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5.	The Future of Local Government in		
	Somerset: "One Somerset" Business Case for a single unitary council	RESOLVED: That District Executive recommend that Full Council agree the following response to Somerset County Council's "One Somerset" Business Case:-	
		That South Somerset District Council recommends that Option (c) of the report is adopted, with the commentary that follows: Option c. Agree that [SSDC] does not support the business case overall, with supporting commentary on the reasons why it does not support the business case; where it feels more work or clarification is required; and any aspects of the business case it does support.	
		<u>Commentary</u>	
		Summary statement:	
		"SSDC believes that this is a solution put forward by a discredited authority based on failed examples of change, with inadequate evidence and a high risk of bad outcomes for residents and communities ."	
		The reasons why SSDC does not support the business case; and where more work or clarification is required	
		1. The proposed unitary authority is based on <u>failed examples</u> of local government which have lost vital local services and democratic accountability. SSDC cannot support a risky experiment to suffer a similar fate:	
		- Currently, residents, businesses and communities are supported by high-performing districts that have demonstrated sound financial management and digital transformation, and have a mandate to deliver valuable discretionary services (such as	

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	town centre regeneration, theatres and swimming pools). The county administration has focussed on tax cuts not needs, reducing budgets to the point of service failure (transport, social care, special educational needs and disabilities) and abandoning other service areas, relying on others to fund them (youth services). This business case extends that approach over key services delivered by Districts which are valued by business and residents.	
	- The 'One Somerset' business case relies on evidence from other single county unitaries, including neighbouring Wiltshire, and recent unitaries where it is too early to measure success. Wiltshire is reported to be on the verge of issuing a S114 bankruptcy notice. Wiltshire's Local Council Networks (Area Boards) have been a conspicuous failure with little funding, autonomy and officer resource, and very limited devolution to parish and town councils. Local Council Networks on this model will in no measure replace the quality of service of the District Councils. Dorset has failed to devolve services to parishes, and a period of paralysis has followed the implementation of single unitary authorities, that can ill be afforded in the aftermath of Brexit and Covid-19.	
	- Alternative options to the single unitary are given only superficial analysis.	
	- The business case fails to recognise the transformation necessary in the delivery of social care.	
	A single Somerset unitary is too big for effective local democracy in Somerset, and will lead to a substantial democratic deficit:	
	 If two tiers of local government are to be reduced to one tier, it makes no sense for the new tier to be at the level of one of the previous tiers. 	
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		 The government's aspirations for devolved authorities are based on Local Enterprise Partnership areas (in our case, Somerset combined with Devon). A unitary for the whole of Somerset would be too close in size to a future combined authority of Somerset and Devon.
		- A unitary for the whole of Somerset would be too remote from local communities, residents and c.300 Parish and Town Councils.
		- The average size of the 20 rural unitary authorities in England is around 300,000. A single unitary for Somerset would serve a population of about 560,000, and would nearly be the biggest unitary population in the country, and spread over a great geographical area.
		 Single Unitaries are not necessarily the norm, especially if an authority borders on differing authorities. Evidence is Cornwall which is the only single Unitary in the SW and borders only Devon. The SCC administrative area borders Dorset, Wiltshire, the other 2 unitaries in Somerset, and Devon (2 tier).
		 Under the business case, each Councillor will be expected to take on 8 times the work of an existing Councillor, over a wider area and on a much broader range of responsibilities: the loser in this democratic deficit will be the communities and residents.
		 The SSDC model is a recognised national leader in involving communities, as evidenced by being awarded Council of the Year and 3 Beacon awards for this work – the key element of the model is the Area Committees.
		- One of the government's tests is a strong level of public support. The business case's exaggerated claims on this are wrong, not only because the business case has just

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		been published, but because the last time a single unitary was suggested, it was rejected by about 82% of the population.
		The financial arguments in the business case appear to be inadequate and flawed, and urgently need an independent and thorough investigation. Observations include: -
		- The cheapest solution is not usually the best.
		- There is a substantial risk of not delivering the financial benefits.
		- The business case has failed to demonstrate any duplication in front-line services leading to savings.
		 The business case takes no account of the transformation savings that have been realised in district councils.
		 The reported finances of the county and district councils are outdated, and in some cases misleading. The county's claims of financial stability need to be carefully scrutinised, including any hidden borrowing.
		- Savings of Chief Executive salaries are claimed, when these are less than those of County directors.
		 Financial analysis appears to estimate cost from the County perspective, rather than from the point of view of the Council taxpayer.
		 District and Parish Councils have had to step in and fund community services that have been cut by the county council. Will these be funded under the single unitary?
		- No cost to the taxpayer has been taken into account when parishes take on

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		responsibilities.
		 £18.5m per year saving, even if corroborated by scrutiny, would be less than the cost of poor delivery of social care, which is what has happened so far when delivered at a county scale.
		 It has been stated that the single unitary will discontinue commercial investment to save vital services. It is unclear how this lost income will be made up.
		- It is unclear whether the financial case relies on rises in Council Tax.
		The business case also claims to offer benefits that are not sufficiently evidenced. These also need an independent and thorough investigation.
		Any aspects of the business case it does support.
		 SSDC is open to the view that a unitary authority can provide a solution to the future of local government in Somerset, but not at this scale. However the district councils do not underestimate the challenge of a unitary delivering the best services to residents and communities even at a smaller scale.
		 SSDC accepts that there are some services that should continue to be delivered at a county-wide or a regional combined authority level (eg. transport, health, police, regional strategies, waste partnership, home finder, some back-office functions), but not those working with and supporting communities
		- The discussion paper commissioned by SALC is worthy of further study. However SSDC agrees in particular with the views expressed that: -
		o The burgeoning demand, particularly for children's and adult social services, will

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			in any case soon dwarf any proposed savings
		0	It is clear that the scale and complexity of Somerset's challenges are so great they are unlikely to be effectively addressed from a unitary council which is too distant from recognising and responding to local concerns
		Reason:	To propose the South Somerset District Council response to the "One Somerset" Business Case.
			(Voting: unanimous in favour)