

SCRUTINY FOR POLICIES, CHILDREN & FAMILIES ADVISORY BOARD

Tuesday 25 January 2022

10.00 am Virtual Meeting via Microsoft Teams



To: The Members of the Scrutiny for Policies, Children and Families Advisory Board

Cllr L Redman (Chair), Cllr R Williams (Vice-Chair), Cllr M Dimery, Cllr James Hunt, Cllr B Revans, Cllr W Wallace and Cllr J Williams
The Revd T Osmond, R Hobbs and E Tipper – co-opted members

All Somerset County Council Members are invited to attend.

Issued By Scott Wooldridge, Strategic Manager - Governance and Democratic Services - 17 January 2022

For further information about the meeting, please contact Neil Milne on 01823 357628 or NDmilne@somerset.gov.uk or Fiona Abbott on 01823 357628 or fabbott@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This advisory board meeting is open to the public and press.

This agenda and the attached reports and background papers are available on the Council's website on www.somerset.gov.uk/agendasandpapers

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



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AGENDA

Item Scrutiny for Policies, Children and Families Advisory Board - 10.00 am Tuesday 25 January 2022

**** 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 **Minutes from the previous meeting held on Wednesday 1 December 2021**
(Pages 9 - 12)

The Committee is asked to confirm the minutes are accurate.

4 **Public Question Time**

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

5 **Scrutiny for Policies, Children and Families Committee Work Programme**
(Pages 13 - 22)

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

- a) The Committee's work programme
- b) The Committee's Outcome Tracker

Please use the following link to view the latest Cabinet Forward Plan of planned key decisions that have been published on the Council's website [Cabinet Forward Plan of Key Decisions](#)

Item Scrutiny for Policies, Children and Families Advisory Board - 10.00 am Tuesday 25 January 2022

6 **Partnership Children & Young People's Plan 2022 - 2025** (Pages 23 - 38)

To consider the report and presentation.

7 **Children's Services Business Plan and resourcing through the Medium-Term Financial Plan for 2022 - 2023** (Pages 39 - 118)

To consider the MTFP report for Children and Families Services and discuss the recommendations. The report considered at the Cabinet meeting held on 19 January 2022 and associated appendices is also attached.

A PowerPoint presentation outlining the context to the Children's Services Business Plan will follow.

8 **Task & Finish Group - update**

To receive update from the Chair of the Task and Finish Group – 'Continuity of Children's Services through Local Government Reorganisation in Somerset'

9 **Items for information**

- (a) Scrutiny Review update
- (b) Family Safeguarding in Somerset - interim evaluation

If Committee members have any questions or comments on the information, please contact fabbott@somerset.gov.uk in the first instance and before the date of the Committee meeting.

10 **Any other urgent items of business**

The Chair may raise any items of urgent business.

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General Guidance notes for Somerset County Council advisory virtual meetings

1. Advisory Virtual Council Public Meetings

Please be advised that this is an Advisory Board meeting and as a consultative meeting without any decisions to be made. It is not a meeting as defined under the Local Government Act 1972 or Local Government Act 2000 and therefore can take place virtually.

2. Inspection of Papers

Any person wishing to inspect minutes, reports, or the background papers for any item on the agenda should contact Democratic Services at democraticservices@somerset.gov.uk or telephone 01823 357628. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers.

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 on the council website at [Code of Conduct](#).

4. Minutes of the Meeting

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

5. Public Question Time

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

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

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

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're referring to a specific page, mention the page number.
- Switch off your video and microphone after you have spoken.
- There is a facility in Microsoft Teams under the ellipsis button called turn on live captions which provides subtitles on the screen.

7. **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 Meeting 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.

Advisory Board meetings are not recorded by the Council as they are not formal meetings.

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SCRUTINY FOR POLICIES, CHILDREN AND FAMILIES COMMITTEE

Minutes of a Meeting of the Scrutiny for Policies, Children and Families Committee held in the Luttrell Room - County Hall, Taunton, on Wednesday 1 December 2021 at 2.00 pm

Present: Cllr L Redman (Chair), Cllr R Williams (Vice-Chair), Cllr M Dimery, Cllr James Hunt, Cllr B Revans, Cllr W Wallace and Cllr J Williams
The Revd T Osmond and E Tipper – co-opted members

Other Members present: Cllr F Nicholson

Other members attending virtually: Cllr C Paul and Cllr S Coles

Apologies for absence: Cllr L Vijeh and R Hobbs (co-opted member)

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

There were no new declarations of interest made at the meeting.

2 **Minutes from the previous meeting held on Monday 8 November 2021** - Agenda Item 3

The minutes of the meeting held on Monday 8 November 2021 were signed and approved as a correct record.

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

There were no questions submitted by members of the public.

4 **Scrutiny for Policies, Children and Families Committee Work Programme** - Agenda Item 5

The Committee considered and noted the work programme and outcome tracker and the Council's Forward Plan of proposed key decisions in the forthcoming months, including Cabinet meetings.

It was agreed that: -

- The Governance Specialist liaise with the Adults and Health Scrutiny Committee regarding the scheduling / prioritisation of the joint workshop items detailed in the work plan.
- The Chair asked that the Adoption Medicals item (lessons learnt) be brought to the Committee at the earliest opportunity.
- The following 'Items for information' will now be items on the agenda for the next meeting of the Committee - (a) Scrutiny review update; (b) Progress on Actions from Joint Workshop in October 2020 – Transition arrangements preparing for adulthood.

That the Committee's work programme and outcome tracker be updated, as discussed at the meeting.

5 **Progress update on the Written Statement of Action** - Agenda Item 8

The Committee received a PowerPoint presentation from the Council's Assistant Director, Inclusion, Dr Rob Hart, who presented a progress update on the Written Statement of Action (WSoA). The Committee had received the following documents with the agenda papers for the meeting: -

- Written Statement of Action Progress Report that was shared with DfE and NHSE advisors in September 2021;
- Some short summary slides showing the most recent progress update to the SEND Improvement Board in November 2021; and
- The original Written Statement of Action (for context/ background)

Dr Hart covered the following in the presentation - background to the WSoA and what trying to achieve; how the WSoA is being implemented and monitoring; the difference being made, successes and impact; the risks and challenges; and priorities for the next 12 months.

The Committee asked detailed questions and made a number of comments, which were responded to at the meeting, covering – preparations being made and timeline for the reinspection; resourcing to deliver the WSoA; impact of covid on staff capacity; engagement with families; links / relationship of SEND Strategy for 2023 onwards, to the developing Education Strategy; information sharing. Dr Hart said that by December 2022, he is confident will have delivered WSoA and embedded the improvement need to do.

On behalf of the Committee, the Chair thanked Dr Hart for the detailed presentation and asked that the WSoA be brought back to a future meeting to provide information in more depth on the following – the items identified in 'red' on the progress overview (listening to CYP and their families; consistency of practice); clarity on resourcing point; data and digital inclusion; explanation / clarity on the relationship with the developing Education Strategy. The Chair and the Vice Chair will discuss with officers the best way forward for this.

6 **Development of an Education Strategy for Somerset** - Agenda Item 6

The Committee received a PowerPoint presentation from the Council's Assistant Director, Education, Partnership and Skills, Ms Amelia Walker, on the development of an Education Strategy for Somerset. This followed on from the presentation given at the October 2021 meeting on changes to the education governance arrangements in Somerset. The Cabinet member, Councillor Frances Nicholson introduced the item and said that the new Schools Forum

had held its first meeting recently and it felt positive and effective. The new Strategy Board will hold its first formal meeting shortly.

In the presentation, Ms Walker outlined the complex education landscape and the local authority role in education. In conclusion she explained that there are a number of areas under development which might feed into a new *system* Strategy, including: -

- the findings from Inclusion Inquiry;
- a new project working with LA Maintained schools (with option to extend to academies and trusts in future) looking at opportunities to get better value for money so we can invest;
- Oxford Brookes's project on Early Help;
- work underway to re-imagine how SEND services are delivered;
- expanding opportunities for cross-border working on curriculum and subjects, building on West Somerset Opportunity Area project.

These can be reported back to this Committee as they develop over the course of the coming year. It was noted that the findings from the Inclusion Inquiry is scheduled for a meeting of the Committee early next year.

The Committee asked detailed questions about the development of the Strategy and the partnership approach needed to take this forward. On behalf of the Committee, the Chair thanked Ms Walker for the detailed presentation, recognising that it is still early on in the process and the Strategy Board is yet to meet. The Committee would welcome feedback on the development of the Strategy and this will be added to the Committees' outcome tracker.

7 **Evaluation of Somerset Family Safeguarding: Interim Report** - Agenda Item 7

This item was DEFERRED to next meeting.

8 **Supporting Eco-Friendly Schools** - Agenda Item 9

The Committee considered a report and received a PowerPoint presentation from the Council's Head of Support Services for Education, Mr Ian Rowswell on work undertaken on supporting eco-friendly schools [Eco-Friendly Schools | Support Services for Education](#)

The SSE website was launched recently and provides useful information on how schools can undertake activities and link into the eco schools programme for example. Mr Rowswell provided some detail of support around school meal provision. He also outlined the next steps, as follows: –

- continue to promote the website and for further online events for schools;

- adding further information and links to new projects and resources that could support schools;
- work closely with the School Improvement Team to help evaluate resources and identify good curriculum links and resources;
- SCC successful bid to the Forestry Commission's Local Authorities Treescape Fund should result in planting 320 trees across Somerset;
- closer working with stakeholders and in particular with District Council colleagues; and
- consider how to address risks around capacity.

In response to comments made, Mr Rowswell said that the website will provide signposting to other funding opportunities and have focussed attention on additional support which schools can access. He also commented that are working closely with the Somerset Waste Partnership as well.

On behalf of the Committee, the Chair thanked Mr Rowswell for the detailed presentation. It was agreed that an information sheet would be circulated to all members in due course.

9 **Items for information** - Agenda Item 10

The Committee noted the following information item had been circulated since the last meeting: -

- (a) CAMHS service delivery update – considered by the [Somerset Health & Wellbeing Board at the meeting on Monday 22 November 2021](#)

10 **Any other urgent items of business** - Agenda Item 11

There were no other items of business.

(The meeting ended at 4.23 pm)

CHAIR

Scrutiny for Policies Children and Families Committee Work Programme 2022

Committee meeting dates / proposed agenda items	Lead Officer/Item Lead
Tuesday 25 January 2022 @ 10 am	
Partnership Children & Young People's Plan 2022 – 2025	Claire Winter & Caroline Dowson / Fi Phur
Children's Services Business Plan and resourcing through the Medium-Term Financial Plan for 2022 - 2023	Donna Parham & Claire Winter
Task & Finish Group - update	Cllr Leigh Redman
Items for information	
(a) Scrutiny review update	Jamie Jackson
(b) Family Safeguarding interim evaluation	Louise Palmer
Monday 28 February 2022 @ 10 am	
School Exclusions - update on Task & Finish group	Dr Rob Hart
Inclusion Inquiry	Dr Rob Hart
Homes for Children	Helen Price
Items for information:	
(a) Trauma Informed Somerset	Vikki Hearn
Monday 4 April 2022 @ 10 am – informal meeting	
Propose that this meeting date is cancelled and join informal meeting on 6 April	
Adults & Health Scrutiny Cttee - 6 April @ 10 am – informal joint workshop with Children & Families Scrutiny Cttee members invited	
Feedback from transition arrangements – preparing for adulthood	
Mental health support in the community / response times - provisional	

Suggested agenda items / for joint workshop with Adults & Health Scrutiny Committee

- Immunisations
- Adoption Medicals

(What impact does that have on Children in Somerset?)

Scrutiny for Policies Children and Families Committee Work Programme 2022

- The impact on Children and Families of the next stage of migration/roll out of Universal Credit.

Meeting dates for 2022

10 am start – to be held in The Luttrell Room, County Hall, Taunton

- **Tuesday 25 January**
- **Monday 28 February**
- **Monday 4 April**
- **Monday 6 June**
- **Monday 4 July**
- **Monday 5 September**
- **Monday 3 October**
- **Monday 7 November**
- **Monday 12 December**

Note: Members of the Scrutiny Committee and all other Members of Somerset County Council are invited to contribute items for inclusion in the work programme. Please contact Democratic Services (01823) 359500 & democraticservices@somerset.gov.uk who will assist you in submitting your item.

Version as at 12 January 2022

(What impact does that have on Children in Somerset?)

Scrutiny for Policies Children & Families Committee Outcome Tracker

Agenda items	owner	Agreed Outcome	RAG Status
24 January 2020			
Family Safeguarding	Louise Palmer	<p>It was suggested and agreed that an update would be provided in 6 months.</p> <p>Update November 2020 <i>Due to the impact of Covid, the roll out of Family Safeguarding was postponed until October 2020. The impact of this model on social work practice and evidencing the improvements in children's lives will start to be seen in the first 9 to 12 months from implementation</i></p> <p>Update April 2021 <i>Update provided to the Cabinet meeting on 21 April 2021 circulated to the Scrutiny Cttee.</i></p>	<p>York Consulting report – December 2021 mtg – item was deferred at meeting - to January 2022 as item for information</p>
9 July 2020			
Unitary update	Julian Wooster	<p>DCS and team to prepare an issues paper around preparing for transition – Children's Services.</p> <p>Update December 2020 – <i>terms of reference being developed, to be taken forward via Task and Finish group.</i></p> <p>Update January 2021 – <i>proposed terms of reference discussed</i></p> <p>Update 3 March 2021 – <i>membership confirmed at meeting</i></p> <p>Update 7 July 2021 – <i>update report received at meeting. Update to be on agenda for September meeting</i></p> <p>Update 9 September 2021 – <i>update on restart of the Task & Finish Group</i></p>	<p>Task and Finish Group work - on going</p>

Scrutiny for Policies Children & Families Committee Outcome Tracker

7th October 2020 – joint workshop with Adults and health Scrutiny Committee			
Transition arrangements – preparing for adulthood	Mel Lock / Julian Wooster	Joint Adults & Health / Children & Families scrutiny workshop welcomed and from each of the workshops any actions arising would be articulated and tracked and feedback to the relevant Scrutiny Committee and added to future workplans.	Progress on actions – as an information item to December 2020 cttee meeting moved to January 2022 - to be recommended to attend Adults & Health Cttee when report considered
			January 2022 update – will now be at informal Joint workshop with Adults & Health Scrutiny Cttee on 6 April 2022
12th November 2020			
Scrutiny review	Jamie Jackson	Detailed update provided about the background to the review, recommendations agreed, and actions taken. Focused on Recommendations 5, 7, 10 and that target is to ensure that all recommendations have been fully embedded by March 2021. Update noted.	Update now to Jan 2022 mtg - to include update / progress on actions specific to this Cttee.

Scrutiny for Policies Children & Families Committee Outcome Tracker

2nd December 2020			
Written Statement of Action	Julian Wooster	The Director provided a detailed report which provided a further update about the Written Statement of Action (WSOA) which priorities the areas' work on Special Educational Needs and Disabilities (SEND) in the forthcoming 18 – 24 months. A copy of the signed-off WSoA had also been provided to the Committee. The Committee discussed the best way to add value and what it should focus its efforts on	This is a key ongoing programme of work
		<p>Agreed: -</p> <ol style="list-style-type: none"> 1. To note that following the focused work on School Exclusions, a report on the timeliness and quality of Education, Health and Care Plans (EHCP) will be considered at the Scrutiny Committee at its meeting on 27 January 2021. 2. That, in view of the significant challenges in Somerset, the SEND Improvement Board be encouraged to closely monitor the work joint working improvements needed between partners to support children with Autism and other associated neuro-development conditions. 3. That the following areas within the WSoA will be explored in more detail by the Scrutiny Committee: - <ul style="list-style-type: none"> ➤ Leadership (Improvement Priority 2) ➤ ASD (Improvement Priority 5) (see recommendation 2 above) ➤ Inclusive Schools (Improvement Priority 6) ➤ Performance Monitoring 4. The Chair and Vice Chair will meet to discuss the scheduling of the areas of work and expectations in terms of reports for example. 	<p><i>EHCP deep dive</i> October 2021 mtg</p> <p><i>Update on WSoA – Dec 2021 mtg</i> Report Inclusion Inquiry – Feb 2022 mtg</p> <p>Educational performance issues – see October 2021 and December 2021 mtgs</p>
27 January 2021			
Work programme	Ian Rowswell	School Meals provision – referencing the Somerset climate emergency policies – raised Cllr Dimery	Completed 1 December 2021 mtg

Scrutiny for Policies Children & Families Committee Outcome Tracker

Children's Services data overview		<p>AGREED: -</p> <ol style="list-style-type: none"> 1. That the presentation be noted and welcomed in helping to inform the future work of the Committee. 2. That further work is needed to consider what the data implies and to frame and articulate this future work. 3. That the Chair and Vice Chair will meet to discuss this further. 	On-going
3 March 2021			
Overview of prevention work	Louise Palmer	<p>Ms Palmer was asked to share details of the Early Help Board meetings, so those members who are interested can dip into them, as observers. The Cttee noted that early help is delivered by many partners and it can happen at any time</p> <p>Ms Palmer to provide a briefing note on early help, to be shared with all members, to include an explanation about how early help relates to prevention particularly in the sense of being reactive rather than proactive (context).</p>	Will form part of Family Safeguarding item – Dec 2021 meeting – agreed to defer to Jan 2022 mtg
9 June 2021 – informal			
Homes for children in Somerset	Helen Price	Feedback report in 6 months	Item for January 2022 meeting
Education performance development of an education strategy for Somerset	Amelia Walker	Followed presentation on education & performance trends and item to October meeting on changes to education governance	December mtg - Analysis to support development of an Education Strategy for Somerset

Scrutiny for Policies Children & Families Committee Outcome Tracker

7 July 2021			
Work programme		Scrutiny Manager to clarify responsibilities between the Adults and Health Committee and the Children & Families Scrutiny Committee. For further review: - <ul style="list-style-type: none"> • Report on the extent of the impact of COVID on children & young people's education in Somerset – raised at meeting on 7 July 2021 	Pending Pending
		CAMHS service delivery update – this request will be considered as an item for information at the earliest opportunity (for possible feedback at another time).	HWB considered on 22 November 2021 - paper for information - Cttee meeting on 1 December 2021
6 months on - learning from the voice of children & young people in the later stages of the pandemic	Fi Phur	Received presentation and update on development of the CYPP 2022 – 2025 and to hear what young people have said directly about their experiences. This followed item on agenda of 12 November 2020 meeting. The Chair summed up the discussion as follows: – <ul style="list-style-type: none"> • heard about the development of the next CYPP and how it is being shaped and ensure lessons learnt and that young people are instrumental in this. • good to hear about the health and wellbeing intern and about the work they are doing and asked if they could come to a future Scrutiny Committee meeting to update members about this work. • noted the safeguarding animation and training to help the LA Designated Officer (LADO) and GP's. • asked for some case studies to be provided which could be shared widely (<i>you said, we did</i> etc.). • asked that further information on the 'Big Tent' and <i>Kooth</i> be circulated to the Committee. • asked that a briefing note about summer activities and eligibility, be circulated to all members. 	New CYPP to be considered at Cttee mtg in January 2022

Scrutiny for Policies Children & Families Committee Outcome Tracker

School Exclusions	Dr Rob Hart	The Committee asked for more information on the local first panel model and for an update in 6 months on progress actions taken on the recommendations from the Committee's Task and Finish Group and the future work outlined in the presentation	Now Feb 2022 mtg
9 September 2021			
Work programme		To add to work plan: - <ul style="list-style-type: none"> • Roll out of Pantry Project etc and support to children & families 	Pending
4 October 2021			
Work programme	Dr Rob Hart	<ul style="list-style-type: none"> • WSoA – requested update at future meeting 	Completed December mtg
	Dr Rob Hart	Add update on Inclusion Inquiry to work plan	Now Feb 2022 mtg
8 November 2021			
Work programme		To consider for work plan: - Issues around delivery of PHSE programme in schools, the benefits & challenges posed	Pending
		Item on eco schools to be considered at December meeting	Completed December mtg
SSCP Practice Reviews process	Caroline Dowson	The Committee received information on the process for rapid reviews and local child safeguarding practice reviews and learning from the two local child safeguarding practice reviews published in August 2021.	Completed November mtg
	Caroline Dowson	Thematic Report – to be added to work plan.	Pending
West Somerset Opportunity Area	Julia Ridge	The Committee received information highlighting the progress and 'the difference made' 2017 – 2021. We noted the successes and challenges still faced and how the learning can be shared / be beneficial for other Somerset communities. The programme covers 4 key areas – early years, excellence in the classroom, transition to adulthood, business and enterprise. Noted the successes and challenges still faced and how the learning can be shared / be beneficial for other Somerset communities.	Completed November meeting

(Our focus is - What impact does that have on the Children in Somerset?)

Scrutiny for Policies Children & Families Committee Outcome Tracker

	Julia Ridge	Asked for the outcomes / summary report from the work to be shared.	Pending
Trauma Informed Approach	Vikki Hearn	<p>Workshop item - covered what the elements of a 'trauma informed Somerset' might look like, the emerging themes and the possible steps which may need to take, based on feedback from a professionals workshop which was held on 1 November.</p> <p>The Committee welcomed and supported the work around the 'trauma informed Somerset'. Information on the film 'resilience' will also be shared following the meeting.</p>	Completed November 2021
	Vikki Hearn	Agreed that a progress update be provided in 3 months.	Pending Feb 2022
1 December 2021			
Work programme		<p>It was agreed that: -</p> <ul style="list-style-type: none"> • The Governance Specialist liaise with the Adults and Health Scrutiny Committee regarding the scheduling / prioritisation of the joint workshop items detailed in the work plan. • The Chair asked that the Adoption Medicals item (lessons learnt) be brought to the Committee at the earliest opportunity. 	Pending
		<ul style="list-style-type: none"> • The following 'Items for information' now be items on the agenda for the next meeting of the Committee - (a) Scrutiny review update; (b) Progress on Actions from Joint Workshop in October 2020 – Transition arrangements preparing for adulthood 	<p>(a) January 2022 (b) April 2022 - workshop mtg with Adults Cttee</p>
Education Strategy for Somerset	Amelia Walker	Received detailed presentation on the development of an Education Strategy for Somerset. Feedback on the development of the Strategy to be added to the work plan.	Pending – progress update to June 2022 provisionally

Scrutiny for Policies Children & Families Committee Outcome Tracker

Progress update on Written Statement of Action (WSOA)	Dr Rob Hart	Received detailed presentation / progress update on the WSoA. The WSoA be brought back to a future meeting to provide information in more depth on the following – the items identified in 'red' on the progress overview (listening to CYP and their families; consistency of practice); clarity on resourcing point; data and digital inclusion; explanation / clarity on the relationship with the developing Education Strategy. The Chair and the Vice Chair to discuss with officers the best way forward for this.	Pending – progress update to July 2022 provisionally
Supporting eco schools	Ian Rowswell	Detailed presentation on work undertaken on supporting eco-friendly schools - https://www.supportservicesforeducation.co.uk/Services/6088 The Chair thanked Mr Rowswell for the detailed presentation. Agreed that an information sheet would be circulated to all members in due course.	Completed December 2021

The CYPP 2019-2022 had been produced following a multi-agency process, overseen by Somerset Children's Trust.

The CYPP had 4 priorities: **Supported Families; Healthy Lives; A Great Education; Positive Outcomes.**

2021 - 22 Municipal Year

Version as at 17.01.22

Completed	Action complete and will be removed from tracker for next meeting and retained on Master Tracker document.
Pending	Action on-going or plans in place to address.
Incomplete	No action currently in place with a minimum of 3 months since action agreed.

(Our focus is - What impact does that have on the Children in Somerset?)

SOMERSET CHILDREN AND YOUNG PEOPLE'S PLAN 2022-25

SCC Children and Families Scrutiny

25 January 2022

Children & Young People's Plan 2022-25

- ❑ Three priorities:
 1. Keeping children and young people safe
 2. Supporting physical and emotional health and resilience
 3. Enabling young people to learn and thrive
- ❑ Safeguarding aspects will all be covered under priority 1 through existing strategies and governance structures
- ❑ The plan will co-ordinate universal and targeted activity from existing strategies and plans, with specified accountability
- ❑ Plan due to be published on **18 March 2022**

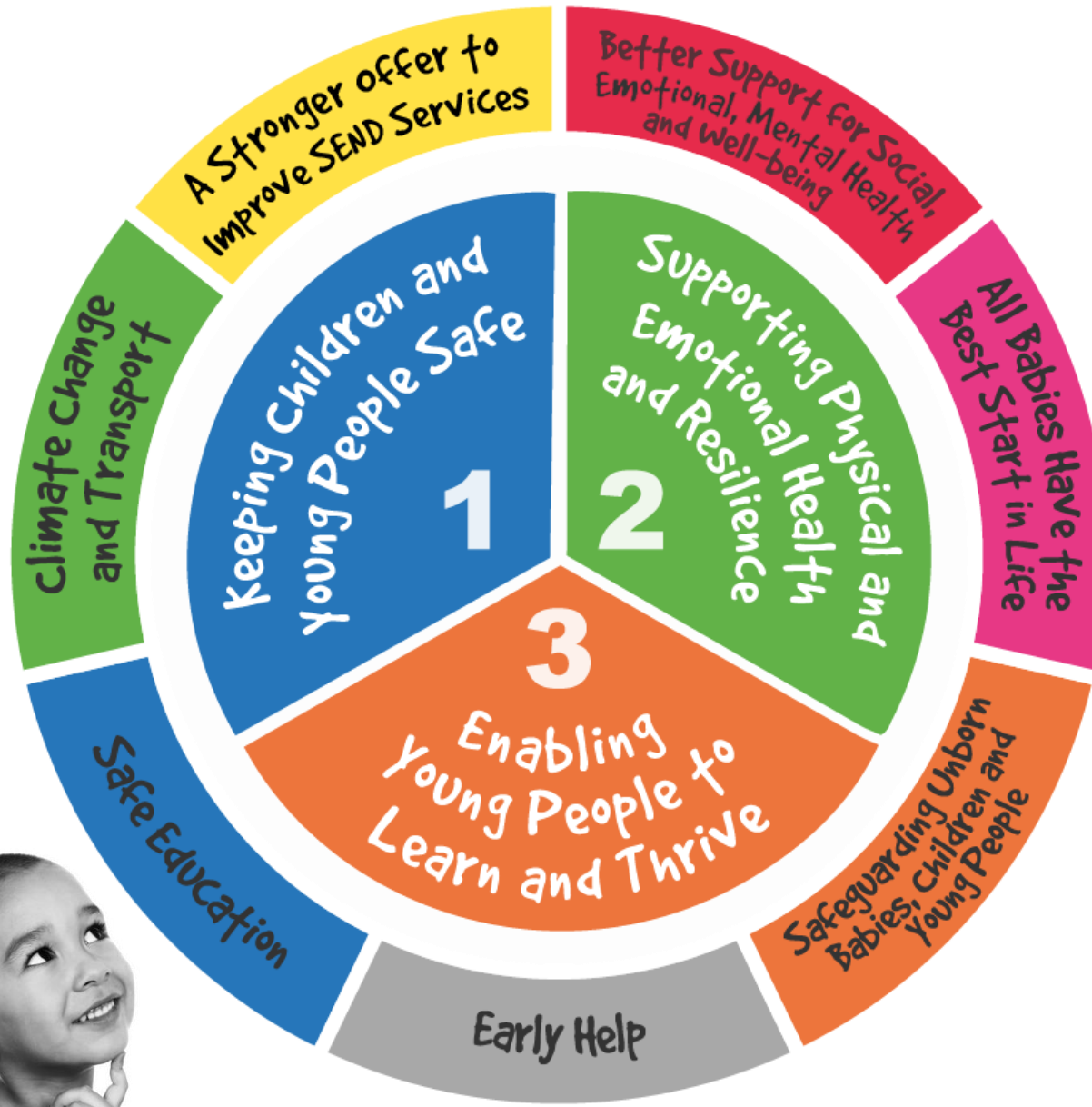
Our Vision:

Our vision is that Somerset's unborn babies, children and young people grow up in a child friendly county that supports them to be happy, healthy and prepared for adulthood.

We will keep our unborn babies, children and young people safe and help them to thrive and to be ambitious – building a county that encourages equality and diversity, protects that environment and strives for progress on climate change for future generations. We want to increase social mobility that, in turn, will build a more prosperous county.

We aim to improve outcomes for all our children whilst recognising the need for outcomes to improve faster for vulnerable unborn babies, children and young people.

We are a county that listens to and supports our children, young people and their families to share their lived experiences in order to make the right decisions on service provision with them.



Somerset Safeguarding Children Partnership:

All unborn babies, children and young people in Somerset are the responsibility of three statutory safeguarding partners – Somerset County Council, Somerset Clinical Commissioning Group and Avon and Somerset Constabulary – as well as relevant agencies as set out in 'Working Together to Safeguard Children' (2018). This arrangement is called the Somerset Safeguarding Children Partnership (SSCP) who have overall responsibility for the Children and Young People's Plan.

Principles that underpin our vision:

Using robust data and regular progress reports we will ask the question 'How did this make a difference?' We will listen and respond to what children and young people and their families tell us, as part of our accountability to them.

Taking a whole family approach we will support our families to be strong, providing adults and children with the tools they need to work together to support each other's goals and achieve long-term change and stability.

Universal Children and Young People's plan to reflect three priorities:

1 Keeping children and young people safe

- Somerset Safeguarding Children Partnership
 - Neglect
 - Child Exploitation
 - Emotional Health and Well-Being
 - Safe Education
- Safer Somerset Partnership
 - Domestic Abuse Board
 - Violence Reduction
 - Police & Crime Plan

2 Supporting physical and emotional health and resilience

- Health Safeguarding Children Partnership
- CYPMH & EWB Focus Group
- CCG - Women and Children's Health
- Early Help Board
- Public Health

3 Enabling young people to learn and thrive

- Education Partnership
- Universal Safe Education
- SEND/Inclusion Board / WSoA
- Early Help Board
- Transport Board

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Cross-cutting

Corporate Parenting Board

Youth Justice Board

Climate

CYPP Universal Priority	CYPP Targeted Priority(s)	CYPP universal reporting	CYPP safeguarding reporting	Children's Transformation Programme	Strategic Links
1: Keeping children and young people safe	<ul style="list-style-type: none"> ▪ Safeguarding Unborn Babies, Children and Young People ▪ Safe Education 		<ul style="list-style-type: none"> • Somerset Safeguarding Children Partnership (& subgroups) • Safer Somerset Partnership • Youth Justice Board 	<ul style="list-style-type: none"> • Early Help • Family Solutions Somerset • Building Local Capacity & Sufficiency • (Joint Commissioning) 	<ul style="list-style-type: none"> • Somerset Neglect Strategy • Somerset Corporate Parenting Strategy • Somerset Child Exploitation Strategy • NHS Long Term Plan • Somerset Education Strategy • Somerset Early Help Strategy • Domestic Abuse Strategy • Somerset Violence Reduction Strategy
2: Supporting physical and emotional health and resilience	<ul style="list-style-type: none"> ▪ Better Support for Social, Emotional, Mental Health and Well Being ▪ All Babies Have the Best Start in Life ▪ Early Help ▪ Climate Change & Transport 	<ul style="list-style-type: none"> • CYPMH & EWB Focus Group • CCG - Women and Children's Health • Corporate Parent Board • Early Help Board • Public Health • Climate 		<ul style="list-style-type: none"> • Early Help • (Joint Commissioning) 	<ul style="list-style-type: none"> • NHS CYPMHS Local Transformation Plan • CYP Local Transformation Plan • Somerset SEND WSoA / SEND Strategy • Maternity Transformation Plan • Somerset Early Help Strategy • Somerset Climate Emergency Strategy
3: Enabling young people to learn and thrive	<ul style="list-style-type: none"> ▪ Safe Education ▪ Stronger Offer to Improve SEND Services ▪ Early Help ▪ Climate Change & Transport 	<ul style="list-style-type: none"> • Education Partnership • SEND Improvement Board • Early Help Board • Climate • Transport 		<ul style="list-style-type: none"> • SEND Improvement • Education Partnership • (Joint Commissioning) 	<ul style="list-style-type: none"> • Somerset Education Strategy • Somerset SEND WSoA / SEND Strategy • Somerset Early Help Strategy • Somerset Climate Emergency Strategy • Bus Service Improvement Plan (BSIP) (scheme is legally binding)

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Progress report on the Somerset Safeguarding Children Partnership Children & Young People's Plan 2022 – 25.

Lead Officer: Claire Winter, Assistant Director, Children's Services

Author: Caroline Dowson, SSCP Business Manager

Contact Details: CDowson@somerset.gov.uk, FZPhur@somerset.gov.uk

Cabinet Member: Frances Nicholson

Division and Local Member: All (county-wide implications)

1. Summary

1.1 The Children's Trust Board was incorporated into the Somerset Safeguarding Children Partnership (SSCP) when the new arrangements took effect, and therefore the SSCP took oversight of the existing Children and Young People's Plan (2019-2022). The current plan ends on 31 March 2022 and the next plan is at an advanced stage of development and consultation, with new priorities agreed and the development of a 'Plan on a Page', which will be underpinned by a series of measures taken from existing strategies with specified governance. The Children and Young People's Plan for Somerset is the over-arching partnership plan and co-ordinates shared activity to improve outcomes for children, young people and their families.

Links to County Plan

1.3 The Children and Young People's Plan will discharge the partnership responsibility to promote the welfare of and safeguard all children in Somerset. The new plan will link to the County Vision of partnership working for the benefit of children and families, with a focus on those most in need of safeguarding to promote the best possible outcomes.

2. Issues for consideration / Recommendations

2.1 The Scrutiny for Policies for Children and Families Committee is asked to note and comment on:

The consultation with children, young people and stakeholders on the new plan.

The new priorities for the plan:

- **Keeping children and young people safe**
- **Supporting physical, emotional health and resilience**
- **Enabling children and young people to learn and thrive.**

3. Background

3.1 The new safeguarding arrangements took effect on 29 September 2019 as set out in Working Together to Safeguard Children (2018). The three statutory safeguarding partners (Somerset County Council, Somerset Clinical Commissioning Group, and Avon and Somerset Constabulary) have a shared and equal duty to make arrangements to work together to safeguard and promote the welfare of all children in the local area.

3.2 The SSCP recognises the need to ensure safeguarding is at the centre of the next plan, but that it also encompasses a whole system, partnership approach that supports children, young people and their families who only access universal services, and not just those who make use of targeted or specialist parts of the system. The new plan will align to strategies, existing and under development, that contribute to the plan, and specify accountable bodies or individuals against the priorities. The analogy proposed is that the 'Plan on a Page', which is the overall snapshot view of the plan, functions like a 'bookcase' and co-ordinates the activity taking place across the partnership behind the plan.

4. Consultations undertaken

4.1 The SSCP decided, through the SSCP Partnership Business Group in June 2021, to consult widely with children and young people on their priorities and to ratify this with the SSCP subgroups. The process for consultation is through the SSCP subgroups, as shown in the structure chart, <https://sscb.safeguardingsomerset.org.uk/wp-content/uploads/Structure-Chart-Childrens-safeguarding-Arrangements-in-Somerset-Sept-2021.pdf> as well as other associated groups, such as the SEND Board.

Young people also presented their priorities in June 2021 during the online Somerset Safeguarding Children Partnership Forum week and engaged with stakeholders in discussing their priorities. The Youth Forum, which holds the SSCP Executive Group to account through an annual conversation, discussed the priorities further with the Executive in October 2021.

5. Implications

5.1 The priorities agreed to date are:

- Keeping children and young people safe
- Supporting physical, emotional health and resilience
- Enabling children and young people to learn and thrive.

5.2 Behind the Plan on a Page, key priorities from each associated strategy or plan will be monitored and reported on a quarterly basis.

6. Background papers

6.1 The Children and Families Scrutiny Committee has been presented with the attached papers for consideration.

Document 1 – Our Vision

Document 2 – Universal C&YPP priorities

Document 3 - Priorities

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

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Our Vision:

Our vision is that Somerset's unborn babies, children and young people grow up in a child friendly county that supports them to be happy, healthy and prepared for adulthood.

We will keep our unborn babies, children and young people safe and help them to thrive and to be ambitious – building a county that encourages equality and diversity, protects that environment and strives for progress on climate change for future generations. We want to increase social mobility that, in turn, will build a more prosperous county.

We aim to improve outcomes for all our children whilst recognising the need for outcomes to improve faster for vulnerable unborn babies, children and young people.

We are a county that listens to and supports our children, young people and their families to share their lived experiences in order to make the right decisions on service provision with them.



Somerset Safeguarding Children Partnership:

All unborn babies, children and young people in Somerset are the responsibility of three statutory safeguarding partners – Somerset County Council, Somerset Clinical Commissioning Group and Avon and Somerset Constabulary – as well as relevant agencies as set out in 'Working Together to Safeguard Children' (2018). This arrangement is called the Somerset Safeguarding Children Partnership (SSCP) who have overall responsibility for the Children and Young People's Plan.

Principles that underpin our vision:

Using robust data and regular progress reports we will ask the question 'How did this make a difference?' We will listen and respond to what children and young people and their families tell us, as part of our accountability to them.

Taking a whole family approach we will support our families to be strong, providing adults and children with the tools they need to work together to support each other's goals and achieve long-term change and stability.

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Universal Children and Young People's plan to reflect three priorities:

1 Keeping children and young people safe

- Somerset Safeguarding Children Partnership
 - Neglect
 - Child Exploitation
 - Emotional Health and Well-Being
 - Safe Education
- Safer Somerset Partnership
 - Domestic Abuse Board
 - Violence Reduction
 - Police & Crime Plan

2 Supporting physical and emotional health and resilience

- Health Safeguarding Children Partnership
- CYPMH & EWB Focus Group
- CCG - Women and Children's Health
- Early Help Board
- Public Health

3 Enabling young people to learn and thrive

- Education Partnership
- Universal Safe Education
- SEND/Inclusion Board / WSoA
- Early Help Board
- Transport

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Cross-cutting

Corporate Parenting Board

Youth Justice Board

Climate Board

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CYPP Universal Priority	CYPP Targeted Priority(s)	CYPP universal reporting	CYPP safeguarding reporting	Children's Transformation Programme	Strategic Links
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2: Supporting physical and emotional health and resilience	<ul style="list-style-type: none"> ▪ Better Support for Social, Emotional, Mental Health and Well Being ▪ All Babies Have the Best Start in Life ▪ Early Help ▪ Climate Change & Transport 	<ul style="list-style-type: none"> • CYPMH & EWB Focus Group • CCG - Women and Children's Health • Corporate Parent Board • Early Help Board • Public Health • Climate 		<ul style="list-style-type: none"> • Early Help • (Joint Commissioning) 	<ul style="list-style-type: none"> NHS CYPMHS Local Transformation Plan CYP Local Transformation Plan Somerset SEND WSoA / SEND Strategy Maternity Transformation Plan Somerset Early Help Strategy Somerset Climate Emergency Strategy
3: Enabling young people to learn and thrive	<ul style="list-style-type: none"> ▪ Safe Education ▪ Stronger Offer to Improve SEND Services ▪ Early Help ▪ Climate Change & Transport 	<ul style="list-style-type: none"> • Education Partnership • SEND Improvement Board • Early Help Board • Climate • Transport 		<ul style="list-style-type: none"> • SEND Improvement • Education Partnership • (Joint Commissioning) 	<ul style="list-style-type: none"> Somerset Education Strategy Somerset SEND WSoA / SEND Strategy Somerset Early Help Strategy Somerset Climate Emergency Strategy Transport Strategy / Bus Plan

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Somerset County Council
Scrutiny for Policies, Children & Families Committee
– 25 January 2022

Medium Term Financial Plan for Children and Families Services

Lead Officer: Jason Vaughan

Author: Jason Vaughan

Contact Details: jzvaughan@somerset.gov.uk

Cabinet Member: Cllr Mandy Chilcott

Division and Local Member: All

1. Summary

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

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

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

2. Issues for consideration / Recommendations

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

3. Background

Preparations for the 2022/23 budget were reported to Cabinet in January 2022 and highlighted the difficulties of producing the 2022/23 budget against the backdrop of

the Covid-19 pandemic, uncertain funding, and preparations for Local Government Reorganisation. The full report and Appendices are attached to this report.

4. Children's Services

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

Table 1: Changes to the Children's Budget

Children's Services	£m	£m
2021/22 Original Budget		96.005
Removal Of Once Off Budgets for 2021/22	(3.211)	
In Year Permanent Virements	(0.063)	
		(3.274)
2021/22 Base Budget		92.731
Additional Funding Requirements:		
Inflation (Contractual and General)	2.227	
Demographic and other Demand Increases	5.683	
Other Funding Requirements	1.895	
Growth	0.014	
Total Additional Funding Requirements		9.819
Pay Award		2.113
Savings Previously Agreed		(1.276)
Prior Year Savings Not Delivered		0.690
New Savings Proposals		(0.816)
Use Of Reserves		1.780
Technical Adjustments		0.007
2022/23 Proposed Base Budget		105.048
Change £m		12.317
Change %		13.28%

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

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

Table 2 – Additional Requests for Funding

Description	Type	2022/23 £'m
Increasing Numbers of Children with Complex Needs	Demand/Demography	1.038
Population increase Children Looked After	Demand/Demography	0.391
Population increase Children In Need and Child Protection Plans	Demand/Demography	0.280
Increase in care days	Demand/Demography	1.178
External Placements	Inflation (contractual)	1.128
Fees and Allowances	Inflation (general)	0.150
Direct Payments and Homecare	Inflation (general)	0.035
Section 17 Placements - Children In Need	Demand/Demography	0.411
Section 17 Placements - Children In Need	Inflation (contractual)	0.027
Use of unregulated independent or semi-independent accommodation (under 16) prohibited	Change in legislation	0.225
Children's Social Care		4.863
NEETs, SEND mediation, Adopt South-West and framework memberships	Inflation (contractual)	0.098
Placements Team additional hours	Demand/Demography	0.007
Adopt Southwest increased demand in interagency placements	Demand/Demography	0.014
Adopt South West formula review	Demand/Demography	0.025
Children's Commissioning		0.144
Contribution to school planning and sufficiency capital role to extend breadth of duties	Growth	0.014
Education Partnership and Skills		0.014
Realignment between DSG and LA funding sources that support statutory SEND services	Policy/Financing Change	0.296
Realignment between DSG and LA funding sources that support statutory SEND services for School Improvement	Policy/Financing Change	0.140
Realignment between DSG and LA funding sources that support statutory SEND duties	Policy/Financing Change	0.675
Realignment between DSG and LA funding sources that support statutory SEND services for Children's Commissioning	Policy/Financing Change	0.255

Statutory SEN Team	Demand/Demography	0.655
Additional statutory capacity for Educational Psychology	Demand/Demography	0.193
Additional demand and a need to increase the age range of support from 0-13yrs to 0-16yrs in order to cover full age range	Demand/Demography	0.050
SEND Transport	Demand/Demography	1.130
SEND Transport	Inflation (contractual)	0.299
Home to School Transport	Inflation (contractual)	0.490
Change in demand for home to school transport	Demand/Demography	0.110
New legislation will remove pay seats income on vehicles with over 22 seats	Change in legislation	0.304
Transport for Yr7 and Yr8 pupils from Ilminster to Crewkerne for secondary	Demand/Demography	0.200
Inclusion Services		4.798
Total Additional Requests for Funding		9.819

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

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

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

Transformation, savings, and income generation proposals for 2022/23 include a £0.5m turnover factor in Children's Social Care and £0.3m due to the forecast impact of implementing the Building Local Capacity Programme. The SENDIAS transformation saving of £0.480m is not considered deliverable and has therefore been removed, along with the final year of the Travel Plan saving of £0.210m. These are outlined in the table below:

Table 3 – Transformation, Savings, and Income Proposals

Risk	Title	Description	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing	Type ¹
Medium	Turnover Factor	Reduction in expenditure due to employee turnover	0.500	0.000	0.000	New	S
High	Family Safeguarding	Family Safeguarding	0.984	0.000	0.000	Existing	T
High	Children's Residential Placements	Children's Residential Placements	0.312	0.156	0.000	Existing/ Amended	T
	Childrens Social Care		1.796	0.156	0.000		
High/ Medium	Pathway to Independence	Hold inflation rate at previous years' level for 1 year	0.300	(0.300)	0.000	New	S
	Childrens Commissioning		0.300	(0.300)	0.000		
Low	Reduction in travel from New Ways of Working	Reduction of 25% of travel and mileage budgets in recognition of new ways of working	0.011	0.000	0.000	New	S
Low	Reduction in travel from New Ways of Working	Reduction of 25% of travel and mileage budgets in recognition of new ways of working	0.005	0.000	0.000	New	S
High	Special Educational Needs and Disability Information, Advice and Support	Special Educational Needs and Disability Information, Advice and Support (unachievable and removed)	(0.240)	0.000	0.000	Existing/ Amended	T
High	Travel Plans	Travel Plans (unachievable and removed)	0.000	0.000	0.000	Existing/ Amended	T
Low	Staffing saving for one year only in 2021/22 this restores the budget in 2022/23)	Reduce staffing budgets for permanent and locum staff through a combination of savings from predicted	(0.470)	0.000	0.000	Existing	S

		recruitment timescales and reduced use of locums where possible. This is a one year saving only					
	Inclusion Services		(0.694)	0.000	0.000		
Total			1.401	(0.144)	0.000		

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

Children's Transformation

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

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

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

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

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

¹ Type: Saving (S); Transformation (T); Income Generation (IG)

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

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

The renewed Early Help Strategy underpins system wide work to develop a coherent, system-wide offer which empowers families and builds strength and resilience in our communities through a strengthened partnership approach.

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

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

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

Key Risks

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

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

Table 4 – Grants

Grant/Fund	2021/22 £'m	2022/223 £'m	Increase £'m
Supporting Families	0.702	0.734	0.034
Youth Justice	0.513	0.513	0.000
Staying Put	0.219	0.219	0.000
Personal Adviser Duty Implementation	0.074	0.074	0.000
School Improvement	0.513	0.513	0.000

Schools and Dedicated Schools Grant (DSG)

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

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

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

Table 5 below shows how the Somerset PUFs and SUFs have increased over time² and in comparison, to the England averages (including and excluding London authorities) and the South-West average. It also shows that Somerset continues to move up the ranking for both PUFs and SUFs.

² Teachers' Pay and Pension element has been removed from the 2021-22 and 2022-23 PUFs and SUFs to enable like for like comparison to previous years

Table 5 – Comparison of PUF and SUF funding over time

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

The allocation for Somerset Schools is an increase of £8.4m. The Schools Forum supported the approach to delegation of the Schools Block in line with the National Funding Formula (NFF) at their meeting on the 17th November 2021 and will consider the final Individual Schools Budget (ISB) proposal at their meeting on the 12th January 2022. The Schools Forum report is attached in an appendix to the Cabinet report.

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

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

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

Capital Programme

New capital bids include the following:

Table 6 – New Capital Bids

A summary of the capital bids has been set out below.

Scheme	New MTFP Request and Profiled Expenditure			
	2022/23	2023/24	2024/25	Total MTFP Bid Request
	£m	£m	£m	£m
Children and Young People				
Children's Residential	0.1	2.4	0.1	2.6
Schools Services	1.8	5.1	0.4	7.3
Total CYP Capital Programme	1.9	7.5	0.5	9.9

Financed by				
Borrowing	0.1	5.2	0.5	5.8
Grants	1.8	2.3		4.1
Total	1.9	7.5	0.5	9.9

Schools – Primary and Secondary Sector £7.3m

Schools Condition Programme - £7.3m

The Council has a statutory duty to ensure sufficient provision of new places. In addition, schools must be maintained in an appropriate condition. This funding is to ensure school buildings are safe and functional and that their condition does not detract from teaching and learning or lead to unplanned school closures.

The Department for Education (DfE) provides an annual capital grant to support this activity, usually in the region of £3m. However, there is a major and growing shortfall in funding between the level of need and the grant funding received. To ensure an effective condition programme can be delivered to address the growing backlog of unaddressed high priority items, an additional request has been made for £4.3m of SCC funding based on the need identified in the most recent condition surveys.

Early Years and Community Services £2.6m

Children's Residential Placements - £1.1m

The Council has been successful in securing Department for Education (DfE) match funding to support the previous year's proposal to purchase several residential properties for short term placements which at present are solely reliant on third party providers often at significant distances out of county.

Homes for Children with Disabilities - £1.5m

The standard of accommodation, geographical location and therefore effectiveness of SCC provision as a respite option to meet needs and identified outcomes is mixed and requires a comprehensive review alongside a wider review of how, as a system, Somerset is able to meet the respite needs of our children and young people with complex needs and disabilities requiring specialist care. The responsibility to provide suitable respite and residential accommodation for children with disabilities will not be directly affected by the outcome of the review of the local government structure in Somerset and it is prudent to seek capital funding at this stage in recognition of the investment that will be required to produce better outcomes for the children and their families whilst reducing the cost of maintaining the service.

5. Consultations Undertaken

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

6. Implications

Financial implications have been outlined within this report.

7. Background Papers

- MTFP Report to Cabinet 2021
- MTFP Update Cabinet January 2022

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

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

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

Local Member(s) and Division: All

Lead Officer: Jason Vaughan, Director of Finance & Governance

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1. Summary

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

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

2. Recommendations

2.1. That the Cabinet

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

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

3. Reasons for recommendations

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

4. Other options considered

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

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

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

6. Consultations and co-production

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

7. Financial and Risk Implications

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

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

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

8. Legal and HR Implications

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

9. Other Implications

9.1. Equalities Implications

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

9.2. Community Safety Implications

There are no community safety implications arising from this report.

9.3. Sustainability Implications

There are no sustainability implications arising from this report.

9.4. Health and Safety Implications

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

9.5. Health and Wellbeing Implications

There are currently no implications

9.6. Social Value

There are currently no implications

10. Scrutiny comments / recommendations:

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

11. Background

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

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

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

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

11.2. Current Financial Position

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

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

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

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

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

Table 1 – Financial Position at the End of November 2021

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

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

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

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

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

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

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

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

11.4. 2022/23 Revenue Budget

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

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

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

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

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

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

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

Settlement figures are published.

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

11.5. Changes to Service Budgets

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

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

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

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

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

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

11.6. Adults Services

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

Table 4: Changes to the Adults Services Budget

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

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

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

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

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

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

Adults' Transformation

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

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

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

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

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

11.7. Public Health

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

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

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

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

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

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

11.8. Children's Services

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

Table 6: Changes to the Children's Services Budget

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

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

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

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

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

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

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

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

Children's Transformation

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

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

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

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

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

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

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

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

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

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

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

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

Key Risks

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

11.9. Economic & Community Infrastructure Services

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

Table 7: Changes to the Economic & Community Infrastructure Budget

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

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

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

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

11.10. Customers, Digital & Workforce Services

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

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

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

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

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

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

11.11. Finance & Governance Services

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

Table 9: Changes to the Finance and Governance Budget

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

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

11.12. Corporate Costs

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

Table 10: Changes to the Corporate Costs Budget

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

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

11.13. Climate Change

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

Table 11: Funding for Climate change

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

11.14. Funding for Councils

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

Revenue Support Grant (RSG)

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

Rural Services Delivery Grant

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

New Homes Bonus

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

Services Grant

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

Social Care Funding

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

Better Care Fund

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

Improved Better Care Fund

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

Local Council Tax Scheme Grant

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

Council Tax

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

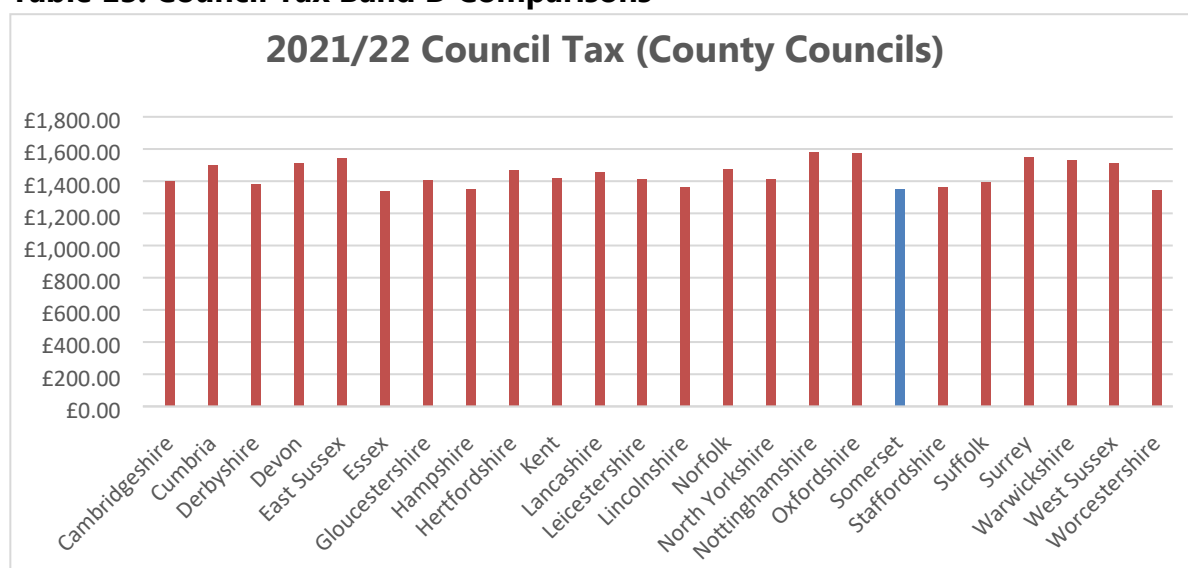
The tax base is set by the District Councils each year based upon the estimate of the number of Band D equivalent properties, discounts, local council tax support schemes and the collection rate. The MTFP in February estimated an increase of 0.5% for 2022/23 but this has improved to 0.66%. The Tax bases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

Table 12: Changes to the Tax Base by District

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

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

Table 13: Council Tax Band D Comparisons



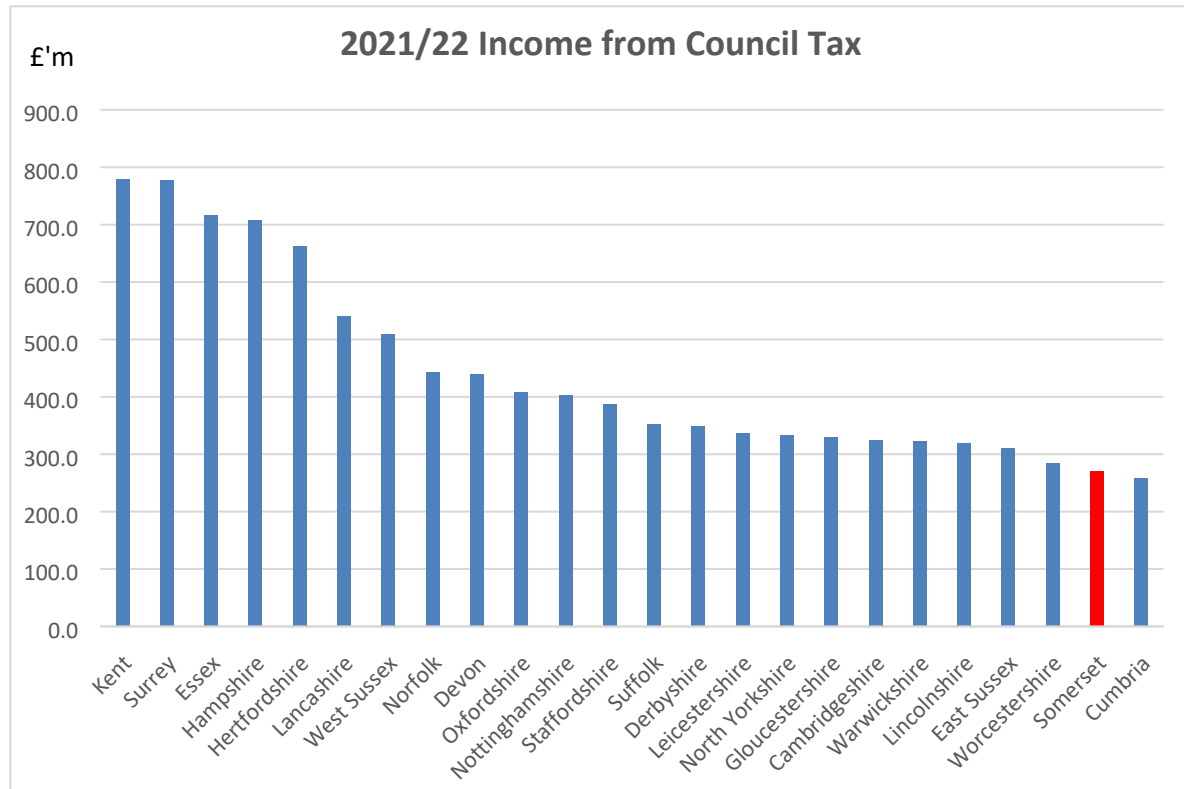
The Government controls council tax increases through the referendum limits and has set these for 2022/23 at 2% for Council Tax and 1% for Adult Social Care precept. Also, as part of Finance Settlement the government has taken these increases into account when allocating funding as part of the Core Spending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

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

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

small tax base and the low Council Tax charge.

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



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

Business Rates

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

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

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

Treasury Management

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

Schools and Dedicated Schools Grant (DSG)

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

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

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

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

Table 15 – Comparison of PUF and SUF funding over time

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

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

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

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

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

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

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

11.15. LGR and Future Year's Estimates

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

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

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

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

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

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

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

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

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

11.16. The Capital Programme

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

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

authority.

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

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

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

Table 16 – Summary of New Capital Schemes

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

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

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

Borrowing

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

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

Third Party Contributions

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

Capital Receipts

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

Capital Receipts Flexibility

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

Overall Capital Programme

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

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

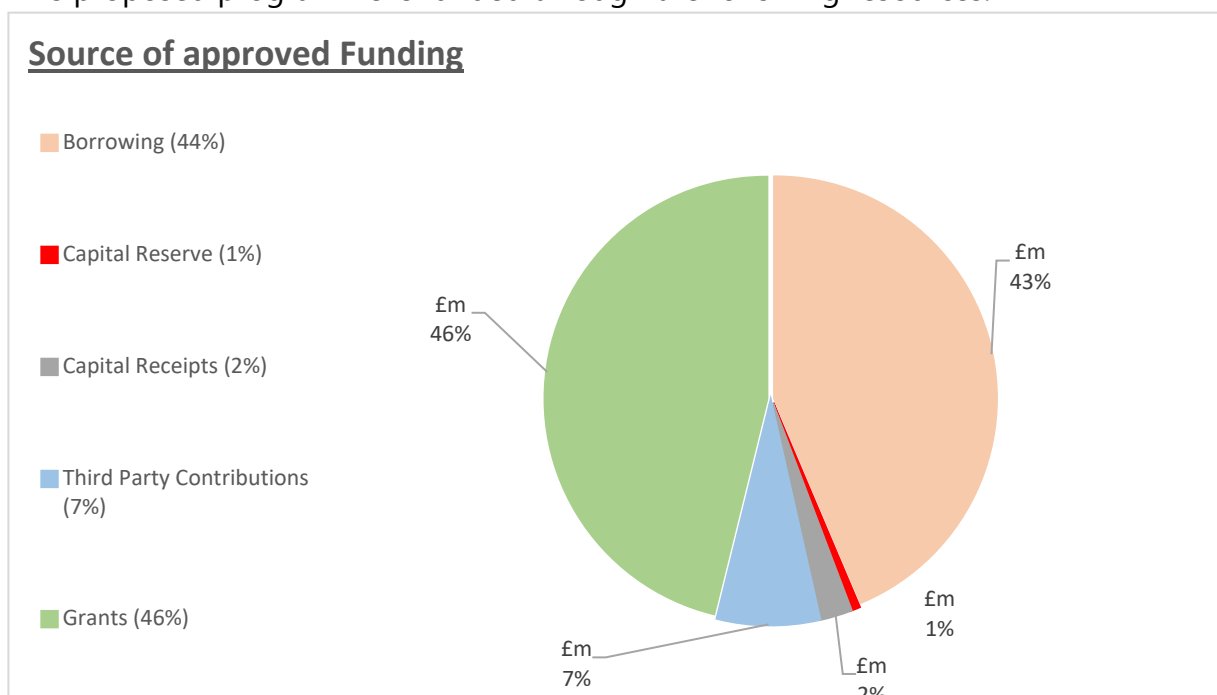
Scheme	Overall Scheme Budget		
	Total Scheme Budget	Predicted Total Expenditure	Estimated Scheme Variance
	£'m	£'m	£'m
Adult Services, Learning Disabilities and Public Health			
Adult Social Care	3.2	3.1	(0.1)
Learning Disabilities	0.1	0.1	
Children and Young People			
Children's Residential	5.2	5.2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

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

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

Total Capital Programme	179.4	173.8	(5.6)
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This proposed programme is funded through the following resources:



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

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

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

11.17. Reserves and Balances

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

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

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

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

11.18. Timetable

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

25 January 2022 – Children's & Families Scrutiny

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

26 January 2022 – Scrutiny Adults & Health Scrutiny

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

27 January 2022 – Audit Committee

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

2 February 2022 - Scrutiny for Policies & Place

Scrutiny of the January Budget Report to Cabinet

4 February 2022 – LGR Joint Committee

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

7 February 2022 – Member Budget Briefing

All Member Budget Briefing on the budget

14 February 2022 – Cabinet

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

17 February 2022 – Member Budget Briefing

All Member Budget Briefing on the final budget proposals

23 February 2022 – Full Council

Budget proposals from Cabinet including council tax increase and Capital programme

11.19. Risks

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

Table 18 – MTFP Financial Risks

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

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

Report Sign-Off

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

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
Adults	Change in legislation	Fair Cost of Care	Mel Lock	Cllr David Huxtable	1.686	0.000	0.000
Adults	Demand/ demography	Demographic Growth	Mel Lock	Cllr David Huxtable	5.159	3.452	3.458
Adults	Demand/ demography	Increased Demand	Mel Lock	Cllr David Huxtable	1.500	0.000	0.000
Adults	Demand/ demography	Void Beds - Empty Rooms within Supported Living	Mel Lock	Cllr David Huxtable	0.200	0.000	0.000
Adults	Inflation (general)	Provider Inflation	Mel Lock	Cllr David Huxtable	8.147	9.320	9.822
Adults Total					16.692	12.771	13.280
Children's	Change in legislation	New legislation will remove payseats income on vehicles with over 22 seats	Julian Wooster	Cllr Frances Nicholson	0.304	0.000	0.000
Children's	Change in legislation	Use of unregulated independent or semi-independent accommodation (under 16) prohibited	Julian Wooster	Cllr Frances Nicholson	0.225	0.236	0.248
Children's	Demand/ demography	Additional demand and a need to increase the age range of support from 0-13yrs to 0-16yrs in order to cover full age range	Julian Wooster	Cllr Frances Nicholson	0.050	0.000	0.000
Children's	Demand/ demography	Additional traded and statutory capacity for SEND	Julian Wooster	Cllr Frances Nicholson	0.193	0.000	0.000
Children's	Demand/ demography	Adopt South West formula review	Julian Wooster	Cllr Frances Nicholson	0.025	0.000	0.000
Children's	Demand/ demography	Adopt Southwest increased demand	Julian Wooster	Cllr Frances Nicholson	0.014	0.000	0.000

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
Children's	Demand/ demography	Change in demand for school transport	Julian Wooster	Cllr Frances Nicholson	0.110	0.194	0.185
Children's	Demand/ demography	Continued funding for an additional post supporting the Tribunal Process for the SEND Business Support team.	Julian Wooster	Cllr Frances Nicholson	0.000	0.024	0.000
Children's	Demand/ demography	Continued funding for the two additional posts for the SEND Business Support team.	Julian Wooster	Cllr Frances Nicholson	0.000	0.051	0.000
Children's	Demand/ demography	Ilminster/Crewkerne School Reorganisation	Julian Wooster	Cllr Frances Nicholson	0.200	0.000	0.000
Children's	Demand/ demography	Increase in care days	Julian Wooster	Cllr Frances Nicholson	1.178	1.410	2.341
Children's	Demand/ demography	Increasing Numbers of Children with Complex Needs	Julian Wooster	Cllr Frances Nicholson	1.038	1.066	1.101
Children's	Demand/ demography	Placements Team additional hours	Julian Wooster	Cllr Frances Nicholson	0.007	0.000	0.000
Children's	Demand/ demography	SEND Transport	Julian Wooster	Cllr Frances Nicholson	1.130	0.478	0.476
Children's	Demand/ demography	Statutory SEN Team	Julian Wooster	Cllr Frances Nicholson	0.655	0.000	0.000
Children's	Demand/ demography	Population increase Children Looked After	Julian Wooster	Cllr Frances Nicholson	0.391	0.310	0.202
Children's	Demand/ demography	Population increase Children In Need and Child Protection Plans	Julian Wooster	Cllr Frances Nicholson	0.280	0.222	0.144
Children's	Demand/ demography	Section 17 Placements - Children In Need	Julian Wooster	Cllr Frances Nicholson	0.411	0.121	0.121

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
Children's	Inflation (contractual)	External Placements inflation	Julian Wooster	Cllr Frances Nicholson	1.128	0.722	0.913
Children's	Inflation (contractual)	SEND Transport	Julian Wooster	Cllr Frances Nicholson	0.299	0.323	0.346
Children's	Inflation (contractual)	Transport contractual inflation	Julian Wooster	Cllr Frances Nicholson	0.490	0.495	0.494
Children's	Inflation (contractual)	Section 17 Placements - Children In Need	Julian Wooster	Cllr Frances Nicholson	0.027	0.020	0.030
Children's	Inflation (contractual)	NEETs, SEND mediation, Adopt South West and framework memberships	Julian Wooster	Cllr Frances Nicholson	0.098	0.116	0.120
Children's	Inflation (general)	Fees and Allowances	Julian Wooster	Cllr Frances Nicholson	0.150	0.153	0.162
Children's	Inflation (general)	Direct Payments and Homecare	Julian Wooster	Cllr Frances Nicholson	0.035	0.036	0.037
Children's	Policy/financing change	Realignment between DSG and LA funding sources that support statutory SEND services	Julian Wooster	Cllr Frances Nicholson	0.296	0.000	0.000
Children's	Policy/financing change	Realignment between DSG and LA funding sources that support statutory SEND services for School Improvement	Julian Wooster	Cllr Frances Nicholson	0.140	0.000	0.000
Children's	Policy/financing change	Realignment between DSG and LA funding sources that support statutory SEND duties	Julian Wooster	Cllr Frances Nicholson	0.675	0.000	0.000
Children's	Policy/financing change	Realignment between DSG and LA funding sources that support statutory SEND services for Children's Commissioning	Julian Wooster	Cllr Frances Nicholson	0.255	0.000	0.000

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
Children's	Growth	Increase capacity in the Schools Organisation Team by 1 FTE (part funded by capital)	Julian Wooster	Cllr Clare Hall	0.014	0.000	0.000
Children's Total					9.819	5.978	6.919
ECI	Change in legislation	Property - Additional cleans of Corporate buildings	Paula Hewitt	Cllr Mandy Chilcott	0.120	(0.120)	0.000
ECI	Change in legislation	Property - increase Estates team to meet new valuations requirements	Paula Hewitt	Cllr Mandy Chilcott	0.065	0.000	0.000
ECI	Change in legislation	Removal of vegetation in advance of bridge inspections	Paula Hewitt	Cllr John Woodman	0.120	0.000	0.000
ECI	Change in legislation	Rights of Way - Deregulation Act 2015	Paula Hewitt	Cllr John Woodman	0.030	0.000	0.000
ECI	Change in legislation	Sub-National Transport Body Contribution	Paula Hewitt	Cllr John Woodman	0.038	0.000	0.000
ECI	Change in legislation	Transport Policy, Strategy & associated Technical Studies	Paula Hewitt	Cllr John Woodman	0.100	0.000	0.000
ECI	Demand/ demography	Education Business Partnership - Project Manager	Paula Hewitt	Cllr David Hall	0.028	0.000	0.000
ECI	Demand/ demography	Highway - Trees (Pollarding)	Paula Hewitt	Cllr John Woodman	0.060	0.000	0.000
ECI	Demand/ demography	Highway - Trees (Removal of Epicormic Growth)	Paula Hewitt	Cllr John Woodman	0.020	0.000	0.000
ECI	Demand/ demography	Increase in waste volumes (tonnages)	Paula Hewitt	Cllr David Hall	0.222	0.231	0.242
ECI	Demand/ demography	Library Services Reduction in Income	Paula Hewitt	Cllr David Hall	0.070	0.000	0.000

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
ECI	Demand/ demography	Project management - Major Road Network schemes to Capital Funding	Paula Hewitt	Cllr John Woodman	(0.015)	(0.010)	0.000
ECI	Demand/ demography	Property - loss of rental income (Early surrender of 5 leases)	Paula Hewitt	Cllr Mandy Chilcott	0.143	0.000	0.000
ECI	Demand/ demography	Ash dieback base budget reduction - Specific Reserve now set up	Paula Hewitt	Cllr John Woodman	(0.250)	0.000	0.000
ECI	Inflation (contractual)	Contractual price waste disposal contract	Paula Hewitt	Cllr David Hall	0.694	1.199	1.256
ECI	Inflation (contractual)	Highway Lighting (Maintenance Contract)	Paula Hewitt	Cllr John Woodman	0.022	0.023	0.023
ECI	Inflation (contractual)	Highways Maintenance (Contract Inflation)	Paula Hewitt	Cllr John Woodman	0.076	0.078	0.080
ECI	Inflation (contractual)	Landfill Tax increase for the small element of residual waste not sent to Energy from Waste	Paula Hewitt	Cllr David Hall	0.026	0.046	0.048
ECI	Inflation (contractual)	Park and Ride - additional contract costs	Paula Hewitt	Cllr John Woodman	0.167	0.000	0.000
ECI	Inflation (contractual)	Property - Inflation of cleaning contract for Corporate Estate	Paula Hewitt	Cllr Mandy Chilcott	0.096	0.000	0.000
ECI	Inflation (contractual)	Transport Contracts Consumer Price Index	Paula Hewitt	Cllr John Woodman	0.293	0.298	0.303
ECI	Inflation (contractual)	Additional energy costs per inflation rise - Property	Paula Hewitt	Cllr Mandy Chilcott	0.112	0.000	0.000
ECI	Inflation (contractual)	Additional energy costs per inflation rise - Highways	Paula Hewitt	Cllr John Woodman	0.403	0.000	0.000
ECI	Inflation (contractual)	Additional energy costs per inflation rise - Traffic Management	Paula Hewitt	Cllr John Woodman	0.029	0.000	0.000

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
ECI	Inflation (general)	Back out of budget within Planning Control	Paula Hewitt	Cllr David Hall	(0.025)	0.000	0.000
ECI	Inflation (general)	Highway - Lighting (Energy)	Paula Hewitt	Cllr John Woodman	0.008	0.008	0.008
ECI	Inflation (general)	Increase in internal insurance charges	Paula Hewitt	Cllr John Woodman	0.029	0.000	0.000
ECI	Inflation (general)	Price increases for rates, water, electricity, restored landfills, recycling site licences and maintenance	Paula Hewitt	Cllr David Hall	0.012	0.012	0.013
ECI	Inflation (general)	Property - inflation relating to premises costs (utilities and rates)	Paula Hewitt	Cllr Mandy Chilcott	0.000	0.103	0.111
ECI	Inflation (general)	Trading Standards inflation from DCC to run combined service	Paula Hewitt	Cllr David Hall	0.022	0.023	0.023
ECI	Policy/financing change	Replacement of lost LEP income	Paula Hewitt	David Hall	0.115	(0.115)	0.000
ECI	Growth	Additional Enforcement capacity	Paula Hewitt	David Hall	0.054	0.000	0.000
ECI Total					2.882	1.775	2.107
Customers, Digital & Workforce	Demand/ demography	CSC Portal - Annual Licence and support charge	Chris Squire	Cllr Faye Purbrick	0.021	0.000	0.000
Customers, Digital & Workforce	Inflation (contractual)	SAP Azure Cost increase	Chris Squire	Cllr Faye Purbrick	0.321	0.000	0.000
Customers, Digital & Workforce	Inflation (contractual)	SAP Licence Increase	Chris Squire	Cllr Faye Purbrick	0.153	0.000	0.000
Customers, Digital & Workforce Total					0.494	0.000	0.000

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
Finance & Governance	Change in legislation	Co-opted Members Allowances	Jason Vaughan	Cllr Mandy Chilcott	0.040	0.000	0.000
Finance & Governance	Demand/ demography	Area Coroner	Jason Vaughan	Cllr Mandy Chilcott	0.088	0.000	0.000
Finance & Governance	Demand/ demography	School Appeals additional support	Jason Vaughan	Cllr Mandy Chilcott	0.028	0.000	0.000
Finance & Governance	Inflation (contractual)	SWAP contractual Inflation	Jason Vaughan	Cllr Mandy Chilcott	0.010	0.011	0.011
Finance & Governance	Inflation (general)	Legal Counsel fees	Jason Vaughan	Cllr Mandy Chilcott	0.010	0.011	0.011
Finance & Governance	Inflation (general)	Legal Court fees	Jason Vaughan	Cllr Mandy Chilcott	0.006	0.006	0.006
Finance & Governance	Inflation (general)	Legal Disbursements	Jason Vaughan	Cllr Mandy Chilcott	0.003	0.003	0.003
Finance & Governance	Policy/financing change	Election & Member Development - removed a year later due to delay in elections	Jason Vaughan	Cllr Mandy Chilcott	0.000	(0.024)	0.000
Finance & Governance	Policy/financing change	Scrutiny Review - policy and research support	Jason Vaughan	Cllr Mandy Chilcott	0.000	(0.032)	0.000
Finance & Governance	Policy/financing change	Replacement of lost LEP income	Jason Vaughan	Cllr Mandy Chilcott	0.032	0.000	0.000
Finance & Governance	Policy/financing change	Insurance Team base funding - previously funded through the Insurance Reserve	Jason Vaughan	Cllr Mandy Chilcott	0.245	0.000	0.000
Finance & Governance Total					0.462	(0.025)	0.031
Corporate Costs	Inflation (general)	Increase audit fee budget based on actual costs	Jason Vaughan	Cllr Mandy Chilcott	0.030	0.000	0.000

Additional Financial Requirements

Appendix 1

Directorate	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m
Corporate Costs	Inflation (general)	Increase budget in line with average increase per year	Jason Vaughan	Cllr Mandy Chilcott	0.003	0.003	0.004
Non-Service Total					0.033	0.003	0.004
Accountable Bodies	Demand/ demography	Resource requirement for management of new CDS contracts	Paula Hewitt	Cllr David Hall	0.158	0.108	0.000
Accountable Bodies Total					0.158	0.108	0.000
Grand Total					30.539	20.610	22.341

Transformation, Savings, and Income Generation Proposals

Appendix 2

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

Transformation, Savings, and Income Generation Proposals

Appendix 2

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

Transformation, Savings, and Income Generation Proposals

Appendix 2

Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
ECI	Low	ECI-2122-05	Traffic Management, Road Safety & Parking - Reduce costs and maximise income	Budget savings will be made by maximising income across all services. In addition to this there is a one off saving of £200K from 2021/2 running costs as the "20 when lights flash project" has been delayed due to the Covid-19 project.	Paula Hewitt/Alyn Jones	Cllr John Woodman	(0.175)	0.060	0.000	Existing
ECI	Low	EC-TSIGP-2223-01	Pre-application Highways Advice Service	Implementation of a pre-application advice service linked to new council guidance on the scoping process for transport assessments submitted by developers in support of their planning applications. Will replace current free ad-hoc discretionary advice.	Paula Hewitt	Cllr John Woodman	0.050	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-02	Advertising on Highway Assets (roundabouts and fleet).	Implement an advertising service to enable businesses and internal clients to advertise on highway assets including roundabouts and fleet.	Paula Hewitt	Cllr John Woodman	0.000	0.085	0.025	New
ECI	Low	EC-TSIGP-2223-03	Vacancy Factor - H&T Commissioning	Vacancy Factor	Paula Hewitt	Cllr John Woodman	0.005	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-04	Recharge of Director's time spend on CDS to the CDS Programme	Recharge of Director's time spend on CDS to the CDS Programme	Paula Hewitt	Cllr David Hall	0.029	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-09	Recycle More	Recycle More project will reach breakeven in quarter 3 of 22/23, it is assumed 25% of the modelled saving will be achieved in year 1. The value of the saving is dependent on volumes of all waste streams at the kebside.	Paula Hewitt	Cllr David Hall	0.250	0.750	0.000	New
ECI	Low	EC-TSIGP-2223-10	Anerobic Digester Negotiation on Gate Fee	The Anaerobic Digestion contract price review concluded that the price per tonne currently being paid is correct. However, given the continued below expectation performance of the plant and the failure to provide any form of energy share value, SWP secured a price reduction to reflect these failings for food tonnages above 1,500 per month	Paula Hewitt	Cllr David Hall	0.070	0.020	0.000	New
ECI	Low	EC-TSIGP-2223-11	Property - Rental Income (County Hall Hub)	Property - short term income generated as a result of a licence in place with a third party to occupy desk space at County Hall.	Paula Hewitt	Cllr Mandy Chilcott	0.015	(0.013)	(0.003)	New
ECI	Low	EC-TSIGP-2223-13	Property - New ways of Working (reduction in office consumables)	Property - reduction in the requirement for stationery, reprographics works, and postage across the shared office accommodation offices of the Corporate Estate as a result of a move to paperless working	Paula Hewitt	Cllr Mandy Chilcott	0.024	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-14	Property - Optimisation & Rationalisation of the Corporate Estate	Property - The optimisation of the Council owned estate has freed up desk space enabling the relocation of staff from leased in buildings to Council owned buildings. As a result this has enabled the surrender of licenced desk spaces, reducing rental expenditure.	Paula Hewitt	Cllr Mandy Chilcott	0.021	0.000	0.000	New

Transformation, Savings, and Income Generation Proposals

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Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
ECI	Low	EC-TSIGP-2223-15	Property - Corporate Landlord Savings	Property - savings as a result of reduced running costs and the centralisation of utility contracts & FM contracts	Paula Hewitt	Cllr Mandy Chilcott	0.028	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-16	Property - Reduction in Utilities Costs (energy efficiency)	Property - reduced utility costs across the Corporate Estate due to energy efficiency measures, and lower than anticipated inflation increases for utilities.	Paula Hewitt	Cllr Mandy Chilcott	0.010	0.000	0.000	New
ECI	Low	EC-TSIGP-2223-18	Increase in Temporary Traffic Regulation Order charges	Proposal to increase the charges for temporary Traffic Regulation Orders by 5% which would equate to approximately £70,000 but as there are increased costs associated with these works, in reality it would only generate an additional £35,000 in income	Paula Hewitt	Cllr John Woodman	0.035	0.000	0.000	New
ECI Total							1.116	1.143	0.128	
Customers, Digital & Workforce	High/Medium	CR-TSIGP-2223-11	Reduction in Pathway to Employment Budget	Saving represents a 25% reduction in current budget, supporting vulnerable/disadvantaged young people into employment.	Chris Squire	Cllr Mandy Chilcott	0.000	0.000	0.025	New
Customers, Digital & Workforce	Medium	C&SS-2122-07	Replacement for STAR payroll system	To procure a new payroll system to replace the current IRIS solution that removes the current manual work within HRAP and enables clients to make their own payroll transactional changes whilst maintaining the expertise and support that the HRAP service provides in respect of statutory and contractual compliance, pensions, employment status etc. The system will also enable new business opportunities. The alternative is to move to SAP but this does not present the same opportunities for increasing business.	Chris Squire	Cllr Christine Lawrence	0.050	0.100	0.000	New
Customers, Digital & Workforce	Medium	CR-TSIGP-2223-04	Staff Vacancy Factor - Change	Applying of a 1% staff vacancy factor	Chris Squire	Cllr Faye Purbrick	0.014	0.000	0.000	New
Customers, Digital & Workforce	Low	C&SS-2122-11	Further BC vacancies and full training budget	Remaining Business Change (BC) training budget for project and change L&D needs of £30k. Delete the IT vacancy in BC team being held for One Somerset requirements £28k. Temporary reduction in resources of 0.5fte Gr12 £18k. Net saving from not replacing the BC Strategic Manager offset by upgrading 2 Service Managers for 9 months £51k. Total savings of £127k in 2021/22 being £69k one off and £58k ongoing.	Chris Squire	Cllr Christine Lawrence	(0.069)	0.000	0.000	Existing
Customers, Digital & Workforce	Low	C&SS-2122-12	Reduction to Learning and Development Budget	Reduction in allocation of Learning and Development Budget of £200k on proviso that training is accessible through the workforce reserve	Chris Squire	Cllr Christine Lawrence	0.000	(0.200)	0.000	Existing
Customers, Digital & Workforce	Low	CR-TSIGP-2223-01	Removal of Corporate Affairs Director Post	Removal of Director Post -set out in confidential paper approved by Cabinet and Full Council	Chris Squire	Cllr Christine Lawrence	0.080	0.000	0.000	New

Transformation, Savings, and Income Generation Proposals

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Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
Customers, Digital & Workforce	Low	CR-TSIGP-2223-02	Staff Vacancy Factor - Communications	Applying of a 1% Vacancy factor	Chris Squire	Cllr Christine Lawrence	0.006	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-03	Retaining interim management arrangements in Business Change Team.	Once off net saving from not replacing the Business Change Strategic Manager offset by continuing upgrade of 2 Service Managers and 1 Project and Change Manager for 2022-23 implementation Local Government Reorganisation in Somerset	Chris Squire	Cllr Faye Purbrick	0.061	(0.061)	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-05	SAP Hosting	Our SAP support partner is moving our SAP environment to a different platform 21/22 which will realise savings from 22/23	Chris Squire	Cllr Faye Purbrick	0.092	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-06	Vacancy Factor ICT	Applying of 1% Staff Vacancy Factor	Chris Squire	Cllr Faye Purbrick	0.050	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-07	New Ways of Working Budget reductions	Further saving re NWOW from further reductions from printing, postage, travel etc	Chris Squire	Cllr Mandy Chilcott	0.002	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-08	Staff Recognition Scheme Budget	Removal of Staff Recognition Scheme budget which funds the annual Staff Award Ceremonies and other Staff recognition events/rewards.	Chris Squire	Cllr Mandy Chilcott	0.000	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-09	OD contracts income (Academies - OH, Care First)	Increase sales of contracts to academies, monitor sales price - modest increase	Chris Squire	Cllr Mandy Chilcott	0.002	0.000	0.000	New
Customers, Digital & Workforce	Low	CR-TSIGP-2223-12	Staff vacancy factor - HR&OD	Applying a 0.5% vacancy factor across the HR&OD teams staffing budgets, then a saving achieved somewhere in the business area at the point we have a vacancy/vacancies.	Chris Squire	Cllr Mandy Chilcott	0.015	0.000	0.000	New
Customers, Digital & Workforce Total							0.303	(0.161)	0.025	
Finance & Governance	Medium	FG-TSIGP-2223-03	Staff Vacancy Factor	Vacancy Factor to be applied	Jason Vaughan	Cllr Mandy Chilcott	0.008	0.000	0.000	New
Finance & Governance	Low	C&SS-2122-13	15% reduction in days from SWAP for internal audit. Requires 12 months notice.	Full year saving of £60,000 by reducing the amount of internal audit days by 15%. Currently receive 1,400 days of internal audit service per annum. Requires 12 months notice so £35,000 of once -off funding is required in order to achieve full year saving.	Jason Vaughan	Cllr Mandy Chilcott	0.030	0.000	0.000	Existing
Finance & Governance	Low	FG-TSIGP-2223-01	Support to CDS Project	Strategic Manager support to CDS project	Jason Vaughan	Cllr Mandy Chilcott	0.029	0.000	0.000	New
Finance & Governance	Low	FG-TSIGP-2223-02	Staff Qualification Training	Reduction to staff training budget	Jason Vaughan	Cllr Mandy Chilcott	0.010	0.000	0.000	New
Finance & Governance	Low	FG-TSIGP-2223-05	Non renewal of DX subscription	Non-renewal of DX subscription	Jason Vaughan	Cllr Mandy Chilcott	0.015	0.000	0.000	New
Finance & Governance Total							0.093	0.000	0.000	
Corporate Costs	Low	NS-TSIGP-2223-01	Reduce budget for bank charges	The authority is maximising the use of an internal borrowing strategy therefore the saving represents a reduction to the Brokeridge Fee budget.	Jason Vaughan	Cllr Mandy Chilcott	0.050	0.000	0.000	New

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Directorate	Risk Assessment	Reference	Title	Description	Director	Portfolio Holder	2022/23 £'m	2023/24 £'m	2024/25 £'m	New/ Existing
Corporate Costs	Low	NS-TSIGP-2223-02	Remove foreign currency loss budget	Budget previously held for contingency to align foreign currency exchange gain or loss at the end of the accounting period. Removal of this budget due to possibilities of it being a gain or loss.	Jason Vaughan	Cllr Mandy Chilcott	0.010	0.000	0.000	New
Corporate Costs	Low	NS-TSIGP-2223-03	Reduce travel budget	Reduced travel budget given new ways of working.	Jason Vaughan	Cllr Mandy Chilcott	0.002	0.000	0.000	New
Corporate Costs	Low	NS-TSIGP-2223-04	Reduce central redundancy budget	Centralised redundancy budget reduced with redundancy costs being picked up within services.	Jason Vaughan	Cllr Mandy Chilcott	0.500	0.000	0.000	New
Corporate Costs Total							0.562	0.000	0.000	
Other unachievable savings							(0.170)			
Overall Total							4.033	0.863	0.653	

Ref	Portfolio Holder	Service	Scheme	Description	Category	Bids				Funding		
						2022.23 (£'m)	2023.24 (£'m)	2024.25 (£'m)	Total (£'m)	Borrowing	External Funds (£m)	Total (£'m)
Criteria - Fully Funded												
C22-015	Cllr John Woodman	ECI - Highway Operations	Highways Basic Need	Capital investment in structural maintenance such as surface dressing and resurfacing is the most cost-effective way of preventing roads deteriorating and avoiding much more costly reactive works to rectify safety defects such as potholes or total reconstruction. As Highway Authority we have a duty under the Highways Act 1980 to maintain the highway network and Basic Need is funded through the DFT.	Health & Safety / Statutory	24.154			24.154		24.154	24.154
C22-016	Cllr John Woodman	ECI - Highway Operations	Rights of Way - Basic Need	There are over 6000km of public rights of way across Somerset comprising 4700+ bridges and 36,000+ other structures and assets (stiles, gates, signposts, etc). The extensive network requires a significant capital investment programme to ensure that the network remains available, safe and easy to use for the public. The path network can play a key role in changing travel preferences, economic regeneration and improving health and wellbeing.	Health & Safety / Statutory	0.510			0.510		0.510	0.510
C22-018	Cllr John Woodman	ECI - Highway Operations	Highway Lighting - Basic Need	Highway Lighting currently maintain and pay energy costs for a total of 57,143 illuminated highways assets in Somerset. The assets are made up of 50,282 street lights, 1733 illuminated bollards, 4,733 illuminated signs and 395 Belisha Beacons/Beacon post lights. The Highway Lighting Team have currently replaced 31,859 (55.75%) of our illuminated assets with LEDs.	Health & Safety / Statutory	0.550			0.550		0.550	0.550
C22-020	Cllr John Woodman	ECI - Highway Operations	Local Transport Improvement Schemes – Local Safety Scheme Programme	The majority of the schemes are generated through the Road Safety Team as a result of their review of collision sites and deliver accident and casualty reduction benefits which can be quantified as an economic benefit. The allocation of specific funding for safety schemes in addition to the SIS programme will enable the County Council to continue to improve highway safety and accessibility in local communities across Somerset, and address particular sites where safety is a key issue and identified through collision analysis.	Health & Safety / Statutory	0.650			0.650		0.650	0.650
C22-022	Cllr John Woodman	ECI - Highway Operations	Highways Structures Recovery	Maintaining Somerset’s bridges and other highway structures to make them safe, serviceable and reliable is vital to the economy and social wellbeing of our communities.	Health & Safety / Statutory	1.000			1.000		1.000	1.000
C22-038a	Cllrs Mandy Chilcott / Frances Nicholson / Clare Paul	ECI - Property	Schools Condition Programme - External Funding	The Council has a statutory duty to ensure sufficient provision of new places. In addition, schools must be maintained in an appropriate condition. This funding is to ensure schools building are safe and functional and that their condition does not detract from teaching and learning, or lead to unplanned school closures.	Health & Safety / Statutory	1.831	1.169	0.000	3.000		3.000	3.000
C22-039	Cllr David Hall	ECI - SWP	SWP - Photovoltaics (PV)	Section 5 of SWP’s Business Plan 2021-26 focuses on decarbonising our operations, highlighting that whilst what we do (i.e. recycling, decarbonising residual waste treatment etc) is a much more significant impact on our carbon footprint than how we do it, it is still crucial for us to continuously improve in this area.	Climate Change	0.100			0.100		0.100	0.100
C22-040	Cllr David Hall	ECI - SWP	SWP - Electric RCV	Action 5.3 of our Business Plan set out that we would work with our vehicle suppliers (primarily Romaquip for recycling vehicles and Dennis Eagle for refuse vehicles) to trial electric vehicles in Somerset. We remain in dialogue with Romaquip about trialling a vehicle in Somerset and are keen that Somerset is the first in England to trial an electric Romaquip. However, our focus has been on exploring e-RCVs given that we want to be well placed to explore alternative fuelled refuse vehicles when we come to a partial re-fleet in 2024 - our 23 2016 plate refuse vehicles.	Climate Change	0.390			0.390		0.390	0.390

Ref	Portfolio Holder	Service	Scheme	Description	Category	Bids				Funding		
						2022.23 (£'m)	2023.24 (£'m)	2024.25 (£'m)	Total (£'m)	Borrowing	External Funds (£m)	Total (£'m)
C22-041	Cllrs Mandy Chilcott / Frances Nicholson	ECI - Property	Homes for Children	Secured match funding to support the previous year's proposal to purchase several residential properties for short term placements which at present are solely reliant on third party providers often at significant distances out of county.	Health & Safety / Statutory		1.100		1.100		1.100	1.100
Fully Externally Funded Capital Projects						29.185	2.269	0.000	31.454	0.000	31.454	31.454
Criteria - H&S / Partially Funded												
C22-017	Cllr John Woodman	ECI - Highway Ops	Traffic Signals Recovery Programme	There are currently 292 Traffic Signals sites across Somerset (in commission on 15th June 2021). 131 of those are currently past their design life of 15 years old, and although we have secured capital investment over the next two years 2021/2 and 2022/3, we are only looking to refurbish 10-15 sites per annum and the number of sites past their design life increases by 48% over the next 5 years. The number of sites in a critical state increases from 131 to 194 in less than 5 years and we would need to complete in excess of 19 sites a year to stand still and over 20 sites a year to start to address the backlog and commence a recovery programme.	Health & Safety / Statutory	2.200			2.200	0.451	1.749	2.200
H&S / Partially Funded						2.200	0.000	0.000	2.200	0.451	1.749	2.200
Criteria - H&S												
C22-004	Cllr John Woodman	ECI - Fleet	Fleet Gritter Replacement	The scheme is needed to replace the Gritter Fleet of 23 vehicles on a 10 year replacement cycle to ensure that the strategic road network across Somerset is kept open during severe weather events to support and maintain the health & safety of road users and to support the local economy.	Health & Safety / Statutory	0.552			0.552	0.552		0.552
C22-005	Cllr John Woodman	ECI - Fleet	Fleet Vehicle Replacement Programme (8 Yr)	The scheme is needed to replace life expired vehicles in SCC's vehicle fleet, which includes a range of vehicles including cars, vans, people carriers, MPV's Minibuses and other ancillary vehicles. The current policy is to replace vehicles every eight years.	Health & Safety / Statutory	0.392			0.392	0.392		0.392
C22-008	Cllr David Hall	ECI - Commissioning	Heritage Conservation, Management and Enhancement	SCC, working with the South West Heritage Trust (SWHT), delivers conservation, management and enhancement of the public realm/highway and other sites around the county. Using SCC Capital Funding to support match funding from other sources, important public realm works are carried out each year to protect, improve and enhance Somerset's historic built environment; notably in market towns and villages and in the wider countryside. A capital funding allocation of £50,000 for 2022/23 and beyond will support schemes that enhance the local environment and help to develop local awareness and pride of place. Investing in historic places attracts people, business and spending. The conservation and enhancement of heritage assets makes a positive contribution to local economic vitality and helps to develop sustainable communities.	Statutory	0.055			0.055	0.055		0.055
C22-023	Cllrs John Woodman / David Hall	ECI - Other	Illegal Encampments Mitigation (Physical Measures)	The number of unauthorised encampments in Glastonbury has increased significantly over the last 24 months. This brings a number of challenges to the wider Glastonbury community and an increase in illegal and dangerous parking and anti-social behaviour. A multi-agency group, led by SCC has been established to look at the measures we can implement to discourage the occupants of these unauthorised encampments. A long term, fully funded strategy is in development with the aim of discouraging unauthorised encampments in Glastonbury and across Somerset.	Health & Safety / Statutory	0.143			0.143	0.143		0.143

Ref	Portfolio Holder	Service	Scheme	Description	Category	Bids				Funding		
						2022.23 (£'m)	2023.24 (£'m)	2024.25 (£'m)	Total (£'m)	Borrowing	External Funds (£m)	Total (£'m)
C22-024	Cllrs Mandy Chilcott / David Hall	ECI - Property	Wellington Library Optimisation	The existing Wellington Library has significant building condition issues, it is not fully accessible for customers and visitors. The 1st and 2nd floors are neither accessible nor have acceptable fire safety standards for accommodation. In addition, there are significant structural issues with the rear workshop/workroom which must be addressed within the next 12-18 months. Options to relocate the library to another suitable site in Wellington have been exhausted. Property and library management have therefore concluded that it is now time to invest capital into the current building to address the condition and accessibility issues, and whilst investing, create a building that is fit for purpose for the future, enabling us to deliver more than a single service from the building, working with complementary Council and partner services considering the future of local government over the coming years.	Health & Safety / Statutory	0.309	0.591		0.900	0.900		0.900
C22-025	Cllrs Mandy Chilcott / Frances Nicholson	ECI - Property	Homes for Children with Disabilities	standard of accommodation, geographical location and therefore effectiveness of SCC provision as a respite option to meet needs and identified outcomes is mixed and requires a comprehensive review alongside a wider review of how, as a system, Somerset is able to meet the respite needs of our children and young people with complex needs and disabilities requiring specialist care. The responsibility to provide suitable respite and residential accommodation for children with disabilities will not be directly affected by the outcome of the review of the local government structure in Somerset and it is prudent to seek capital funding at this stage in recognition of the investment that will be required to produce better outcomes for the children and their families whilst reducing the cost of maintaining the service.	Health & Safety / Statutory	0.075	1.275	0.150	1.500	1.500		1.500
C22-033	Cllr Mandy Chilcott	ECI - Property	Corporate Building Condition Programme	Funding required to address poor building condition issues across the corporate estate, to ensure buildings are safe and functional and remain operational. It is based on a complete re-survey of the corporate estate in 2020 and only includes funding for those issues identified as being urgent, poor or necessary. The profile is based on the estimated year of need from those surveys. Existing levels of capital approval are insufficient to address a growing backlog of condition issues, which will grow to unsustainable levels year on year.	Health & Safety / Statutory	0.900	1.260	0.240	2.400	2.400		2.400
C22-035	Cllrs Mandy Chilcott / David Hall	ECI - Property	SW Heritage Trust Building Condition Programme	Funding is to address poor building condition issues across the SW Heritage Trust estate (specifically the Brick & Tile Museum, The Museum of Somerset, the Rural Life Museum and the Somerset Heritage Centre), for which the County Council retains some liability to fund. It is required to ensure buildings are safe and functional and remain operational. It is based on a complete re-survey of the estate in 2020 and only includes funding for those issues identified as being urgent, poor or necessary. The profile is based on the estimated year of need from those surveys. Existing levels of capital approval are insufficient to address a growing backlog of condition issues, which will grow to unsustainable levels year on year.	Health & Safety / Statutory	0.160	0.200	0.040	0.400	0.400		0.400

Ref	Portfolio Holder	Service	Scheme	Description	Category	Bids				Funding		
						2022.23 (£'m)	2023.24 (£'m)	2024.25 (£'m)	Total (£'m)	Borrowing	External Funds (£m)	Total (£'m)
C22-036	Cllrs Mandy Chilcott / Frances Nicholson / Clare Paul	ECI - Property	Outdoor Education Centre Building Condition Programme	This funding is to address poor building condition issues at the two Outdoor Education Centres which currently are operated by SSE. With respect to the responsibility for condition and maintenance, they are currently treated as part of the Corporate Estate but due to the nature of the way in which they are funded and operated have been identified and presented separately for the purposes of securing funding. Funding is required to ensure buildings are safe and functional and remain operational. The request is based on a complete re-survey of the estate in 2020 and only includes funding for those issues identified as being urgent, poor or necessary. The profile is based on the estimated year of need from those surveys. Existing levels of capital approval are insufficient to address a growing backlog of condition issues, which will grow to unsustainable levels year on year.	Health & Safety / Statutory	0.200	0.866	0.134	1.200	1.200		1.200
C22-038b	Cllrs Mandy Chilcott / Frances Nicholson / Clare Paul	ECI - Property	Schools Condition Programme - SCC Funded	The Department for Education (DfE) provides an annual capital grant to support this activity. However, there is a major and growing shortfall in funding between the level of need and the grant funding received. In 20/21 the highest priority condition issues identified totalled £9.3m against a grant allocation of £3.3m; a backlog maintenance requirement which will grow to unsustainable levels year on year. In order to ensure an effective condition programme can be delivered to address the growing backlog of unaddressed high priority items, this request is based on the need identified in the most recent condition surveys.	Health & Safety / Statutory	0.000	3.957	0.366	4.323	4.323		4.323
Criteria H&S						2.786	8.149	0.930	11.865	11.865	0.000	11.865
Total Bids that Meet Criteria						34.171	10.418	0.930	45.519	12.316	33.203	45.519
Criteria - Priority Schemes												
C22-021	Cllr John Woodman	ECI - Highway Ops	Local Transport Improvement Schemes – Member Requests Programme (Small Improvement Schemes)	The Local Transport Small Improvement Schemes is a programme of minor highway improvements put forward by local members to address traffic and transport issues in their area. Schemes range from accessibility improvements to the provision of footways, crossings and traffic calming. Scheme and project proposals are assessed for their deliverability and for their general value for money in terms of being able to deliver realistic local transport improvements. The schemes are considered against the general aims of the overarching themes of the council's Local Transport Plan (Future Transport Plan), this enables a comparison to be made of the range of benefits of each scheme (road safety, sustainable travel choices, congestion issues and equality of accessibility).	Policy	1.000			1.000	1.000		1.000

Ref	Portfolio Holder	Service	Scheme	Description	Category	Bids				Funding		
						2022.23 (£'m)	2023.24 (£'m)	2024.25 (£'m)	Total (£'m)	Borrowing	External Funds (£m)	Total (£'m)
C22-006	Cllr John Woodman	ECI - Fleet	Fleet Vehicle Replacement Programme (8 Yr) Alternative EV and associated Charging Infrastructure	<p>This is an alternative bid to replace a large percentage of the current diesel/petrol vehicles with electric vehicle replacements 88% in 2022/23, 56% in 23/24 and 94 % in 24/25. The reason for not achieving 100% each year is in relation to uncertainty about whether there will be EV alternatives in the market for certain vehicles at this time.</p> <p>In order to be able to trial the suitability of these EV cars and vans for our Services and, over the next 3-5 years transition the majority of our fleet to EV's, we need to develop and install a suitable charging infrastructure across our depots and premises to be able to charge our corporate vehicles either overnight or during the day. There are a range of different chargers available ranging from slow/standard 7-22kw chargers which take up to 12 hours for a full charge, to 50-150 kw rapid and ultra-rapid chargers which can fully charge a vehicle in a couple of hours. These chargers' range in price from £700-800 for the slow chargers up to £5,000 for rapid chargers. There can also be considerable costs for grid enablement works to bring a suitable electricity supply from the nearest sub-station to the charging point. For example, the cost of reinforcing the grid to install 6 new chargers at County hall was quoted at £12,000 by Western Power Distribution in 2020.</p>	Climate Change	0.911			0.911	0.911		0.911
C22-037	Cllrs Mandy Chilcott / Frances Nicholson / Clare Paul	ECI - Property	Matched funding to support estate de-carbonisation	<p>Following successful bids for funding in 20/21 and 21/22 to the public sector decarbonisation scheme (PSDS) for a number of properties, it is proposed that investment funding is agreed to enable further bids for grants to decarbonise our buildings (whether through the PSDS scheme or other similar schemes). This funding would provide a flexible facility to support bids for grants, alongside condition or other funding where appropriate. If successful, grant funding will enable us to continue to address condition issues and reduce carbon emissions from our estate at the same time; for example, by replacing failed boilers with low carbon alternative heating systems in conjunction with building fabric upgrades. To date, the grant funding streams available through central government only fund part of the total cost of estate decarbonisation projects and so a flexible match funding investment will increase our chances of further successful bidding in 2022/23.</p>	Climate Change	1.000			1.000	1.000		1.000
Criteria Priority Schemes						2.911	0.000	0.000	2.911	2.911	0.000	2.911
Total Bids that Meet Criteria or Priority						37.082	10.418	0.930	48.430	15.227	33.203	48.430

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Title: **Dedicated Schools Grant (DSG) Settlement 2022-23**

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<p>Summary:</p>	<p>This report provides an update on the 2022-23 DSG Settlement.</p> <p>The report provides the background and context to the required level of funding for the Individual Schools Budget (ISB) element of the Schools Block for 2022-23.</p>
<p>Recommendations:</p>	<ol style="list-style-type: none"> 1) Schools Forum are asked to give their view on the following for a key decision to be made by Cabinet members: <ul style="list-style-type: none"> • Their continued support to fund schools in line with the National Funding Formula (NFF) • The transfer of surpluses from the growth fund to the High Needs Block 2) Local Authority members are asked to note the final de-delegation arrangements for 2022-23 and the final contribution rate per pupil for the education management services for 2022-23
<p>Reasons for Recommendations:</p>	<p>Local authorities retain responsibility for setting the overall level of their ISB and for determining schools' budget shares subject to the School and Early Year Finance (England) Regulations 2021.</p> <p>The regulations require approval by the local authority, taking into consideration the view of the Schools Forum.</p>
<p>Links to Priorities and Children and Young Peoples Plan:</p>	<p>Somerset County Council's Business Plan – Improving Lives, providing fairer life chances and opportunity for all.</p> <p>Somerset Children and Young People's Plan – Learn well and develop skills for life.</p>

Financial Implications:	<p>This report covers the DSG Schools Block allocation for 2022-23, which is £351.3m.</p> <p>This is an increase of £12.0m on the 2021-22 allocation, due to demographic growth and DfE funding announcements.</p>
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1. Background

- 1.1 On 16 December 2021 the Department for Education (DfE) published school funding allocations for each local authority in England.
- 1.2 This report provides an update on the DSG settlement for 2022-23 and updates on the funding formula used to distribute the Individual Schools Budget (ISB) to maintained schools, academies and free schools with delegated budget shares.
- 1.3 Future reports to the Schools Forum will cover 2022-23 budgets for high needs.

2. 2022-23 DSG Settlement

- 2.1 A report was presented to Schools Forum in September 2021 that summarised key information from the provisional allocations announced in July 2021 for schools, high needs and central school services blocks.
- 2.2 The DSG final allocations for 2022-23 were published in December 2021 and are based on pupil numbers from the October 2021 school census.
- 2.3 The DSG allocations for 2022-23 are made up of:
 - The Schools Block – based on the latest primary units of funding (PUF), and secondary units of funding (SUF), and premises funding announced in July 2021 and growth funding
 - The High Needs Block – based on the allocations announced in July 2021 with the basic entitlement element updated for the number of pupils in the October 2021 school census
 - The Central School Services Block (CSSB) – based on the latest units of funding and total historic commitments funding announced in July 2021
 - The Early Years Block – based on the early years funding rates published in December 2021 using January 2020 census data
- 2.4 The DfE calculate the Schools Block 2022-23 PUFs and SUFs for each local authority using the July 2021 provisional allocation which is based on the October 2020 census. These are final units of funding for 2022-23 and are not updated at any later point.

Somerset	PUF	SUF
2021/22	4,510	5,606
2022/23	4,680	5,770
Change	3.8%	2.9%

2.5 The PUFs and SUFs are used to allocate schools block funding to local authorities in December 2021, using pupil numbers from the October 2021 census. Table 1 in Appendix 1 shows a reduction in primary school pupil numbers and an increase in secondary school pupil numbers.

3. 2022-23 Schools Block Allocation and Individual Schools Budget (ISB)

3.1 The 2022-23 Schools Block allocation for Somerset is £351.3m.

	2021/22	2022/23	Change	
	£m	£m	£m	%
Schools Budget	337.3	349.4	12.1	3.6%
Growth Fund	2.0	1.9	-0.1	-7.4%
Schools Block	339.3	351.3	12.0	3.5%

The Schools Budget allocation increase of £12.0m reflects demographic growth and DfE funding announcements.

3.2 Every school will receive the new minimum per pupil funding of £4,265 for primary age pupils and £5,525 for secondary age pupils next year.

Minimum Per Pupil Funding	2021-22	2022-23	Increase
Primary	4,180	4,265	2.03%
Secondary	5,415	5,525	2.03%

3.3 Since November 2017, the Schools Forum have supported the proposal to adopt the DfE NFF factors, values and transitional arrangements where possible.

3.4 In November 2021, the Schools Forum agreed, following consultation with Somerset schools and academies on funding changes for 2022-23. The recommendations that were agreed were in relation to:

- the de-delegation of budgets for primary, middle and secondary maintained schools
- a contribution to responsibilities the LA holds for maintained schools previously funded by the Education Services Grant general rate
- the minimum funding guarantee
- the principle of transferring any surplus from the Growth Fund to high needs

- 3.5** In December 2021, the DfE published the Authority Proforma Tool (APT) for 2022-23, which is the tool that the Local Authority is required to complete and return by 21 January 2022.
- 3.6** The APT includes details of the Local Authority formula, values, de-delegation, charges for education management services and commentary/explanations of how the formula has been devised. The DfE uses this information to make a deduction from the ISB to fund academies, and the Education and Skills Funding Agency (ESFA) use the formula to notify academies of their general annual grant for the academic year 2022-23.
- 3.7** The APT includes the current dataset to be used when calculating the school budget shares for 2022-23. The formula data, factors and values are presented in Appendix 1.
- 3.8** If Somerset continues to adopt the NFF and transitional arrangements published by the DfE, the costs of the ISB will exceed the funding available (**excluding** Growth Fund) by £0.66m of which £0.36m is the current calculated cost of the Crewkerne & Ilminster restructuring exercise (see Appendix 1, Table 5). The major change for 2022/23 is the substantial increase in Sparsity Funding, which has increased from £1.13m (33 schools) in 2021/22 to £3.27m (86 schools) in 2022/23.
- 3.9** The local authority is still working on the APT data - there are some outstanding queries regarding Exceptional Circumstances and the Crewkerne & Ilminster costs and we are still awaiting a response from the EFSA to ensure the restructuring is correctly treated within the APT. These issues could lead to some final adjustments to the budgets and, therefore, the current financial position.

4. Growth Funding

- 4.1** The 2020/21 Growth Fund surplus of £1.9m was brought forward into 2021-22. The current balance in the 2021-22 Growth Fund is £3.09m. The local authority is aware of issues regarding capacity in certain areas which are likely to cause further calls on the Growth Fund to meet basic need – therefore the balance may reduce slightly by the year end.
- 4.2** The proposal is to use the 2021-22 Growth Fund surplus in the following priority order:
1. To fund final 2021-22 payments and estimated cost of capacity issues which are likely to cause further calls on the Growth Fund to meet basic need.

2. To carry forward any remaining balance to 2022/23 to fund commitments in that year and allow the transfer of surplus 22/23 Growth Fund to high needs to support the continued funding for priority non-statutory services and provisions and reduce any reductions in services.

A transfer of funding from the growth fund surplus would not impact on individual schools' allocations via the NFF.

- 4.3** The total Growth Fund for 2022-23 is £1.87m, of which £0.21m is required to fund additional expected pupils from Sept 2022 in the three schools still classed as "New and Growing". A further estimated £0.36m (to be confirmed) is required to fund the additional cost of the Crewkerne & Ilminster restructuring and £0.3m to cover the shortfall on the general ISB.

This would leave a balance of £1m available to use for 2022-23 commitments or transfer to High Needs Block.

5 De-delegation and Education Management Functions

- 5.1** At the November 2021 meeting, Schools Forum agreed to the TWG recommendations for:
- the de-delegation of budgets for primary, middle and secondary maintained schools for each of the services listed in the consultation; and
 - a contribution to the Education Management Functions that the LA is responsible for

Appendix 2 provides final figures for de-delegated budgets and the contribution to the education management functions.

6. Consultations Undertaken

- 6.1** A consultation on formula changes took place with all schools and academies during the Autumn term. The outcomes of the consultation have informed the Schools Forum to form their views and assisted the Cabinet members for Children & Families and Education & Transformation in making key decisions.

7. Background Papers

- 7.1** DSG 2022-23 Published Allocations
[Somerset \(skillsfunding.service.gov.uk\)](https://skillsfunding.service.gov.uk/Somerset)

DSG 2022-23 Allocations for all local authorities

[View latest funding \(skillsfunding.service.gov.uk\)](https://skillsfunding.service.gov.uk)

Schools Revenue Funding 2022 to 2023 Operational Guide (updated December 2021)

[Schools_revenue_funding_2022_to_2023_December_2021_update.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Schools Block National Funding Formula: Technical Note (July 2021)

[NFF_schools_block_technical_note \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

2022-23 Schools National Funding Formula Data, Factor and Values

The formula dataset includes pupil numbers (Table 1) and other data (Table 2) such as free school meals, low prior attainment and deprivation, which has been shown in comparison to 2021-22.

Table 1 - Pupil Numbers

Pupil numbers to be funded in the APT	2021/22	2022/23	Change in numbers	Change in %
Primary (years R – 6)	40,919	40,733	-186	-0.45%
Key Stage 3 (years 7 – 9)	16,300	16,617	317	1.94%
Key Stage 4 (years 10 – 11)	10,214	10,269	55	0.54%
Total	67,433	67,619	186	0.28%
<i>Note: Pupils for new/growing schools</i>	<i>81</i>	<i>53</i>		
<i>Crewkerne & Ilminster restructure</i>	<i>0</i>	<i>93</i>		

The above pupil numbers differ from the October 2021 census numbers due to adjustments where it is known that pupil numbers will be significantly different in September 2022 for:

- new and growing schools, which have been opened for less than 7 years and are adding a cohort each September.
- schools involved in the Crewkerne & Ilminster restructuring from September 2022. This partly involves funding “ghost” pupils to ensure the schools are financially viable during the transition to their new structures.

The cost of additional pupils for new and growing schools is funded from the Growth Fund; this is known as implicit growth funding and is pro-rated (from September 2022 to March 2023).

Table 2 - Other Data

DfE Dataset	Primary Pupil Numbers		Secondary Pupil Numbers	
	2021/22	2022/23	2021/22	2022/23
	Free School Meals	7,369	8,122	4,186
Free School Meals (Ever6)	8,403	8,682	5,684	5,740
IDACI band F	4,288	4,327	2,615	2,635
IDACI band E	5,317	5,178	3,173	3,186
IDACI band D	435	417	276	289
IDACI band C	1,338	1,311	865	909
IDACI band B	1,785	1,703	1,113	1,153
IDACI band A	0	0	0	1
EAL 3	1,942	2,082	293	269
Mobility	121	271	16	19
Low Attainment	11,901	11,373	6,397	6,439

The NFF per pupil values that have been applied are set out in Table 3 below.

Table 3 - NFF Factors and Values

Formula Factor	2021/22 Formula Values		2022/23 Formula Values	
	£		£	
	Per pupil - primary	3,123.00		3,217.00
Per pupil – Key Stage 3	4,404.00		4,536.00	
Per pupil – Key Stage 4	4,963.00		5,112.00	
<i>Amount per pupil</i>	Primary	Secondary	Primary	Secondary
Free School Meals	460	460	470	470
Free School Meals (Ever6)	575	840	590	865
IDACI band F	215	310	220	320
IDACI band E	260	415	270	425
IDACI band D	410	580	420	595
IDACI band C	445	630	460	650
IDACI band B	475	680	490	700
IDACI band A	620	865	640	890
EAL3	550	1,485	565	1,530
Mobility	900	1,290	925	1,330
Prior Attainment – per pupil	1,095	1,660	1,130	1,710
<i>Lump sum payments</i>				
Lump Sum	117,800	117,800	121,300	121,300
Sparsity Factor	45,000	70,000	55,000	80,000

2022-23 Schools Block Funding

The Schools Block allocation for 2022-23 is £351.3m and is summarised below in Table 4.

The Schools Block includes Growth Funding which has been calculated by the DfE using the same methodology as last year, based on the growth in pupil numbers between the October 2020 and October 2021 censuses.

Table 4 - Schools Block Funding

Individual Schools Budget	2021/22	2022/23	Change
	£	£	£
Schools Budget	337,300,356	349,399,366	12,099,010
Growth Fund (implicit & explicit)	2,018,738	1,866,205	-152,533
Schools Block	339,319,094	351,265,571	11,946,477
<i>Less</i> Retained Growth	1,711,899	993,420	-718,479
<i>Less</i> Transfer to High Needs Block	0	0	0
Funds available for delegation to schools (ISB)	337,607,195	350,272,151	12,664,956

Table 5 shows the values and dataset multiplied to show the total funding allocated against each of the formula factors, with the assumptions and recommendations agreed at previous Schools Forum meetings. The cost of funding the formula is compared to the funding available, and this identifies that in 2022-23 £0.66m of Growth Funding is required to support the main schools budget, including £0.36m relating to the Crewkerne & Ilminster restructuring.

Table 5 - Total Funding and Surplus Available

Formula Factor	2021/22	2022/23	Change	% Change
Primary AWPU	127,791,068	131,038,759	3,247,691	3%
KS3 AWPU	71,785,200	75,373,956	3,588,756	5%
KS4 AWPU	50,692,082	52,492,572	1,800,490	4%
FSM	5,315,306	6,045,001	729,695	14%
FSM 6	9,605,889	10,087,491	481,602	5%
IDACI	7,515,007	7,730,090	215,083	3%
EAL 3	1,503,852	1,588,380	84,528	6%
Mobility	130,108	275,041	144,933	111%
LPA Primary	13,031,317	12,851,545	-179,772	-1%
LPA Secondary	10,618,675	11,011,458	392,783	4%
Lump Sum	30,156,800	30,789,983	633,183	2%
Lump Sum Protection	0	155,668	155,668	
Sparsity	1,133,463	3,273,498	2,140,035	189%
Split sites	70,000	90,417	20,417	29%
Rates	3,460,778	3,460,778	0	0%
PFI funding	421,228	377,855	-43,373	-10%
Rural Technology	418,829	418,829	0	0%
Rents	26,316	24,750	-1,566	-6%
Total Funding for Schools Block Formula (excluding minimum per pupil funding and MFG)	333,675,918	347,086,071	13,410,153	4%
Minimum Funding Level	3,444,825	2,632,286	-812,539	-24%
MFG	486,452	553,795	67,343	14%
Total Cost of Funding Formula	337,607,195	350,272,152	12,664,957	3.8%
Schools Budget	337,300,356	349,399,366	12,099,010	4%
Implicit Growth Funding	306,839	207,915	-98,924	-32%
Schools Block Transfer	0	tbc		
Use of Growth Fund	0	664,871	664,871	
Funding Available	337,607,195	350,272,152	12,664,957	3.8%
Surplus in funding	0	0		

De-Delegation – Maintained Primary and Secondary schools only

Maintained schools can, through their representatives on the Schools Forum, vote for specific services to be managed centrally of behalf of maintained mainstream schools.

In November 2021, Schools Forum maintained school members voted to de-delegate the budgets set out in the table below. The 2022/23 values have been updated with the October 2021 census data and are presented in Table 6 below.

The consultation to all schools highlighted that:

- costs may increase above inflation
- where the costs incurred in the previous year have exceeded the de-delegated amount, the overspend will need to be recouped in the following year
- where the costs incurred in the previous year were less than the de-delegated amount, the underspend will result in a reduced charge in the following year

Table 6 – Services and Values for De-Delegation

£ PER PUPIL/PLACE	2021/22				2022/23			
	PRIMARY	SECONDARY	SPECIAL	PRU	PRIMARY	SECONDARY	SPECIAL	PRU
SIMS Licences	£5.31	£5.31	£22.56	£19.91	£5.19	£5.19	£22.06	£19.47
CLEAPPS	£0.14	£0.14	£0.61	£0.54	£0.15	£0.15	£0.62	£0.55
Care First	£0.82	£0.82	£3.51	£3.09	£0.76	£0.76	£3.23	£2.85
Maternity	£26.09	£26.09	£110.87	£97.82	£24.22	£24.22	£102.93	£90.82
Trade Union Facilities	£3.45	£3.45	£14.65	£12.93	£3.59	£3.59	£15.26	£13.46
Insurances - Primary & Special	£21.00	£0.00	£80.00	£80.00	£21.00	£0.00	£80.00	£80.00
Insurances - Secondary	£0.00	£22.00	£0.00	£0.00	£0.00	£22.00	£0.00	£0.00
FSM Eligibility	£0.56	£0.56	£2.39	£2.11	£0.53	£0.53	£2.24	£1.97
Schools Specific Contingency	£0.29	£0.29	£1.22	£1.08	£0.27	£0.27	£1.13	£1.00
TOTAL	£57.66	£58.66	£235.80	£217.47	£55.70	£56.70	£227.47	£210.12

Education Management Function for Maintained Schools

Following the removal of the Education Services Grant (ESG) general grant from September 2017, maintained schools can agree to contribute from delegated funds to ensure continued delivery of certain LA functions.

In November 2021, Schools Forum agreed to continue with this contribution in 2022-23.

The following LA services are funded in this way:

- HR duties
- Finance duties
- Health and Safety
- Equality
- Religious Education (SACRE)
- School Premises

- Redundancy costs
- Monitoring national curriculum assessment

The annual cost in 2021/22 is £19.68 per pupil. The cost for 2022/23 is £18.31 per pupil, a 6.9% decrease.