

South Somerset District Council

Minutes of a Special meeting of the **District Executive** held as a **Virtual Meeting - Virtual Meeting using Zoom meeting software on Thursday 16 July 2020.**

(9.30 - 10.15 am)

Present:

Councillor Val Keitch (Chairman)

Jason Baker
Mike Best
John Clark
Adam Dance
Sarah Dyke

Peter Gubbins
Henry Hobhouse
Tony Lock
Peter Seib



Also Present:

Robin Bastable
Nicola Clark
Brian Hamilton
Mike Lewis
Sue Osborne
Crispin Raikes
Jeny Snell
Mike Stanton

Gina Seaton
Martin Wale
Andy Kendall
Clare Paul
Lucy Trimnell
Linda Vijeh
William Wallace

Officers:

Alex Parmley
Richard Ward
Nicola Hix
Kirsty Larkins
Jan Gamon
Stephanie Gold
Michelle Mainwaring
Becky Sanders
Angela Cox

Chief Executive
Monitoring Officer
Director (Support Services)
Director (Strategy and Commissioning)
Lead Specialist (Strategic Planning)
Specialist (Scrutiny & Member Development)
Case Officer (Strategy & Commissioning)
Case Officer (Strategy & Commissioning)
Specialist (Democratic Services)

Note: All decisions were approved without dissent unless shown otherwise.

158. Apologies for Absence (Agenda Item 1)

There were no apologies for absence.

159. Declarations of Interest (Agenda Item 2)

There were no declarations of interest made by Members.

160. Public Question Time (Agenda Item 3)

The Committee were addressed by a representative of Somerset Independents, a group formed during the Covid-19 emergency by local residents to voice the democratic rights of the residents of Somerset. He advised that at a poll conducted in 2007, 82% of residents had voted against a proposed Unitary Authority at that time. He suggested that another poll be held to gauge public opinion on the latest proposed Unitary Authority and a Citizens Assembly be held to discuss changes to how Somerset would be governed. He said they had written to all Councillors and he thanked those who had responded on this request. He concluded by asking Members to commit the Council by a motion to hold a referendum to gauge public opinion on the latest proposed Unitary Authority and to show their support through social media.

The Chairman thanked the representative of the Somerset Independents group and said that his comments were noted. She said it was not within the gift of the Council to call a referendum on the issue but it would be discussed and a Motion may be proposed in the future.

161. Chairman's Announcements (Agenda Item 4)

The Chairman thanked all officers for their work during the Covid-19 pandemic to keep Council services operating and Councillors who had worked in their communities to keep residents informed.

162. The Future of Local Government in Somerset: "One Somerset" Business Case for a single unitary council (Agenda Item 5)

The Chairman advised that the Somerset Councils had been debating joint working for 2 years and all agreed that change was needed. In January 2020 the SCC had announced that they would only pursue a single unitary option, which the other District Councils did not agree as they wished to investigate other options. She noted that the report listed a number of options for the response to the SCC One Somerset business case, of which the District Executive must propose one to Council that evening.

Councillor John Clark, Portfolio Holder for Economic Development, read out the proposed response of the District Executive working party to the SCC One Somerset Business Plan, following the presentation by SCC Council Leader, David Fothergill earlier in the week, as follows:-

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.

Commentary

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 failed examples 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 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.
2. 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.
 - 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 been published, but because the last time a single unitary was suggested, it was rejected by about 82% of the population.

3. 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 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.

4. 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 in any case soon dwarf any proposed savings
 - o 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

Councillor Clark proposed that the response be confirmed by the District Executive and forwarded to Council as the SSDC response to the SCC One Somerset business case.

The Chairman confirmed that SSDC were not opposed to change and a summary of the Executive Members report on their deliberations would be published. She reminded Members that the vote was not whether to accept a Unitary Authority for Somerset or not, but, comments on the SCC One Somerset Business Case.

During discussion, Members made the following points:-

- The public were bemused by the unitary discussion during the Covid crisis when Councils were responding to the crisis and preparing for any resurgences.
- Councils should be focused on helping businesses and the local economy.
- SSDC had 5 senior officers whereas SCC had 83 senior officers.
- SSDC had built many discretionary facilities like parks and the theatre which could be at risk under a unitary authority.
- The SCC Your Somerset publication presented only the SCC view to residents.
- Residents should consider their front-line services.
- The residents of Somerset should decide how the county is run and not the Secretary of State.
- The District Council's business case had been delayed because of the Council's response to Covid-19 but it was well-evidenced on the cost of SCC services.
- The cost savings listed in the report would be affected by Councils response to the Covid-19 pandemic.
- Parish Councils did not support the unitary authority proposal and were concerned that they were not properly consulted.
- A referendum on the unitary proposal could be conducted in May 2021 at the same time as the County Council election.

The Chairman advised that no Council had been invited to submit any proposed business case on local government in Somerset to the Government and she did not expect that to happen before the Government's summer recess. She advised that prior to the Covid-19 pandemic, the Leader of Somerset County Council had attended many parish council meetings to speak about their business plan and he had continued to attend virtual parish council meetings during the lockdown period.

The Chairman of the Scrutiny Committee advised that they had discussed the SCC business plan at an informal meeting earlier that week and the points they had raised had been circulated to Members. He said that in summary, Members had felt there was a lack of evidence in the business case and, where there was evidence it was often outdated or inconclusive. He said they looked forward to receiving the district councils proposals which he was assured were evidenced.

The Chairman proposed that the District Executive recommend that Full Council agree the response to Somerset County Council's "One Somerset" Business Case as detailed by Councillor John Clark as Option C, that SSDC do not support the business case overall with the supporting statement. This was seconded by Councillor John Clark. A named vote was taken and Members unanimously confirmed Option C, that SSDC do not support the Somerset County Council's "One Somerset" Business Case overall with the supporting statement.

The Chairman thanked officers and Members for conducting a positive meeting.

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.

Commentary

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 failed examples 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 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.

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Reason: To propose the South Somerset District Council response to the "One Somerset" Business Case.

(Voting: unanimous in favour)

163. Date of Next Meeting (Agenda Item 6)

Members noted that the next scheduled meeting of the District Executive would take place on Thursday 6th August 2020 as a virtual meeting via Zoom meeting software commencing at 9.30 a.m.

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Chairman

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Date