunities have been missed, and whether there are issues that have not been considered and addressed.
- 6.6.** Three of the reports considered specific areas: place services, adult social care and children's services with a further report that undertook an overarching review of the entirety of the Stronger Somerset proposal and its financial assumptions.
- 6.7.** The reports and brief details on the authors are as follows:
- 1) The Stronger Somerset proposal, an assessment by PwC**
PricewaterhouseCoopers is a multinational professional services network of firms, operating as partnerships under the PwC brand. PwC ranks as the second-largest professional services network in the world.
 - 2) Proposals for Adult Social Care, Professor John Bolton**
Professor John Bolton is Visiting Professor at the Institute of Public Care (Oxford Brookes University) and formerly a Director of Social Services in local government as well as Strategic Finance Director at the Department of Health and Social Care.
 - 3) Proposals for Place Services, Neil Gibson**
Neil Gibson is formerly an Executive Director for Transport, Economy & Environment in local government & former President of the Association of the Directors of Environment, Economy, Planning & Transportation (ADEPT).
 - 4) Proposals for Children's Services, Trevor Doughty** Trevor Doughty is a former of Director of Children's Services in two authorities and a Director of Social Services. In both authorities he was part of a programme to become a unitary council and he also led Cornwall from an Inadequate Ofsted rating to Outstanding. Currently a Commissioner and Advisor for the Department of Education

The following sections provide a short summary of the findings and the conclusion from each report. The full reports are included in the appendices A-D.

The documents in full can also be found on the One Somerset website <https://onesomerset.org.uk/proposals/>

6.8. Key Findings from the reports:

- Concerns around the financial analysis and modelling used in the Stronger Somerset business case including an apparent failure to recognise additional costs of its proposed model.
- Concerns around the methodology used including lack of baseline data/facts underpinning existing service delivery and lack of tangible indications of what improvements would look like under the proposals.
- Lack of detail and evidence used to substantiate claims made in the delivery of place, adults' and children's services, including around the proposed models of service delivery. It also fails to recognise that the majority of proposed system or service improvement changes have already been implemented or are in the process of being implemented.
- Failure to understand and properly assess the impact of disaggregating existing county wide services including public health, and, then the impact to those services by creating two unitary authorities and in the case of children's services, an Alternative Delivery Model.
- Failure to understand the current operating and policy environments including Government reform such as the integration of health and care services and ongoing cost pressures within adult and children's services.
- Concerns around the future financial viability of the proposed model.
- Concerns around the effectiveness of an untried model for public service delivery including the creation of an ADM for children's services and a combined authority and its future role, without precedent and seemingly contradictory to existing Government policy.
- Concerns that certain major services are absent from the business case including highways and transportation.

6.9. PwC (Appendix A) Findings:

The authors identified seven areas of challenge with the Stronger Somerset proposal:

1. The options appraisal methodology set out in Stronger Somerset makes a direct comparison with the One Somerset proposal, which is presented in relatively negative terms. It is difficult to see how some of the assertions made about either proposal can be substantiated, given the evidence presented in the document. This calls into question the rigour and robustness of the options appraisal that has been carried out.
2. The financial analysis set out in Stronger Somerset is presented as being directly comparable with that included in One Somerset, even though the two reports are based on fundamentally different assumptions. While the Stronger Somerset financial case includes assumptions about the potential level of benefit that would be secured by using the reorganisation process as a catalyst for transformation, the One Somerset case does not (it refers to transformation opportunities but does not quantify these and has not included any assumptions in its financial case). Presenting the two financial cases as comparable in this way is misleading.
3. The way in which the geography of the county is treated within Stronger Somerset does not make a particularly compelling case for establishing two new councils. Current population levels for the two unitaries proposed are below the range indicated by the Secretary of State and local data suggests there could be an imbalance across the proposed councils for the East and the West in terms of demand for services and income. This would call into question the financial sustainability of the two councils.
4. The operating and delivery model proposed in Stronger Somerset would result in duplication of activities and functions across the county. It is not clear how some of the proposals referenced in the document would mitigate this. For example, the inclusion of an alternative delivery model for children's services within the proposal is not particularly detailed and represents an untested solution in this context (there are parallels with the children's trust model, but these are typically introduced for other reasons).
5. The proposed strategic leadership and democratic arrangements are somewhat problematic. The significance of local government in Somerset being able to speak with 'one voice' is underplayed. Furthermore, Stronger Somerset is proposing establishing two new councils which would be served by 100 members each - a relatively large number for a county the size of Somerset. There is a case for arguing that the levels of resource and effort required to support such arrangements would be better deployed in supporting engagement, service delivery and decision-making that is closer to local communities.

6. The way in which Stronger Somerset describes ambitions to use unitarisation as a stepping stone to establishing a combined authority and securing devolution arrangements represents a further area of challenge. It is possible to interpret them as suggesting there is an intention to establish a combined authority that would bring together the proposed new unitaries following their implementation. There appears to be no precedent for this type of model (combined authorities are typically established to cover larger geographies and a greater number of constituent councils).
7. Stronger Somerset makes relatively little reference to the complications that would be associated with disaggregating the services currently provided by the County Council. This calls into question whether the risks associated with this process have been properly considered and has implications for the deliverability and sustainability of the Stronger Somerset proposals. This issue is also relevant to 'place services' delivered by all the impacted councils, and public health (disaggregating public health provision in the current climate has the potential to destabilise the response to the pandemic - Stronger Somerset is not clear on what is intended in this regard). Furthermore, it is not clear what responsibilities in these areas are envisaged as having the potential to be transferred to a combined authority at a future date.

6.9.1. **PwC Conclusion**

However, on the basis of this review of the Stronger Somerset proposal, and considering the relative merits of the One Somerset case, the authors of this report are also of the view that establishing a single unitary council in Somerset would be more likely to improve local government in the area and would serve a more credible geography - a single unitary would have the advantages of scale, deliver a greater level of financial saving, would cover a recognised geography and serve a population within the range specified by the Secretary of State.

6.10. **Adult Social Care, Professor John Bolton (Appendix B) Key**

Findings:

The "Stronger Somerset" report is very misleading about the finances of social care and shows a lack of understanding of the way in which social care has had to operate in recent years. Every council in the UK has had to find savings in adult social care because of the reduction in Government Grants to councils. Somerset would rightly argue they have achieved this in recent years without making large "cuts" in their budget but by delivering a more cost-effective model of service

delivery. This will need to be sustained and developed over the future years. It will require leadership who understand how to achieve this.

- 6.10.1. The report refers to the measures that have been developed to assess social care called “the Adults Social Care Outcomes Framework” (ASCOF). These measures have been widely discredited by many in the sector as not being true measures of the outcomes that adult social care can achieve. In fact, the Department of Health and Social Care is currently in the process of undertaking a major review of these measures. It is important to note that some of the measures in which the report suggests that Somerset’s performance is low are those that are most contentious in the survey – partly because of the way in which they are open to interpretation, partly because they result from a survey which has traditionally had a low response and partly because only a very limited number of people are asked for their views (as a percentage of those who approach social care for help). It is interesting that the analysis by those writing the Stronger Somerset bid only selected these measures. If they had considered the “Use of Resources measures” developed by the Local Government Association, they would have found a much more positive picture of Somerset Council’s Adult Care.
- 6.10.2. The proposal from Stronger Somerset for Adult Social Care is that it can offer: “Interventions that give people greater control over the care they receive, with more care and support being offered in or close to people’s homes, rather than in hospital or care home settings.” This is the very programme on which Somerset County Council has been embarked in recent years. The data (shown above) clearly demonstrates that Somerset is making good strides into this agenda. It would seem a high- risk strategy to break up the teams that have created this progress and to bring in new managers who may have limited understanding of what and how things have been achieved. Evidence from elsewhere suggests that it will take at least three years for a new team and a new structure to bed in and for any new reforms to start to kick in – in the meantime there is a risk that much that has been gained could be lost and the new councils could find themselves back in the position that Somerset was in in 2015/16.
- 6.10.3. The proposed move to an Integrated Care System (ICS) that is likely to become statutory for the NHS and Social Care this year has been well considered and planned for by partners in Somerset. The partners welcome the fact that their single boundary continues to give them the best opportunity for collaboration and development of the right services. They both understand the respective roles of the partners and

the importance of the joint working to get the best outcomes for the population. It is therefore a big risk if one of the parties breaks these boundaries and creates a new structure to interface with the ICS. I support any proposal that ensures that commissioning of joint services between the NHS and Social Care such as the recent Intermediate Care Service is undertaken through a single joint arrangement.

- 6.10.4. The proposals for social care suggest that in Stronger Somerset there is *"Potential but less incentive to redesign services, including high-cost areas such as social care services, with focus limited to 'back office. Integration savings provide initial financial breathing space, but reinvestment opportunity issued to address existing services not their reform. Invest to save not expected to be undertaken, based on previous track record."* These statements bare no relation to the Somerset Adult Social Care known to me. There has been a full redesign of services over the last three years. There has been no suggestion that there are savings from integration with anyone else including the NHS – there is no evidence that this does deliver savings and there has been a reinvestment in the way in which adult social care is run even during a time when Government has expected significant savings. Therefore, the critique of Somerset offered by the proposal seems off the mark and shows a distinct lack of understanding of what is happening and what is required. It was these types of statement that worried me more than anything else about the proposal.
- 6.10.5. One of the features of the proposals for adult social care is a view that through digital technology big savings can be made. This is of course correct. However, the evidence suggests that this is only true if the technology is used to support a programme that aims to help people regain power, control, and independence. Savings themselves are relatively small from the use of technology itself they can be much larger if they are delivered in the right context. However, there is no adult social care department in the United Kingdom that has made its savings solely using technology. In the work I undertook for the LGA in how councils had saved money from 2010-2016, I found that there were large savings made by reducing staffing; reducing costs and reducing admissions to residential care with an additional small per centage from those councils who had made good use of assistive technology (e.g., Hampshire) – Local Government Association Efficiency Programme -Report 2015.
- 6.10.6. Adult Social Care in Somerset will accept that they are still on a journey of transformation and there are aspects of the services that still require significant improvement. However, all my work experience (over 40

years) tells me that this improvement will not come about through a structural solution. It is getting the right people to work together that enables places to improve and grow. It is those teams with longevity that usually produce the best results. The savings suggested in the proposal seem unrealistic in the time scales. I also think that there is an underestimation of the potential costs of the new structure with the locality-based teams which is likely to be offset by any savings made in the early years. Overall, my concern is that a transformation programme that is now being delivered by Somerset Council will get stopped and restarted losing valuable gains and likely to lose the momentum of the reduced costs that have been achieved.

6.10.7. The fundamental case put forward by those supporting “Stronger Somerset” is that Adult Social Care in the county is a failing service, therefore there is nothing to be lost, and some opportunity to be gained by dissolving the current arrangements and starting anew with a new set of people with refreshed ambitions. In my professional view, this is an inaccurate picture of the current state of Somerset Adult Social Care. It may be a recent picture (5 years ago), but much has changed and still is improving over the last four years. The focus on the improvements that have taken place is to create a cost-effective approach to social care that offers improved outcomes for its citizens. Therefore, there are risks to the transformation that has taken place if this service is now at best split in two or at worst dissolved into a new set of services. The ambition for social care is the same for all parties. Somerset County Council currently is working hard to deliver this ambition. In my opinion there are high risks to adult social care through a restructuring in the county. Every Council is struggling with the scarce resources allocated for social care in “normal” times and most are struggling more under the pandemic.

6.10.8. **Adult Social Care, Professor John Bolton Conclusion**

My view is that there are far more risks associated with the Stronger Somerset approach for adult care and there are likely to be more costs not recognised in the proposal. I would urge people to reconsider the evidence and look to work together to consolidate the current arrangement not least because it is both financially sound and will work best with the NHS.

6.11. **Place Services, Neil Gibson (Appendix C) Key Findings:**

Overall, the proposal is heavy on ambition and method for reform, but light on service delivery detail, evidence and impact. There are no

significant references to how existing place services are currently delivered, what will change and how they will be delivered from 2023.

- 6.11.1. The proposal is critical of the current public service model in Somerset. In Section 2.3 it identifies 7 system drivers for change and concludes that currently there is a historic lack of strategic leadership and collaboration across Somerset, leading to weak financial resilience and inefficiencies, short term approaches, a lack of local responsiveness, poor service quality and limited trust.
- 6.11.2. There is very little detail or evidence with this diagnosis. The undertone is that the County Council is culpable for many of these system failures. There is passing reference to longstanding concerns about County SEND and Children's Services, unresponsive county services remote from communities, and inefficient two-tier services linked to growth and the quality of life. The assumption might be that this is referring to place based services across all the Councils, but this is unclear. There is no data or evidence substantiating these claims.
- 6.11.3. The proposal advocates a new system led approach to service delivery through the new unitaries that will deliver better outcomes. In Section 2.4 the proposal identifies 13 'reform objectives' that the new system needs to address to create better outcomes for Somerset. There is a short high-level description for each reform objective. These are then grouped under 4 'Reform Priority' areas – People, Community, Connectivity & Growth. Place services will impact to some degree on nearly all 13 reform objectives, although the key references to planning, economy, environment and infrastructure sit within Reform Priority 4: Growth.
- 6.11.4. In Section 2.5 more overall programme objectives are detailed, with 4 high level objectives and 19 programme objectives. The reform objectives are assimilated within the longer list of programme objectives.
- 6.11.5. This is an impressive list of objectives, and they are the key issues that many Councils in England are tackling. However, there is no clear evidenced rationale in the proposal for their identification, no baseline data/facts underpinning their current status, nor any tangible indications of what better might look like as a consequence of the reforms proposed.

6.11.6. There is no suggestion that the current District Councils already adopt this system led approach – individually or collectively – and have the track record of expertise, experience and benefits to prove this approach when scaled up across all Somerset’s local authority services, or that they will deliver the proposed financial and community benefits.

6.11.7. Arguably there are too many objectives, and the grouping of objectives gets confused. It is difficult to see a consistent and simple ‘golden thread’ of intent from the 4 high level vision ambitions, through the various reform objectives to the high-level proposals for change.

6.11.8. To achieve these complex ambitions the broad suite of Place Services operating across the proposed system must be clear. The impact and seamless performance of the reconfigured Place Services will be instrumental in achieving many of these ambitions. This clarity and reassurance are not provided in the proposal.

6.11.9. **Place Service, Neil Gibson Conclusion**

From a Place Service perspective, the Stronger Somerset proposal can be summarised as:

- Broad brush, with no real detail on how Place services will work across the two unitaries.
- The method for place service reform that will underpin cost reductions and service improvements is articulated but with no baseline, targets or what better looks like described.
- Being silent on how key services like highways and transport will be delivered, both integral to the place and stated growth ambitions. The working assumption has to be that these services will be split between the two unitaries, although the Waste Partnership is to be retained.
- An overly complex Place Services solution operating at three different structural levels/tiers of operation: Somerset Combined Authority and County-wide shared service level; Unitary Council level; and City/Town/Parish or Neighbourhood level. No real explanation of where the guiding mind is within this ecosystem with a danger of high governance overhead costs, a lack of transparency and accountability, and sub-optimal delivery.
- Difficult to ascertain whether the broad-brush financials cover all ongoing base costs and hence whether the ongoing revenue baseline reductions can be delivered.
- Significant dependency of growth ambitions on a new Somerset CA and devolution deal, although the proposal is speculative at best, with no detail/targets around ambition, and with no clear statement

on how the ambitions would be delivered if a CA and deal is not agreed.

- There are risks to the place operating model delivering its stated objectives, financial savings, and service outcomes that have not been recognised and mitigations proposed.
- It must question the robustness of, and confidence in the delivery of, the proposal upon which to base the future of Place Services in Somerset.

6.12. Children's Services, Trevor Doughty (Appendix D) Key Findings:

Major local government reorganisation typically sets up local democratic structure for the next 40 or 50 years. For example, the current Somerset arrangements were established in 1974. The Stronger Somerset document attempts to be both a structural proposal and a manifesto for the two new councils should they be established. It is important to distinguish between the two and this is particularly the case when considering children's services. The overall proposal identifies many of the problems faced by Somerset and from a children's perspective that includes the high numbers living in poverty and relative poverty, low social mobility, and comparatively poor local job prospects. There is an assumption in the document that a new structure will somehow address these problems when any structure is self-evidently enabling and how effectively economic, social and environmental issues are addressed depends upon the approach of whoever is elected to those structures and who is employed to work for them. A structure of a single unitary or two unitary authorities does not in itself address these problems and the claims made for the outcomes of the structure alone are unconvincing and without evidence.

- 6.12.1. In terms of children's services, the Alternative Delivery Model could be established whether Somerset has one or two unitary Councils. As with the broader proposals, there should be no assumption that an ADM would bring about the changes in leadership and culture envisaged. If new leadership and a new approach is needed, this can be achieved with or without an ADM. All the outstanding rated children's services in the country with the exception of Kingston, 14 in all, are traditional inhouse council models. ADMs have generally been imposed on Council's with inadequate ratings and under Secretary of State intervention and have had mixed success. No evidence is provided by Stronger Somerset as to why the ADM will deliver its ambitions. The existing service, like most children's services departments has a strengths-based approach to practice. Such approaches were adopted following the 2011 Munro Review of Child Protection, commissioned

and published by the DfE and should be central to practice in every authority. The Hertfordshire Family Safeguarding model which Stronger Somerset says it supports has already been adopted by the County Council having a separate children's ADM could add to the complexity of delivering this multi-agency model.

6.12.2. In 2018/19 over half of local authority children's services departments overspent. This was primarily for three reasons, increased demand, the cost of placements and the cost of agency staff. All authorities seek to control their costs by helping children and families early to prevent the more acute costs associated with child protection plans and high numbers of children in care. All authorities attempt to recruit permanent social workers and managers. This is challenging in the face of increasing demand, more expensive placements in a seller's market, and a shortage of qualified social workers and managers. Some Councils have been successful in demonstrating that their early help is preventing more acute costs and controlling expenditure accordingly and delivering better outcomes for vulnerable children and their families. An ADM in itself, does not achieve financial control but realising the conditions for a successful service listed above, does. As a model, the creation of an ADM will add to costs because of the presumed necessity to have a board with a chair, probably a separate finance director and other associated support costs. Such costs should be factored into a two unitary proposal.

6.12.3. The aspirations for children in Somerset are laudable and would undoubtedly be supported by all local people and stakeholders. The difficulty with the proposal is that it makes huge assumptions as to the outcomes the envisaged ADM will deliver without providing evidence or supporting detail. There are possible advantages in an ADM around flexibility and the possibility of delivering broader, more integrated services particularly around health and SEND though these are not set out in the proposal. However, such an ADM is equally possible with either one or two unitaries.

6.12.4. **Children's Services, Trevor Doughty Conclusion**

In conclusion, Children's services in Somerset are on an improvement journey and anticipate a good at their next Ofsted inspection. An ADM is not without merit but can be applied to either model. Setting up an ADM is complex, time consuming and resource heavy and risks detracting from the improvement journey. It should only be done if the advantages are clearer than set out in Stronger Somerset.

7. Background papers

- 7.1.** Consultation on proposals for locally-led reorganisation of Local Government in Cumbria, North Yorkshire and Somerset, February 2021.

<https://consult.communities.gov.uk/>

Evaluating the importance of scale in proposals for local government reorganisation, County Councils Network, August 2020

Evaluating the importance of scale in proposals for local government reorganisation, Somerset County Council Case Study, August 2020

Appendix A PwC Overarching report

Appendix B Prof. John Bolton Adult Social Care report

Appendix C Neil Gibson Place-based services Report

Appendix D Trevor Doughty Children's Services report

Note For sight of individual background papers please contact Carlton Brand

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Stronger Somerset Review

February 2021

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Executive Summary

In October 2020, the Secretary of State invited all the councils in Somerset to submit proposals to establish unitary local government in the area. Two proposals have been submitted in response. Somerset County Council has submitted a proposal - called One Somerset - to establish a countywide unitary authority. The four district councils in Somerset have developed a proposal - called Stronger Somerset - to establish two unitary councils (one covering the East of the current county area, and the other covering the West), a shared services organisation, a children's services organisation and a combined authority.

The Secretary of State is due to make a decision in February 2021 about whether or not to take either, or both of the proposals forward for statutory consultation. Following this, they may be minded to approve the implementation of either one of the proposals, or request that alternative proposals are developed. In the event that change is approved, this would mean that Somerset County Council and the four districts in the county are dissolved and either one or two new unitary councils will be established by 1st April 2023.

This review, which has principally taken the form of a desktop review of the Stronger Somerset proposal document, has been commissioned by Somerset County Council to inform its response to any consultation commenced by the Secretary of State and its own decision making in relation to this matter. Both Somerset County Council and the authors of this report acknowledge that it is a matter for the Secretary of State to determine which proposals should be taken forward, as well as the degree to which three reorganisation 'tests' set out in the invitation letter are satisfied (the letter referred to three such criteria, suggesting that a proposal, if implemented, should: improve local government in the area; command a good deal of local support overall across the area; and lead to the unitary councils covering a credible geography).

There are some clear areas of alignment between the two proposals that have been submitted. Critically, both make a strong case for reorganisation, acknowledging that the current model of local government is not as efficient or as effective as it could be. Both proposals also cite challenges such as the requirement to make savings and growing demand on services. The fact that both proposals acknowledge these issues and determine that implementing unitary local government is the right option for the county is considered to be a positive. It is clear that considerable time has been invested in developing the Stronger Somerset proposal and it is right that decision makers should consider its central arguments.

However, there are also a number of significant differences between the proposals, and it is these areas which constitute the main areas of focus for this review. These consist of the way in which potential options for change are described and assessed, the relative emphasis each proposal applies to issues such as efficiency, the importance of credible local geography etc. and, most importantly, the conclusion reached regarding the right model of unitary local government for Somerset.

The authors of this report have identified seven areas of challenge with the Stronger Somerset proposal:

1. The **options appraisal methodology** set out in Stronger Somerset makes a direct comparison with the One Somerset proposal, which is presented in relatively negative terms. It is difficult to see how some of the assertions made about either proposal can be substantiated, given the evidence presented in the document. This calls into question the rigour and robustness of the options appraisal that has been carried out.

2. The **financial analysis** set out in Stronger Somerset is presented as being directly comparable with that included in One Somerset, even though the two reports are based on fundamentally different assumptions. While the Stronger Somerset financial case includes assumptions about the potential level of benefit that would be secured by using the reorganisation process as a catalyst for transformation, the One Somerset case does not (it refers to transformation opportunities but does not quantify these and has not included any assumptions in its financial case). Presenting the two financial cases as comparable in this way is misleading.
3. The way in which the **geography** of the county is treated within Stronger Somerset does not make a particularly compelling case for establishing two new councils. Current population levels for the two unitaries proposed are below the range indicated by the Secretary of State and local data suggests there could be an imbalance across the proposed councils for the East and the West in terms of demand for services and income. This would call into question the financial sustainability of the two councils.
4. The **operating and delivery model** proposed in Stronger Somerset would result in duplication of activities and functions across the county. It is not clear how some of the proposals referenced in the document would mitigate this. For example, the inclusion of an alternative delivery model for children's services within the proposal is not particularly detailed and represents an untested solution in this context (there are parallels with the children's trust model, but these are typically introduced for other reasons).
5. The proposed **strategic leadership and democratic arrangements** are somewhat problematic. The significance of local government in Somerset being able to speak with 'one voice' is underplayed. Furthermore, Stronger Somerset is proposing establishing two new councils which would be served by 100 members each - a relatively large number for a county the size of Somerset. There is a case for arguing that the levels of resource and effort required to support such arrangements would be better deployed in supporting engagement, service delivery and decision-making that is closer to local communities.
6. The way in which Stronger Somerset describes ambitions to use unitarisation as a stepping stone to establishing a combined authority and securing **devolution** arrangements represents a further area of challenge. It is possible to interpret them as suggesting there is an intention to establish a combined authority that would bring together the proposed new unitaries following their implementation. There appears to be no precedent for this type of model (combined authorities are typically established to cover larger geographies and a greater number of constituent councils).
7. Stronger Somerset makes relatively little reference to the complications that would be associated with disaggregating the services currently provided by the County Council. This calls into question whether the risks associated with this process have been properly considered and has implications for the **deliverability and sustainability** of the Stronger Somerset proposals. This issue is also relevant to 'place services' delivered by all the impacted councils, and public health (disaggregating public health provision in the current climate has the potential to destabilise the response to the pandemic - Stronger Somerset is not clear on what is intended in this regard) . Furthermore, it is not clear what responsibilities in these areas are envisaged as having the potential to be transferred to a combined authority at a future date.

Considering Stronger Somerset in the context of the three 'tests', the authors of this review are of the view that it is possible to make an argument that the proposal to establish two councils satisfies the tests to a certain extent. However, on the basis of this review of the Stronger Somerset proposal, and considering the relative merits of the One Somerset case, the authors of this report are also of the view that establishing a single unitary council in Somerset would be more likely to improve local government in the area and would serve a more credible geography - a single unitary would have the advantages of scale, deliver a greater level of financial saving, would cover a recognised geography and serve a population within the range specified by the Secretary of State. The views of stakeholders outside of local government have not been canvassed prior to developing this report, and

therefore the report authors do not feel able to offer a view about which proposal would be most likely to satisfy the requirement for proposals to command a good deal of local support.

It is clear that the councils in Somerset have a significant opportunity to enhance the way in which local government operates in the county. The authors of this report would encourage local decision makers to use reorganisation, if approved by the Secretary of State, as the catalyst for a radical transformation of the way in which local government works in the county. The councils had a similar opportunity just over a decade ago and opted to pursue an alternative arrangement which, arguably, has not delivered the advantages that have been secured in nearby areas which did implement unitary structures. It is vital the opportunity to secure the anticipated benefits and improvements in outcomes for residents, communities and businesses is not missed this time around.

1. Introduction and context

1.1 National context

- 1.1.1 Local authorities in the UK have faced unprecedented challenges for well over a decade. The combined impact of national reductions in public spending following the 2008 financial crash, rapidly rising demand for critical services and radically changing expectations from residents, communities and service users have resulted in councils, of all types, significantly reducing their spend, transforming their operating models and streamlining their activities over an extended period.
- 1.1.2 While it is clear that many authorities have responded positively to this challenge, there is a sense in the sector that some opportunities for transformation have now been exhausted and that a more radical solution is required if local government is to remain operationally efficient and effective.
- 1.1.3 Some have argued that local government reorganisation in two tier areas (combining existing county and district councils to create new unitary authorities) should be considered as one way in which additional efficiencies and improvements could be secured. Commentators have pointed to a series of challenges associated with the two tier system - overlapping responsibilities, duplication of activity, fragmentation of leadership, complicated partnership arrangements and a lack of resilience - as additional reasons why reorganisation should be considered.
- 1.1.4 The last 'round' of local government reorganisation was in 2009, when unitary authorities were established in Cornwall, Shropshire, Wiltshire, Northumberland, Durham, Central Bedfordshire, Cheshire East and Cheshire West & Chester. Since then, unitary authorities have been established in Dorset, Bournemouth, Christchurch and Poole (two existing unitaries and Christchurch District Council were merged) and Buckinghamshire. A further reorganisation is currently underway in Northamptonshire, where two new unitaries are being established following a critical review of Northamptonshire County Council's financial management and service performance in critical areas such as children's services.
- 1.1.5 Current interest in local government reorganisation stems from an anticipation that the forthcoming White Paper on devolution would include an invitation to local authorities to submit proposals to reorganise in their areas. This interest reached a peak during July and August 2020 when a number of councils across the UK began to develop business cases assessing the benefits of different models of unitarisation. The response to Covid 19, along with preparations for Brexit and other factors, delayed the publication of the White Paper. However, in October 2020 the Secretary of State for Local Government invited all councils in three areas - Cumbria, North Yorkshire and Somerset - to submit unitary proposals.
- 1.1.6 In each of the three areas, a number of proposals have been submitted. The county councils in all three areas have submitted proposals to establish countywide unitary authorities. In addition, combinations of district councils in each area have submitted proposals to establish more than one new unitary to cover the local geography.
- 1.1.7 All the proposals were submitted to the Secretary of State in December 2020. A decision on which proposals will be taken forward to consultation is expected during February 2021 (though it is possible this timetable could change as a result of the Covid 19 pandemic). Following the decision, and a period of consultation on any proposals taken forward, the Secretary of State will make a final decision as to whether or not to establish new unitaries in each of the three areas, with a view to the new councils being vested either on 1st April 2022 or 2023 (it appears increasingly likely that the later date will be confirmed).

as the official vesting day). At this point, the current councils in each area would cease to exist and new unitary councils will be established and take on responsibility for all local government functions.

1.2 Local context

- 1.2.1 The discussion relating to local government reorganisation in Somerset dates back at least to 2009 when a number of structural reform changes took place. Prior to this point, the County Council had developed a proposal to establish a countywide unitary authority which was not taken forward. A scheme named Pioneer Somerset, which was designed to get all six councils in Somerset to work together, was pursued instead but has failed to deliver the significant improvements necessary to warrant the further pursuit of this option.
- 1.2.2 More recently, the councils jointly developed the Future of Local Government in Somerset programme as a further attempt to support joint working. However, this programme has now been overtaken by a renewed interest in local government reorganisation.
- 1.2.3 As a result of this renewed interest, two proposals have been submitted for consideration by the Secretary of State. Somerset County Council has submitted a proposal - called One Somerset - to establish a countywide unitary authority. The four district councils in Somerset have developed a proposal - called Stronger Somerset - to establish two unitary authorities (one covering the East of the current county area, and the other covering the West) along with a shared services company, a children's services company and a combined authority.
- 1.2.4 Each of these proposals set out why the councils believe change is necessary, the potential options for change, how these options compare, and how their preferred options would satisfy the Government 'tests' that will be used to assess the relative merits of the different proposals. The 'tests' currently take the form of guidance issued by the Secretary of State and the parameters set out in the Local Government and Public Involvement in Health Act 2007.
- 1.2.5 Critically, both proposals acknowledge that change is necessary. Indeed, there are many similarities between the proposals in terms of the way in which the challenges all councils in Somerset are facing are described, the drivers for change and the way in which unitarisation is treated as a potential solution. Both proposals also set out how the creation of new unitary authorities would be used as a catalyst for transformation and broader public service reform in Somerset (the similarities between the proposals is explored in more detail in sections 3 and 4 of this report).

1.3 The purpose of this review

- 1.3.1 Each document sets out the evidence the Secretary of State will take into account in reaching a decision on whether or not to take either proposal forward to consultation. That said, despite the similarities between the way in which drivers for change are acknowledged in the two proposals, each poses a different approach and outcome.
- 1.3.2 This review has been commissioned by Somerset County Council to inform its response to any consultation commenced by the Secretary of State and its own decision making in relation to this matter. Both Somerset County Council and the authors of this report acknowledge that it is a matter for the Secretary of State to determine which proposals should be taken forward, as well as the degree to which the reorganisation 'tests' are satisfied. The observations made in this report are made with these parameters in mind.
- 1.3.3 The review that has been conducted has comprised a desk-based examination of the Stronger Somerset proposal, drawing on the experience of the authors in developing similar proposals and assessing options

in other areas. This has been supplemented by interviews with some key stakeholders, though these have been carried out to clarify certain points and not as an exhaustive consultation or engagement exercise.

- 1.3.4 This review makes no attempt to determine whether or not Stronger Somerset is an acceptable proposal. However, it does offer views on the way in which the evidence in Stronger Somerset has been presented, as well as the implications of some of the commitments it makes.
- 1.3.5 The remainder of this review explains how the work was carried out (section 3), the similarities and differences between the two proposals (section 4), key challenges with the Stronger Somerset proposal (section 5) and the implications of these challenges as they relate to the Government 'tests' (section 6).

2. Approach and methodology

2.1 Overview

- 2.1.1 As mentioned in the previous section of this report, this review has been commissioned by Somerset County Council to inform its response to any subsequent consultation about the future of local government in the county, as well as its own decision making process.
- 2.1.2 While the study has principally entailed a desk-based review of the Stronger Somerset proposal, as well as the One Somerset proposal (for comparative purposes), a series of stakeholder interviews have also been undertaken. The purpose of these interviews has been to clarify certain issues identified in the Stronger Somerset case, as well as to confirm some of the key lines of enquiry set out in the remainder of this report.
- 2.1.3 In addition to Somerset County Council's One Somerset Programme Director, the authors of this report spoke to:
- Director of Finance, Somerset County Council.
 - Director of Children's Services, Somerset County Council.
 - Director of Adult Social Care, Somerset County Council.
- 2.1.4 Alongside the review of the two proposal documents, the authors of this report also considered:
- A review of Stronger Somerset by Professor John Bolton.
 - A review of Stronger Somerset by Trevor Doughty.
 - A review of Stronger Somerset by Neil Gibson.
 - The letter of invitation from the Ministry of Housing, Communities and Local Government.
 - Somerset specific intelligence, insight and analysis including the indices of deprivation, the joint needs strategic assessment, demographic and socio-economic data.

2.2 Previous experience

- 2.2.1 In analysing the information gathered for the purposes of conducting this review, the report authors drew on their experience supporting the development of similar proposals elsewhere in the country. This has included proposals developed over the course of the summer of 2020, as well as the previous business cases that were developed prior to reorganisation being approved in both Northamptonshire and Dorset. Comparisons were made with the arguments raised in support of different models of unitarisation in these areas, as well as the way in which the Government 'tests' have been interpreted in these instances.
- 2.2.2 In addition, the report authors drew on a number of national studies which have examined issues relating to local government reorganisation. This included, but was not limited to, the PwC report published by the County Councils Network (CCN) in August 2020 evaluating the importance of scale in proposals for local government reorganisation. This report is particularly relevant to the debate in Somerset for two reasons:

- First, it included in its analysis an exploration of the risks associated with disaggregation when new unitaries are created (it is more effective to aggregate the functions provided by multiple councils than it is to split those currently overseen by a single entity).
- Second, its findings were, in part, based on a financial comparison of different models of unitarisation for every two tier area in England. This included an analysis of options to establish one new council, two new councils, three new councils and three new councils and a children’s trust in Somerset. This report makes a direct comparison between the financial projections included in the Stronger Somerset proposal and those included in the CCN/PwC report in section 4.

2.2.3 Finally, in developing this report the authors drew on direct experience of designing and delivering transformation programmes in unitary and county councils, making comparisons between the ambitions set out in the Stronger Somerset proposal and their own knowledge of what other authorities have achieved in similar circumstances.

2.3 The Government ‘tests’

2.3.1 The Ministry of Housing and Local Government has used a consistent set of ‘tests’ in each of its evaluations of proposals for local government reorganisation since at least 2009. The invitations to councils in Somerset issued in October 2020 referred to three such criteria, suggesting that a proposal, if implemented, should:

- improve local government in the area;
- command a good deal of local support overall across the area; and
- lead to the unitary councils covering a credible geography.

2.3.2 In practice, these criteria have in many places been interpreted as covering how proposals to unitarise will:

- result in the delivery of improved services and outcomes for residents;
- improve value for money and efficiency;
- deliver cost savings and demonstrate how the costs of transition will be recovered over time;
- support stronger and more accountable leadership; and
- demonstrate how the new model is sustainable in the immediate to long term, both in service delivery and financial terms.

2.3.3 The Stronger Somerset proposal applies a similar set criteria to its proposals, which it refers to as Critical Success Factors (CSFs).

2.3.4 Government has only issued relatively high level guidance on the degree of evidence required to satisfy these ‘tests’. In certain instances, public statements made by senior politicians - including the Secretary of State - have been interpreted as offering a clear indication of the parameters that could apply to the ‘tests’. However, it is not clear that these statements should be considered as ‘rules’ that will be applied to proposals. For example, the most recent debate on reorganisation has focussed on the potential size - in terms of population - of proposed new councils. Various figures have been referred to at different times by Ministers, but the consensus seems to be that new councils should cover populations of between 300,000 and 600,000 (this range is referred to in the Secretary of States invitation). However, it has also been made clear that other population levels could be considered. The fact that Government guidance in relation to proposals for reorganisation is relatively high level has been taken into account during the

development of this review.

2.4 Review and sign off of this report

- 2.4.1 While this report is a commissioned piece of work, the authors have retained full editorial control throughout. The report has been issued pursuant to PwC's contract with Somerset County Council, without compromising its independence or accuracy.

3. Comparing the proposals

3.1 Overview

3.1.1 Both the Stronger Somerset and One Somerset proposals were developed for common reasons - to improve the efficiency and effectiveness of local government in Somerset, as well as outcomes for local people, businesses and communities. Beyond this core principle, there are a number of additional areas of alignment between the proposals, particularly relating to priorities and target issues for tackling. However, there are also areas of divergence spanning a number of sections in each document, ranging from small to fundamental differences. This section explores the areas of alignment and key areas of difference in more detail.

3.2 Areas of alignment

3.2.1 It should be noted that both Stronger Somerset and One Somerset acknowledge that local government in Somerset needs to change. Both proposals identify the benefits associated with the simplification that unitarisation would entail, as well as the challenges associated with current ways of working. Furthermore, each proposal puts forward the argument that tackling the challenges facing Somerset requires a joined up and coordinated approach.

3.2.2 The core case for change in each of the proposals are relatively aligned, citing challenges such as the requirement to make savings, current low productivity, a growing and ageing population and rising demand for key services including adult social care and a high proportion of children living in poverty. Specifically, each proposal references the five main issues identified in the Future of Local Government in Somerset (FoLGiS) report, which was published in 2019. Overall, there is a good degree of alignment between the two proposals in terms of how they deal with statistical and quantitative evidence concerning current performance against population outcomes.

3.2.3 Both proposals argue a critical success factor of any local government reorganisation process is that of collaboration and coordination with local residents and with system partners - whether that be at a local level through the Local Community Networks (LCNs) referenced in One Somerset or through the establishment of the two new unitary authorities proposed in Stronger Somerset. In particular, each proposal makes explicit reference to the importance of working with partnerships across Somerset, for example the Somerset Growth Board, Somerset Waste Partnership, and Somerset's Voluntary and Community Social Enterprise, citing that no one organisation is responsible for public service outcomes. Both proposals argue that unitarisation represents an opportunity to simplify and improve current partnership working arrangements.

3.2.4 A further area of alignment between each proposal is that unitarisation would reduce duplication of effort and responsibilities relating to local government functions in the county, improving efficiency and providing better value for money for the taxpayer. Both proposals make clear that retaining the current structure would not result in the delivery of savings anywhere near the quantum that could be achieved by establishing either one or two new unitary councils.

3.2.5 The options evaluated in the two proposals are also similar, with each examining:

- maintaining the status quo;
 - delivering an enhanced version of the current structure (collaborating more effectively together)
 - establishing two new unitaries in Somerset, splitting the county East and West; and
 - establishing one new unitary in Somerset.
- 3.2.6 Each proposal sets out the results of a qualitative and quantitative analysis of these four options, albeit different approaches are followed and different conclusions reached about the preferred option. However, the strong level of alignment does facilitate a reasonably direct comparison across the two proposals.
- 3.2.7 The proposals also adopt a similar approach to setting out the opportunity to use the reorganisation process as a catalyst for transforming local government services, as well as wider public sector reform. Again, it is helpful that both proposals make clear that reorganisation on its own would not deliver the most benefits for Somerset and its residents - transformation needs to be pursued as well.
- 3.2.8 In each proposal, the importance of leveraging, building and strengthening community networks is made clear in the defined operating models of the respective preferred options. In One Somerset, this is through the establishment of LCNs, the appropriate delegation of service and asset responsibilities to parish and town councils and delivery of a new town council for Taunton. This model has many similarities to the proposed model by Stronger Somerset, which includes close working on local agreements between the two unitaries and localities to devolved assets and services, enabling integrated working for service delivery at a local level as well as the delivery of a town council for Taunton. It can therefore be clearly seen that both proposals focus on delivering a community-focused operating model.
- 3.2.9 Both proposals acknowledge that structural change is effectively a prerequisite to unlocking the route to joining a Combined Authority, driving growth and attracting inward investment. The fundamental difference is that the Stronger Somerset proposal holds the view that two unitary authorities can align and provide a single, strong and clear voice for the whole area with the same effectiveness as a single unitary authority.
- 3.2.10 A final similarity between both proposals is that they have utilised the Government criteria in presenting their respective final preferred option, though the way in which this has been applied does differ (this is set out in detail below).

3.3 Key areas of difference

- 3.3.1 Whilst proposals are aligned in arguing that change is needed, the two proposals cite different drivers for change. In Stronger Somerset, the core argument put forward for reorganisation is the suggestion that Somerset County Council has a history of poor performance, is ineffective when it comes to collaborating with partner organisations, suffers from or demonstrates a lack of strategic leadership and is characterised by outdated ways of working. The One Somerset proposal references the challenges associated with two tier working, and the related inefficiencies, lack of coordination and confusion as being the principle drivers for its case for reorganisation.
- 3.3.2 Collaboration and coordination with local communities and partners is cited in both proposals as a critical success factor of any reform. However, the proposals differ in terms of how they suggest these issues could be resolved. Stronger Somerset states that not only are two unitary authorities required to achieve this, but also that one unitary authority would be unsuccessful in attempting to deliver against this critical success factor. Conversely, One Somerset argues that communities will be empowered and that local service delivery will be enhanced under its preferred option. Clearly this is a fundamental area of disagreement between the proposals.

3.3.3 There are significant differences between the two proposals not just in relation to what is being proposed, but also in terms of the way in which the potential options have been evaluated (and the results of the evaluations).

3.3.3.1 *Qualitative evaluation differences:*

- Stronger Somerset evaluates against the critical success factor *'is deliverable locally, assuming credible geographical coverage and minimising impact on public sector boundaries'*, giving a 'high' score for two unitary authorities, with one unitary authority scored as 'medium'. Conversely in One Somerset two unitaries scored 2 out of 5 for *"credible geography"*, whereas a single unitary scored 4 out of 5. It can be clearly seen in this example that there is a misaligned view of both how two unitaries would deliver against Government criteria of a credible geography and how to evaluate against a core Government criteria (further detailed in section 4).
- For the Government criteria of *"service improvement"* One Somerset scored a single unitary as 5 out of 5 compared to a 4 out of 5 for two unitaries. Alternatively, in Stronger Somerset against the heading of *'improving public services'* and its related CSFs, two unitaries received 'high' for 4 out of 5 CSFs whereas a single unitary received 'medium' for all 5 CSFs. Once again this highlights a differing view of how each proposal views the ability of each option to deliver against qualitative criteria.

3.3.3.2 *Evaluation approach differences:*

- In One Somerset all four shortlisted options are evaluated against the Government criteria to form a qualitative evaluation. Alternatively in Stronger Somerset, only the preferred option is evaluated against the Government criteria, where instead the shortlist is evaluated against a series of proposed critical success factors. The rationale for the use of CSFs in Stronger Somerset is to align with the to be published white paper on devolution and local recovery in 2021. Instead, in One Somerset devolution impacts and considerations are factored into the case for change analysis.
- Stronger Somerset has also utilised a HMT Treasury approach to developing its Business Case, which requires a strategic, economic, commercial, financial and management case.
- Alongside utilising the HMT Treasury approach and Government criteria, Stronger Somerset has also utilised a more complex approach to defining how its preferred option will be successful in the future - for example commenting on how it will deliver on four defined reform priorities, and therefore four council priorities. Comparatively One Somerset has more closely aligned with the Government criteria throughout its evaluation and proposal.
- A core Government criteria, previously identified, is that of having a credible geography - defined as the requirement for new unitary authority populations being in excess of 300,000, with an upper limit of 600,000. The One Somerset proposal has evaluated its options against the current population, whereas Stronger Somerset has evaluated this criterion against the projected future population. This is a significant difference, as it creates a very different outcome in each evaluation given that the current population of Somerset is approximately 570,000 (below the 300,000 threshold when divided by two unitary authorities) and future (2031) projections estimate population being 601,000 (just above the 300,000 threshold when divided by two unitary authorities).

3.3.4 Each proposal presents a strong argument for local support, and whilst this would appear as an area of alignment, there are conflicting differences between these arguments. For example, in Stronger Somerset it is stated that local MPs have been engaged extensively where the outputs of engagement resulted in strong support for two unitaries. This however conflicts with statements in One Somerset which state that the preferred option of a unitary authority has been supported by the majority of MPs, with a groundswell of approval seen among town and parish councils. Ultimately it appears as though both proposals have

garnered a level of local support, however given the different ways in which this has been gathered, and potential for 'leading' engagement it is not clear on specifically how each proposal compares.

- 3.3.5 Ultimately the preferred option for each proposal differs, with One Somerset's preferred option being that of a single unitary, and Stronger Somerset's preferred option being two unitaries.

4. Challenges with Stronger Somerset

4.1 Overview

- 4.1.1 Stronger Somerset makes an interesting argument for local government reorganisation. The proposal document sets out the components one might expect to see in a business case of this type. It is clearly written, reaches a definitive conclusion on a preferred option and sets out a high level vision of what establishing two new unitary councils could achieve. The document also includes evidence of how its authors consider this proposal satisfies the Government 'tests'.
- 4.1.2 However, there are a number of challenges with both the evaluation process described in the report, the way in which evidence has been interpreted and used, as well as its overall conclusions. This section sets out the key challenges and highlights a number of inconsistencies and other issues relating to the language used in Stronger Somerset. The challenges have been grouped into the following seven themes:
- The options appraisal methodology.
 - The financial analysis.
 - How geography is treated in the proposal.
 - The proposed operating and delivery model arrangements.
 - Issues relating to leadership and democracy.
 - How devolution is referenced in the proposal.
 - The deliverability of what is being proposed including how further transformation is described.
- 4.1.3. The authors wish to make clear that this assessment is not intended to suggest that the Stronger Somerset proposal should not be consulted on - that is a matter for the Secretary of State - but rather that these issues should be taken into account in taking any decisions relating to the proposals or in the response to any statutory consultation on the matter.

4.2 Options appraisal methodology

- 4.2.1 Stronger Somerset adopts a Treasury Green Book approach to evaluating the options for reorganisation in the county. This is novel in the context of local government reorganisation and has not been used in the majority of business cases developed in recent years (post 2009). This section sets out four key challenges associated with the options appraisal methodology:
- The proportion of the Stronger Somerset document which focuses on the One Somerset proposal.
 - The lack of an evaluation of all four options against the Government tests.

- References to the track record of the current councils.
- It is difficult to see how some of the assertions made in the document can be substantiated, given the evidence presented.

- 4.2.2 First, unlike many other unitary proposals, Stronger Somerset makes multiple references to what are presented as the shortcomings of what is presented as a rival proposal - One Somerset. While the options appraisal examines the four options in the abstract initially, it introduces One Somerset relatively early on, making clear that this is regarded as being equivalent to the option to establish a single new unitary council in the county. While it is clear that this is what the One Somerset document proposes, the result is that a significant proportion of the options appraisal included in Stronger Somerset focuses on specific elements of One Somerset, as opposed to the relative strengths and weaknesses of a single unitary option in a more general sense. It is therefore very possible that some of the benefits of reorganisation at this scale have been underplayed.
- 4.2.3 Second, while the options appraisal uses the critical success factors described in the previous section of this report to evaluate the potential options, at no point are all the options evaluated against the Government 'tests'. Only the two unitary model - as set out in the more detailed sections of Stronger Somerset - is presented in the context of these 'tests'. Again, this could serve to undervalue some of the merits of a single unitary option.
- 4.2.4 Third, the way in which the options appraisal has been conducted, and related references to the One Somerset proposal, provides an opportunity for Stronger Somerset to make several references to the track record of Somerset County Council. There appears to be an inference that a single unitary council for Somerset should be considered undesirable on the basis that it would be equivalent to a simple expansion of the current County Council by 'taking over' the district councils in some way. The One Somerset proposal, developed by the County Council, sets out a plan to establish an entirely new council. Early in the lifecycle of the new council, there would be new elections, new appointments to senior posts and a series of changes to working practices introduced. While the track record of the County Council, or the district councils for that matter, should not be considered irrelevant in this debate, it is possibly not as significant an issue as is presented in Stronger Somerset.
- 4.2.5 Fourth, it is difficult to see how some of the assertions made in the document can be substantiated, given the evidence presented. For example, the Stronger Somerset proposal is evaluated as enabling better, more coordinated leadership than the One Somerset proposal. However, there is no clear supporting evidence to explain how having two separate unitary authorities could enable better coordination of leadership than one. Further examples are included in the evaluation of critical success factors. For instance, the document indicates that under One Somerset there would be "less incentive to redesign services, including high cost areas such as social care services, with focus limited to 'backoffice'". Again, it is difficult to see, from the document, how this assertion can be substantiated.
- 4.2.6 The issues raised above become significant when one considers how the unitary proposal documents developed by different councils in Somerset could be used. Should the Secretary of State decide to take both proposals forward to consultation, then the clarity of information included in the documents will become critical. The use of unequivocal language throughout Stronger Somerset is also somewhat problematic in this regard. Not everyone will accept the proposed two unitary model provides the "*only option* where re-organisation will provide an effective platform for the reform that Somerset urgently needs" (emphasis added), as stated in Stronger Somerset. The way in which the Stronger Somerset options appraisal appears to have been conducted and is described in the document could be confusing to some readers and risks inhibiting the completion of an effective and fair consultation process.

4.3 Financial analysis and assumptions

- 4.3.1 The way in which the financial analysis carried out to support the development of Stronger Somerset is referenced in the proposal document is problematic for several reasons:
- It is not clear what all the assumptions which underpin the analysis are, and it is possible that some relevant factors have not been taken into account.
 - The headline figures presented in the case, and particularly the distinction between the one unitary and two unitary scenarios, are not consistent with what might be expected based on relevant data and information and is not in line with other business cases or national studies.
 - The headline figures are different to those derived from previous analysis of similar models for the same geography.
 - The Stronger Somerset case makes a direct comparison with figures included in One Somerset, without acknowledging that the two financial cases are not comparing like with like.
 - The requirement to harmonise Council Tax does not appear to have been taken into account.
- 4.3.2 First, the assumptions outlined in the Stronger Somerset analysis are unclear - in particular some costs that one might have expected to see factored into the analysis have not been mentioned. For example, it is not clear whether any assumptions have been made in relation to the initial and ongoing cost of implementing the alternative delivery model for children's services, or the considerable investment in technology that would be required to deliver transformation benefits of the scale described in the proposals.
- 4.3.3 A further example of why the lack of clarity around financial assumptions is significant relates to Stronger Somerset's references to the adoption of a "single commercial strategy". The £22.2m five year benefit ascribed to this initiative in the document is not explained and it is reasonable to assume benefits of this scale could be attributed to the single county option evaluated in the proposal as well.
- 4.3.4 Second, the headline figures for the two unitary and one unitary options presented in Stronger Somerset seem to be inconsistent with the majority of business cases that have looked at similar options in other areas. Indeed, the proposal suggests the two unitary model would actually save more than establishing a single entity over a five year period. Similarly, the costs of implementation also look to be out of alignment with what might be expected. Again, it is difficult to understand how a proposal to implement two new councils (as suggested in Stronger Somerset) would only cost marginally more than a proposal to implement one. When one considers the fact that two management teams would need to be established (as well as two adult social care directorates, two sets of members, a shared enabling service etc.), rather than one and that there would be duplication across a number of areas (even though some opportunities to share functions could be realised), it is difficult to understand how greater benefit could be derived from this option.
- 4.3.5 Third, when comparing the findings of the analysis described in Stronger Somerset with another study examining similar options in the same geography, it is clear that different conclusions were reached. For the purposes of this review, a comparison has been drawn with the analysis conducted by PwC for the CCN in August of 2020 looking at the costs and benefits associated with different models of reorganisation in all two tier areas in England. Consideration of the CCN analysis indicates that the Stronger Somerset proposal could be understating some of the cost assumptions. An examination of similar studies of the potential benefits of reorganisation at a national level (Ernst and Young's 2016 report *Independent Analysis of Governance Scenarios & Public Service Reform in County Areas*, for example) would cause

readers to reach the same conclusion. Further detail on the analysis carried out for the CCN report is included in the appendix of this report.

- 4.3.6 One of the areas of difference is in relation to programme and change costs. In Stronger Somerset this is projected to be £4.9m, whereas in the CCN analysis a higher figure of £7.6m is used. Other differences include redundancy cost, which is projected to be £3.8m in Stronger Somerset, but a figure of £6.5m is included in the CCN analysis (albeit it is acknowledged that there will be a proportional relationship between redundancy costs and projected benefits). In total, there is a £10.0m difference between the costs outlined in the Stronger Somerset case and the analysis conducted for CCN.
- 4.3.7 These differences are not just limited to costs. The Stronger Somerset proposal states that there would be a recurring annual gross benefit of £24.9m after year 5 should two new councils be established. The CCN analysis identifies a benefit figure of less than half this amount - £10.7m - for the two unitary option covering the Somerset geography. The principal driver for this difference appears to be the size of the opportunity Stronger Somerset ascribes to the commissioning and procurement of services from third parties. It sets out an estimate of approximately £8.58m of annual benefit from this area, considerably more than the £2.8m figure quoted in the CCN analysis.
- 4.3.8 Fourth, the Stronger Somerset financial analysis makes a direct comparison to the headline figures included in the One Somerset financial case. This is unreasonable on the grounds that while the projected savings figures for Stronger Somerset include a level of saving attributed to transformation opportunities (referred to as “indirect benefits” in the case), One Somerset does not. The One Somerset document states that additional transformation opportunities could be secured following the establishment of a new council, but does not attempt to quantify the savings that could be secured as a result (the County Council is of the view this would be for the new authority to define in line with its policies and priorities). This is significant because, had such figures been included in the One Somerset proposal, it is highly likely the comparison between the two cases would show that establishing a single unitary council in Somerset would save far more than two new unitary councils.
- 4.3.9 Finally, the majority of proposals for local government reorganisation in other parts of the country make reference to the issue of Council Tax harmonisation (the process by which Council Tax charges are made uniform across a geography previously served by several different organisations, each of which may have set its own precept). Stronger Somerset makes relatively little reference to this issue, only stating that it will need to be considered in transition and that there is a relatively low tax base across the county. The current Council Tax yield in Somerset is over £300m and accounted for almost three-quarters of revenue in 2018¹. Any decisions made on rate harmonisation by the future council will have a material impact on income. In the opinion of the authors of this review, it would have been desirable for analysis of different harmonisation models to have been referenced in the Stronger Somerset proposal, as it was in the One Somerset business case.

4.4 Geography

- 4.4.1 The Stronger Somerset case uses local geography, population size and the distinctiveness of sub-county geographies to substantiate a conclusion that creating two new councils is the right option for the county. There are three challenges with the evidence included in the document and this line of argument:
- Some of the drivers for the change referenced within the document are acknowledged as being countywide challenges.

¹ 2018 Somerset County Council Tax Leaflet

- Local data suggests establishing two new unitaries on the geographical basis described in Stronger Somerset could result in an imbalance in income and demand across the new councils.
- The way in which Stronger Somerset deals with population levels is not necessarily in line with what Ministers and their advisors may have envisaged. It does not currently meet the lowest threshold size set by central government and would only reach the minimum scale in 2031 based on current population projections.

- 4.4.2 The Stronger Somerset case suggests that two new unitary authorities are required because of the “distinct needs and priorities of their local areas and economies” of West and East Somerset. However, the case for change section included in the document makes numerous references to countywide issues. The acknowledgement that the county as a whole is facing a number of consistent challenges does not support the case for dividing into two. Arguably, adopting a consistent approach across the county would be a more effective response to countywide challenges.
- 4.4.3 The proposal document does include information to draw out specific issues in the East, as opposed to the West, and vice versa. Indeed, it is the case that there are some differences between East and West Somerset. However, in considering these several further complications with the Stronger Somerset proposals become apparent.
- 4.4.4 For example, areas on the Western side of Somerset are, relatively speaking, more deprived than areas in the East. Approximately double the percentage of households in the West are in the most deprived quintile against the index of multiple deprivation than in the East - 10% compared to 5%². This has implications both in terms of demand for critical services (more deprived areas tend to have greater social care needs, for example) as well as the income a new council or councils would be likely to receive (e.g. there is a strong correlation between deprivation and council tax exemptions).
- 4.4.5 Establishing two new councils in the county has the potential to result in an imbalance in terms of demand for some of the key services the councils would be responsible for providing. It is possible, were they to be implemented, the Stronger Somerset proposals would result in the establishment of one council which would experience relatively high demand for key services while bringing in a comparatively lower level of income, while the other would not face such high demand pressures at the same time as attracting a greater level of income. A single council covering the whole of the county geography would be better placed to balance its investment in to mitigate this. This issue is not explored in any great detail in the Stronger Somerset proposal and it is possible, therefore, that the associated risks to the sustainability of the councils proposed have not been adequately taken into account.
- 4.4.6 As is referenced elsewhere in this report, much has been made of population levels during the current debate on local government reorganisation. Based on current levels, the population across the whole of Somerset would fall within the range referred to by Ministers. Conversely, the populations of the proposed councils for the East and the West would fall below the range. The Stronger Somerset proposal opts to deal with this issue by referring to population projections which, it argues, suggest that the population of the county as a whole will exceed the top end of the range, while populations for the proposed councils in the East and the West would be above the low end of the range. While the authors of this report have no reason to doubt the accuracy of these projections, they are of the view that arguing a single unitary option for Somerset would breach the population range in a decade whilst proposing the creation of two unitary authorities which do not meet current government guidance is somewhat contradictory.

² Somerset Intelligence, District Community Profiles, 2015

4.5 Proposed operating and delivery model

- 4.5.1 Stronger Somerset sets out a vision for how the two new councils will operate. It makes explicit reference to how this would offer an improvement on the current position and includes several commitments to adopting innovative practices. While this is entirely appropriate for a proposal document of this type, there are three key challenges which emerge:
- Stronger Somerset sets out a proposal to establish an alternative delivery model for children's services. This approach has often been associated with intervention in failing services, potentially creates additional layers to already complex service delivery arrangements and could have a knock-on effect to the level of resource partners need to commit to making it all work effectively.
 - The importance of scale and resilience in ensuring reorganisation can be a catalyst for transformation is underplayed and there is no recognition that the transformation journey described for adults and children's services are either already being delivered or have been delivered (e.g. strength based approaches, community teams, reablement, intermediate care, family safeguarding model).
 - The role of simplicity in driving effective partnership working and developing a single voice for the place is underplayed.
- 4.5.2 One of the main areas of challenge associated with any reorganisation proposal which would entail the disaggregation of an existing, larger entity, is the risk associated with disrupting service delivery in the larger statutory services - adults and childrens. The Stronger Somerset proposal appears to recognise this and proposes a level of mitigation in several ways.
- 4.5.3 While it makes clear that each of the new councils would need to have its own Director of Adult Social Services, it also references the possibility of establishing shared commissioning arrangements to support this model. Not much detail concerning how this would work is provided and while shared or joint commissioning is relatively commonplace in local government and health settings, its complexity should not be underestimated. Such disaggregation and duplication of current responsibilities would risk the progress made with children's services, including the highly qualified senior management team that has recently been recruited (this issue is also explored in section 4.8).
- 4.5.4 More fundamentally, Stronger Somerset also makes clear that the risks associated with disaggregating children's services would be mitigated through the establishment of what is described as an 'alternative delivery model', the intention of which seems to be to retain a countywide footprint for the planning and delivery of children's services. The closest example to this sort of arrangement the authors of this report are aware of, albeit one that has so far been implemented in different circumstances, is a children's trust. Trust models are still a relatively untested approach in terms of service delivery and in some cases have previously been implemented as a response to a failure of service provision, although such failure is not a factor in Somerset's case. The authors of this report are not aware of any precedent for using such an approach to facilitate the establishment of new unitary councils. In short, though radical, this element of the Stronger Somerset proposal represents an untested solution.
- 4.5.5 Stronger Somerset rightly makes reference to the role of reorganisation in driving more ambitious opportunities to transform local government and the wider public sector. However, these elements of the proposals do not appear to take adequate account of the importance of scale and/or resilience. While establishing two new councils clearly would provide an opportunity to streamline, standardise and simplify businesses processes, address opportunities to deploy technology more effectively, introduce models of locality and community working and improve working practices, there is a strong case for arguing that doing this at scale - by establishing one new council - constitutes a more significant opportunity. This case is supported by the small child population of Somerset, 110,000 in total, posing significant threat to the

benefits associated with working at scale if this population were to be split between two individual unitary authorities. There is a legitimate debate to be had about the need for balance when weighing up the benefits of scale against the requirement for local authorities to be able to respond to local needs, but it is reasonable to suggest the scale of the potential transformation benefits will increase in line with scale of the organisation being created (at least up to the point where deliverability becomes an issue, and there are already numerous examples of high performing unitary authorities larger than the single council described in the One Somerset proposal).

- 4.5.6 Furthermore, the discussions with key stakeholders from Somerset County Council carried out for the purposes of preparing this report have indicated that many, if not all of the proposals for improving the provision of adult social care and children's services included in Stronger Somerset have either happened or will be happening in any case, leading the Council to believe that children's services will be assessed as "Good" at the next inspection. It should be regarded as positive that there is strong alignment across the different councils in Somerset concerning the future direction of these critical service areas, but it is potentially misleading to imply that establishing two new unitary councils in the county is the only way in which these ambitions could be achieved.
- 4.5.7 For example, Stronger Somerset gives the impression that adult social care across the county is failing and that this is a long-standing problem. While it is true that in the recent past adult social care within Somerset has faced challenges, the case put forward in the Stronger Somerset proposal that previously identified shortcomings in leadership and service delivery have not been addressed is misleading. Since 2016, measures have been implemented to improve adult social care - an improved local contact centre, community based programmes that have resulted in improved relations with communities as well as better outcomes and the establishment, in partnership with the NHS, of a joint set of intermediate care services for the county, evidenced in the John Bolton report. A similar impression is given concerning children's services and, again, much progress has been made in the past few years to improve the standard of children's services, resulting in Somerset being sought out for advice surrounding the improvement of children's services.
- 4.5.8 Interspersed with many of the points made regarding the future ways of working that will be adopted by the new councils described in Stronger Somerset are references to the importance of partnership working. Again, it is absolutely right that this issue is highlighted. However, there is considerable doubt that partnership working would be more straightforward under the Stronger Somerset proposals than would be the case under a single unitary authority serving the whole county. Indeed, establishing two new councils has the potential to make partnership working around the health and care agenda more complicated than it is at present. For example, currently the adult's social care service administered by the County Council, engages with one Clinical Commissioning Group and one registered care provider - establishing two adult social care directorates would complicate this picture. The authors of this report are of the view that establishing one new council would simplify partnership working to a greater extent than would be the case if two new councils were created.

4.6 Strategic leadership and democratic arrangements

- 4.6.1 Unlike many other proposals of a similar type, Stronger Somerset makes relatively little reference to the role of unitarisation in improving strategic leadership. Some attention is paid to this matter, as it is to the democratic arrangements it proposes will be put in place to oversee the new councils. However, there are two key challenges with these elements of the proposals:
- The importance of speaking with 'one voice' in both a regional and a national setting could be explored in greater depth.

- The proposal that each of the new councils should have 100 members is not without precedent, but there is a case for arguing this would not represent as efficient a model as a single council comprising 100 members for an area of Somerset's size (both in terms of its rurality and population).

- 4.6.2 One of the principal reasons frequently put forward by those advocating reorganisation is the idea that bringing together the two tiers of local government in an area will help to ensure its leaders speak with 'one voice'. This is achieved, in part, because there are generally fewer leadership 'voices' in a unitary setting, and therefore a reduced likelihood of different visions for a particular place or organisation being put forward. However, it is also a function of the greater coordination of strategic activities that can be achieved in unitary councils (the ability to join up strategic planning across a larger geography is one way in which this can be achieved).
- 4.6.3 Unitarisation in Somerset offers an opportunity for the councils to establish an arrangement which enables the county to have greater influence within its region, and potentially a more effective dialogue with Government and other national bodies. The proposal to establish two new unitary councils in Somerset would help to achieve this to a degree. However, it is clearly the case that the establishment of a single new unitary council would be even more effective in this regard (both Stronger Somerset and One Somerset argue that unitarisation should be regarded as a step towards the establishment of a combined authority - this issue is examined below).
- 4.6.4 Stronger Somerset proposes that each of the new unitary councils it describes should be served by approximately 100 members. There are several issues which should be born in mind in this regard. First, a Boundary Review would need to be conducted either before or in the early life of the new councils. It is this exercise that will determine the appropriate number of members for each council. Second, there are relatively few examples of local authorities in the UK with councils of this sort of scale. There are examples of councils with relatively high numbers of councillors. For example, Cornwall Council was established as a unitary authority in 2009 and currently has 123 members. However, these members serve a population of circa 570,000 people (Stronger Somerset effectively proposes 200 members for a similar sized area). Furthermore, Cornwall Council has undergone a Boundary Review which will see the council reduced to 87 members at the next election. On balance, the number of councillors proposed in Stronger Somerset would seem to be excessive and at odds with similar examples of unitary authorities elsewhere in the country from both the perspective of cost and in terms of creating simpler, more accountable forms of democracy and leadership as required by central government.

4.7 Devolution

- 4.7.1 Both Stronger Somerset and One Somerset refer to a longer term ambition either to establish or join a combined authority. It is difficult to discern exactly which of these options is being advocated in Stronger Somerset, as relatively little detail is presented on what this would look like, or the area it would cover. It is difficult to envisage Government agreeing to establish a combined authority comprising just the two new unitary councils proposed in Stronger Somerset (if this is what is being proposed). Generally speaking, combined authorities comprise a larger number of top tier councils, involve other partners and cover a broader geography than would be the case in this instance. The potential advantages of operating across the county footprint could also be served through the creation of a single unitary authority that in turn may create the right conditions for Somerset to be an equal partner in a regional combined authority.
- 4.7.2 Furthermore, such an option could potentially limit the county's ability to take part in existing regional initiatives such as the Heart of the South West Local Enterprise Partnership (HotSW) or join the West of England Combined Authority.

4.8 Deliverability

- 4.8.1 Consistent with many other proposals of this type, Stronger Somerset includes a relatively high level account of how it would deliver the two new councils were the proposal to be approved. The plans described do not pay much attention to the complications that would arise from having to disaggregate services that are currently organised on a countywide basis. This process is relatively complex and is considered to be more time consuming and resource intensive than the process of aggregating the functions currently provided by the district councils. It would appear the risks to delivery associated with disaggregation have not been adequately taken into account within the Stronger Somerset proposal.
- 4.8.2 This is particularly significant in relation to some of the larger service areas, such as adult social care and children's services, where unpicking existing arrangements has the potential to destabilise critical safeguarding and support arrangements. Layering on additional change requirements to children's services, in particular, when the service has been on an improvement journey, risks undermining the progress that has been made. There are also some very practical issues to consider which have the potential to undermine the deliverability of two adult social care departments, not least of which are the issues the current service has with attracting and retaining senior staff. Doubling up on this requirement would only exacerbate this problem.
- 4.8.3 The challenges associated with disaggregation do not only apply to the 'people services', it is just as significant for 'place services' and public health. Stronger Somerset is relatively silent on this issue, and this is further complicated by the fact that it is not clear what responsibilities in these areas are envisaged as having the potential to be transferred to a combined authority at a future date. Disaggregating public health provision in the County has the potential to destabilise the response to the pandemic - Stronger Somerset is not clear on what is intended in this regard.

5. Stronger Somerset and the Government ‘tests’

5.1 Overview

5.1.1 As stated elsewhere in this document, Stronger Somerset makes a compelling argument for local government reorganisation. In terms of how the proposal is evaluated against the Government ‘tests’, it is clear there is an argument to be made about how the establishment of the two new councils described could meet these requirements (though it is important to note that Stronger Somerset only evaluates the two unitary mode proposed against the Government tests). This section of the report sets out a high level view in relation to each of the three ‘tests’ described in the invitation issued by the Secretary of State.

5.2 Improving local government in the area

5.2.1 Stronger Somerset makes reference to a series of transformation opportunities, proposed enhancements to partnership working, service commissioning and delivery, back office support arrangements, locality working and strategic leadership, all of which have the potential to improve local government in Somerset.

5.2.2 However, it is not clear how the process of unitarisation (i.e. the replacement of the two tier system) would drive these agendas. It is difficult to determine from the proposal what it is about unitary local government that will lead to the stated improvements (i.e. the causal link).

5.2.3 Furthermore, and as discussed in section 4 of this review, some of the more substantial improvements and change programmes described in Stronger Somerset appear to be happening in any case (e.g. the transformation of both children’s and adult’s social care).

5.3 Commanding a good deal of local support

5.3.1 Stronger Somerset does not include, as some other unitary proposals have done, much in the way of evidence of local stakeholder support. Limited reference, relative to other proposals (some of which have been accompanied by supplementary documents including letters of support or public statements from partner organisations), is made to engage with some partner organisations, though any indication of what they think of the Stronger Somerset proposal is omitted.

5.3.2 The document does make reference to an opinion poll carried out by a reputable organisation which does suggest a level of public support for the proposal. However, the results are unsurprising given the tendency, in all two tier parts of the country, for members of the public to feel closer to district councils than they do to county councils (a greater proportion of the population engages with district services, which are more universal in nature than areas like children’s and adult social care).

5.4 Covering a credible geography

- 5.4.1 Stronger Somerset offers a broad description of the geography of Somerset as a whole, as well as the distinctive nature of some of the localities within its boundary. While it is clear there are differences between different parts of the county, the same would be true of almost any administrative geography of a similar scale and, in the opinion of the the authors of this review, it is not clear the evidence offered makes a compelling case for recognising an East Somerset geography which is all that distinct from the West.
- 5.4.2 As referenced in section 4, the way in which Stronger Somerset relies on population projections to advance its case in relation to the population range described in the Secretary of State's invitation is novel, when compared with similar business cases developed in other parts of the country.

5.5 Does the Stronger Somerset proposal meet the 'tests'?

- 5.5.1 The decision about the future of local government in Somerset rests with the Secretary of State. It is not appropriate for this review to determine whether or not Stronger Somerset constitutes an acceptable proposal.
- 5.5.2 However, it is also the case, as is acknowledged in the Stronger Somerset document, that two proposals have been developed and submitted to the Secretary of State. Therefore, not only will it be necessary to determine whether each proposal meets the 'tests', it may also be necessary for the Secretary of State to reach a judgement of which proposal is *more likely* to meet the 'tests'.
- 5.5.3 Having considered the similarities and differences between the Stronger Somerset and One Somerset proposals, as well as the evidence offered in each, it is the opinion of the authors of this report that establishing a single unitary council in Somerset would be more likely to improve local government in the area and serve a credible geography. The views of stakeholders outside of local government have not been canvassed prior to developing this report, and therefore the report authors do not feel able to offer a view about which proposal would be most likely to satisfy the requirement for proposals to command a good deal of local support.
- 5.5.4 The reasons for this are very simple, establishing a single unitary offers a greater platform for transformation, offers greater economies of scale and resilience, would simplify partnership working to a greater extent and would offer a better chance of the county of Somerset speaking with one voice. In terms of the geography that would be served by this new council, it would be equivalent in scale to numerous examples of successful unitary authorities elsewhere in the country which have been established relatively recently, and particularly in the South West (e.g. Cornwall, Wiltshire, Dorset). In contrast, two unitary authorities would either fall below or just meet central government thresholds for population sizes for the foreseeable future.
- 5.5.5 It is the view of the authors of this report that the only real reason not to pursue the opportunities described above (all of which are enhanced by scale) would be a sense that the council being created would be too big to function effectively, too remote from communities or service users or that it would cut across distinctive functional geographies. The existence of the examples referred to in the previous paragraph would tend to suggest that concerns around a single unitary council in Somerset being too big are lacking in foundation. Similarly, there does not appear to be a particularly compelling case to suggest there is a strong sense of locally distinctive geography in either the East or the West of the county.

6. Conclusion

6.1 Making the most of the opportunity

- 6.1.1 The councils in Somerset appear to be in agreement that the current model of local government is not as effective or as efficient as it could be. They have responded positively to the Secretary of State's intervention and have come forward with two proposals for reorganisation.
- 6.1.2 Though there are some similarities between the proposals, Stronger Somerset and One Somerset set out very different visions for what should be achieved through this process. Given that the proposal documents differ in terms of the emphasis placed on different factors in their respective options appraisals, this is unsurprising.
- 6.1.3 This review has examined the merits of the Stronger Somerset proposals, but in doing so has made some comparison with the vision described in One Somerset. Having explored these issues in the context of the criteria Government will apply to the proposals, it has concluded that establishing a single unitary in the county would be the more likely option to meet the 'tests'.
- 6.1.4 At its simplest, the relative merits of the two proposals comes down to a question about the advantages of scale versus the need for councils to be able to function effectively and respond to local needs. It is the view of the authors of this report that the evidence presented does not present a compelling case for establishing two unitaries in Somerset, insofar as this would constitute a missed opportunity to maximise the advantages of scale. Similarly, there does not appear to be a particularly compelling argument that a single unitary council covering Somerset as a whole would be too big to be effective or too remote from local communities to be responsive.
- 6.1.5 It is clear that the councils in Somerset have a significant opportunity to enhance the way in which local government operates in the county. The establishment of unitary councils in areas within the same region, and in some cases their achievements over the course of the past decade, provide a clear indication of what could be achieved under this model. The Somerset councils had a similar opportunity just over a decade ago and opted to pursue an alternative arrangement which has not delivered the same advantages. It is important that the opportunity to secure the anticipated benefits, and associated improvements in outcomes for residents, communities and businesses in Somerset is not missed this time around.

Appendix

The tables below outline the key financial figures for reorganising to a two unitary plus trust model as proposed in the Stronger Somerset case and the PwC Report for CCN in 2020. This is broken down into the *summary*, or key headlines, the *one-off costs* of implementation, the *recurring costs* after implementation and the *direct benefits* that could be achieved as a result of reorganising to the proposed model. These figures do not include the indirect costs/benefits as outlined in the Stronger Somerset business case as these are not specific to either reorganisation scenario and would be equally achievable in both, although would likely benefit from scale.

Summary

Cost/Benefit	2 Unitaries + Trust	
	Stronger Somerset	CCN/PwC Report
One-off transition costs (£m)	18.9	28.8
Annual disaggregation cost (£m)	0	12.0
Net benefit after five years (£m)	55.9	-21.8
Recurring <u>net</u> benefit after five years (£m)	22.5	2.1

One-off costs

Cost	2 Unitaries + Trust	
	Stronger Somerset	CCN/PwC Report
Programme Team, Org Design & Change Prog (£m)	4.9	7.6
Accommodation (£m)	1.0	-
Audit/finance one off support (£m)	1.2	0.5
HR one off support (£m)	1.2	0.5
Skills/ learning costs (£m)	1.0	-
Legal one-off support (£m)	0.8	-
Other specialist advice (£m)	0.3	1
Consultation, communications and rebranding (£m)	1.2	0.8

ICT Costs (£m)	-	2.0
Consultation of development of localism (£m)	0.4	-
Staffing (redundancy and pensions) (£m)	3.8	6.5
Contingency (£m)	3.0	6.9
Cost to implement a trust (£m)	-	3.0
Implementation Total (£m)	18.9	28.8

Recurring Costs

Cost	2 Unitaries + Trust	
	Stronger Somerset	CCN/PwC Report
Leadership and management (£m)	0.2	-
Shared Enabling Services (£m)	23.5	-
Insight and Analytics (£m)	0.7	-
Duplicated Leadership (£m)	-	14.7
Duplicated service delivery cost (£m)	-	26.2
Duplicated democratic structure cost (£m)	-	1.8
Cost of running a trust (£m)	-	17.5
Total cost over five years (£m)	24.4	60.2

Direct Benefits

Benefit	2 Unitaries + Trust	
	Stronger Somerset	CCN/PwC Report
Leadership and management integration (£m)	2.1	3.2
Sharing Enabling services (£m)	7.2	2.7
Joined up commissioning & procurement (£m)	8.6	2.8
Governance change (£m)	0.7	-
Single commercial strategy (£m)	5.7	-

Focused asset strategy & portfolio management (£m)	0.6	-
Member Allowances (£m)	-	1.4
Elections and Democracy (£m)	-	0.1
IT (£m)	-	-
Property (£m)	-	0.8
Removing duplication of services (£m)	-	-
Total recurring <u>gross</u> benefit after five years (£m)	24.9	11.1

Notes

- *The Stronger Somerset figures include inflation which has a small increase in the totals.*
- *Some totals may not sum due to rounding.*



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Review of “Stronger Somerset”

Professor John Bolton
February 2021

1. Introduction

- 1.1 I have been asked by Somerset Council to review the proposal put forward by “Stronger Somerset” to consider the evidence on the likely impact for Adult Social Care that has been used to argue the case for dividing the current county into two administrative regions. I am a Visiting Professor at the Institute of Public Care (Oxford Brookes University) and a consultant working on cost effective delivery of adult care. I have had an ongoing relationship with Adult Social Care in Somerset County Council for about four years and act as a “critical friend” to their adult care improvement programme. I have over 40 years of experience working in social care. I have been a Director of Social Services as well as Strategic Finance Director at the Department of Health. In the last twenty years of my career, I have focused my work on the development of cost-effective models of social care. My work is published and can be found on the Institute of Public Care web site.

2. Summary of findings

- 2.1 Somerset County Council’s adult social care found themselves in a very difficult financial position over four years ago. The council embarked on a major transformation to tackle this. The aim was not to make cuts in services and reduce their offer to local people (that some councils have had to resort to) but to deliver a range of services that enabled them to be more cost effective and efficient in the way in which social care was delivered. This was achieved through five main change programmes: –

Developing a local contact centre to serve the county and to look to help people through good access either on the phone or via the internet. This service now helps 60% of those who seek help from the Council.

A programme in social care that focused on helping people through improved outcomes particularly **reducing the demands for residential care**. There is less use of residential care by both older people and adults with a learning disability.

A community-based programme that developed both strong links with existing community organisations and the local voluntary sector as well as developing a wide range of community social enterprises to serve the population.

An **improved relationship with those who provided services** in Somerset.

A new approach to discharging patients from hospital that was developed together with the NHS and **established a joint set of Intermediate Care Services for the County**. The approach developed has continued to serve them well during the Covid pandemic.

The result of these programmes is that Somerset Council Adult Social Care has been able to balance its budget whilst improving services and outcomes for local people without making direct cuts to local services. This is an impressive outcome for any council. It is my view that if this structure (and the people who are making it work) is changed there could be significant risks to the gains that have been made. There could be a high cost to public services in Somerset and poorer outcomes for citizens.

3. **Background to Adult Care in Somerset**

- 3.1 It is worth stating at the outset (2016) when I was first invited to assist Somerset's adult care programme, they were in a very challenged position with a volatile care market, large overspends on the budget, a poor performance and very poor relationships with the NHS and other key partners. The Director of Adult Social Care at the time clearly understood the challenges they faced and launched a major improvement programme which has made great strides for the County and has put them in a much stronger position now than they were then. Some of the data used in the case for a Stronger Somerset does reflect the challenges that were faced by the County Council prior to their improvement journey. Over the time I have worked alongside the Senior Managers I have seen a massive transformation which has included a balanced budget (delivering on savings targets), a massively improved delivery of social care and a staff group whose morale has raised from rock bottom to a motivated and committed staff team. The base of the transformation was built on the principle of "promoting the independence of citizens to achieve their maximum potential". The improvement can be seen in: reduced delays in transfers of care from the hospitals; reductions for all types of customer and their use of residential care; a strong commitment to asset based practices starting with an excellent contact-centre; an impressive community enterprise structure (probably the most advanced in the UK) where the council and the community work in partnership to meet people's

needs (including those who would fund their own care); reduced waiting lists for services and an improved relationship with those organisations committed to providing care for the people of Somerset.

4. **Current position of Adult Social Care in Somerset**

4.1 **Spend on Adult Social Care**

The most recent data shows that Somerset has a higher percentage of older people in its population than many parts of England¹. 3.5% of the population is aged over 85 – the English average is 2.5% whilst the South-West on average has 3.1% of its population. When the monies from the NHS is added to the County Council budgets for adult social care the gross expenditure per adult in the county is in line with the English average expenditure per head of population. (£507.57 in Somerset - £521.70 in England and £573.78 in South West). Overall Somerset spends just below the national average per head of the population on adult social care.

Somerset helps 0.86% of its population between the ages of 18-64. This is in line with the English (0.86%) and South-Western (0.9) averages. Somerset however supports fewer older people (3.72%) with formal help than the English (5.3%) or the South Western (4.41) averages. The number of older people being helped has reduced in Somerset over recent years as part of their preventive, asset-based and promoting independence strategies. This has led to fewer people being helped formally by the council (and more in the community) with significant savings made as a result. The biggest reduction has come from the lower numbers of older people being placed in residential or nursing care by the council.

4.2 **The Contact-Centre**

Somerset County Council has one of the most developed contact-centres to help people who are seeking advice, information, and guidance in England. This has been developed over the last three to four years. The contact-centre, which now handles over 5000 request per month (calls from new and existing customers), has increased the numbers of people it helps² whilst being able to offer more people good information on how to resolve their problems than most other places in England. The current rate is that just over 60% of people who use this service have their problems resolved with no additional costs to the County. The satisfaction rate from customers using this service is also very

¹ All the data cited in this report is taken either from the LGA report – Adult Social Care Use of Resources South West Report for Somerset 2019/20 or from Somerset County Councils information base.

² The number of requests to the Call Centre for Help from new clients has gone up since its changed arrangements in 2016 from 9,025 to 11,765 per annum in 2019/20

high at 93.9%³ saying the service was good or outstanding. The contact-centre operates on a principle of helping people to find solutions within their community, their local network, or their family – sometimes called “strengths-based” or “asset-based” practice, in adult care. To achieve this the contact-centre staff are trained and supported to have effective conversations with people making enquiries. They also retain a good knowledge of the organisations and individuals who are available in the community to assist people including the voluntary organisations established in the county.

In essence with such an effective contact-centre they can ensure that only those who have higher levels of care needs (just under 20% of all callers) are passed through to the locality teams (locally based social workers and Occupational Therapists) for an assessment of their needs. Those who are assessed are much more likely to both be eligible and to need a service (currently the rate is that over 80% of assessments result in a new service). This excellent performance demonstrates an effective use of local resources to get the best outcomes for its local population⁴. At one stage there could be a significant wait for a social work assessment in Somerset this has now reduced and earlier in the year it was down to a matter of a day or two though this has increased as Covid 19 and its various impacts has hit the teams. Still over 80% of assessments are started within 2 days.

In addition to this excellent service the County Council has developed its own website – Somerset Community Connect that receives on average just over 5000 unique views per month from people looking at what might be available for their locality. The average duration of a session is 2 minutes.

The contact centre has day to day contact with the adult social care locality-based teams. This is conducted in a highly professional way by both parties. The social care staff respect the contact centre team and can discuss any person with them and together they can share their knowledge on the best possible solutions. These services are managed by different Departments of the council. This does not show in their transactions. There is a strong common purpose in putting the customer first. In some places this can be an area of conflict in the council. This is not the case here and is demonstrated by the extraordinary outcomes that are achieved. In my professional view, this is one of the most impressive sets of arrangements established by any local authority in the United Kingdom.

³ Data from Somerset County Council

⁴ Data from Somerset County Council

4.3 Long-term care and support

Somerset County Council adult social care perform better than the English average and better than the South-West average in all the key measures that drive up the costs of adult social care. They help more people through Direct Payments; have more younger adults with a learning disability living in the community; have fewer admissions to long term care for both older people and for adults with a learning disability. Performing well in all four of these critical areas is a sign of a cost effective well run adult social care system⁵. This indicates that the transformation programme that has been led in Adult Social Care has delivered a sustainable model of social care that will help them in the future.

The table below shows the reductions being made in new placements into residential and nursing care for older people and people recovering from mental ill health over the last three years with the most recent data. The pressures in the system have moved from meeting the needs of older people through residential care to meeting the needs of people recovering from mental ill health. The reduction in this year (2020/21) will have been impacted by the deaths from Covid in some Care Homes.

4.4 Data from Somerset Council

	Outturn 2017/18	Outturn 2018/19	Outturn 2019/20	November 2020
Residential	721	689	697	668
SRC	139	137	126	126
Nursing	646	606	599	559
OPMH Nursing	189	173	178	164
Mental Health Residential -	114	132	142	141
Mental Health Nursing -	102	101	118	116
Total Placements	1,911	1,838	1,860	1,774

4.5 Unit Costs

In the three main areas of spend for adult care Somerset pay higher than the average in the South-West for residential care for younger adults (but with

⁵ From the LGA report – Adult Social Care Use of Resources South West Report for Somerset 2019/20

fewer people) and lower than average for Domiciliary Care; residential care for older people. This again is a strong base for a future adult care system.

4.6 **Strategic Commissioning**

The Stronger Somerset report rightly points out that the future of commissioning of adult social care does in part sit closely with the new Integrated Care System that has already been established in a shadow for Somerset. One of the big advantages for both Somerset Council and the NHS is that for the past decade they have had similar boundaries. The Clinical Commissioning Group and the County have the same geography. It has taken a while for this to build up in a productive way for both parties but recent developments particularly in the joint work on out of hospital care (managing discharges and significantly reducing delays) has shown that the partnership is now well established with key senior managers and political leaders from both organisations working well together. It is interesting to note that at present (2019/20) the NHS contribution to adult social care expenditure is 18% of the total gross spend (this compares with 13% nationally and only 11% in the South Western Region). This is the sign of strong confident partners.

One of the main features of the current joint working between the county council and the NHS is the establishment of a jointly run “Intermediate care service”. This is a credit to several years of hard work through close partnership. It is another one of the impressive features of the local arrangements in Somerset. It would be foolish to dismantle this into two separate services.

4.7 **The Care Market**

One of the most important aspects of adult social care is the assurance that there is a stable supply of care for both councils and for those who are currently required to fund their own care (there is some expectation that this will change in the future). In Somerset, the quality of the care market is demonstrated by the fact that 95% of the providers in the county are rated by the Care Quality Commission as Good or Outstanding. There are not many places in England that can boast such a strong performance.

4.8 **Community Agents**

Somerset has developed a strong model to supplement its local care market through the development of Community Enterprises. These have been built on the willingness and interest of local people from across the county. Over 4,000 people receive their care and support help through these individuals and organisations who work closely with the county council. 60% of those using these services are responsible for paying for their own care. This means the County Council can both support those for whom it has financial responsibility as well as those who rely on the local care market to meet their

needs. This development has made a significant impact on the way in which care can be accessed by all parties in the county. This service has been developed over the last five years and its success has come from the way in which the County Council and their partners in the NHS have worked with people in local communities. There are few places in England that can equal this level of community enterprise. Over 18 months, they have seen a 3.5% reduction in the number of people receiving paid for support, and a reduction in the number of hours of paid support by blending formal support with community solutions.

4.9 **Investment in community**

In addition to the work that Somerset Council has undertaken to develop social enterprises in the community there has been a £1 million investment in services across localities that provide a respite or preventive service for residents. Most notable amongst these investments is the development of several community dementia cafes that provide a local place for people with dementia to visit with their carers to gain advice and support in an informal and supportive setting.

4.10 **Performance Framework**

One of the impressive features of the arrangements within Somerset Adult Social Care is their use of data. They have developed a performance framework which enables them to monitor the progress they are making against their action plans for transformation. They use the data intelligently and it has enabled the council to make better decisions about the direction of adult care. In my experience this is a rare strong feature of a social care department.

5. **Appraisal of the recommendation made for adult care by “Stronger Somerset”.**

5.1 It is my view that Adult Social Care in Somerset (as demonstrated in Section 3 above) is well set up to meet the challenges of the next decade and I am concerned that a reorganisation places significant risks on the progress that have been made in recent years. The reform that is promised by the proposals in the paper “Stronger Somerset” is already being delivered across the county by the current Senior Management Team in Adult Social Care.

5.2 The “Stronger Somerset” report is very misleading about the finances of social care and shows a lack of understanding of the way in which social care has had to operate in recent years. The report claims that …“it was already a service under substantial pressure with cuts agreed in 2018 to help

address the County's financial position, adversely impacting vulnerable people, including £1.75m of cuts in services for disabled people and £2.75m in services for adults in receipt of adult social care". Actually these were delivered through a combination of the factors described above in Section 3 – working to promote the independence of the people of Somerset through new approaches to social care which included: working closely with the NHS and local providers of care to reduce older people's admission to residential care (particularly on discharge from hospital); working closely with the community and developing community enterprises to develop new ways of helping people achieve their desired outcomes in their own homes (increasing the take up of Direct Payments); working closely with the care market to sustain the quality of services whilst improving the access to domiciliary care; and developing the role of the contact service to direct people to appropriate resources. Every council in the UK has had to find savings in adult social care because of the reduction in Government Grants to councils. Somerset would rightly argue they have achieved this in recent years without making large "cuts" in their budget but by delivering a more cost-effective model of service delivery. This will need to be sustained and developed over the future years. It will require leadership who understand how to achieve this.

- 5.3 The report refers to the measures that have been developed to assess social care called "the Adults Social Care Outcomes Framework" (ASCOF). These measures have been widely discredited by many in the sector as not being true measures of the outcomes that adult social care can achieve. In fact, the DHSC is currently in the process of undertaking a major review of these measures. It is important to note that some of the measures in which the report suggests that Somerset's performance is low are those that are most contentious in the survey – partly because of the way in which they are open to interpretation, partly because they result from a survey which has traditionally had a low response and partly because only a very limited number of people are asked for their views (as a percentage of those who approach social care for help). It is interesting that the analysis by those writing the Stronger Somerset bid only selected these measures. If they had considered the "Use of Resources measures" developed by the Local Government Association, they would have found a much more positive picture of Somerset Council's Adult Care (as demonstrated in 3 above). I was involved in the review that the Council undertook in September after the ASCOF measures were published for last year and Somerset Senior Team did accept and acknowledge that they should be doing better with respect

to the evidence on their work with family carers. That is why they have made this one of their major improvement targets during this year. The monthly data returns that are referred to above already tracks this progress. The reported poor performance on hospital discharges has already improved in addition the outcomes for older people being discharged from hospital (an equally important measure) have also significantly improved.

- 5.4 The proposal from Stronger Somerset for Adult Social Care is that it can offer: "Interventions that give people greater control over the care they receive, with more care and support being offered in or close to people's homes, rather than in hospital or care home settings." This is the very programme on which Somerset Council has been embarked in recent years. The data (shown above) clearly demonstrates that Somerset is making good strides into this agenda. It would seem a high- risk strategy to break up the teams that have created this progress and to bring in new managers who may have limited understanding of what and how things have been achieved. Evidence from elsewhere suggests that it will take at least three years for a new team and a new structure to bed in and for any new reforms to start to kick in – in the meantime there is a risk that much that has been gained could be lost and the new counties could find themselves back in the position that Somerset was in in 2015/16.
- 5.5 The proposed move to an Integrated Care System (ICS) that is likely to become statutory for the NHS and Social Care this year has been well considered and planned for by partners in Somerset. The partners welcome the fact that their single boundary continues to give them the best opportunity for collaboration and development of the right services. They both understand the respective roles of the partners and the importance of the joint working to get the best outcomes for the population. It is therefore a big risk if one of the parties breaks these boundaries and creates a new structure to interface with the ICS. I support any proposal that ensures that commissioning of joint services between the NHS and Social Care such as the recent Intermediate Care Service is undertaken through a single joint arrangement.
- 5.6 The proposals for social care suggest that in One Somerset there is "Potential but less incentive to redesign services, including high-cost areas such as social care services, with focus limited to 'back office. Integration savings provide initial financial breathing space, but reinvestment opportunity issued to address existing services not their reform. Invest to save not expected to be undertaken, based on previous track record." These statements bare no relation to the Somerset Adult Social Care known to me.

There has been a full redesign of services over the last few years as highlighted in 3 above. There has been no suggestion that there are savings from integration with anyone else including the NHS – there is no evidence that this does deliver savings and there has been a reinvestment in the way in which adult social care is run even during a time when Government has expected significant savings. Therefore, the critique of Somerset offered by the proposal seems off the mark and shows a distinct lack of understanding of what is happening and what is required. It was these types of statement that worried me more than anything else about the bid.

- 5.7 One of the features of the proposals for adult social care is a view that through digital technology big savings can be made. This is of course correct. However, the evidence suggests that this is only true if the technology is used to support a programme that aims to help people regain power, control, and independence. Savings themselves are relatively small from the use of technology itself they can be much larger if they are delivered in the right context. However, there is no adult social care department in the United Kingdom that has made its savings solely using technology. In the work I undertook for the LGA in how councils had saved money from 2010-2016, I found that there were large savings made by reducing staffing; reducing costs and reducing admissions to residential care with an additional small per centage from those councils who had made good use of assistive technology (e.g., Hampshire) – Local Government Association Efficiency Programme -Report 2015.
- 5.8 Adult Social Care in Somerset will accept that they are still on a journey of transformation and there are aspects of the services that still require significant improvement. However, all my work experience (over 40 years) tells me that this improvement will not come about through a structural solution. It is getting the right people to work together that enables places to improve and grow. It is those teams with longevity that usually produce the best results. The savings suggested in the proposal seem unrealistic in the time scales. I also think that there is an underestimation of the potential costs of the new structure with the locality-based teams which is likely to be offset by any savings made in the early years. Overall, my concern is that a transformation programme that is now being delivered by Somerset Council will get stopped and restarted losing valuable gains and likely to lose the momentum of the reduced costs that have been achieved.

6 **Conclusion**

- 6.1 The fundamental case put forward by those supporting “Stronger Somerset” is that Adult Social Care in the county is a failing service, therefore there is nothing to be lost, and some opportunity to be gained by dissolving the current arrangements and starting anew with a new set of people with refreshed ambitions. In my professional view, this is an inaccurate picture of the current state of Somerset ASC. It may be a recent picture (5 years ago), but much has changed and still is improving over the last four years. The focus on the improvements that have taken place is to create a cost-effective approach to social care that offers improved outcomes for its citizens. Therefore, there are risks to the transformation that has taken place if this service is now at best split in two or at worst dissolved into a new set of services. The ambition for social care is the same for all parties. Somerset Council currently is working hard to deliver this ambition. In my opinion there are high risks to adult social care through a restructuring in the county. Every Council is struggling with the scarce resources allocated for social care in “normal” times and most are struggling more under the pandemic. My view is that there are far more risks associated with the Stronger Somerset approach for adult care and there are likely to be more costs not recognised in the proposal. I would urge people to reconsider the evidence and look to work together to consolidate the current arrangement not least because it is both financially sound and will work best with the NHS.

Author John Bolton

Date February 2021

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Review of “Stronger Somerset” Proposals for Place Services

Neil Gibson BA (Hons) DMS DEM MRTPI FCIHT
February 2021

1. The Brief

- 1.1 To produce a short, independent report from an expert that critiques the Place Service aspects of Somerset District Councils unitary proposal, ‘Stronger Somerset’. The proposal is to replace the current two-tier council arrangements in April 2023 with two new unitary councils, a shared support services company, an alternative delivery vehicle for children’s services and a combined authority for the two-tier part of the county.

In particular, the report should assess the proposal’s approach to the provision of Place Services, including any associated risks, whether any opportunities have been missed, and whether there are issues that have not been considered and addressed.

For the purposes of this report ‘Place Services’ have been defined as broadly covering:

- Planning Services – including local plans, development management, land charges enforcement etc
- Environmental Services – including waste disposal & collection, Areas of Outstanding Natural Beauty, countryside management & public rights of way, public open space & grounds maintenance, flood & water management, heritage, environmental health, trading standards, sustainability & zero carbon.
- Transportation – including transport policy, road, rail, active travel, community transport, and client transport/home to school transport
- Highways – including highways asset management & reactive/planned maintenance, street works & cleansing services, highways development management, public realm.
- Economic Development – including economic policy & insight, regeneration initiatives, town centre management, digital infrastructure, inward investment, business support, skills development.
- Property Assets – including facilities management, asset strategy & management, agricultural land holdings.

- Projects – major capital projects, external funding bids, digital infrastructure, major growth & new settlements.
- County Partnerships – including the Somerset Joint Civil Contingencies Partnership and the Somerset Rivers Authority.
- Sub-National/Regional Collaboration - with organisations such as The Heart of the South West LEP, Peninsula Transport, Connecting Devon & Somerset, and the neighbouring West of England Combined Authority.

2. **My Credentials**

- 2.1 I am an independent strategic advisor & facilitator to the public and private sector bringing over 25 years of senior executive experience at board level, embracing vision & strategy development, partnership development, change management & delivery, innovation and organisational development.

I have led and managed all aspects of place service delivery at County and District levels, my last substantive post in local government being Executive Director (Transport, Economy & Environment) with Buckinghamshire County Council, stepping down on 31 March 2020, as the new unitary Buckinghamshire Council came into being.

As a prominent Place thought leader, and former President of the Association of the Directors of Environment, Economy, Planning & Transportation (ADEPT), I continue to advise the public and private sectors on strategies that will improve collaboration and drive better economic, environmental and community outcomes nationally and locally. I remain an active associate member of ADEPT, currently facilitating the ADEPT/Amey Excellence in Place Leadership Programme and Chairing the joint ADEPT/Private Sector Commissioning Board for its £23m Live Lab Programme. I am a Member of the Royal Town Planning Institute (RTPI) and a Fellow of the Chartered Institute of Highways & Transportation (CIHT).

3. **The Stronger Somerset Proposal**

- 3.1 The Stronger Somerset report considered 4 options (Options A-D). The Somerset District Council's preferred option is Option C, to replace the current two-tier local government arrangements in Somerset of a county council and 4 district councils with:

- Western Somerset Unitary Council covering the administrative areas of the existing Sedgemoor and Somerset West & Taunton District Councils which in 2021 have a combined population of 282,000.
- Eastern Somerset Unitary Council covering the administrative areas of the existing South Somerset & Mendip District Councils which in 2021 have a combined population of 287,000.
- A Combined Authority with the 2 new unitary Councils as its core.
- County-wide merged joint services such Shared Enabling Service providing business capability and the retained Somerset Waste Partnership, including a new county-wide alternative delivery model for Children's Services.
- A neighbourhood or local community area-based approach to care commissioning and service delivery.
- Potential to devolve additional services and assets to City, Town & Parish Councils

4. **General Observations of the Proposal**

- 4.1 Overall, the proposal is heavy on ambition and method for reform, but light on service delivery detail, evidence and impact. There are no significant references to how existing place services are currently delivered, what will change and how they will be delivered from 2023.

The proposal is critical of the current public service model in Somerset. In Section 2.3 it identifies 7 system drivers for change and concludes that currently there is a historic lack of strategic leadership and collaboration across Somerset, leading to weak financial resilience and inefficiencies, short term approaches, a lack of local responsiveness, poor service quality and limited trust.

There is very little detail or evidence with this diagnosis. The undertone is that the County Council is culpable for many of these system failures. There is passing reference to longstanding concerns about County SEND and Children's Services, unresponsive county services remote from communities, and inefficient two-tier services linked to growth and the quality of life. The assumption might be that this is referring to place based services across all the Councils, but this is unclear. There is no data or evidence substantiating these claims.

The proposal advocates a new system led approach to service delivery through the new unitaries that will deliver better outcomes. In Section 2.4 the

proposal identifies 13 'reform objectives' that the new system needs to address to create better outcomes for Somerset. There is a short high-level description for each reform objective. These are then grouped under 4 'Reform Priority' areas – People, Community, Connectivity & Growth. Place services will impact to some degree on nearly all 13 reform objectives, although the key references to planning, economy, environment and infrastructure sit within Reform Priority 4: Growth.

In Section 2.5 more overall programme objectives are detailed, with 4 high level objectives and 19 programme objectives. The reform objectives are assimilated within the longer list of programme objectives.

This is an impressive list of objectives, and they are the key issues that many Councils in England are tackling. However, there is no clear evidenced rationale in the proposal for their identification, no baseline data/facts underpinning their current status, nor any tangible indications of what better might look like as a consequence of the reforms proposed.

There is no suggestion that the current DCs already adopt this system led approach – individually or collectively – and have the track record of expertise, experience and benefits to prove this approach when scaled up across all Somerset's local authority services, or that they will deliver the proposed financial and community benefits.

Arguably there are too many actual and classification of objectives, and the grouping of objectives gets confused. It is difficult to see a consistent and simple 'golden thread' of intent from the 4 high level vision ambitions, through the various reform objectives to the high-level proposals for change.

To achieve these complex ambitions the broad suite of Place Services operating across the proposed system must be clear. The impact and seamless performance of the reconfigured Place Services will be instrumental in achieving many of these ambitions. This clarity and re-assurance are not provided in the proposal.

5. **The Proposed Operating Model - Place Services**

- 5.1 The overall operating model proposed is discussed in Section 4.2.1 of the proposal. A fresh start to all service delivery is proposed with service design to be tested against six system design principles - a method to be used by both new Unitaries - although they will have their own transformation programmes. It is not clear whether the District Councils already adopt this

approach with their current Place Services, giving them proven track record of expertise and benefits.

There is no clear proposition for Place Services yet articulated in the proposal. Nonetheless, there are some clues as to how Place Services might operate at three different structural levels/tiers of operation: Somerset Combined Authority and County-wide shared service level; Unitary Council level; and City/Town/Parish or Neighbourhood level. Clues include:

At Somerset-wide Level:

- The proposed Combined Authority which would front a devolution deal with offers and asks, take responsibility for sub-regional planning including strategic sites and infrastructure, host an infrastructure investment fund, and set economic strategy and delivery programmes.
- The existing Somerset Waste Partnership
- Carbon zero, climate resilience and energy self-sufficiency

At Unitary Level:

- Prepare development plans
- Directly deliver Local authority-led regeneration and Housing Revenue Account schemes

At City, Town, Parish & Neighbourhood Level:

- Place based neighbourhood service hubs which whilst focussing on community based social care provision, envisage closer working with economic prosperity, housing and environmental services, although the practical implications of this are not articulated.
- A spectrum of devolved service and partnership agreements with City, Town & Parish Councils in illustrative areas such as car parks, libraries, digital infrastructure, sustainable growth initiatives, assets, and community development.

Although the detailed operating model for Place Services has yet to be undertaken by the District Councils, this embryonic three-tier approach will retain similar levels of governance complexity, and to some degree cost, that already exist in the current model of local government in Somerset. It isn't clear in the proposal where the 'guiding mind' is for this 3-tier ecosystem for place services and delivery, whether all governance costs have been included within the proposal's financials, and where clear accountabilities will sit.

There are other key existing county-wide place services and partnerships that have not been referred to in the proposal, with no detailed explanation of where they would fit in this new three-tier approach:

- Transport in its broadest sense – client transport and home to school transport, transport policy/local transport planning, incl. rail, innovation in sustainable transport and mobility.
- The retention or abolition of the Somerset Growth Board and its Growth Plan which brings together the Councils, Heart of the South West Local Enterprise Partnership (LEP), business and further education, and if retained, its relationship with the proposed Combined Authority.
- Highways asset management and maintenance and future of the Skanska contract (that runs to 2024).
- Strategic Flood Management responsibility and the future of the Somerset Rivers Authority.
- Emergency/resilience planning and the future of the Somerset Local Authority Civil Contingencies Partnership.
- Joint trading standards service with Devon, Torbay (and very soon, Plymouth) which is hosted by Devon County Council.
- Registration services provided by the County Council for North Somerset Council.

The devolution to City, Town & Parishes could be significant for place service delivery. Whilst it is acknowledged that the conversation with the Somerset Association of Local Councils (SALC) has yet to shape the proposition, local devolution successes around the country have included aspects of highways maintenance, street scene, waste and environmental services. None of these have been used as positive examples in the proposal.

6. **The Proposed Operating Model – Combined Authority**

- 6.1 Reform Priority 4: Growth gives some insight into how the proposed new unitary councils intend to 'level up' the Somerset economy by improving productivity and social mobility. The proposed way forward is 'significantly boosted' by a new Combined Authority (CA) and an ambitious devolution deal. The precise configuration of the CA would follow the creation of the new unitaries.

The Somerset CA would comprise the two new unitaries who would look at options to 'include our close neighbours'. The devolution deal has 7 themes:

- Business & productivity
- Carbon neutrality and climate resilience
- Digital connectivity
- Transport infrastructure and connectivity
- Skills and social mobility
- Thriving places
- Sustainable housing

The proposition is that a devolution deal based on these themes, with associated powers and funding, would enable the CA to tackle the climate crisis, drive up economic productivity, 'level up' Somerset, and enable it to become a net contributor to national GDP with 'reduced reliance' on Government.

The CA proposal is very high level and lacks enough detail to take a view on how it would, or could, deliver its stated ambitions. Compromised of the two new unitary councils alone it would make it the smallest CA in the UK with a population of c570,00, although it does allude to the potential of close neighbours being part. Bath & NE Somerset Unitary are already established members of the West of England CA (WECA) and North Somerset have been trying for some time to become a WECA member. Together they form part of the Bristol Sub-region. The alternative benefits either would get from leaving WECA and joining a speculative Somerset CA have not been articulated. Neither to date have publicly intimated their support for this proposal, and indeed both councils did receive the initial invitation from the Secretary of State to be involved in Somerset LGR, but both have declined through votes by their full Councils.

The Somerset CA proposal, in seeking a devolution deal covering economic and infrastructure growth, has not clearly explained how it will practically work with existing government sponsored sub-regional bodies with similar responsibilities already operating across the proposed CA geography:

- The Heart of the South West Local Enterprise Partnership, (which covers the 2 tier authorities in Somerset and all the authorities in Devon), although the proposal (pg. 129) maintains the new unitary boundaries are co-terminus with the LEP. The County Council is currently the accountable body for the LEP, which hasn't been acknowledged.

- Peninsula Transport (the sub-national transport body covering the whole of the SW peninsula minus the North and Bath & NE Somerset Unitaries, who are members of the Western Gateway SNTB) provides a stronger voice to secure connectivity improvements in Somerset.
- The Connecting Devon and Somerset (CDS) programme, which is commissioning and managing digital delivery.

Options might include giving the Somerset CA their current responsibilities, or some kind of commissioning relationship between the CA and these bodies for activity in their patch. Either way these require governance negotiations that hold no guarantee of success and would likely result in additional complexity, complicated accountabilities and cost.

More fundamentally Reform Priority 4 says virtually nothing about what the 2 new unitaries will do to address the social, economic and environmental challenges without a CA and devolution deal. There is passing reference to unitary government helping 'us address our economic challenges more effectively' but there is no detail on what more effectively actually means? Nor does the proposal explain what their approach would be if a CA is not agreed. No option appraisal of alternatives to a CA would appear to have been carried out.

7. **The Risks to Place Services**

- 7.1 The proposal is ambitious in its approach, and as one might expect from an advocacy document, it makes sweeping assumptions with a significant lack of detail and evidence underpinning it. In places it is almost naive in the simplicity of its proposition, perhaps underpinned by either a lack of understanding, or perhaps an attempt to smooth over the actual complexity of what is proposed? Either way, the ambition is exposed to significant risk of delivery and benefits realisation.

The proposal has undertaken a risk assessment of its programme and the 7 highest rated risks presented in the report, although 2 are the same, so 6. There are other significant risks that are not either considered high enough impact or may not have been considered:

- Impact on county-wide place service contracts hasn't been addressed such as the:
 - Skanska highways contract
 - Streetlighting and traffic signals contract
 - Heritage Trust

- NSL parking contract
- WSP engineering services contract
- TDA Enterprise Centre management and business support contract
- Bus service contracts
- City, Town and Parish Councils do not want to fully participate in the various local devolution opportunities leading to a myriad of unitary and local council delivery solutions.
- A broad-based Combined Authority proposal lacks support from neighbours leaving the 2 unitaries to create a small CA on the current County Council boundaries, reducing the strength of its voice regionally and nationally.
- No deal and funding package is agreed with Government, with no obvious Plan B for driving the proposed economic, social and environmental ambitions through existing resources.
- Go live in just over 2 years for this proposal is tight, what aspects would have to move to the right for post-go live implementation if slippage?
- The system led approach to place service reform across both unitaries don't deliver the scale of on-going base revenue savings proposed.
- No disaggregation costs (revenue and capital) included for splitting up large county services and associated contracts, some of which are referred to above.
- Potential loss of strategic capability due to staff turnover/departure linked to the changes, weakening the ability to mobilise, transition and then transform this ambitious change agenda.

8. **Summary**

8.1 From a Place Service perspective, the Stronger Somerset proposal can be summarised as:

- Broad brush, with no real detail on how Place services will work across the two unitaries.
- The method for place service reform that will underpin cost reductions and service improvements is articulated but with no baseline, targets or what better looks like described.
- Being silent on how key services like highways and transport will be delivered, both integral to the place and stated growth ambitions. The working assumption has to be that these services will be split between the two unitaries, although the Waste Partnership is to be retained.

- An overly complex Place Services solution operating at three different structural levels/tiers of operation: Somerset Combined Authority and County-wide shared service level; Unitary Council level; and City/Town/Parish or Neighbourhood level. No real explanation of where the guiding mind is within this ecosystem with a danger of high governance overhead costs, a lack of transparency and accountability, and sub-optimal delivery.
- Difficult to ascertain whether the broad-brush financials cover all ongoing base costs and hence whether the ongoing revenue baseline reductions can be delivered.
- Significant dependency of growth ambitions on a new Somerset CA and devolution deal, although the proposal is speculative at best, with no detail/targets around ambition, and with no clear statement on how the ambitions would be delivered if a CA and deal is not agreed.
- There are risks to the place operating model delivering its stated objectives, financial savings, and service outcomes that have not been recognised and mitigations proposed.
- It must question the robustness of, and confidence in the delivery of, the proposal upon which to base the future of Place Services in Somerset.

Author Neil Gibson BA (Hons) DMS DEM MRTPI FCIHT
Director - Neil Gibson Consulting Limited

Date February 2021

Review of “Stronger Somerset” Children’s Services Proposal

Trevor Doughty
February 2021

1. Introduction

- 1.1 I have been asked by Somerset County Council to review the proposal put forward by “Stronger Somerset” in respect of the effect on Children’s Services. The proposal recommends, as part of dividing Somerset into two unitary Councils, creating a single, Somerset-wide, Alternative Delivery Model (ADM) for children’s services, jointly owned by the Councils with the Councils retaining “control over services”. I comment on the overall proposal only in so far as, in my view, it has advantages or disadvantages for Children’s Services.

Author’s Expertise:

I have been Director of Children’s Services in two authorities and a Director of Social Services prior to that.

I was Director of Children’s Services for Northumberland County Council between 2004 and 2010. Northumberland County Council became a unitary authority in 2008 being created from the predecessor County and six District Councils. At the point of my leaving the Council, it had an excellent rating in terms of the Children’s Social Care ratings of the time and was in the top 10% of Councils by the local authority education ratings of the time. Within a year of my leaving, the Council received an outstanding Ofsted inspection result for children’s social care. I was part of the management team for the transition to unitary status with specific responsibility for day one readiness.

I was appointed Director of Children’s Services for Cornwall Council in 2010, a year after it had become a single unitary authority. Shortly after the new unitary Cornwall became operational, it had received a damning Ofsted report for its Children’s Services with an inadequate rating in every category. During my ten-year tenure at the Council, the Ofsted rating improved to adequate in 2013, good in 2016 and outstanding in 2019. To my knowledge, at the time of my retirement at the end of 2019, Cornwall Council was the only authority to have an outstanding Ofsted social care inspection rating as well as a strong inspection result for Special Educational Needs and Disability (SEND) and a positive multi-agency Joint Targeted Area Inspection (JTAI) for children.

As a Commissioner and Advisor for the Department of Education. I write this report in a personal capacity and any views and opinions are mine alone.

2. **Summary of findings**

- 2.1 Somerset County Council Children's Services has been on an improvement journey since an inadequate Ofsted rating in 2015. Overall evidence is that significant progress has been made. The latest detailed data available (produced 23rd November 2020) indicates solid performance when set against statistical and regional neighbours with clear signs that the early help/prevention strategy is effective in terms of reducing more acute and resource heavy interventions. In addition, the Council in 2019/20 agreed substantial investment in Children's Services in developing new models of practice to strengthen community support to families and non-statutory support services. In 2020/21 the Council has agreed investment into new models of care.

The Stronger Somerset proposal is to create an ADM crossing two newly created authorities. The proposal sets out broad intentions for improving children's services which are aspirational but not specific. The governance and finance model for the new vehicle is not yet available. As the proposed delivery model is for two authorities, it must be assumed that there will be additional governance costs and a commissioning/client role for each of the new Councils. Stronger Somerset anticipates that the new start implicit in a new organisation will create the impetus to solve long term problems around employment opportunities for young people, the attainment gap between disadvantaged children and the majority, as well as improved relationships with schools, improved children's social care and better services for children with special educational needs. No detail is included in the document other than references to approaches such as the Hertfordshire Family Safeguarding Model which will be considered. The proposal lacks detail on how the ADM would continue the improvement journey in Somerset and does not address the fundamentals that need to be in place for high-performing children's services which I outline below.

An ADM responsible for two authorities needs to have clear advantages to outweigh the obvious practical and financial problems of two Councils, with possibly different political and strategic priorities both controlling one organisation. Those problems include budgetary alignment and prioritising, with two Councils, the multiple reporting requirements for the Chair, non-executives and senior managers, and additional cost and bureaucracy. If one Council hosts the organisation on behalf of the other, this addresses some of the issues but creates others, and is not part of the proposal. Stronger

Somerset recognises that it is not in the interests of children and young people in Somerset to create two children's services departments but I don't believe the case is made in the proposal for an ADM with all the disruption and uncertainty that would mean for the existing improvement journey. The Stronger Somerset bid is not explicit about the reasons for the proposal for an ADM.

The conclusion I have drawn is that they consider the proposed two unitary Councils would not have the capacity to operate effective children's services on their own.

3. **What are good or outstanding Children's Services?**

3.1 Stronger Somerset claims it "will" bring about a "step-change" in outcomes and experience for all children in Somerset. Before going on to comment on the validity of this claim, it is important to set out what should be expected of a good or outstanding local authority children's service. In broad terms, this matches the aspirations of the Stronger Somerset bid. That is, a local authority that aims to reduce the gap, or level up, in terms of opportunities and outcomes for vulnerable children in both education and employment. More specifically it means a local authority that works well with schools, health partners, the police, and the voluntary sector, with shared and well understood priorities and that delivers high quality children's social care services for the most vulnerable children and families which are recognised by a good or outstanding Ofsted rating. Around 10% of Councils enjoy an outstanding rating and an examination of their Ofsted Inspection of Local Authority Children's Services reports (ILACS) show they have significant factors in common. These include:

- Demonstrating through policy, culture, and casework that the child is at the centre of all they do,
- Clear and well understood performance and quality standards,
- Having a well understood social work model,
- A strong workforce strategy with a well-trained and stable workforce with low numbers of agency staff and interim managers,
- A strong performance culture with an understanding of why relevant data is important,
- Strong management oversight which can demonstrate regular and reflective supervision
- Strong and visible leadership

- A corporate culture that understands and supports children's services including financially.

4. **Somerset County Council Children' Services performance**

4.1 Somerset County Council Children's Services most recent major inspection in 2017 found the services required improvement to be good. This followed an inadequate judgement in 2015. The overall conclusion was that:

"Since the last inspection in 2015, when Somerset children's services were judged as inadequate overall, the local authority has made steady progress in improving the quality of services that children and young people receive. Senior leaders have worked effectively with an improvement partner, and they have created a culture of openness and willingness to learn that supports further improvement."

Ofsted conducted a visit focussed on the first point of contact for children being referred to the Council in February 2019 and found that whilst the authority had increased the number of permanent staff and managers and lowered caseloads, and that senior leaders had an accurate understanding of quality of practice, the standard of service children and families received was too variable.

A Joint local area Special Educational Needs and Disability (SEND) was conducted by Ofsted and the Care Quality Commission in March 2020 which resulted in the Chief Inspector issuing a Written Statement of Action (WSOA) because of significant areas of weakness in the local area's practice. This is a joint responsibility with Somerset Clinical Commissioning Group. Nationally, around 60% of areas inspected have required a WSoA, and there is currently a national review underway to address the systemic challenges in relation to the SEND system.

The DfE have in 2019/2020 awarded specific grants to the Council in response to submitted bids and in competition with other LAs:

Fostering Feasibility Study – working with another LA to look at strengthening informal community support for foster carers

Family Drug and Alcohol Court – working with the local courts

Social Workers in Schools – phase 2 of a national programme

Because of the Covid epidemic Ofsted have suspended ILACS inspections since March 2020, but in normal circumstances Somerset would probably have had a further major inspection in the last year. The Council's self-assessment argues that it now merits a good overall rating and sets out evidence accordingly, and it argues progress against all of the criteria set out above and supports the argument with case audit results.

In Summary

Ofsted 2015 – Inadequate

Ofsted 2017 – requires improvement, positive text

Ofsted 2019 – focussed visit to front door confirming continued progress

Ofsted/CQC SEND 2020 Statement of Action

Ofsted annual conversation 2020 confirming continuing positive progress

5. **Stronger Somerset Proposal**

- 5.1 Stronger Somerset describes its plan for children's social care and education as "radical and ambitious" and claims it will "greatly improve outcomes whilst building services which are financially sustainable." It seeks to support the "ambitions and aspirations of every child and ensure that none are left behind." It expresses a general dissatisfaction with current children's services in the County though the only specific criticism it offers is "our engagement with the sector has highlighted the widespread view that there is currently too much professional and organisational silo working in children's services." The sources of this view are not identified.

The core of the proposal is that the two new Councils will jointly own and control a single ADM to deliver children's services on their behalf. The new vehicle would include the range of local authority children's services including social care, SEND and school support. Implicit, though not stated, by Stronger Somerset, is that each of the envisaged new authorities is too small in its own right to have a standalone children's services function. A "distinct Eastern/Western focus" is mentioned as an aim but with no further detail beyond envisaging "area-based delivery and commissioning functions". The report acknowledges that it lacks any detail around ownership, governance or legal form of the new company but says the new Councils would retain ownership and control. The new ADM, it is claimed, will deliver stronger leadership, and create the conditions for outstanding services and cites Achieving for Children, an ADM delivering children's services for the London Boroughs of Richmond and Kingston, and Windsor and Maidenhead.

It envisages the new ADM delivering an agreed Stronger Somerset practice model though this model is not described beyond a reference to considering

external practice models such as the Hertfordshire Family Safeguarding approach, one of several systemic, strengths-based approaches. The County Council is already introducing this model with the support of Hertfordshire. The Council in 2019 agreed substantial upfront funding to invest in this model as the authority did not meet the eligibility for DfE funding (I understand that this was because the care population rate is below statistical neighbours). The model includes multi-agency teams, working across both adults and children's services, and the NHS, to ensure families have a seamless journey through services. It is not clear how the Stronger Somerset proposal adds value to what has already been agreed.

The new ADM would have a single Director of Children's Services (DCS) but because there is no detail on proposed governance for the ADM or what kind of company it would be, the reporting lines of the DCS are not clear. Presumably, each Council would have a Chief Executive and a lead member for children as required by statute, and the company would need a chair and a board.

6. **Comment and Opinion**

6.1 Major local government reorganisation typically sets up local democratic structure for the next 40 or 50 years. For example, the current Somerset arrangements were established in 1974. The Stronger Somerset document attempts to be both a structural proposal and a manifesto for the two new Councils should they be established. It is important to distinguish between the two, and this is particularly the case when considering children's services. The overall proposal identifies many of the problems faced by Somerset; from a children's perspective that includes the high numbers living in poverty and relative poverty, low social mobility, and comparatively poor local job prospects. There is an assumption in the document that a new structure will somehow address these problems when any structure is self-evidently solely enabling. How effectively economic, social and environmental issues are addressed depends upon the approach of whoever is elected to those structures, and who is employed to work for them. A structure of a single unitary or two unitary authorities does not in itself address these problems and the claims made for the outcomes of the structure alone are unconvincing and without evidence.

In terms of children's services, the ADM could be established whether Somerset has one or two unitary Councils. As with the broader proposals, there should be no assumption that an ADM would bring about the changes in leadership and culture envisaged. If new leadership and a new approach is needed, this can be achieved with or without an ADM. All the outstanding

rated children's services in the country with the exception of Kingston, 14 in all, are traditional in-house council models. ADMs have generally been imposed on Councils with inadequate ratings and under Secretary of State intervention and have had mixed success. No evidence is provided by Stronger Somerset as to why an ADM will deliver its ambitions. The existing service, like most children's services departments has a strengths-based approach to practice. Such approaches were adopted following the 2011 Munro Review of Child Protection, commissioned and published by the DfE and should be central to practice in every authority. The Hertfordshire Family Safeguarding model which Stronger Somerset says it supports has already been adopted by the County Council, and having a separate children's ADM could add to the complexity of delivering this multi-agency model.

In 2018/19 over half of local authority children's services departments overspent. This was primarily for three reasons: increased demand, the cost of placements and the cost of agency staff. All authorities seek to control their costs by helping children and families early to prevent the more acute costs associated with child protection plans and high numbers of children in care. All authorities attempt to recruit permanent social workers and managers. Doing this is challenging in the face of increasing demand, more expensive placements in a seller's market, and a shortage of qualified social workers and managers. Some Councils have been successful in demonstrating that their early help is preventing more acute costs and are controlling expenditure accordingly as well as delivering better outcomes for vulnerable children and their families. An ADM in itself does not achieve financial control, but realising the conditions for a successful service listed above does. The creation of an ADM will add to costs because of the presumed necessity to have a board with a chair, probably a separate finance director and other associated support costs. Such costs should be factored into a two unitary proposal.

The proposal's aspirations for children in Somerset are laudable and would undoubtedly be supported by all local people and stakeholders. The difficulty with the proposal is that it makes huge assumptions as to the outcomes the envisaged ADM will deliver without providing evidence or supporting detail. There are possible advantages in an ADM around flexibility and the possibility of delivering broader, more integrated services particularly around health and SEND, though these are not set out in the proposal. However, such an ADM is equally possible with either one or two unitaries.

Children's services in Somerset are on an improvement journey and anticipate a good at their next Ofsted inspection. An ADM is not without merit but can be applied to either model. Setting up an ADM is complex, time consuming

and resource heavy and risks detracting from the improvement journey. It should only be done if the advantages are clearer than set out in Stronger Somerset.

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