

## Executive Summary

This consultation feedback, which has taken the form of a review of the Stronger Somerset proposal document, has been developed by Somerset County Council in collaboration with four independent experts to inform its response to the consultation and its own democratic decision making process in relation to this matter. The independent reports are appended to this submission:

- **Overall assessment of Stronger Somerset Proposals** by PwC, a global consultancy for the public and private sector: appendix A
- **Assessment of the plans for Adult Social Care** by Prof. John Bolton, consultant working on cost effective delivery of adult social care: appendix B • **Assessment the proposals for Children’s Services** by Mr Trevor Doughty, Commissioner and Advisor for the Department of Education, and ex-Director of Children’s Services and Social Services: appendix C
- **Assessment the proposals for Economy, Planning and Transport** by Mr Neil Gibson, independent strategic advisor and facilitator to the public and private sector, Member of the Royal Town Planning Institute (RTPI) and a Fellow of the Chartered Institute of Highways & Transportation (CIHT): appendix D

Both Somerset County Council and the authors of these reports acknowledge that it is a matter for the Secretary of State to determine which proposals should be taken forward, as well as the degree to which the three reorganisation ‘tests’ set out in the invitation letter are satisfied, suggesting that a proposal, if implemented, should:

1. Improve local government in the area
2. Command a good deal of local support overall across the area
3. Lead to the unitary councils covering a credible geography

There are some clear areas of alignment between the two proposals that have been submitted. Critically, both make a strong case for reorganisation, acknowledging that the current model of local government is not as efficient or as effective as it could be. Both proposals also cite challenges such as the requirement to make savings and the growing demand on services. The fact that both proposals acknowledge these issues and determine that implementing unitary local government is the right option for the county is a positive.

However, there are also several significant differences between the proposals, and it is these areas which constitute the main areas of focus for this feedback. These consist of the way in which potential options for change are described and assessed,

the relative emphasis each proposal applies to issues such as efficiency, the importance of credible local geography and, most importantly, the conclusion reached regarding the right model of unitary local government for Somerset.

Somerset County Council has identified seven areas of concern and challenge with the Stronger Somerset proposal:

**1. The options appraisal methodology is flawed.** The options appraisal methodology set out in the Stronger Somerset case makes a direct comparison with the One Somerset proposal, which is presented in negative terms. It is difficult to see how some of the assertions made about either proposal can be substantiated, given the lack of evidence presented in the document. Not all of the options have been assessed, only the preferred option of two unitary councils and the single unitary alternative. This approach calls into question the rigour and robustness of the options appraisal that has been carried out.

The Stronger Somerset document is noticeably lacking in evidence to back up its arguments and as a result it is difficult to see how some of its assertions can be substantiated. As a result, this consultation response must necessarily comment on some of the unevidenced and incorrect assertions about the One Somerset proposal that have been made in the Stronger Somerset proposals.

**2. The financial analysis is flawed.** The financial analysis set out in Stronger Somerset is presented as being directly comparable with that included in One Somerset, even though the two cases are based on fundamentally different assumptions. While the Stronger Somerset financial case includes assumptions about the potential level of benefit that would be secured by using the reorganisation process as a catalyst for transformation, the One Somerset case does not (it refers to transformation opportunities, but does not quantify these and has not included any assumptions in its financial case). Presenting the two financial cases as comparable in this way is misleading. Of more concern is that in their overall assessment of Stronger Somerset's proposals, PwC's independent report states that the transition costs are understated by £10m and that annual savings are overstated by £20.4m. The case also proposes indirect savings of up to £53m from the people services, however these savings are already being delivered.

**3. The proposed geography is flawed.** The way in which the geography of the county is treated within Stronger Somerset does not make a compelling case for establishing two new councils. Current population levels for the two unitaries proposed are below the range indicated by the Secretary of State and local data suggests there could be an imbalance across the proposed councils for the East

and the West in terms of demand for services and income. Levels of deprivation in the west are twice that in the east, calling into question the financial sustainability of that council with the additional service demand. More fundamentally, Somerset does not naturally divide into an east and a west.

- 4. The operating model proposed is flawed, replacing five councils with five new organisations.** The operating and delivery model proposed in Stronger Somerset would result in duplication of activities and functions across the county. It is not clear how some of the proposals referenced in the document would mitigate this. For example, the inclusion of an 'alternative delivery model' for children's services within the proposal is not detailed and represents an untested solution in this context (there are parallels with the children's trust model, but these are typically introduced by the Secretary of State for other reasons). Proposing the abolition of the five current councils and replacing them with five new organisations would appear to be an opportunistic solution to other unspecified issues. Of more concern is that at the same time as local NHS organisations are joining into one organisation with coterminous boundaries between the Integrated Care System (ICS) and existing County Council area, the Stronger Somerset proposal seeks to disaggregate services, making integration and partnership more difficult for partners whilst increasing costs and complexity.
- 5. The democratic arrangements proposed are flawed.** The proposed strategic leadership and democratic arrangements are problematic. The significance of local government in Somerset being able to speak with 'one strong voice' nationally is underplayed. Furthermore, Stronger Somerset is proposing to establish two new councils which would be served by 100 members each - a large number for an area and population of Somerset's size. There is a strong case for arguing that the levels of resource and effort required to support such arrangements would be better deployed in supporting engagement, front line service delivery and decision-making that is closer to local communities.
- 6. The proposal for a Combined Authority is flawed.** The way in which Stronger Somerset describes ambitions to use unitarisation as a stepping-stone to establish a combined authority and securing devolution arrangements from Whitehall represents a further area of challenge. It is possible to interpret them as suggesting there is an intention to establish a combined authority that would bring together the proposed two new unitaries following their implementation. There appears to be no precedent for this type of model (combined authorities are typically established to cover larger geographies and a greater number of constituent councils). North Somerset and Bath & North East Somerset councils have both said that they have no intention of joining a Somerset Combined Authority.

## **7. The risks of County Council service disaggregation have been ignored.**

Stronger Somerset makes no reference to the complications that would be associated with disaggregating the services currently provided by the County Council. This calls into question whether the risks associated with this process have been properly considered and has implications for the deliverability and sustainability of the Stronger Somerset proposals, especially with the understating of the transition costs by £10m. To be clear, disaggregation is expensive, complex, and does not improve quality of services. This issue is also relevant to “place services” delivered by all the impacted councils, and public health (disaggregating public health provision in the current climate has the potential to destabilise the response to the pandemic - Stronger Somerset is not clear on what is intended in this regard, or indeed on most elements of public health provision). Furthermore, it is not clear what responsibilities in these areas are envisaged as having the potential to be transferred to a combined authority at a future date.

Somerset County Council is of the view that the Stronger Somerset proposals do not meet the Secretary of State’s three “tests”.

- 1. Improve local government in the area.** Creating five new organisations from five existing councils, disaggregating major, high-risk county-wide services, coupled with an implementation plan which overstates the savings by £20.4m and understates the transition costs by £10m, will worsen services at a time when ‘whole system’ working with partners is required in a climate of recovery and post-pandemic public sector financial constraint.
- 2. Command a good deal of local support overall across the area.** Gauging support is always difficult, but with a majority of the MPs against Stronger Somerset and none of the key NHS, Police or other public sector partners supporting the proposal it is difficult to see how this test is met. The proposal makes bold claims for its Ipsos-Mori polling. From the analysis conducted, it is clear that Stronger Somerset has selectively used the results, ignoring those that were critical or damaging to its proposal, and presented other data in such a way as to give a misleading and distorted view.
- 3. Lead to the unitary councils covering a credible geography.** Two sub-300,000 population unitary councils, with the demand pressures in the west of the county, would mean financially unsustainable organisations being created at a time when public sector finance pressures from the pandemic are at their most critical. Residents and businesses in Somerset do not consider the county to naturally sub-divide into an east and west geography.

On the basis of this review of the Stronger Somerset proposal, and considering the relative merits of the One Somerset case, Somerset County Council is of the view that establishing a single unitary council in Somerset would be more likely to improve local government in the area and would serve a more credible geography. A single unitary would have the advantages of scale, deliver a greater level of financial saving, would cover a recognised geography and serve a population within the range specified by the Secretary of State. Supported by a majority of its MPs and key partners across the county, the test of a good deal of local support is also met for the One Somerset single unitary proposal.