



Annual Report of the Leader of the Council

The past year has been one of unique and remarkable achievement and one I suspect all of us will remember for years and simultaneously, one few of us, members or officers, would wish to go through again.

1. Delivering the new Somerset Council

The road to the new unitary Council has been well documented in past reports to Council, but I wish to pay tribute to the officers of all five councils for the way they worked to create a council well-prepared for vesting day while delivering existing services in the most challenging circumstances any of us can remember. They should all be immensely proud of their professionalism and resilience.

In preparation for vesting day a huge amount of work was undertaken to harmonise the ICT, HR and finance systems of the five councils. This work has not been without its challenges or indeed glitches, but each of these has been accomplished with broad success. In a typical year simply the move to Microsoft Dynamics as our key financial system would have been viewed as a huge corporate transformation. In Somerset, in 2022/23 it was one of many such projects.

Alongside that work the Council recruited Duncan Sharkey as Chief Executive of Somerset County Council, becoming chief executive of the new unitary authority. Duncan moved swiftly, developing a new senior management structure and, remarkably, a senior management team, by vesting day. All but one of the Executive and Service Directors was appointed from amongst the existing staff of the five councils, creating a team with a deep knowledge of the county, its people, and its services.

I have to note that in creating this team we have lost senior members of staff from each council who have served the people of the county well. These staff have worked ceaselessly over the past year to deliver the new Council and we should reflect that they have done so knowing that their posts were at risk. This is replicated amongst other staff who are unavoidably nervous about the future, and I am sure all members of this council understand and respect their ongoing commitment in these circumstances.

2. Delivering the new Medium Term Financial Plan

2022-23 saw all five councils operating in highly challenging circumstances with substantial projected overspends running through much of the year in most of the previous authorities. Bringing down that overspend while creating a single budget for the new council was a huge achievement in the circumstances.

And the circumstances were remarkable. Double digit inflation has followed a decade of austerity. As Covid-19 disappears in the rear-view mirror it is undeniable that it continues to shape our services, from the way our staff operate to the long-term impact, only slowly becoming understood, on our care services and NHS partners. It is likely to be several years before we properly understand the impact of lockdowns on the mental health and academic performance of our young people for instance.

It became clear during the year that, denied the social interaction that supported an individuals' health and wellbeing, residents coming into contact with our adult care services were frailer than one might expect from the cohort. I write this not to make a case against lockdowns, which undoubtedly saved many lives, but to note that the impact, both in service delivery and costs the council will become clearer over time.

The budget set in February 2022 contained uplifts in funding considered by the previous administration to be appropriate for the social care services of Adults and Childrens, yet the additional funds were found to be inadequate for the growing demand by Month 3. Increases in energy costs and a pay award that was more than double that allowed in the budget have contributed to a projected overspend for the year to 31st March 2023 in the region of £20million.

At the same time as working on the savings necessary to produce a balanced budget, officers had to work on the harmonisation of Council Tax and a complex harmonisation of charges, along with changes in policy in line with the new Administration. The financial pressures on the new Somerset Council are in line with other upper tier authorities in the country, and the savings identified through LGR helped considerably in the budget setting. The failure of Central Government to strategically approach the financing of adult social care, with late settlements becoming the norm, places real constraints on councils' ability to plan for the future. Somerset, as with other rural counties with a disproportionality aged population, is notably challenged by this Government failure.

3. Delivering the Council Plan

Every successful organisation needs clear sense of purpose and a story it can tell itself to illustrate its ambitions. The publication of our Council Plan in March of 2023 sets up that narrative for the coming four years. This Council will create: A Greener More Sustainable Somerset, A Healthy and Caring Somerset, A Fairer and Ambitious Somerset, and A Flourishing and Resilient Somerset.

I am grateful for the support this Plan had across council and it will start to influence our service delivery and engagement with partners over the coming year.

4. Delivering our Partnerships

Our task now is to work with our partners to deliver this Plan for the county as whole. It is fitting that this report comes to Council with a paper that supports the establishment of the Somerset Board, which will bring together work of the Health and Wellbeing Board and the Integrated Care Partnership. The Board will provide strategic leadership to improve the health, care, and wellbeing of Somerset residents. We are fortunate in that our care services work remarkably closely with our NHS partners and that there is already a shared vision for health and wellbeing in the county. The move to a single council, however, makes the running of such partnerships easier, providing quicker decision making on the part of the council in supporting our work with partners.

5. Delivering Change

The work of the last year has only been a start in our work of creating a new council and a strong foundation has been created for us to realise the benefit from our unitary Council for Somerset. Having appointed the senior management team, work is beginning to recruit and appoint the next tiers of officers ensuring we have the resources to not only deliver the vital services in our communities, but also to deliver the transformation and change required to make the most of our new Council.

6. Delivering a Fairer, Ambitious Somerset

But pride in challenges overcome should not blind us to the task ahead. We need to raise the ambitions of our young people which means providing opportunities for their careers and lives to flourish here. That means attracting new businesses to Somerset and better supporting those already in the county that wish to grow. It means growing our economy while protecting our environment, and building new homes while supporting our communities. It means supporting our residents to live their best lives, throughout their lives.

Somerset is a unique and wonderful county, but we can make it better for more of its residents. That has to be the purpose of a new, unified, Somerset Council.