



EXECUTIVE

Wednesday, 7 February 2024

10.00 am

**John Meikle Room, The Deane House, Belvedere
Road, Taunton TA1 1HE**

SUPPLEMENT TO THE AGENDA

To: The members of the Executive

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

Agenda Item 4 Public Question Time (Pages 5 - 12)

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1. Question (submitted by David Orr)

At the Audit Committee meeting last October I expressed concern that the new Council wasn't pursuing savings from merging five councils into one with enough urgency. The Finance Director memorably announced that the "iceberg of bankruptcy" had been spotted and was a lot closer than thought! This did not inspire confidence in either the Council's financial management, nor its budget forecasting. I did not want a unitary based on the old County Council. I hoped for fresh talent and leadership through national, competitive recruitment, but instead recruitment for Directors was internal only and there has been little change in the County Council senior positions. A huge £57m "black hole" has suddenly appeared in Adult Social Care (ASC) within months of a new financial year. I can't see which service within ASC has the largest pressure, nor can I find any published figures with that detail. It could occur in providing care in people's homes or funding care homes or in keeping people out of hospital or in Learning Disabilities etc. We don't know. Nor do I see such large ASC overspends in other west country authorities, who appear to be able to avoid bankruptcy in 2024/25, while Somerset looks to be insolvent within months.

Q1a. Can the Council provide a detailed list of ASC pressures, service by service, with 2023/24 figures against 2024/25 forecasts?

Response from Cllr Bill Revans – Leader of the Council covering Adults portfolio

Q2a. Did the Scrutiny for Adults and Health committee and/or the Audit committee examine a detailed breakdown of ASC pressures, service by service, for validation and oversight? The 2023/24 financial year was when high inflation and energy costs occurred. The budget overspend forecast for ASC in 2023/24 was £24m. ASC has reduced the overspend for 2023/24 from £24m to an actual of £15m – a 38% reduction. The budget overspend forecast for 2024/25 for ASC at an extraordinary £57m, is nearly 4x this year's actual overspend of £15m. Yet in 2024/25, inflation is falling sharply, as are energy costs.

Response from Cllr Bill Revans – Leader of the Council covering Adults portfolio

Q3a. Why is the budget forecast 2024/25 ASC £57m overspend so much higher than the actual £15m overspend for 2023/24? If ASC manage demand and budgets as effectively in 2024/25 as in 2023/24 (with £7m of consultancy by Newton Europe) then the £57m forecast overspend could result in actual overspend being 38% lower again, thus saving £22m in actual ASC spending for 2024/25. Valued public services with modest budgets like toilets, CCTV and recycling centres are to be cut, when

internal efficiency savings have yet to be made, whilst financial management and budget forecasting in this new super council do not command public confidence. It is time that these budget forecasts and tax rise proposals are put to the public in a referendum. In good conscience, I could not vote for your current proposals, whilst so many questions as to how this new super council got into this parlous state “out of the blue”, remain unanswered.

Response from Cllr Bill Revans – Leader of the Council covering Adults portfolio

2. Question submitted by Eva Bryczkowski

Regarding the proposed closure of Yeovil HASU, can councillors please do an impact assessment on the estimated increase in subsidised social care that will ensue as a result of NHS Somerset ICB voting unanimously to move services and Somerset money out of Yeovil hospital acute stroke ward and put it into Dorchester hospital stroke ward, which is not fully equipped for stroke services, when we consider the increased drivetime for patients who live in Wells, and other areas not near Musgrove Park, when ALL of us potential stroke patients, ie you, will only have the choice of this hospital in Taunton?

Response from Cllr Bill Revans – Leader of the Council covering Adults portfolio

3. Question submitted by Nigel Behan

Question 3a - In the Summary and Introduction to the [House of Commons Levelling Up, Housing and Communities Committee Financial distress](#) in local authorities report (printed 29th January 2024)

It is noted that:

“It is no surprise that the financial crisis that local authorities are encountering comes after significant reductions in local authorities’ spending power which has itself coincided with increasing demand for their services and inflationary pressures driving up costs. Ultimately, the levels of funding available to local authorities, through council tax, retained business rates, and government grants have not kept pace with these pressures, leading to a funding gap which is already estimated at £4 billion over the next two years. This has meant that local authorities are increasingly reliant on income from council tax to fund service delivery. However, council tax is regressive, long overdue for reform, and is contributing to a disproportionately negative impact on funding levels of local authorities in the most deprived areas of the country.

Furthermore, the business rates retention scheme is increasingly misaligned with local authorities’ current spending needs and the government has not delivered on its earlier commitments to review and reform the scheme. The Government must urgently reform these core funding mechanisms to ensure that the levels of demand and cost

pressures faced by local authorities are adequately considered in determining their funding levels.”

“Local authorities in England deliver key services paid by local taxpayers and which are critical to their everyday lives. However, local authorities are now issuing section 114 notices at an alarming rate which puts them and local taxpayers at risk. In the last six years, eight local authorities have issued a section 114 notice, which notifies of severe financial distress – while none had done so in the preceding eighteen years. Moreover, local authorities are increasingly reporting concerns about their financial positions and their ability to maintain delivery of their services. The Government must act now if local authorities are to survive the severe crisis and financial distress that they face.”

“Section 114 Notices 2. A ‘section 114’ notice is a report required under section 114 of the Local Government Finance Act 1988 in circumstances where a local authority’s most senior finance officer (the ‘section 151’ officer) believes that the authority has taken, or is about to take, a course of action which would be unlawful, for example where the where the authority is unable to meet its spending commitments from its available sources of funding.⁵ 3. Issuing a section 114 notice has significant impacts for local service delivery. In particular, it prevents the issuing authority from incurring any new expenditure until an amended budget is passed. This will require spending cuts to key services, asset sales, or increased taxation, fees, or charges. 4. Furthermore, in some circumstances the Secretary of State for Levelling Up, Housing and Communities may use powers under the Local Government Act 1996 to intervene in the operations of a local authority, for example by appointing commissioners to exercise specific functions of a local authority in place of that authority’s elected representatives. This has happened in the following local authorities which have issued section 114 notices since 2018: Northamptonshire County Council,⁷ Slough Borough Council,⁸ Thurrock Council,⁹ Woking Borough Council,¹⁰ and Birmingham City Council.¹¹ Recently, the Secretary.”

It goes on, amongst other matters, to mention Adults, Childrens Services, SEND and Housing (Homelessness) as the main contributors to the (financial) pressures etc.

And

“The Government elected after the next UK General Election, regardless of their political persuasion, must embark on a fundamental review of the systems of local authority funding, local taxation, and delivery of social care services. In doing so, it must be clear about what local authorities are for and how they can best co-ordinate with delivery of the Government’s wider objectives. The next Government will need to

design and implement fundamental reforms to bring the local authority funding system into the 21st Century and should consider options such as land value taxes and wider fiscal devolution in doing so. It must also explore all options for reforming funding and delivery of social care services to address the underlying causes of the acute funding and delivery pressures currently faced by local authorities.”

Assuming this Council agrees overall with the report, what other factors, issues and concerns need to be taken into account?

Response from Cllr Liz Leyshon

Question 3b - Little mention is made of the role of City, Town and Parish Councils in the report (above).

The BBC reported that: Steep rise in council tax for Yeovil and Taunton to save services after the respective Town Councils set their particular requirements -in effect, taking on some of the services previously provided by Somerset Council (which could reasonably be referred to as localising liability - by way of buy back/TUPE etc).

Unlike Somerset Council they do not have a government-imposed limit of a CTAX increase of 4.99% (without a referendum) although the resultant budget figures leading to the CTAX Bill will (re) appear as a CTAX liability, admittedly on a different line (along with the Police and Fire and Rescue etc). This technique is named “Devolution”.

(Interestingly in Cornwall, “Toilets that will only charge tourists in a popular West Cornwall seaside town will stay shut for weeks while revamp work is going ahead. St Ives Town Council announced last year it would install contactless digital forms of payments at its flagship toilets at West Pier (Lifeboat Station) as part of a massive upgrade of the public convenience facilities.” The Town Council discussed whether to differentially charge for toilet use between residents and visitors etc.)

Does SC believe that the government (DLUHC) may intervene and prescribe the increases in Town Council precepts?

Response from Cllr Liz Leyshon

Q3c - Should the role, function and purpose of Local Community Networks (with the corresponding limited accountability and relative inadequate governance - supported by SC officer time etc) be revisited/reviewed as Local Town and Parish Councils (which have, usually, well understood governance structures) are being encouraged/invited to deliver local services?

Response from Cllr Theo Butt Philip

4. Question submitted by Alan Debenham

Bearing in mind my attached document below could the Council please consider this matter and agree to do in mitigation of debt prosecution concerning Council Tax collection what has been agreed in the Manchester area ?

My name is Richard, and I am a community organiser at Debt Justice.

I'm emailing you today with some fantastic news to start the year. Our UK household debt campaign just scored a major victory, and it's all down to our local group in Manchester.

Many in the group have been impacted by the cost of living crisis, and unable to keep up with council tax bills. They aren't alone, across the UK nearly 3 million people have been taken to court for falling behind [1]. The Trussell Trust reports that council tax debt pushes many people into destitution [2].

This debt builds up so quickly because one missed payment can mean councils will send a bill for the entire years' worth of council tax – debt can increase tenfold in a matter of weeks. And that can mean facing the stress of a visit from the bailiffs.

For over a year the group in Manchester has been campaigning together with community union Acorn for more support for people with unpayable council tax debt and for an end to bailiff visits, we've just heard that they won some major changes

Following pressure from Debt Justice campaigners in Manchester, the council have brought in measures that will mean almost 50,000 homes that are in receipt of council tax support will no longer be visited by bailiffs. This is on top of the changes last year that include extra support for people who are having trouble paying council tax.

With the effects of the cost of living crisis being felt by people across the city, this is good news. Local authorities have a duty to their residents to collect council tax to support high quality local services, but there isn't any observable link between using bailiffs and higher council tax collection rates.

Response from Cllr Liz Leyshon

5. Question submitted by Cllr Thomas Daw

Today, I stand before you to present a petition, signed by thousands of concerned citizens, urging the Somerset Council to reconsider the proposed cuts to the Cheddar Recycling Centre.

Residents' plea for your urgent intervention in a matter that deeply concerns the well-being of our community and the environment we hold dear. The Cheddar recycling centre, a vital hub for sustainability in our constituency, faces an imminent threat of closure. I implore you to consider the grave implications of such an action and to advocate for the continued operation of this essential facility.

We recognize the financial challenges faced by the Somerset Council, and we empathize with the need to make difficult decisions. However, we believe that investing in sustainable practices, like recycling, is an investment in our collective future. The long-term benefits of maintaining Cheddar Recycling Centre far outweigh the short-term cost savings.

The Cheddar recycling centre is not merely a collection of bins and machinery; it is a linchpin in our community's commitment to environmental responsibility. Its closure would not only disrupt our local waste management system but would also send a distressing message about our dedication to a sustainable future.

The recycling centre plays a crucial role in reducing landfill waste. In 2019 alone, over 60% of household waste in Somerset was recycled or composted (Somerset Waste Partnership). This achievement would not have been possible without facilities like our Cheddar Recycling Centre.

According to figures released by the Department for Environmental Food & Rural Affairs, many rural areas in the South West saw a marked increase in the number of Fly-tipping incidents. This closure is guaranteed to see another substantial increase of fly-tipping incidents, which could pose more of a financial risk than the recycling centre.

As representatives entrusted with the well-being of Somerset residents, I ask you on behalf of them to use your influence to prevent the closure of the Cheddar recycling centre. Engage with relevant stakeholders, advocate for the importance of sustaining such facilities, and seek alternative solutions that would allow this centre to continue its invaluable service.

Hear I have some quotes from local residents on the matter:

“I use the tip weekly and it’s always extremely busy and well used. The closest recycling centres would surely struggle with the extra intake. Living in the Mendips the inevitable extra fly tipping will be a huge concern and there would be additional costs and resources required to deal with it. In addition, so many people potentially having to travel further in order to use another recycling centre raises environmental concerns. Further, with so much additional housing being built in Cheddar and no doubt much extra income from the additional council tax - this popular facility has never been more warranted and should stay in Cheddar, without question.”

Another says “We need this service hugely! There are massive amounts of houses being built in the cheddar area. It is 15+ miles to the nearest recycling centre. Surely leave cheddar alone”

With hundreds more of the concerns of fly-tipping and noting the increasing size of cheddar. Residents feel cheated by this proposal. With the next nearest tip being more than 10miles away, it not only disproportionately effects the poorest and most vulnerable like ever council cut, but will also have a huge impact on bigger families where cub-side already isn’t enough.

I understand the challenges and decisions that you face daily, I am a councillor myself, but I ask you to weigh the long-term benefits of preserving the Cheddar recycling centre against the short-term challenges that may necessitate its closure. Let us not sacrifice the principles we hold dear for expediency.

In conclusion, I implore you to stand up for our community, for the environment, and for the principles of sustainability that we collectively cherish. Your advocacy and support can make a significant difference in ensuring that the Cheddar recycling centre continues to thrive for the betterment of our community and the generations to come.

To summarise with 3 questions:

5a. What are the short- and long-term savings when stacked against the increase costs from fly-tipping, which this closure is expecting cause to double?

5b. Have you conducted the appropriate risk assessment and Equality impact assessment, if so, what is the outcome of that?

5c. And lastly, will the council publish performance and cost information on all somerset Recycling centres and how they compare, taking account their varying opening hours?

Thank you for your attention and consideration of this critical matter.

Response from Cllr Dixie Darch