

Public Document Pack

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Date: Friday, 30 December 2022

To all Members of the Council

Dear Sir or Madam

**Summons to attend the Council Meeting – Tuesday, 10 January 2023 at 6.00 pm
New Council Chamber - Town Hall**

You are requested to attend the Meeting of the Council to be held at 6.00 pm on Tuesday, 10 January 2023.

Please Note that any member of the press and public may listen in to proceedings at this meeting via the weblink below –

<https://youtu.be/IK4oCSvpdoc>

The agenda is set out below.

Yours faithfully

Assistant Director Legal & Governance and Monitoring Officer

This document and associated papers may be made available in a different format on request.

Agenda

1. **Public Participation, petitions, and deputations (Standing Orders 2 (vi) and 17)**

The Council will hear any person who wishes to address it in accordance with the Standing Orders. The Chairperson will select the order of the matters to be heard.

Each person will be limited to a period of five minutes for public participation and deputations and three minutes for petitions. This section of the meeting must not exceed 30 minutes and discussion must not refer to a current planning application.

The Council will also receive questions from the public and provide answers thereto, subject to the Chairperson being satisfied that the questions are relevant to the business of the meeting.

Requests must be submitted in writing to the Assistant Director Legal & Governance and Monitoring Officer, or to the officer mentioned at the top of this agenda letter, by noon on the day before the meeting and the request must detail the subject matter of the address.

2. **Apologies for absence**

3. **Declaration of Disclosable Pecuniary Interest (Standing Order 37)**

A Member must declare any disclosable pecuniary interest where it relates to any matter being considered at the meeting. A declaration of a disclosable pecuniary interest should indicate the interest and the agenda item to which it relates. A Member is not permitted to participate in this agenda item by law and should immediately leave the meeting before the start of any debate.

If the Member leaves the meeting in respect of a declaration, he or she should ensure that the Chairperson is aware of this before he or she leaves to enable their exit from the meeting to be recorded in the minutes in accordance with Standing Order 37.

4. **Minutes (Pages 7 - 24)**

8 November 2022, to approve as a correct record (attached)

5. **Medium Term Financial Plan - Update Report (Pages 25 - 40)**

Report of Councillor Cartman (attached)

6. **Recommissioning of the Support to Live at Home Domiciliary Care Contracts (Pages 41 - 48)**

Report of Councillor Bell (attached)

7. **Winterstoke Road Bridge - funding and Memorandum of Understanding. (Pages 49 - 60)**

Report of Councillor Hogg (attached)

8. Castlewood Redevelopment (PART EXEMPT) (Pages 61 - 88)

Report of Councillor Cartman (attached)

9. Reports and matters referred from the Executive - dated 7 December 2022

None.

10. Petitions to be presented by Members (Standing Order No. 16)

These have to be received by the Assistant Director Legal & Governance and Monitoring Officer by 12.00 noon on the day of the meeting.

11. Motions by Members (Standing Order No. 14)

None.

12. Question Time (Standing Order No.18)

Questions must relate to issues relevant to the work of the Executive.

Members are requested to supply the Democratic Services Officer with a note of each question at, or just after, the meeting. A summary note of each question will be included in an appendix to the minutes.

13. Matters referred from previous meeting

None.

14. Chairperson's announcements

15. Leader's announcements

16. Chief Executive's announcements

17. Forward Plan dated 3 January 2023

(to follow)

18. Policy and Scrutiny Panel Report

None.

19. Corporate Parenting Report (Pages 89 - 90)

Report of Councillor Gibbons (attached)

20. Reports and matters referred from the Policy/Overview and Scrutiny Panels other than those dealt with elsewhere on this agenda

None.

21. Reports and matters referred from the other Committees other than those dealt with elsewhere on this agenda (Pages 91 - 102)

Audit Committee, 24 November 2022

AUD17 Audit Committee Annual Report 2021-22 (draft minute extract and report attached)

22. Reports and matters referred from other working groups and review panels

(1) Code of Conduct Working Group

Reference from group to Council on the updated LGA Code of Conduct for members (to follow)

23. Reports on joint arrangements and external organisations and questions relating thereto (Pages 103 - 104)

(1) Avon Fire Authority

Report from Councillor Davies (attached)

(2) Avon and Somerset Police and Crime Panel

None

(3) West of England Combined Authority Joint Scrutiny Committee

None

24. Urgent business permitted by the Local Government Act 1972 (if any)

For a matter to be considered as an urgent item, the following question must be addressed: "What harm to the public interest would flow from leaving it until the next meeting?" If harm can be demonstrated, then it is open to the Chairman to rule that it be considered as urgent. Otherwise the matter cannot be considered urgent within the statutory provisions.

Exempt Items

Should the Council wish to consider a matter as an Exempt Item, the following resolution should be passed -

"(1) That the press, public, and officers not required by the Members, the Chief Executive or the Director, to remain during the exempt session, be excluded from the meeting during consideration of the following item of business on the ground that its consideration will involve the disclosure of exempt information as defined in Section 100I of the Local Government Act 1972."

Mobile phones and other mobile devices

All persons attending the meeting are requested to ensure that these devices are switched to silent mode. The chairperson may approve an exception to this request in special circumstances.

Filming and recording of meetings

The proceedings of this meeting may be recorded for broadcasting purposes.

Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairperson. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting, focusing only on those actively participating in the meeting and having regard to the wishes of any members of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairperson or the Assistant Director Legal & Governance and Monitoring Officer's representative before the start of the meeting so that all those present may be made aware that it is happening.

Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting.

Emergency Evacuation Procedure

On hearing the alarm – (a continuous two tone siren)

Leave the room by the nearest exit door. Ensure that windows are closed.

Last person out to close the door.

Do not stop to collect personal belongings.

Do not use the lifts.

Follow the green and white exit signs and make your way to the assembly point.

Do not re-enter the building until authorised to do so by the Fire Authority.

Go to Assembly Point C – Outside the offices formerly occupied by Stephen & Co

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Minutes

of the Meeting of

The Council

Tuesday, 8 November 2022

New Council Chamber - Town Hall

Meeting Commenced: 6.00 pm

Meeting Concluded: 10.04 pm

Councillors:

Karin Haverson (Chairman)

Wendy Griggs (Vice-Chairman)

Mark Aplin

Nigel Ashton

Mike Bird

Steve Bridger

Peter Bryant

Mark Canniford

Ashley Cartman

John Cato

Caritas Charles

Caroline Cherry

James Clayton

Sarah Codling

Andy Cole

Peter Crew

John Crockford-Hawley

Ciaran Cronnelly

Catherine Gibbons

Steve Hogg

Nicola Holland

Huw James

Patrick Keating

John Ley-Morgan

Stuart McQuillan

Phil Neve

Ian Parker

Robert Payne

Marcia Pepperall

Bridget Petty

Lisa Pilgrim

Terry Porter

David Shopland

Timothy Snaden

Mike Solomon

James Tonkin
Richard Tucker
Richard Westwood
Roz Willis

Apologies: Councillors: Mike Bell, Mark Crosby, Ann Harley, David Hitchins, Ruth Jacobs and Geoffrey Richardson.

Absent: Councillors: Caroline Goddard and Hugh Gregor.

Officers in attendance: Jo Walker (Chief Executive), Amy Webb (Director of Corporate Services), Sheila Smith (Director of Children's Services), Hayley Verrico (Interim Director, Adults' Support and Safeguarding), Nicholas Brain (Assistant Director Legal & Governance and Monitoring Officer), Gemma Dando (Assistant Director - Neighbourhood Management), James Willcock (MetroWest Phase 1 Project Manager), Mike Riggall (Information and ICT Security Manager), Alex Hearn (Assistant Director, Placemaking and Growth), Jenny Ford (Head of Development) and Bethany Swann (Young Director).

Partaking via Microsoft Teams: Councillors: Gill Bute, Sandra Hearne and Don Davies

Officers: Matt Lenny (Director of Public Health) Peter King (Senior Project Manager) Hazel Brinton (Committee Services Manager)

COU Chairperson's Welcome
54

The Chairperson welcomed everyone to the face-to-face meeting and noted that those councillors attending via Teams would not be in attendance formally or able to vote.

The Chairperson informed members of her intention to move agenda item 8 to agenda item 6 and agenda item 20 to agenda item 12.

COU Public Participation, petitions, and deputations (Standing Orders 2 (vi) and
55 17)

John Murray addressed the council on matters relating to the Nailsea and Tickenham football club ground at Fryth Way, Nailsea which formed part of the land being considered by the council for housing development. He informed members that the club had invested over £250k in facilities in recent years and that the ground had been designated as a Site of Special Scientific Interest. He added that the club had signed a long lease with the council which included conditions attached to the break clause. Members were informed that the club was a community asset as well as a football club which raised funds via community and charity events.

The Chairperson thanked Mr Murray for his comments and added that they would be considered in the council's deliberations.

COU Declaration of Disclosable Pecuniary Interest (Standing Order 37)
56

None declared.

COU Minutes 12 July 2022
57

Resolved: that the minutes of the meeting of 12 July 2022 be approved as a correct record.

COU Outcomes and recommendations from development sites consultation
58

Councillor Canniford presented the report. He advised members that the consultation on which the report was based was on the council's own land and bringing it forward for development for homes and jobs. He stressed that the consultation carried out by the council was as a landowner and not as the local planning authority.

He noted that the council as landowner had more flexibility in influencing the type and affordability of homes that could be built in comparison to that which was developer-led. He added that all local ward members and parish and town councils has been consulted as part of the process and acknowledged that there was strong opposition to some sites which was recognised in the report's recommendations.

He offered his thanks to officers and the people of North Somerset who had contributed to the consultation and highlighted in response to the public speaker that section 3.26 of the report noted that no development could take place at Fryth Way unless the equivalent or better facilities could be provided in close proximity to the existing site.

Motion: a motion to amend the report's recommendations was moved by Councillor Charles and seconded by Councillor Shopland that the only future consultation on the Downside site in Portishead would be with the town council on the purchase of site for amenity use at amenity rates and not for development.

The amendment to the motion was debated by members. During the debate, members were informed that Portishead's housing stock had increased by the largest amount (60%) in the district over the last 20 years without any corresponding increase in supportive infrastructure. It was felt that the site should be removed from the plan on the basis of its environmental value and to protect it for the use by Portishead residents.

Members also noted however, that the report stated that nothing would happen without further consultation. Additionally, this was an issue that all parishes were facing and that planning for growth needed to be considered from a district wide perspective and not from individual parish viewpoints. It was highlighted that members needed to have faith in the process which involved ongoing consultation with ward members and local communities.

Named Vote requested under Standing Order 23

For the motion: (13)

Marc Aplin, Nigel Ashton, Peter Bryant, John Cato, Caritas Charles, Sarah Codling, Andy Cole, Nicola Holland, Marcia Pepperall, Lisa Pilgrim, David Shopland, Tim Snaden, Roz Willis

Against the Motion (21):

Steve Bridger, Mark Canniford, Ashley Cartman, Caroline Cherry, James Clayton, Peter Crew, John Crockford-Hawley, Ciaran Cronnelly, Catherine Gibbons, Wendy Griggs, Karin Haverson, Steve Hogg, Huw James, Patrick Keating, Stuart McQuillan, Phil Neve, Robert Payne, Bridget Petty, Mike Solomon, James Tonkin, Richard Westwood

Abstentions (5)

Mike Bird, John Ley-Morgan, Ian Parker, Terry Porter, Richard Tucker

The amendment to the motion was lost.

Members then debated the substantive motion in the report making reference to the following points: that further meaningful consultation on all sites and options discussions were held; that requests to remove sites from the scope of development be considered; how would the relocation of Nailsea Football Club be funded should this be necessary; that residents were attached to local green spaces and that past agreements in relation to these should be honoured; that further site specific consultations would be undertaken to understand concerns and try to overcome objections where possible; that as owner of the sites in question, the council had greater freedom to find imaginative solutions to the housing crisis which meant that 3,000 residents were seeking social or affordable housing; there was concern that reports being brought to council were now so large that the detail was being lost; that the focus of new housing should be on those supporting sustainability, low carbon impact and reduced car usage and that clear parameters needed to be laid out for residents in any future consultations.

In response to members' questions, Councillor Canniford confirmed that no decisions on any of the sites referred to in recommendation 3(ii) had been taken as yet, that a further report would be coming to members regarding Castlewood in January 2023 and that any costs relating to the moving of Nailsea Football Club would be funded from development revenues.

Motion: moved by Councillor Canniford and seconded by Councillor Solomon and

Resolved: that

1. Council noted the outcomes of the consultation on development sites held April – June 2022, including the detailed information about response numbers and reasons for supporting or opposing development that are detailed in Appendix A to the report
2. Council re-endorsed the agreed objectives for the Development Strategy and Programme, as set out in paragraph 3.12. of the report
3. Council agreed recommendations in relation to individual sites as follows:
 - i. Weston Town Centre sites / Parklands phases 2 & 3 / Castlewood: to continue work to promote and bring

these sites forward for development with a focus on maximising affordable housing and sustainability / low carbon development.

- ii. Churchill Avenue (Clevedon) / Oldmixon Recreation Ground (Weston) / Downside (Portishead) / Fryth Way (Nailsea) / Hutton Moor (Weston) / West Leigh (Backwell) / Hangstone Quarry (Clevedon): agreed that officers should engage further with ward members and local communities to explore issues and options in more detail, including options for partial development of sites, 100% affordable, self-build or community-led housing, and/or Town/Parish Council purchase of land.
- iii. Eastermead Farm (Banwell) / Grange Farm (Hutton) / Youngwood Lane (Nailsea): agreed that the council as landowner commence work to promote these sites for consideration through the Local Plan allocations process, and where appropriate enter into discussions with adjacent or interested landowners/developers interested in joint master planning, promotion or development of sites.
- iv. Car parks: agreed that work be undertaken with highways colleagues to identify any car parks that may potentially be suitable for development, where those car parks are underutilised, or where they may be suitable for development above parking.

4. Council noted discussions on the possible disposal of the Nailsea library site, as set out in paragraph 3.30 of the report.

COU 59 Climate change action plan and progress report

As per the Chairperson's announcement at minute COU54, this item was moved from item 8 on the agenda.

Councillor Petty introduced her report and gave a presentation on the council's Climate Emergency Action Plan. She highlighted to members some of the work that officers, members and community groups had been working on but stated that a national programme was required to deliver the required real and rapid change in terms of housing. Officers had been encouraging communities to participate in the Big Green Week 2022 held at locations throughout North Somerset. She added that there was still significant work to carry out if the council was to reach its net zero target by 2030. Her presentation touched on the breakdown of the sources of greenhouse emissions within North Somerset which indicated that a credible public transport system would be necessary to reduce the district's emissions still further. The council had been supporting schools and leisure centres with advice on how to lower their emissions and the updated Strategy and Action Plan included updated themes demonstrating what action and why the council was carrying out to work towards net zero. She advised members that all directorates had their own themed action plans and that North Somerset Council

was the only council in the south west to have been awarded the Silver Carbon Literacy Award having trained 15% of its workforce in carbon literacy.

During the debate on the report, the following points were raised; what local and meaningful actions could be taken and the funds available to support these; the matter of bus service provision including the use of community buses; opportunities to explore partnership working; what the carbon budget actually meant and how this should be incorporated into all council reports; concerns over the specific actions and improvements required to reach net zero as a council and district by 2030 with an emphasis on the requirement for bigger, more ambitious and more urgent actions; concerns over the moors in the district and their capacity to support carbon reduction; the need to collaborate with local stakeholders; the need to educate and listen to young people including reconvening the Youth Parliament to discuss ideas; the requirement for developed nations to support developing nations in reducing carbon emissions and what contact had been made with local MPs to gain their support in lobbying central government.

Councillor Petty thanked members for their passionate contributions to the debate and acknowledged there was likely to be a global migration problem due to flooding as a result of climate change.

Motion: proposed by Council Petty and seconded by Councillor Bridger and

Resolved: that

Members approved the updated Climate Emergency Strategy and Action Plan (subject to final editorial amendments by officers), and:

- i. Re-confirmed their commitment to achieving net zero carbon by 2030 through the actions described.
- ii. Noted the Action Plan information on carbon emissions and progress on existing projects to tackle climate change, which were also summarised in the report.
- iii. Endorsed the development of a Climate Performance dashboard that will be used to monitor progress on the Action Plan.
- iv. Requested that the Executive Member write to the new prime minister and relevant minister to:
 - a. Confirm the council's commitment in local government to action on climate change.
 - b. Reiterate the council's opposition to fracking and urge the government to reverse their recent decisions on this issue.
 - c. Seek that they take seriously the role of central government in properly funding a transition away from fossil fuels and
 - d. Request increased, longer-term funding for other actions to enable a low carbon economy and healthy community.

Councillor Hogg presented the report noting that the proposal had been widely scrutinised by members to this point. He thanked officers for their in depth briefing and added that the council's existing services had been compared across 38 local authorities to come up with the most cost effective and minimal risk option. He informed members that the council's current contract was coming to an end at the end of the next financial year and there was no option to extend. He highlighted that the Department for Transport had granted the council £5m in funding which was topped up by £2.5m in borrowings to bridge the gap allowing the council to cover its statutory highways duties and investment programme to keep roads in the same state rather than improve them. The proposal before members aimed to reduce the council's financial exposure to £1.6m of borrowings meaning the council was doing more for less. Synergies between waste collection and cyclical maintenance via the council's own company supported a lower cost and new roles with industry expertise would be brought in house adding to the social value of the proposal. In addition, the council would have more control and oversight over carbon emissions allowing it to align the work with its net zero objectives.

During the debate members voiced a concern over the viability and future sustainability of the structure based as it was, partly on borrowings. However, members were assured that the structure was flexible enough to withstand a lower level of funding as the model meant resources could be flexed. It was highlighted that the decision before members was on the model and not the underlying budget as funding would be part of the future budget discussion. Members noted the excellent members' briefing given to them by officers and the level of scrutiny engagement in the decision.

Motion: Moved by Councillor Hogg and seconded by Councillor Griggs and

Resolved:

1. To progress the highway reactive and cyclical maintenance work package via direct contract award under teckal exemptions to North Somerset Environment Company for an initial term of 7 years commencing 1 April 2024.
2. To deliver highway surfacing, surface dressing and all other elements of the highway maintenance and investment works packages through frameworks and dynamic purchasing systems from 1st April 2024, and to commence competitive tender processes for the delivery of the remaining highway services in early 2023 for:
 - Single Provider Framework – Surfacing
 - Single Provider Framework – Surface Dressing
 - Dynamic Purchasing System – 3 lots, Civils, Structures and Surface Treatments

COU 61 MetroWest Phase 1 Update - governance and funding agreements

Councillor Bridger presented the report to members noting that it was an update report with delegations to enable delivery to be progressed once the Development Consent Order had been passed. He reminded members of the background to the project which had been in the pipeline for many years adding that since the

report to Council in July 2022, additional capital funding had been agreed by project partners allowing the project to resume. He highlighted to members that the Department for Transport (DfT) had now agreed to make up the shortfall in funds and take on the delivery risk. Additionally, the West of England Combined Authority too had approved an increase of £10m in its funding.

Councillor Bridger informed members that an updated funding statement had been submitted to the DfT in August and that there was nothing now to prevent the government giving planning consent. The decision was anticipated later in November. The DfT was taking on the delivery risk and would fund delivery costs up to the amount of the full business case, so the funding risk had transferred from the council to the DfT. A funding agreement was also in place with Network Rail and the council and other partners were now subcontractors of Network Rail as a key delivery partner. The council would maintain a sponsorship role over the scope of the project and there was a delegated decision within the recommendation to allow finalisation of the procurement plan. A detailed design would be submitted by December 2023 with a draft full business case led by the council and the full business case was expected to be confirmed in the Spring of 2024. Progress made meant that the project was one step closer for residents and Councillor Bridger thanked officers for their work.

During the debate, members queried why there was a further 18 months before the final business case was signed off. It was confirmed that the DfT required final market prices for construction, so a detailed design was required to obtain these leading to the delay in business case sign off. Members noted that the report mentioned an environment statement but that this was only one aspect of understanding the full carbon cost of the project. They also questioned the Treasury's intentions and whether the council would have to provide future subsidies. Councillor Bridger responded that as the project was so far along, it was less likely to be cancelled now.

Motion: Moved by Councillor Bridger and seconded by Councillor James and

Resolved: that

- 1) The Council noted that since the report to Council of 12th July 2022 that
 - a) the additional £35.58m project capital funding had been confirmed by the project funding partners and the project had therefore resumed.
 - b) the Department for Transport (DfT) confirmed that it will take the project delivery risk going forward via its delivery agent Network Rail
 - c) that the DfT would provide up to £13.80m funding for all project costs up to the submission of the Full Business Case, which was now expected to be in March 2024 and
 - d) that the Development Consent Order decision was expected to be made by mid November 2022 and there were no known impediments for the decision to be made within this timescale.

- 2) The Council delegated authority for the Director of Place advised by the s151 officer and Head of Strategic Procurement to finalise, sign and enter into the Funding Agreement with Network Rail (see draft agreement in appendix 2 to the report) for the defined project scope up to Full Business Case approval at an estimated cost of £3.49m to be funded by the DfT via

Network Rail and

- 3) The Council delegated authority for the Executive Member for Major Infrastructure Projects advised by the Director of Place and Head of Strategic Procurement, to finalise the Procurement Plan (see appendix 4 of the report) in consultation with the West of England Combined Authority (WECA).

COU 62 Reports and matters referred from the Executive - dated 19 October 2022

None.

COU 63 Petitions to be presented by Members (Standing Order No. 16)

None received.

COU 64 Motions by Members (Standing Order No. 14)

In introducing his motion, Councillor Charles added that the motion was not about drivers or front-line staff at First Bus and whilst recognising there had been extenuating circumstances outside of the company's control such as changes to home working, residents were faced with serious issues given the unreliability of bus services including lost schooling and deciding not to sell their cars in support of climate change. He explained the reasons behind the motion including a lack of engagement by the directors even when residents are keen to suggest small improvements; apps that don't work; requests for grant funding although a £500m dividend had been paid to shareholders and a lack of notice to councillors regarding recent cuts to services that were essential to local communities.

Motion: moved by Councillor Charles and seconded by Councillor Holland.

"This Council notes

1. That bus services were directly affected by the pandemic with a huge drop in passenger numbers.
2. That unlike many other industries bus providers received financial support through the crisis
3. The effect of Brexit on the workforce and driver led industries has created a shortfall in the number of bus drivers and that fuel costs have damaged public transport providers profit margins.
4. Despite these adverse circumstances First Group have recorded profits in their most recent financial reports.
5. That the deterioration of public transport has been a continuing issue long before recent events.

Council further notes

1. That even though facing severe financial constraints North Somerset have managed to maintain some services out of its own finances.
2. That despite assurances from First we are seeing an increasing deterioration in services with young people frequently missing school and college and others missing work and medical appointments.
3. Communication has been poor between First and the public with ongoing wider public engagement on difficulties non-existent.

4. Public transport is part of the lifeblood of thriving communities. Poor public transport can lead to increased unemployment, pollution, and social and economic isolation.
5. When rail companies have been proven to be riddled with systematic failure governments have intervened. This has not been the case for bus services.

Council Resolves

1. That it has no confidence in the public transport provision operated by first bus.
2. To mandate to leader of the council to write to the government stating our concerns and urge immediate action to ensure a public transport system that is fit for purpose in North Somerset
3. That the leader of the council in their letter to government urges them to legislate for greater local authority control over public transport provision akin to powers already provided to combined authorities such as Greater Manchester.

Seven members signalled their support for a debate on the Motion.

In debating the motion, members commented that they recognised the tireless hours that drivers worked, and they were asking for engagement from the company as they wished to support a local business. Members expressed a desire to see a universal service obligation on public transport companies and a system change as they believed the market as it was currently set up was failing. Members commented that they felt the company was not doing enough to attract additional drivers and that smaller vehicles could be used that did not require a PSV licence.

However, some members had concerns that the wording of the motion would have unintended consequences in transferring the financial risks of bus services to the council as greater control over services would require greater funding. Members voiced the view that an enhanced partnership with a mutually binding set of commitments would be a better approach than the motion as currently set out.

Resolved: that the motion was not approved

COU 65 Corporate Parenting Report

Councillor Gibbons introduced Beth Swann, Young Director, who gave a presentation on best practice in Education, Employment and Training for care leavers; feedback on a regional survey of care leavers; the view from care leavers on support required and the recent visit by Mark Riddell, National Adviser for Care Leavers.

Her presentation highlighted the areas in which care leavers received or would like to receive support such as work experience, internships and courses, workshops, mentors from the council, apprenticeships, a job centre support person, support with CV writing, practical help and help with interview preparation. They were also keen to receive free counselling and ongoing financial help with travel to work.

The presentation informed members of the details of the Local Offer and other opportunities provided by the council such as the Corporate Parenting Panel, Junction 21, the Next Steps Fund and a rent guarantor scheme. Beth asked that members help as corporate parents with such matters as employability skills, CV

writing workshops, offers of work experience and job offers.

Members asked how they could get involved with supporting care leavers and agreed to revisit the list of commitments made pre-pandemic. They were thanked by Councillor Griggs for their work with the task and finish group which was due to produce an outcome sheet.

Beth was warmly thanked by members for her articulate and passionate presentation.

Resolved: to note the recommendations in the Corporate Parenting Report:

Members were asked to:

- consider the content of the presentation made by the council's Young Director during the meeting
- think about how they could contribute as corporate parents to improving services for young people

COU 66 Question Time (Standing Order No.18)

Oral questions were directed to members concerned and the summary notes and topics involved are contained in Appendix 1.

COU 67 Matters referred from previous meeting

None.

COU 68 Chairperson's announcements

The Chairperson informed members that there had been a good uptake for places at the Winter Gardens for the Weston Carnival amongst members but that the remaining places had now been offered to the council's foster families and care leavers.

She was looking forward to seeing members who were coming along and issued a reminder that all roads in and out of the town centre would be closed from 6pm on the day.

COU 69 Leader's announcements

The Leader informed members of White Ribbon Day on 25 November when men and boys wear a white ribbon to highlight a pledge to never take part in, condone or stay silent about violence against women and girls. He added that the Police and Crime Commissioner had informed him that domestic violence rose significantly during the men's football World Cup. He noted that the council was doing significant work in this area including "Safer Street" work led by Councillor Canniford. Funding had been secured for partnership work in this area.

He also informed members about recent online abuse directed at members of North Somerset Council by a small minority of the public. He noted that members expected robust challenge of policies and ideas but more recently the abuse had

crossed the line of what could be considered reasonable. He asked members to call unacceptable behaviour out irrespective of party politics. Previous patterns of behaviour had been and would continue to be reported to the police by the council.

COU 70 Chief Executive's announcements

The Chief Executive announced with sadness that Monica Parker, a Family Support Worker with the council in the Children with Disability Team, had passed away. She would be greatly missed, and heartfelt condolences were sent to her family, friends and colleagues.

The Chairperson added her personal condolences.

COU 71 Political Balance Update

The Assistant Director, Legal & Governance and Monitoring Officer reported that Councillor Shopland had resigned from the Independent Group and was now a member of no political group. He reported that political balance was as follows:

Independent 14: Conservative 13: Liberal Democrat 10: Labour 6: Green 4: No Political Group 3.

COU 72 Forward Plan dated 2 November 2022

The Leader presented the Forward Plan.

Resolved: that the Forward Plan be noted.

COU 73 Policy and Scrutiny Panel Report

None.

COU 74 Heritage Champion Report 2022

Councillor Crockford-Hawley presented his report stating that he did not believe heritage awareness was an add on but rather a “central glue” to community adhesion providing the ability to bring people and businesses together. He believed that there was a duty to identify, preserve, enhance and repurpose that which is cherished.

Resolved: to note the report.

COU 75 Reports and matters referred from the Policy/Overview and Scrutiny Panels other than those dealt with elsewhere on this agenda

Councillor Bridger introduced the new role of Carers' Champion which had been agreed by the Adult Services and Housing Policy and Scrutiny Panel. The role would drive the council's support of carers and its strategy and action plan. Councillor Hearne had agreed to serve as the interim Champion until the Council appointed to the role at the Annual Council Meeting in May 2023. The role highlighted the council's commitment to supporting both formal and informal

carers.

COU 76 Reports and matters referred from the other Committees other than those dealt with elsewhere on this agenda

None.

COU 77 Reports on joint arrangements and external organisations and questions relating thereto

(1) Avon Fire Authority

Written report from Councillors Jacobs and Davies

Resolved; that the report be noted

(2) Avon and Somerset Police and Crime Panel

Written report from Councillor Crew

Councillor Willis asked that the 101 call centre service be provided with the correct Out of Hours number for the council.

Resolved; that the report be noted.

(3) West of England Combined Authority Joint Scrutiny Committee

None

(4) Bristol Water Challenge Panel

Written report from Councillor Richardson

Resolved: that the report be noted.

COU 78 Dispensation Regarding Absence from Meetings under S85 of the Local Government Act 1972

The Assistant Director Legal & Governance presented his report. He noted that a dispensation due to ill-health had been granted for Councillor Crosby for 6 months in May 2022 and whilst he was recovering, a renewal of the dispensation was now required.

The Assistant Director of Legal and Governance reported that he and Councillor Ashton wished to add Councillor Bute to the dispensation as whilst able to attend meetings virtually, she was not able to be present physically in the Chamber due to circumstances subsequently explained by Councillor Ashton.

The Chairperson sent good wishes on behalf of the Council to Councillor Bute for her speedy recovery.

Motion: moved by Councillor Ashton and seconded by Councillor Willis and

Resolved: that the Council waived the requirements of Section 85(1) of the Local Government Act 1972 in respect of Councillors Crosby and Bute due to current health issues and agrees that they receive a dispensation from the requirements

of section 85 for the remainder of the municipal year if required.

**COU
79** **Draft Municipal Calendar 2023/24**

The Assistant Director Legal & Governance and Monitoring Officer presented the report.

Motion: Moved by Councillor Bridger, seconded by Councillor Hogg and

Resolved: that the draft municipal calendar for 2023/24 be approved.

**COU
80** **Urgent business permitted by the Local Government Act 1972 (if any)**

None.

Chairman

**North Somerset Council
Council Meeting, 8 November 2022
Question Time (Agenda Item 12)**

Question 1

From Councillor Westwood

To Councillor Hogg, Executive Member for Transport and Highways

Public Realm works in Clevedon

Councillor Westwood asked the following question of Councillor Hogg:

“Can you assure us that the public realm works nearing completion in Clevedon on Hill Road and the beach, are fully in compliance with this Conservative government’s Climate Emergency and Active Travel policies. Indeed, that this compliance underpins and was the basis of North Somerset Council securing funds to carry out the works?”

Councillor Hogg thanked Councillor Westwood for his question and responded that this was a condition of the grant funding and the works complied with the government’s Active Travel policy. The funding had been ringfenced as it was from the Department for Transport and for a specific purpose. The money used was not council taxpayers’ money.

Question 2

From Councillor Charles

To Councillor Canniford, Executive Member for Placemaking and Economy

Post Offices

Councillor Charles asked the Executive Member the following question:

“Would you agree that post offices are vital community hubs and therefore key to the placemaking of communities would you therefore be prepared to work with your executive colleagues including the portfolio holder for community engagement in urging the post office to have a full frank and open discussion on the options for keeping threatened post offices in North Somerset open and that the public are engaged fully in the process and kept informed.?”

Councillor Canniford thanked Councillor Charles for his question and noted that post offices had become increasingly unprofitable with the change of the post masters’ salary to commission, and many relied on the profits from retail sales to survive. He added that the Post Office was responsible for consultation on closures and securing alternative sites including opening a temporary site until one was found. He would ask the Post Office to do this in relation to the announced closures in Portishead and Milton Road, Weston-s-Mare and noted that the Chief Executive had already been in

contact with the Post Office seeking reassurances that an alternative site was being sought for Portishead.

Councillor Bridger added that he too had followed up with the contact at the Post Office and had sought assurances regarding the Milton Road site. The pressure would be kept on and the Post Office asked to keep ward members and communities informed.

Question 3

From Councillor Payne

To Councillor Canniford, Executive Member for Placemaking and Economy

Small Business Saturday – 3 December 2022

Councillor Payne asked the Executive Member whether the council would support Small Business Saturday on 3 December 2022 as local independent shops were struggling. He believed it was an important initiative that should be promoted through the council's social media channels.

Councillor Canniford thanked Councillor Payne for his question and agreed to speak with the council's Communications team to support the initiative. He would also speak with the Assistant Director regarding parking incentives to see if these would be possible.

Question 4

From Councillor Cato

To Councillor Petty, Executive Member for Climate Emergency and Engagement

Climate Emergency and carbon accounting

Councillor Cato asked the Executive member the following question:

“Under Climate Emergency section on all reports and papers, will you commit to ensure they fully account for carbon emissions with reliable trusted carbon accounting metrics within 4 months?”

Councillor Petty thanked Councillor Cato for his question and replied that the council had recently engaged a new project manager. She would take away an action to speak with officers on the matter of clear carbon accounting particularly for those decisions within the council's influence. She noted however, that the council did not have the in-house experience and skills to carry out carbon tracking. She would investigate the possibility but could not commit to the request.

Question 5

From Councillor Keating

To Councillor Gibbons, Executive Member for Children, Young People, Lifelong learning, and Skills

New Special School site in Churchill

Councillor Keating asked if the Executive Member could reassure residents of Churchill that their concerns over the site of the new special school in Churchill would be taken into account and fed back to the Department for Education (DfE).

Councillor Gibbons thanked Councillor Keating for his question and agreed that the concerns of Churchill residents would be taken into account and fed back to the DfE.

Question 6

**From Councillor Willis
To Councillor Bridger, Leader of the Council**

Respect in the Chamber

Councillor Willis asked if the Executive Member would ensure respect for all members in the Chamber and keep politics out of debate.

The Executive Member responded that he did not believe this was his jurisdiction during a Council meeting as that fell to the Chairperson.

The Chairperson responded that she had not been aware of any lack of respect during the meeting but supported the principle of showing respect to members.

Question 7

**From Councillor James
To Councillor Cartman, Executive Member for Corporate Services**

West of England Good Employment Charter

Councillor James asked if the Executive Member would support the council applying to be a member of the Charter as whilst the council was a sponsor, it was not a member itself.

The Executive Member thanked Councillor James for his question and replied that he supported the initiative and that it was already being discussed by the Economy Group.

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North Somerset Council

Report to the Council

Date of Meeting: 10 January 2022

Subject of Report: MTFP & Revenue Budget Update

Town or Parish: All

Officer/Member Presenting: Ash Cartman, Executive Member for Corporate Services

Key Decision: N/A

Reason: Not an Executive Decision

Recommendations

1. Council is asked to note the updated revenue budget assumptions included within the Medium Term Financial Plan (MTFP) for the period 2023-2027 as detailed within the report and also the revised budget gap of **£2.536m**.
2. Council is asked to grant approval for the S151 Officer, in consultation with the Executive Member for Corporate Services, to review the council's reserves and identify sums which could be considered for reallocation and used as part of the Council's Safety Valve funding settlement discussions.

1. Summary of Report

This report provides a further update with regards to the assumptions that underpin the council's medium term financial plan (MTFP) modelling, which covers the 4-year period to 2026/27, with significant focus on being able to deliver a balanced budget for the 2023/24 financial year.

Previous reports on the MTFP have been considered by the Executive and the latest update in December 2022 advised that significant progress had been made to reduce the budget shortfall by developing a range of strategies and savings proposals for inclusion within the draft budget plans. This work resulted in the budget shortfall for 2023/24 reducing from over £17m, to £4.1m at that time.

Further work has been carried out over recent weeks to review and update core assumptions within the financial modelling that are linked to both the impacts associated with Autumn Statement and also the provisional Local Government Finance Settlement, as well as to identify additional measures which could be used to close the budget gap for next year.

The council recognises the need to share material changes in the council's financial plans and so this report outlines proposed changes to spending pressures, funding assumptions and savings plans, all of which will feed into draft budget for 2023/24.

The report advises that the revised budget gap for next year has further reduced from £4.111m to **£2.536m**.

2. Policy

The council has a net revenue budget of £185m for 2022/23, which is supported by a rolling MTFP process. It also has a capital investment programme for the period 2022-2027 which totals c.£340m, which is based on the needs and ambitions described within the Capital Strategy.

The council's MTFP supports the on-going provision of services for the people of North Somerset, within the context of the priorities for the area, as set out within the approved Corporate Plan. It identifies the likely costs and pressures that the council will face and compares these against the anticipated income and resource allocations over the period. The MTFP integrates a range of financial strategies and highlights the key risks inherent within our budget planning processes.

There is a legal requirement to prepare and approve a robust revenue budget for the 2023/24 financial year, along with relevant council tax bandings and rates. Ultimately the MTFP will work towards delivering these outcomes and will culminate in draft balanced budget being considered by the Executive in February before being recommended onto Council for approval later that month.

3. Details

3.1. Latest budget projections for 2023-2027

Over recent weeks the council has updated its financial modelling across the medium term and the table below shows that the budget gap across the 4-years is now £31.542m, with **£2.536m** of this relating to the budget for 2023/24.

MTFP FINANCIAL SUMMARY	MTFP - JANUARY 2023				
	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
- Resources - Grants, Council Tax & Business Rates	179,090	198,920	203,161	207,198	213,552
- Current Budget - base spending position	171,317	179,090	198,920	203,161	207,198
- Budget pressures, increased spending and investment plans	16,396	34,955	18,389	13,982	14,221
- Remove Covid & other one-off impacts	-4,466	-1,553	0	0	0
- Savings proposals and increased income	-4,157	-11,036	-1,693	-572	-690
- Revised Spending Base	179,090	201,457	215,616	216,571	220,729
- Budget Gap / Surplus	0	-2,536	-12,456	-9,373	-7,177
			-31,542		
Core Assumptions for Council Tax Increase:	2.99%	2.99%	2.99%	2.99%	2.99%
- North Somerset Council Services	1.99%	1.99%	1.99%	1.99%	1.99%
- Adult Social Care Precept	1.00%	1.00%	1.00%	1.00%	1.00%

Revised forecasts are described throughout the report and include the impacts and changes that have arisen from a variety of sources. For example they include; the ongoing release of inflationary indices, updated demand forecasts from service areas, the Autumn Statement and also the release of the provisional Local Government Finance Settlement. Each of these data sources provides clarity to specific areas within the budget and helps provide assurance that the council's financial planning assumptions are robust and supported by evidence.

The report also includes details of the actions and measures that have been taken to reduce the budget gap, through a combination of reduced spending, increasing income or by introducing new savings proposals into the budget. The following sections have therefore grouped the material budget changes into these themes so that it is possible to understand the core assumptions within the latest modelling.

3.2. Update on spending pressures

The table below shows the additional spending of nearly £80m that has been included within the council's latest financial modelling over the 4-year period, with **£33m** of this relating to the 2023/24 financial year. The level of increase planned for next year is the highest that the council has ever included and reflects the significant challenges faced by services as they try to manage both an increase in demand from residents, as well as the sustained cost pressures.

MTFP Growth Pressures	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000
Inflation - pay	5,078	2,671	2,751	2,841
Inflation - energy	4,198	-972	395	435
Inflation - major contracts	2,929	1,027	1,049	1,072
Adult social care - existing services	8,870	6,233	6,032	6,055
Adult social care - new responsibilities	3,923	4,837	0	0
Childrens services	1,989	488	550	550
Waste Service	3,052	0	0	0
Home to Schools Transport	2,366	350	350	350
Other growth items	997	3,755	2,855	2,918
TOTALS	33,402	18,389	13,982	14,221

There have been several material changes to the council's spending assumptions over recent weeks with the main areas of change listed below;

1. Inflationary uplifts – increased cost
2. Adult social care spending – increased cost
3. Home to schools transport – increased cost
4. Capital financing costs – reduced cost
5. Pension costs – reduced cost

3.2.1. Inflationary uplifts

Many of the council's costs are affected by annual price rises although the most notable are those that affect pay, energy and contracts.

The council has updated its assumptions on pay inflation to reflect the outcome of the final award agreed for the current financial year (i.e. converting a flat rate increase of £1,925 to all pay-bands), as well as including provision for a 5% increase in pay for next year. This is an estimated uplift used for budgeting purposes only and benchmarking has found that this is comparable to estimates used by other unitary councils. The actual increase will be agreed as part of the national pay negotiation process next year.

Decisions relating to the annual pay award also feed into other parts of the councils' budget as there are a range of contractual obligations in place which are linked to this outcome. The budget forecasts in areas such as members allowances and some of our specific contracts have been updated to ensure that the uplift assumptions have been consistently applied to all relevant areas and that there is sufficient growth included to cover the projected cost increases.

In the Autumn Statement the Chancellor confirmed that the National Living Wage will reach £10.42 per hour in 2023/24, which is more than the council had previously included as a growth item within its modelling and so an adjustment has been made to ensure that the council's budget for next year aligns with the new pay rate.

Other contract costs have been reviewed to ensure that budget forecasts for future years accurately reflect the latest published indices, for example, the most up to date retail and consumer prices indices and the fuel index have been used within the calculations to support the waste, highways, grounds maintenance and support services contracts.

3.2.2. Adult social care spending

As illustrated in the table above, there are two elements to the proposed increase in adult social care spending – that which relates to existing service provision (largely inflation and demographic / demand growth) and also investment in new services, which will be funded from a series of additional resources.

The draft Local Government Finance Settlement announced 3 additional funding streams (as well as the Adult Social Care Precept) and the main areas of investment against these funding streams are as follows:-

- **Social Care Grant** (increase of £4.855m) – supporting MTFP growth in adults and children's services in relation to inflation and demand / demographics, plus investment in priorities such as addressing waiting lists, preparing for new responsibilities such as the new quality assurance framework and new Liberty Protection Safeguards, and improvements to systems and information & advice
- **Adult Social Care Discharge Grant** (new grant of £0.979m) – working with the Integrated Care Board to make improvements to hospital discharge arrangements by increasing capacity, particularly in domiciliary care and intermediate care / reablement
- **Market Sustainability and Improvement Fund Grant (Fair cost of care)** (increase of £1.540m) – to continue to move towards the Fair Cost of Care and address any other demand and capacity pressures

The MTFP has therefore been updated to replace previous assumptions in respect of funding for social care with these new values and adjustments have also been made to the amount of spending associated with these grants. Further details are expected in relation to

specific grant conditions that may be linked to the new funding allocations listed above which are likely to inform how the funding must be applied, and these will be provided within future reports.

3.2.3. Home to schools transport

The council has updated its assumptions on Home to School Transport to reflect the current forecast position following the beginning of the new academic year. The additional budget requirement for 2023/24 now totals **£2.3m**. The main service pressures are as follows: -

- **Underlying financial pressure carried forward from the previous financial year** (Growth of £0.510m) – The MTFP for 2022/23 included £0.450m of additional budget to cover spending pressures expected in the current financial year. This however was calculated ahead of the new academic year in September 2021. The actual demand was greater than the MTFP assumption and therefore a funding pressure was carried into the current financial year.
- **New contract requirements** (Growth of £0.682m) – An additional 139 pupils require transport in the new academic year, this is an increase of 5.4%. This is the largest increase in demand over the past 4 years. Of the increase, 77 pupils have special educational needs (SEN), the cost of providing transport for SEN pupils varies significantly depending on the need and type of transport required.
- **Cost increases to existing routes** (Growth of £0.416m) – The transport market has faced significant challenges this year including rising fuel prices and a national driver shortage, this is being reflected in tender prices. On a like for like basis, some contracts which have expired are being retendered with cost increases of between 30% - 50%.
- **Contract variations** (Growth of £0.401m) – In some situations contract variations are agreed, this is to deal with additional pupil requirements, changes to routes, an increase in the number of pupils being transported or contract inflation.
- **Forecast additional demand for 2023/24** (Growth of £0.350m) – Based on the demand increases over the past four years, we are forecasting there could be an additional 115 pupils that may need transport in the new academic year.

All the above have been reflected in the MTFP to ensure a robust budget is being set for the service going forward.

The financial situation however does remain volatile and will continually be monitored. The service is looking at ways to mitigate future growth where possible and to look to transform to help make this service more sustainable in the future.

3.2.4. Capital financing costs

Previous budget reports outlined the council's approach to capital investments plans over the short-term with spending being focused in the following areas;

- those projects which have ring-fenced external funding, such as maintenance of the highways network, bus service improvement plan, spending on maintaining schools and

providing additional places, enabling residents to stay in their homes by providing disabled facilities grants and providing funding for more affordable housing.

- projects that actively support the council’s essential operational service delivery, such as investment in ICT provision and further investment in the maintenance of our roads, buildings, leisure facilities, or library assets to ensure that they are fit for purpose. Projects that deliver a positive financial outcome from a business case would also be considered.

The council’s MTFP has assumed that additional resources will be required to support new capital spending, although given that this will be at lower levels than initially planned, the estimated value of external borrowing costs within the latest financial modelling has been reduced by £500k. Further details will be included within the Capital Strategy report considered by the Executive at the meeting in February.

3.2.5. Pension costs

The council has recently received an update from the Avon Pension Fund who have undertaken their regular review of the local government pension scheme. This process happens every three years and the outcome is an assessment which shows how much the council needs to contribute into the Fund in each of the next three years. The MTFP has been updated to reflect the revised contributions, which will be £300k lower than the previous assumption.

3.3. Update on resource assumptions

The council pays for its services each year through three main sources of income, these being council tax, business rates and a range of government grants. The table below shows how much money the council currently expects to receive from each of these sources within the latest modelling, and the notes describe the main assumptions that underpin these forecasts along with an indication of whether there have been any changes since the previous report.

MTFP Resources	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000
Revenue Support Grant	2,712	2,712	2,712	2,712
New Homes Bonus Grant	1,386	819	0	0
Lower Tier Services Grant	0	0	0	0
Services Grant	1,235	1,235	0	0
Minimum Income Guarantee Grant	0	0	0	0
Social Care Support Grant (*)	8,440	8,440	8,440	8,440
Social Care Grant (*)	4,855	7,064	7,064	7,064
ASC Market Sustainability & Improvement Grant	2,163	4,791	4,791	4,791
Council Tax Income - baseline	125,373	130,666	135,772	141,011
Council Tax Income - increase of 2% p.a	2,495	2,603	2,700	2,807
Council Tax Income - ASC Precept of 1% p.a	1,256	1,310	1,354	1,407
Business Rate Income	32,974	33,110	33,791	34,482
Business Rate Grants	10,274	10,411	10,574	10,838
Other - incl Collection Fund Surplus / (Deficits)	4,236	0	0	0
Use of Risk Reserve to fund energy costs	1,521	0	0	0
TOTALS	198,920	203,161	207,198	213,552

(*) Existing and new social care grants will be merged

3.3.1. Revenue support grant

The provisional local government finance settlement increased the amount of this grant by £462k compared to previous forecasts, although part of the increase relates to the government 'rolling in' or including grants that were previously provided on an individual basis. An adjustment has been included within the spending pressures to reflect this loss of direct income to the revenue budget, which means that the net increase in funding is £227k.

3.3.2. New homes bonus grant

The provisional local government finance settlement confirmed that the council would receive £1.386m from the new homes bonus grant next year, which was £167k higher than the latest working assumptions.

3.3.3. Lower tier services grant

The provisional local government finance settlement advised that this grant was being removed and no longer allocated to councils although the value would be retained for distribution within the local government sector and used to help fund the new minimum income guarantee grant. This reflects a reduction of £224k compared to previous forecasts.

3.3.4. Services grant

The provisional local government finance settlement increased the amount of this grant by £139k compared to previous forecasts.

3.3.5. Minimum income guarantee grant

The government have introduced a new grant to ensure that all councils receive a minimum increase in their core spending power of at least 3% in 2023/24 before any decisions about organisational efficiencies, use of reserves or council tax levels are considered. The council has not been allocated any income from this grant as funding levels are expected to exceed the 3% threshold. A review has found that over 98% of this funding has been allocated to district councils and fire authorities who are forecast to receive lower average increases in core spending power than upper tier authorities.

3.3.6. Social care support grant *

The provisional local finance settlement confirmed that the council will receive £8.440m in respect of the social care support grant next year, which is the existing grant currently received to fund social care related pressures.

This grant has essentially been held at the same level as in the current financial year, as although it has increased by £341k compared to the baseline, the increase relates to the rolling in, or inclusion of the Independent Living Fund grant which has previously been received as a specific grant. An adjustment has therefore been included within the spending pressures to reflect this loss of direct income to the revenue budget meaning that there is no change from the current budget position.

However, it is important to note that the council's previous modelling assumed that it would receive an increase in this grant of c£2.5m to help fund the significant pressures currently being faced within social care. This is a large change to the council's MTFP funding assumptions.

3.3.7. Social care grant *

The provisional local finance settlement confirmed that the council will receive £4.855m in respect of the social care grant next year. This grant represents **new** resources allocated by the government which are designed to cover a range of specific outcomes.

Again, although this represents an increase in resources of nearly £5m compared to previous assumptions, the MTFP will also need to update the additional spending commitments that the council will be required to undertake associated with this grant. An initial assessment has been carried out which shows that approximately £1.4m of this grant can be used to fund spending pressures currently reflected within the MTFP, which means that there is a net gain in the council's financial modelling by this sum and could be used to close the budget gap.

* In 2023/24 the social care support grant and the social care grant will be merged into a single grant although they are being separately shown within this report to enable a better understanding of the council's latest MTFP modelling, as well as changes to previous assumptions.

3.3.8. Adult social care market sustainability and improvement grant

The provisional local finance settlement confirmed that the council will receive £2.163m in respect of the market sustainability and improvement fund grant next year, which is an increase of £1.540m compared to the sum received in the current financial year. It is anticipated that this funding will come with conditions and will need to be spent on initiatives linked with providers that will improve and stabilise the social care market. Although the council expected this grant to increase next year and included spending proposals of this nature, the allocation is £626k more than the previous MTFP modelling assumptions and so this element could be used to close the budget gap.

3.3.9. Council tax income

The latest modelling now reflects the revised taxbase for 2023/24 which was approved by the Executive Member for Corporate Services in December 2022. The overall taxbase has grown by 1,087.9 Band D properties, which is an increase of 1.36% compared to the previous year and means that income levels will increase by a further £700k compared to the initial MTFP modelling included within the December report.

In terms of annual council tax increases, the MTFP currently assumes that council tax levels will rise over the course of the MTFP, although assumptions remain unchanged from those approved when the budget was set in February 2022, i.e. the MTFP assumes;

- 2% increase in general council tax for all services
- 1% increase in the adult social care precept

The provisional local finance settlement confirmed the capping levels for councils for both the 2023/24 and 2024/25 financial years, this being the maximum level that councils can increase their council tax by without the need for a local referendum.

The government has clearly recognised the significant financial challenges faced by councils over the past year and does expect these to continue into future and so has increased the amount that councils can increase their council tax by. The new levels permitted are;

- 3% increase in general council tax for all services, i.e. **+1%**
- 2% increase in the adult social care precept, i.e. **+1%**

When the government makes statements to explain the national increases in core spending power being given to councils, it assumes a raise in council tax to the maximum level because it is giving local decision makers the ability to influence levels of income within their own budgets to meet spending commitments.

It should be noted that a 1% increase in council tax will generate approximately £1.25m of additional council tax income and so the additional flexibilities granted in the announced Autumn Statement, and subsequently confirmed in the provisional local finance settlement, would mean that the council could generate further income of £2.5m if it raised council tax to the levels reflected within the government assumptions, which could be used to close the budget gap.

3.3.10. Business rate income

At this time the business rate income totals included within the council's financial modelling, along with those values for the Top Up / Tariff business rate grant, are provisional because they do not fully reflect the potential changes that are expected to arise from the implementation of the national business rate revaluation process.

These changes will come into force from April 2023 although are generally expected to be cost neutral at a national level, which would mean that if business rate income goes up in one sector, then it will go down in another sector. Depending on the distribution of businesses within an area, some councils may generate more money in the future whereas others will receive less. The transition to the new levels will be managed through the grant to ensure that councils are no better or worse off as a result of the revaluation.

3.3.11. Business rate grants

Whilst the direct business rate income noted above cannot currently be quantified with any degree of certainty, the council can see that the provisional local government finance settlement has confirmed its Top Up / Tariff grant for next year. In 2022/23 the council's budget shows that it received a Top Up grant of £2.652m, whereas the settlement shows that in 2023/24 the council will be required to pay a Tariff of £720k, which is a movement of £3.372m. The financial modelling has been updated to reflect this change, although it has also adjusted business rate income to ensure a neutral impact at this point.

One further change within this area relates to compensation provided by the government through a specific business rate grant. Compensation is given at times when the government chooses to 'hold' business rate levels and not increase them by inflation each year. Given that the council is entitled to receive 49% of the business rate income generated within its area, a national decision to freeze income levels would have a negative impact on the council's finances as they would expect their core baseline income to increase each year. The Autumn Statement announced that levels would be frozen for 2023/24 and the provisional local government finance settlement confirmed the arrangements for how and at what rate the compensation would be calculated. This change is estimated to result in a net gain of £2.835m, compared to the previous MTFP modelling, which helps reduce the MTFP gap for 2023/24.

The final values for business rates income and all other business rate grants will be included within the February report to the Executive, which will be after the annual review and submission of business rate returns, although these are largely expected to be cost neutral.

3.3.12. Council tax support

Alongside the Settlement the government have announced a new scheme for next year which will protect vulnerable households from council tax rises. They have allocated £100 million of additional funding that will be given to councils to enable them to deliver additional support to the 3.8 million household who are already receiving council tax support. Full details of the funding package are expected to be received in the coming weeks and so a further update will be included within the next report however the government have advised that the additional funding supports the government's council tax referendum package, which strikes a fair balance to ensure taxpayers are not over-burdened at a time of significant pressure on the public finances.

3.4. Update on savings plans

In addition to some of the changes noted above which deliver cost reductions or increases in income, the council has also looked at other ways in which it can close the budget gap and specifically for next year.

This has included the corporate leadership team identifying additional savings proposals of **£606k** that can be included within the budget plans for 2023/24. Appendix 1 provides a schedule of these proposals, several of which are an extension or acceleration to proposals included within the draft budget in December 2022 which helps to mitigate risks associated with being able to deliver a full year impact from April 2023. All savings proposals have been reviewed in detail and will be supported by an Equalities Impact Assessment.

The council recognises that its budget planning process over the past year has been extremely challenging, largely driven by spending pressures which have grown to over £33m. Although income levels are expected to increase, the council's financial plans now include savings proposals of £11m for next year which are needed to help balance the budget.

This level of savings is the highest that have been needed for many years and the council recognises a range of risks associated with delivering savings of this scale. As in previous years the council's S151 Officer has included some provision within the budget plans by way of a contingency which could be used to temporarily fund some aspects of the more complex savings which may be hard to deliver or which may be impacted by circumstances outside of the council's control. This measure, which equates to £525k (c5% of the planned savings) will form part of the council's overall risk management process and will help to provide assurance that the council is preparing a robust balanced budget.

3.5. Timetable and next steps

Sections 3.2 to 3.4 provide commentary and describe some of the main changes within the council's financial modelling assumptions across the period of the MTFP. A table has been provided below which aims to simplify some of these movements and show the latest budget gap.

Budget Gap - per December report	4,111
Material changes to spending pressures;	
- increase in inflationary pressures (incl national living wage)	1,570
- increase in home to school transport costs	950
- increase provision for Ash Dieback costs	285
- include provision for risks associated with savings plans	525
- reduction in capital financing costs	-500
- reduction in pension costs	-300
	<hr/> 2,530
Material changes to resource assumptions;	
- reduced funding assumptions for current social care grant Autumn Statement	2,500
- new funding stream for social care from Autumn Statement (net)	-1,438
- additional business rate income from Autumn Statement	-2,835
- increase in new homes bonus grants from LG Finance Settlement	-567
- other changes to funding assumptions from LG Finance Settlement (net)	-459
- increase in council tax income from taxbase	-700
	<hr/> -3,499
Include additional savings proposals	-606
Budget Gap - per January report	<hr/> 2,536 <hr/>

This shows that the **revised budget gap** for next year is currently **£2.536m** having taken into account all information available to the council. The only areas that still to be reviewed and updated relate to business rate levels (expected to have a neutral impact) and the level of council tax that will be recommended for approval within the budget in 2023/24 as the modelling remains unchanged and does not take into account the increased flexibilities confirmed within the provisional local government finance settlement.

The formal and informal milestones associated with the MTFP process are as follows;

- Engagement – December and January, including equalities forum, discussions with town and parish councils and other key stakeholders
- Report to Council, January – to provide an update on the financial modelling, including the outcome from the Autumn Statement and provisional local government finance settlement
- All Member Budget Scrutiny, 1 February – to provide an additional opportunity to review detailed budget assumptions and proposals
- Report to Executive, 8 February – recommended balanced revenue and capital budgets for 2023/24 to Council; including detailed Equality Impact Assessments and the consideration of any alternative budgets
- Report to Council, 21 February – approval of the 2023/24 revenue and capital budgets along with council tax levels and bandings

3.6. Dedicated schools grant and safety valve programme

The cumulative deficit on the Dedicated Schools Grant (DSG) as at 31 March 2022 was £11.8m and this is projected to rise to c. £18m by the end of 2022/23 and further in the medium term, leading to a potential peak cumulative deficit in the region of £26m by the end of 2025/26.

The council has a DSG Management Plan in place and is currently taking part in the Department for Education's (DfE's) Safety Valve Programme, with an agreement hoped to be reached by 31 March 2023.

The Safety Valve Programme requires local authorities to develop substantial plans for reform to their high needs systems and associating spending, with support and challenge from the Department, to rapidly place them on a sustainable footing (i.e. in a position to deliver an in-year balanced budget within a "reasonable" period of time). The Plan has a number of key themes which are:

- Changes to arrangements for Top-Up Funding
- Increasing capacity in mainstream schools for Nurture Groups and Resources Bases
- Increasing the provision of local specialist provision
- Reducing bespoke capacity and out of area placements
- Manage increasing demand

The council will be held to account for the reforms they implement and the associated deficit reduction targets via regular reporting to the Department. In turn the Department will support the council with additional funding over a period of time, which will contribute towards "paying off" the historic DSG deficit balance, although this will be contingent on delivery of the reforms. Funding from the Department through the Safety Valve Programme is expected to be capped which means that the council will also be required to contribute some funding from its own resources if the peak forecast of £26m materialises.

Therefore the council is being actively encouraged to consider a movement of resources from the School Block to the High Needs Block of the DSG of around 1% (movements of 0.5% have been agreed in the last 3 years), in order to close the gap between the expected total peak deficit and the amount that the DfE is estimated to contribute. There is a meeting of the Strategic Schools Forum on 6 January 2023, which is likely to give a steer as to the likely level of movement from the Schools' Block to support investment in the DSG Management Plan.

However, given the likely size of the deficit and the amount that we can expect in contributions from a) the DfE and b) the Schools Block of the DSG, it is becoming increasingly likely that the council will also need to look at its own general or earmarked reserves to close the gap (subject to agreement by the Local Government Minister).

Negotiations with the DfE take place throughout January to a strict DfE timetable and therefore recommendation 2 of the report seeks delegated approval for the Director of Corporate Services with the Executive Member for Finance to review the council's resources and make any appropriate council contribution allocations to support the Safety Valve negotiations.

Further details regarding the outcome of discussions with the DfE, the Strategic Schools Forum and the impact on the council's resources will be included within future reports.

4. Consultation

The government, through its legislative framework, clearly expects that local authorities will be able to demonstrate that they have in place mechanisms to ensure that 'representatives of local people' are being appropriately informed, consulted or involved in services, policies or decisions that affect or interest them.

There are many aspects of service delivery which impact on our residents, customers and other stakeholders and members of the public, and so we recognise that it is our responsibility to ensure that any changes we make to them through the budget, need to be considered and consulted upon. Failure to do so adequately could result in aspects of the budget being subject to legal challenge.

5. Financial Implications

Financial implications are contained throughout the report.

6. Legal Powers and Implications

The Local Government Act 1972 lays down the fundamental principle by providing that every local authority shall make arrangements for the proper administration of their financial affairs including balancing their budgets each year from within their own resource allocations, although further details and requirements are contained within related legislation.

The setting of the council's budget for the forthcoming year, and the ongoing arrangements for monitoring all aspects of this to ensure that the councils spending is within the approved limits, is an integral part of the financial administration process.

Further requirements are contained within the Local Government Act 1988, Section 114 (3) which provide for instances whereby the chief finance officer of an authority makes a judgement that the expenditure of the authority in a financial year is likely to exceed the resources available.

7. Climate Change and Environmental Implications

When setting budgets for the year ahead the council is aware that it must reflect the financial impacts that environment and climate change issues could have on its plans. The most notable impact at this time is the increasing costs of energy, which does provide an opportunity to highlight climate and environmental issues.

The council's financial forecasts show that it will need to spend more on its energy costs than ever before which is a challenge given the scale of other financial pressures.

The council is therefore considering ways in which it can reduce these costs through the development of longer-term investment proposals. Whilst there are no specific climate related investment plans detailed at this time, climate and environmental related implications will be at the forefront of our thinking when considering underlying service policies, priorities and strategies associated with the revenue budget, as well as through formulating investment plans and determining options to make reductions in our energy usage and associated costs to ensure a more sustainable future and the continued commitment to Net Zero by 2030.

8. Risk Management

In setting the revenue and capital budgets, the council must consider the known key financial risks that may affect its plans and these will either be explicitly provided for within the base budget or be offset and held against the unallocated contingency budget or the council's general fund working balance.

Officers will continue to test the impact of varying key assumptions in the medium term financial strategy to assess the sensitivity of the ranges of indicative budget figures and this informs decisions about the level of working balances needed to provide assurance as to the robustness of the budget estimates.

A more detailed statement on risks and robustness of assumptions within the MTFP and the adequacy of council reserves will be included within the report considered by the Executive at the meeting in February 2023.

9. Equality Implications

In considering its vision, ambitions and financial planning the council is mindful of its Public Sector Equalities Duties to have due regard to the need to:

- eliminate unlawful discrimination
- advance equality of opportunity; and
- Encourage good relations between groups.

As per previous years, the council will undertake thorough Equality Impact Assessments, (EIA), for all budget savings plans which will be incorporated within the relevant budget papers throughout the MTFP process and also on the council's website.

10. Corporate Implications

The Corporate Plan and MTFP, along with the supporting financial monitoring processes and performance management framework are vital tools to help align effort across the organisation and ensure that core services are all are focused on delivery to agreed community and organisational priorities.

With continuing financial pressures and rising demands for services, it is essential that the councils' limited resources continue to be prioritised and allocated in line with the identified priorities. The Corporate Plan continues to be reviewed in the light of emerging risks and pressures and steps are being taken to assess timeframes and monitor key outcomes although it should be noted that the proposed changes included within the MTFP may impact on colleagues and capacity levels and deliverability.

11. Options Considered

The council is legally required to set a balanced budget and to implement a robust financial framework to ensure that spending is aligned to available resources and work to date has focused on achieving that objective.

Some of the core assumptions that unpin this aim are subjective or based on information held at a specific point in time could therefore be updated or alternative options could be considered for inclusion within future modelling, particularly to enable the budget to be balanced for next year.

All proposals contained within the draft budget have been considered by individual Executive Members and approved by the Executive collectively.

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Appendices:

Appendix 1 Further savings plans to be included within the draft budget

Background Papers:

Exec Report – February 2022, MTFP & Revenue Budget 2022-2025
Council Report – February 2022, Council Tax Setting 2022/23
Exec Reports – September to December, Revenue Budget Monitoring for 2022/23
Exec Reports – September to December, MTFP and Revenue Budget 2023-2027

Additional MTFP savings proposals included within the draft budget

APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
CH	CH05	Amend existing proposal - increase the vacancy management target within Children's staffing budgets by further 0.75%	62	0	0	62
CSD	CSD17	Amend existing proposal - further reduction in the Finance Service resource	45	-45	0	0
CSD	CSD21	Amend existing proposal - increase income from external investment activity	155	0	0	155
CSD	CSD23	Amend existing proposal - reduction in former employee pension costs	20	0	0	20
CSD	CSD22	Amend existing proposal - reduction in debt costs and charges (Avon Loan Debt & RIF)	40	0	0	40
CSD	New-CSD25	Increase the vacancy management target within Corporate Services staffing budgets	75	0	0	75
PD	PD21	Amend existing proposal - fund £50k of the existing concessionary fares budget with bus lane enforcement income to release a revenue saving	50	-50	0	0
PD	New-PD37	Increase scope of LED rollout programme to include Port Marine lanterns and Non-LED zebra floodlights to reduce energy consumption	70	0	0	70
PD	New-PD38	Increase in Land Charges Income due to change in charging mechanism	19	0	0	19
PD	New-PD39	Increase the vacancy management target within Place staffing budgets	70	0	0	70
			606	-95	0	511

North Somerset Council

Report to the Council

Date of Meeting: 10 January 2023

Subject of Report: Recommissioning of the Support to Live at Home Domiciliary Care Contracts

Town or Parish: All

Officer/Member Presenting: Executive Member for Adult Social Care and Health

Key Decision: N/a

Reason:

N/a.

Recommendations

To recommission the Support to Live at Home domiciliary care contracts for a seven-year term.

1. Summary of Report

The Support to Live at Home contracts were commissioned in a phased approach starting in November 2015. There are four Support to Live at Home contracts covering five areas in North Somerset.

Area 1 Support to Live at Home contract – Weston-Super-Mare

- The contract was awarded to Alliance Living Care commencing 5 September 2016.
- The contract was extended for the Additional Term on 5 September 2020.
- The contract was novated to Access Your Care on 10 November 2021
- The contract ends on 4 September 2023.

Area 2 Support to Live at Home contract - Worle

- The contract was awarded to The Human Support Group commencing 1 November 2015.
- The contract was extended for the Additional Term on 1 November 2019.
- The contract was novated to Notaro on 9 December 2016
- The contract was novated to Homelife Carers on 1 April 2021
- The contract ends on 31 October 2022.
- A direct award of the contract to Homelife Carers was agreed from 1 November 2022 to 4 September 2023

Area 3 Support to Live at Home contract – Clevedon, Portishead, and surrounding villages

- The contract was awarded to Brunelcare commencing 9 January 2017.
- The contract was extended for the Additional Term on 9 January 2021.
- The contract was novated to Nobilis on 1 April 2019
- The contract ends on 8 January 2024.

Area 4 and 5 Support to Live at Home contract – Nailsea, Backwell, Yatton, Congresbury and surrounding and rural villages

- The contract was awarded to Notaro Homecare Limited Care commencing 1 July 2017.
- The contract was extended for the Additional Term on 1 July 2021.
- The contract was novated to Homelife Carers on 1 April 2021
- The contract ends on 30 June 2024.

The Service provision currently provided under the Support to Live at Home contracts is community reablement, domiciliary care, dementia care and end of life care.

On 20 December 2021 a director decision was agreed to provide Discharge to Assess (hospital discharge) Reablement under a separate contract that was directly awarded to Access Your Care Limited until 4 September 2023. The appropriate Contract Change Control notes were put in place for the Support to Live at Home contracts.

The outcomes we wanted to achieve from the recommissioning in 2015 were:

- More secure provision for Service Users – reduce unmet need
- Better Terms and Conditions for staff e.g. being paid for travel time
- Improved recruitment to area providers
- Build strategic relationships

Although we have achieved some aspects of the outcomes, we have not achieved the wider aims. We believe that this is not down to the geographical areas being unsuccessful, but due to issues in the Social Care system. Social Care is facing more challenges than ever before, both nationally and locally. Recruitment remains a significant factor in preventing growth of the Support to Live at Home providers, further perpetuated by the Covid 19 pandemic. More secure, long term funding is needed in the sector but also a monumental shift in perception of Social Care in general.

We have given careful consideration to these challenges as part of the recommissioning exercise. We still want to achieve the same outcomes above, moving forward. We also want to build on a more joined up approach with the Bristol, North Somerset and South Gloucestershire, Integrated Care Board Locality Partnerships and the work we have started around strengths-based approaches to care delivery and supporting Service Users and their Carers to live well. We feel that a seven-year contract Term, consisting of an initial Term of four years with the ability to extend for a further three years, allows for working relationships, processes and innovative models of joint health and social care delivery, to be developed between the Council, Providers and Health colleagues. We will have a no cause termination clause in our contracts that mitigates risk to the Council should the contract not be viable prior to the end of the initial Term.

Although the Support to Live at Home contracts have all been novated at least once during their lifetime, we have established good strategic relationships with the Providers holding the contracts. We have implemented a Proud to Care bonus, recruitment incentives, used their care staff in our Proud to Care campaign and supported them with other initiatives like the Innovation and Sustainability grant and funding the Care Friends App for one year.

2. Policy

This commissioning plan supports a number of the Corporate Plan priorities, including under,

BEING A COUNCIL THAT EMPOWERS AND CARES ABOUT PEOPLE.

- A commitment to protect the most vulnerable people in our communities
- A focus on tackling inequalities, improving outcomes
- Partnerships which enhance skills, learning and employment opportunities

AN OPEN AND ENABLING ORGANISATION

- Engage with and empower our communities
- Empower our staff and encourage continuous improvement and innovation
- Manage our resources and invest wisely
- Embrace new and emerging technology
- Make the best use of our data and information
- Provide professional, efficient, and effective services
- Collaborate with partners to deliver the best outcomes

The Corporate Plan details about Adult Social Care

“The system for funding adult social care is widely recognised as no longer fit for purpose with a national solution for sustainable funding being essential. Care markets, locally and nationally are challenged by rising costs, staff shortages and the ongoing need to maintain quality. As demand for these services increase in line with an aging population, so does the cost to the council, coinciding with almost a decade of reducing government funding for local authorities.”

We must commission a range of services across adult social care that prevent and delay people from needing to rely on statutory services for as long as possible. Detail of how we will achieve this will reflect a move to offering better outcomes, that improve and maintain the confidence and therefore, wellbeing of service users. We also intend to focus on support for informal Carers to maintain their caring role, delaying the need for large packages of care and placements into care homes.

The services in this commissioning plan are key to delivery of the commitments in the Adult Social Services Annual Directorate Statement 2022/23.

3. Details

As part of the analysing phase of this commissioning exercise we have engaged with stakeholders, analysed data, and completed an options appraisal, considering the strengths, opportunities, threats and weaknesses of the options available to us. Further

information can be obtained from the Contracts and Commissioning Team and specific details of the model we intend to implement will be set out in the Procurement Plan.

Data Analysis

Data gathered told us that domiciliary care unmet need, although still high, is consistent and has not increased overall. We are also aware from statistics gathered from information from the Support to Live at Home Providers when offering on packages, that a significant number are no longer required or refused. Therefore, the unmet need numbers are lower than reported.

The Support to Live at Home Providers have consistently offered on packages, however, they have not been able to offer at a pace to match the demand. The average length of time taken to accept a package by any provider in 2022 is 33 days, with 50% of packages being offered on between 1-20 days. Redhill was the area with the longest wait (only 2 packages requested) but areas such as Banwell, Locking, Cleeve and Yatton also had higher than average wait times.

Support to Live at Home providers are taking the most packages in each of their areas, compared to spot providers, except for Area 4 and specific end of life provision. Although we are not going to be able to resolve the capacity in the social care market, our future contract model must reflect consideration of the issues that we are aware still exist and that have been highlighted by stakeholders during the recommissioning process.

Therefore, we are proposing to retain geographical contract areas with strategic providers but in two geographical contract areas rather than the current five, mirroring the Integrated Locality Partnerships of Weston, Worle and Villages (One Weston) and Woodspring. The One Weston contract will commence when the Area 1 and 2 Support to Live at Home contracts end and Woodspring, when Areas 3, 4 and 5 end. We are also exploring the options of a Support to Live at Home Framework Agreement to support the strategic contracts with capacity.

We feel that this model will allow us to further strengthen links with health services and build relationships that can support the flexibility needed for the ever changing and fluid nature of health and social care.

We are working with the Integrated Care Board to commission a separate End of Life contract for April 2024 with one care provider to ensure security and speed of provision. Therefore, the Support to Live at Home contracts will not be the main source of end of life care.

We will be requesting, via an additional Exception Decision Report, the appropriate authority for a further direct award, for one year, of the Reablement contract and North Somerset Community Care Response Service. This will enable us to continue to develop and refine these services, looking at how we can support the flow of the health and social care system. We will be seeking to extend the Reablement contract to include community Reablement provision. Therefore, the Support to Live at Home contracts will not be the main source of Reablement care.

4. Consultation

During the period of engagement, we spoke with,

- North Somerset Memory Service – responsible for assessment and diagnosis of dementia in North Somerset
- Alzheimer’s Society – commissioned by North Somerset Council to offer support to people with dementia and their carers in North Somerset
- Bristol Dementia Wellbeing Service – the equivalent to the above two services in Bristol
- Wiltshire Council commissioner for community dementia services
- VANS lead for VCSE providers
- ICB Fast track End of Life team and Commissioners
- Adult Care Scrutiny Panel

We attended the following groups for people with dementia and their carers and gave questionnaire to those who expressed an interest.

- Alive Meeting centre in Portishead
- Alzheimer’s Society memory café in Locking
- Lighthouse Carers group in Portishead

We sent out questionnaires to:

- Three Support to Live at Home providers
- Twenty spot domiciliary care providers
- Brokerage team
- Care management teams and mental health teams
- Curo, Alzheimer’s Society, Alive Activities and Alliance Homes
- VANS Capacity Building Programme Lead

A market testing survey was placed on the Supplying the Southwest portal relating to specialist dementia service providers and we reviewed the results of the most recent Adult Social Care survey.

From those meetings, conversations, and questionnaires there were key areas that were consistent in being raised. These key areas will be used to inform the contract model. A summary of the results in each area can be obtained from the Contracts and Commissioning Team.

5. Financial Implications

As this is recommissioning an existing service, there are no new spending commitments. Consideration will be given through the procurement process as to how we commission contracts that achieve best value and will be set out in the Procurement Plan.

Costs

Below is:

- The gross spend for the Support to Live at Home contracts 2021/22 and forecast spend for 2022/23
- The gross spend for Spot purchase domiciliary Care 2021/22 and forecast spend for 2022/23
- The total gross spend on domiciliary care 2021/22 and forecast spend for 2022/23

All reflecting the Continuing Health Care Spend (CHC) separately as this is re-charged to Health.

	ASC 21/22	ASC 22/23	CHC 21/22	CHC 22/23
Area 1	£972,975	£1,027,759	£133,780	£100,843
Area 2	£554,480	£505,585	£107,458	£124,327
Area 3	£917,788	£877,442	£83,176	£111,223
Area 4	£154,898	£93,204	£7,449	£5,419
Area 5	£239,591	£237,235	-	£28,532
Spot	£3,847,495	£3,815,440	£1,376,592	£1,734,573
Total	£6,687,228	£6,556,664	£1,708,456	£2,104,917

Funding

Funding will come from the Adult Social Care Budget. The budget is not split by contracts, but the wider budget for domiciliary care, which includes some care types that are not part of these contract renewals is c. £10m and is not currently forecast to overspend.

6. Legal Powers and Implications

The service considered in this procurement are statutory requirements (Care Act 2014, Mental Capacity Act 2005, Mental Health Act 1983 as amended in 2009). Local Authorities cannot provide these services themselves as the legislation requires them to be provided independent of the Local Authority or NHS Providers.

7. Climate Change and Environmental Implications

A thorough risk assessment will be completed by the Procurement and Contracts and Commissioning Team, the results of which will be detailed in the Procurement Plan and built into the tender process to ensure that any implications are fully covered.

8. Risk Management

A thorough risk assessment will be completed by the Procurement and Contracts and Commissioning Team, the results of which will be detailed in the Procurement Plan and will be monitored and mitigated throughout the procurement process and subsequent contract monitoring.

9. Equality Implications

An EIA summary has been completed and has not highlighted any negative impact.

10. Corporate Implications

There are no corporate implications.

11. Options Considered

The provision of domiciliary care is a statutory duty and therefore we must re-commission these services. As referenced, an options appraisal was completed, and further detail will be referenced in the Procurement Plan.

Author:

Gerald Hunt, Principal Head of Commissioning, Partnerships and Housing Solutions

Appendices:

None

Background Papers:

Original Contract Award Decisions
Stakeholder Engagement Summary

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North Somerset Council

Report to the Council

Date of Meeting: 10 January 2022

Subject of Report: Acceptance of Funding from the Ministry of Defence for Winterstoke Road Bridge Replacement and increase to the Capital Programme

Town or Parish: WsM Winterstoke & WsM South Ward

Officer/Member Presenting: Councillor Steve Hogg, Executive Member for Transport and Highways

Key Decision: N/A

Reason: This is not an Executive decision

Recommendations

It is requested that, in relation to the Winterstoke Road Bridge Replacement Scheme, Council;

1. Agrees to increase the NSC Capital Programme by £5.156m to reflect the current cost of the scheme and as a result:
 - a. Accepts £9.46m of additional funding from the Ministry of Defence (MOD) excluding VAT
 - b. To note that the revenue budget will need to be grossed up to include the commuted sum due to be paid by the MOD to cover revenue costs in 2024 of £2.5m
2. Delegate authority to the Executive Member for Major Infrastructure Project Delivery with advice from the Director of Place, S151 Officer and Assistant Director Legal & Governance to agree the terms of a Memorandum of Understanding

1. Summary of Report

1.1. Winterstoke Road bridge was built in 1943 to service an aeroplane factory during the Second World War and is currently the responsibility of the Ministry of Defence (MoD). The bridge is life expired, and it is no longer economic to repair the bridge with replacement being the necessary course of action if the route is to be maintained. The bridge is in an industrial area where many heavy goods vehicles benefit from the use of the carriageway. As a result, it was necessary to impose a 7.5T weight restriction in December 2018 for the safety of highway and rail users. It has been estimated that the bridge would need closing to motor vehicles in the next 5 to 10 years if no further action is taken.

- 1.2. The MOD have recognised the liability the bridge presents to them and would wish the council to take ownership and adopt the new bridge as part of the highway, with the bridge and the highway to be maintained at the public expense. Winterstoke Road Bridge is integral to the road network in Weston-super-Mare, as Highway Authority, NSC is better placed than the MOD to manage its replacement and long-term management in the interest of highway users. Upon completion of the new bridge it is proposed the bridge would be adopted and become part of the general highway asset, which includes the road network and numerous structures that NSC as the Highway Authority maintains. A commuted sum paid by the MOD would cover 120 years ongoing inspection and maintenance.
- 1.3. The project is delivering a replacement bridge that is designed to modern standards which helps improve access to local communities, providing safer and more sustainable transport through improved provision for pedestrians and cyclists.
- 1.4. In February 2021 a contract was awarded for the design and build services. In April 2022, the Target Cost to construct the preliminary design was submitted. Consequently, the new forecast overall project costs exceeded the project budget.
- 1.5. Potential savings have been identified by going back out to market and carrying out value engineering but there is still a short fall.
- 1.6. The MOD and NSC have been negotiating the terms of a Memorandum of Understanding (MoU). The draft provides that the MOD are liable for the cost of the bridge replacement scheme (save £450k NSC contribution). As part of providing this additional funding, the MOD are seeking further changes to the draft MoU, the nature of which provide greater protection in the form of collateral warranties and authorisation powers in favour of the MOD.

1.7.

Funding	Receipts to Date £	Receipts Required £	Subject to this decision £
LTP	450,000	450,000	-
MoD	10,833,333	20,293,333	9,460,000
	11,283,333	20,743,333	9,460,000
VAT on capital funding	2,166,667	3,558,667	1,392,000
Total funding requirement	13,450,000	24,302,000	10,852,000
Funding by source	£	£	£
MoD	13,000,000	23,852,000	10,852,000
LTP	450,000	450,000	-
	13,450,000	24,302,000	10,852,000

- 1.8. The MOD transferred £10.8m (excl VAT) in 2018/19 to NSC which has been held in a specific project account and used to fund the project to date (Decision Full Council 12th Nov 2019)

1.9. NSC contributed £0.45m in 2020, funded from DfT challenge fund (20/21 DE 199), also held in the specific project account.

1.10. The current funding received is £11,283,333.

1.11. This report seeks approval to accept £9.46m (excl. VAT).

1.12.

Capital programme	Value
Current capital programme	£13.087m
This decision	£5.156m
Total	£18.243m

1.13. This report seeks approval to delegate authority to agree the final terms of the MoU to the Executive Member for major infrastructure project delivery with advice from Director of Place, S151 Officer and Assistant Director Legal & Governance.

2. Policy

2.1. This supports Core Strategy policies, including:

- CS10 Transportation and movement
- CS15 Mixed and balanced communities
- CS20 Supporting a successful economy

3. Details

Background

- 3.1. Winterstoke Road Bridge carries Winterstoke Road over the railway mainline. Winterstoke Road is adopted highway and a significant local route within Weston-super-Mare managed by the council. The bridge is built on land owned by Network Rail and Network Rail is also the operator of the railway infrastructure beneath the bridge. The MOD is responsible for the maintenance and repair of the bridge. Network Rail acts as agent of the MOD to maintain the bridge in a good state of repair and when necessary, repair the structure of the bridge, at the cost of the MOD.
- 3.2. The bridge has been the subject of regular inspection and assessment by Network Rail on behalf of the MOD and has been found to have significant structural problems. Because of these assessments and the Highway Authority's duty of care the bridge had a weight restriction of 7.5 tonnes implemented in 2018.
- 3.3. The bridge is coming towards the end of its life and without replacement, further weight restrictions and full closure will be a likely outcome in the next 5-10 years. Winterstoke Road and Broadway are vital routes within Weston-super-Mare with many local businesses and communities relying on the routes to access their premises and homes, as well as previously being the emergency diversion route for the M5.
- 3.4. Winterstoke Road Bridge is currently owned by the MOD. Following disposal of local estate assets, the MOD has proposed to transfer ownership of the structure to the local

highway authority North Somerset Council, who are currently responsible for maintenance of the carriageway surfacing. This will ensure a transfer of the asset to an authority better placed to manage and maintain the overall asset in the interest of the highway user and local community. Network Rail are clear that as the bridge does not support their asset, they are not in position to adopt the structure upon completion of the bridge replacement.

- 3.5. The MOD has recognised the bridge has no military value and would like the council to dedicate the replacement bridge so that the bridge becomes maintainable at the public expense. Due to the council's statutory function as highway authority, its capacity and capability in delivering, managing and maintaining complex civil highway projects and a wide highway asset base together with its corporate priorities on localism, environment, and carbon management, the council has accepted liability of the new bridge built to adoptable standards, in return for receiving a commuted sum to maintain the bridge for the next 120 years.
- 3.6. The council has been asked to adopt the replacement bridge but only following its construction to an adoptable standard, which in the case of Winterstoke Road bridge would mean full replacement. The council's management of this project would ensure the bridge meets the council's legal and statutory requirements. The MOD would also provide a commuted sum to cover inspection and maintenance of the new bridge over the next 120 years.
- 3.7. The MOD transferred £10.8m (excl. VAT) to the council in 2018/19, which is held in a specific project account, within NSC's core bank account. Project spend is then funded from this account.

Benefits of replacing Winterstoke Road Bridge

- 3.8. The maintenance of the bridge and highways is critical to allow the route to remain open as a key piece of infrastructure to facilitate current and future residential and commercial access and development in the surrounding locality. The scheme will also provide a far safer, high quality, consistent pedestrian route along the length of Winterstoke Road by providing off road facilities to replace the existing substandard on-road facilities. These will link with existing facilities in the town to provide an enhanced sustainable travel network.
- 3.9. The major benefits of implementing the proposal as detailed:
 - The new bridge and highways will be fit for purpose and safe for all road users.
 - Cost effective, strategic solution to several existing maintenance and network resilience issues
 - Greater accessibility and economic activity for local communities and businesses.
 - Application of Whole Life Costing and Asset Management principles.
 - Improved sustainable links.
 - Enhanced access for tourists helping to drive tourism economy and further increase attractiveness of Weston-super-Mare as a key tourist destination in the area.
- 3.10. These benefits will impact not only the immediate locality of the proposed scheme, but also the entire town of Weston-super-Mare as the scheme will deliver a new structure and highways that are fit for purpose and safe for all road users. It will also

provide the foundation for preventative long-term asset management for the highways and minimise costly short-term reactive repairs.

Project delivery and cost forecast

- 3.11. In late 2020, NSC ran a procurement exercise for the Employers Agent services and Design & Build services. In early 2021, these contracts were awarded, and subsequently, the Preliminary Design phase commenced. Forecast costs were monitored throughout the project and communicated to the Project Board.
- 3.12. In February 2022, the contractor submitted the stage 2 (detailed design and construction) Target Cost. This submission was not compliant with the contract and was not value for money. The Project Team worked with the contractor on a revised submission. In April 2022 the contractor submitted a second Target Cost, however this was still not compliant and not value for money.
- 3.13. Following the Stage 2 Target Cost submission, the Project Team carried out a cost assessment and concluded a cost forecast of £20.7m. This was done reviewing the Stage 2 Target Cost, and identified a number of cost saving opportunities. Potential savings were identified by going back out to market and carrying out a value engineering exercise, however these savings were not sufficient to close the budget gap and therefore additional funding is required.

Description	Value
Target Cost submission	£25.0m
Project Team current cost estimate	£20.7m
Difference	£4.3m
Description	Potential saving
Going back out to market to procure detailed design & construction	£1.3m
Value Engineering exercise	£3.0m
Total	£4.3m

- 3.14. Therefore, additional funds are required and requested from the MOD. NSC is requesting £9.46m (excl. VAT). This will bring the project budget from £11.28m to £20.74m.
- 3.15. Both the council and MOD have representation on the project board, but the council will lead on the design and delivery process to ensure the final bridge replacement meets its legal and statutory requirements.

Memorandum of Understanding

- 3.16. As part of the MOD's internal approval process for additional funding, they have requested changes to the draft Memorandum of Understanding (MoU).

3.17. The MoU, when completed, will provide a formal framework in which the parties (the council and the MOD) will collaborate with each other on the project. The MoU will set out key areas around objectives, principles of collaboration, governance and respective roles and responsibilities. It will establish the relationship between the parties and provide a framework for funding and decision making, protecting both the council and MOD. The MoU will protect the Council in that the MOD will cover in full the total cost of the bridge replacement and will cover in full the commuted sum for future maintenance and inspection of the replacement bridge over 120 years.

3.18. The changes the MOD are requesting are those that provide additional protection to the MOD. These include collateral warranties between the MOD and key contractors and input into formulating the evaluation criteria and representation on the evaluation panel for the procurement of the detailed design and build contractor. Greater detail is also being requested stating the decision-making powers held by the MOD and the authorisation process for project decisions / change control requests. This Council decision note seeks delegated authority for the council to enter into the MoU once amendments have been negotiated.

Programme forecast

Task	When
Stage 1 (preliminary design)	February 2021 to April 2022
MOD funding approval	January 2023
MOD and NSC MoU agreement	Early 2023
Value Engineering exercise	Early 2023 to Autumn 2023
Stage 2 procurement	Autumn 2023 to late 2023
Detailed Design	Early 2024 to Spring 2024
Construction	Spring 2024 Summer 2025
*Subject to railway possessions aligning with programme	

4. Consultation

4.1. The Project Board (of which the MOD has a seat) were first informed at the beginning of 2022 outlining potential need for additional funding. Since then, the Project Board has been kept informed and additional ad hoc meetings with the MOD have been held to ensure they are kept up to date with the cost profile and budget pressures.

4.2. There have been regular briefings the Executive Member on progress of the project and associated costs, with a specific briefing regarding this decision on 5th December 2022.

4.3. Place and Policy Scrutiny Panel were briefed on 23rd November 2022.

4.4. Landowners of third party land required during the construction stage are kept updated with project programme changes.

The council has appointed land agents to negotiate terms for a works licence to access third party land during the construction of the bridge. Any fees associated with the licence will be paid from the project account.

5. Financial Implications

Costs

5.1. The current cost estimate to deliver the replacement of Winterstoke Road Bridge and undertake maintenance over the next 120 years is £20.7m. This includes a risk sum.

5.2. This is broken down below.

Category	Value
NSC costs and support costs	£4,439,000
Preliminary Design	£1,095,000
Detailed Design	£394,000
Construction	£15,462,000
Construction risk	£430,000
Project risk	£680,000
Commuted Sum	£2,500,000
Costs sub-total (A)	£25,000,000
Potential savings	
Return to market to procure Stage 2	£1,300,000
Value Engineering exercise	£3,000,000
Savings sub-total (B)	£4,300,000
Project forecast Total (A-B)	£20,700,000

5.3. As we progress through the project design lifecycle the project will have key investment decision points which will enable informed decisions to progress the scheme with a greater understanding of cost and risk. Key project milestones are outlined below that identify increased cost certainty.

Project Milestone	Programme	Cost accuracy
Value Engineering exercise	Early 2023 to Autumn 2023	Completion of VE work will improve level of confidence in cost forecast
Stage 2 procurement	Autumn 2023 to late 2023	Return of tenders will improve level of confidence in cost forecast
Detailed Design	Early 2024 to Spring 2024	Completion of the detailed design will improve level of confidence in cost forecast with greater certainty around design.
Construction	Spring 2024 Summer 2025	Completion of ground works will improve level of confidence in cost forecast

5.4. The project considers uncertainty / risks and makes reasonable allowances within the project risk budget.

Funding

5.5. The replacement and related commuted sum of the bridge will be fully funded by the MOD. NSC received £10.8m on behalf of the MOD. Additional funding required will be met by the MOD in full and be subject to the appropriate council approvals.

5.6. Whilst the MOD are required to fund a replacement bridge to modern standards and requirements, NSC are contributing £0.45m from LTP to secure sustainable transport improvements linked and adjacent to the bridge.

5.7. The required budgets and funding are as follows:-

BUDGETS	Current Approved Budgets £	Required Budgets £	Subject to this decision £
Capital			
MoD	12,636,944	17,793,333	5,156,389
LTP	450,000	450,000	-
Total Capital Funding	13,086,944	18,243,333	5,156,389
Revenue			
Commuted Sum – MoD*		2,500,000	2,500,000
	-	2,500,000	2,500,000
TOTAL BUDGETS	13,086,944	20,743,333	7,656,389

Funding	Receipts to Date £	Receipts Required £	Subject to this decision £
LTP	450,000	450,000	-
MoD	10,833,333	20,293,333	9,460,000
	11,283,333	20,743,333	9,460,000
VAT on capital funding	2,166,667	3,558,667	1,392,000
Total funding requirement	13,450,000	24,302,000	10,852,000
Funding by source	£	£	£
MoD	13,000,000	23,852,000	10,852,000
LTP	450,000	450,000	-
	13,450,000	24,302,000	10,852,000

*£2.5m to be received is for the commuted sum. VAT is not required on sums allocated for maintenance. The commuted sum value is to be updated following completion of the design, using the relevant national formula.

5.8. The forecast timing of the receipts from the MoD is:-

Forecast timing of receipt from MoD	2023/24	2024/25	Total
	£	£	£
Funding	6,960,000	2,500,000	9,460,000
VAT	1,392,000	0	1,392,000
	8,352,000	2,500,000	10,852,000

6. Legal Powers and Implications

- 6.1. The MOD is responsible for the repair and maintenance of Winterstoke Road Bridge. The highway crossing the bridge, however, is the responsibility of the Highway Authority. The council needs to ensure the highway is safe for highway users and could if necessary, serve notice on the MOD to improve their asset. The Highway Authority has in December 2018 implemented a weight limit of 7.5 tonnes to address immediate concerns with the structures condition. This was done in accordance with the approved code of practice for the management of bridges.
- 6.2. Once the bridge is replaced to an adoptable standard and through a commuted sum it will form part of the public highway maintained at the public expense and be part of the council's highway asset
- 6.3. The draft Memorandum of Understanding states that if the total cost of the works is greater than £11.283 (£10,833m plus £0.45m), the MOD will contribute further amounts required to complete the works and pay all sums under the works.

7. Climate Change and Environmental Implications

- 7.1. There are no climate change or environmental implications directly impacted by this decision.
- 7.2. However wider project goals are to deliver as close to net zero carbon as possible, adopting the principles of PAS 2080: Carbon Management in Infrastructure within the management and delivery of the project. PAS2080 provides a framework on all sectors and value chain members, on how to manage whole life carbon when delivering infrastructure assets. Adopting these principles will promote reduced carbon, reduced cost of infrastructure delivery and foster more collaboration across the supply chain.
- 7.3. For Winterstoke Road bridge the specific focus will be capital carbon which is directly associated with the creation, refurbishment, and end of life treatment of an asset. However, the promotion and facilitation of wider improved sustainable travel links will also assist in providing improvements and opportunities in relation to operational carbon, emissions associated with the operation of an asset.

- 7.4. The project aims to deliver environmental net gain for the area. This is done through the procurement process for contracts, specifically the evaluation process for the quality score for submitted tenders. The level of commitments made by the tenderers for environmental improvements and social value betterment are reflected in the quality score awarded. Other environmental factors and commitments are also considered.
- 7.5. Once the new bridge is built, the 7.5 tonne weight restriction will be removed. This will result in HGV's again being able to use Winterstoke Road bridge as a more direct route instead of current longer diverted routes.

8. Risk Management

- 8.1. The council will be required to pay costs that are contractually due, for any contracts the council enter into. However, the risk to the council is mitigated by only entering into contracts where funding has already been received to cover the estimated value of the contract. It is further mitigated as the MOD are responsible for replacement of the bridge and are liable to fund any increase in costs. Any costs incurred by the council can be recovered from the MOD through the MoU once agreed. The MoU is to be agreed prior to any further contract awards. It is important to note however that the project is managed as an open book policy and value for money is a key focus in the day-to-day management and delivery of the scheme.
- 8.2. Risk management is the methodical approach to identifying, quantifying and managing risks that occur during the lifecycle of a project. The key to effectively mitigating risks is to develop a series of well-defined steps to support better decision-making through an understanding of the potential risks inherent to a scheme and their likely impact. The risk management process is identified within the Project Delivery Manual. Risk workshops with key stakeholders are regularly held to ensure that the risk profile is up to date.
- 8.3. More widely, the following key project risks have been identified.

Key Risks	Mitigating Actions	RAG Rating
Timing of Network Rail blockades and possessions If the Network Rail blockades and possessions plan does not align with the project schedule, then the project will be delayed.	- Engage with NR at project inception to explore possession opportunities and alternative operational diversions. - Contractor engaged on alternatives / minimising possession requirements.	Red
Demolition of existing abutments Demolition and stability of the existing abutments due to the proximity of the track	- Finalise approach to the abutments, with need to confirm structural stability on own.	Red
Land Ownership and Temporary use of 3rd Party Land Use of privately owned land is required for construction of the temporary footbridge and during construction of the new bridge.	- Engage land agents in good time. Undertake early engagement with landowners, Persimmon Homes and Network Rail.	Red

	<ul style="list-style-type: none"> - Constraints to be fed into construction methodology and design. - Use of CPO powers if agreement cannot be reached between landowner and the council. 	
<p>Inflation impact on project budget External factors including the war in Ukraine has impacted the global economy and resulted in part to significant increases to inflation more generally but also specifically within the construction industry.</p>	<ul style="list-style-type: none"> - Carry out Value Engineering exercise to identify cost saving opportunities including choice of materials, construction methodology and design - Explore programme efficiencies to bring forward the end date. 	Red
<p>The structure requires ongoing monitoring and repair work The structure remains in a poor state of repair and despite the recently introduced 7.5t weight limit needs monitoring and ongoing repair work until such time as a new bridge is in place.</p>	<ul style="list-style-type: none"> - Existing NR survey work has identified areas that need addressing. This work needs to take place to deal with ongoing maintenance issues, further an inspection regime needs to be agreed. 	Amber

9. Equality Implications

Have you undertaken an Equality Impact Assessment? Yes-/ No

9.1. A full EQIA has been drafted and will be revised as part of the Value Engineering exercise. The scheme proposed enhanced sustainable travel facilities and linkages across and adjacent to the new bridge.

10. Corporate Implications

10.1. The provision of key enabling infrastructure and the improvement of the transport network widely support the Corporate Plan priorities in all areas of a thriving and sustainable place, by improving opportunities for sustainable and active travel whilst replacing a key piece of locally strategic infrastructure.

11. Options Considered

11.1. By not approving this decision note, it would prevent the use of additional MOD funding by the council and an opportunity to progress the bridge replacement would be lost for a considerable time as there is no other funding opportunity currently available. The MOD would be left to consider its approach to this ongoing bridge risk which will take time to develop and may include further restrictions and / or closure of the highway and could involve impact on the council's relationship with the MOD which are currently collaborating on the bridge work, as well as reputation damage.

11.2. The proposed MoU has been scrutinised by NSC legal and its advisors. The changes sought by MOD will be similarly scrutinised and once completed the MoU will provide comfort to the council that the cost of the bridge replacement and commuted

sum will be met by the MOD in full. In addition, the bridge will not become a highway asset until the replacement bridge is fully adopted and forms part of the public highway.

Author:

Jason Reading, Senior Project Manager

Appendices:

None

Background Papers:

- 19.10.16 WRB Full 121119 Council Report
- [19/20 DE 395 Winterstoke Road Bridge Memorandum of Understanding](#)
- [20/21 DE 199 Winterstoke Road Bridge NSC funding contribution](#)
- [21/22 DP 185 Winterstoke Road Bridge additional funding and capital programme increase](#)

North Somerset Council

Report to the Council

Date of meeting: 10th January 2023

Subject of report: Castlewood redevelopment options including Commissioning Plan

Town or Parish: Clevedon

Member presenting: Cllr Ashley Cartman, Executive Member for Corporate Services

Key Decision: NO

Reason: Council Decision

1. Recommendations

1. To note the findings of the Outline Business Case as presented in this report and approve the preferred option of a residential-led redevelopment of the Castlewood site based on demolition of the existing building and replacement with newbuild homes and small-scale commercial development.
2. To approve the Commissioning Plan and associated actions as set out in paragraphs 3.68 – 3.72 for the selection of a developer to take forward the redevelopment of the site, in particular the choice of a Development Agreement as the preferred route to market, noting that further detail will be agreed by the Executive Member for Corporate Services through the approval of a Procurement Plan.
3. To approve the allocation of one-off revenue resources of £0.8m to fund costs associated with the preparation of a planning application, procurement of a development partner and resolution of covenants to enable the recommended route to delivery for the preferred option.
4. To note that further capital/revenue investment will be required to support delivery of the Accommodation Strategy and the transition out of Castlewood by North Somerset Council and its partners/tenants. This will be subject to future approvals/reports.
5. To capture further revenue savings of £858k per annum in the Council's Medium Term Financial Plan from 2026/27 onwards, reflecting the saving on revenue costs that will be achieved from the decommissioning of this building after the repayment of one-off costs. This is in addition to the £250k per annum already reflected in the Medium Term Financial Plan making the total saving £1.1m.

6. To delegate authority to the Section 151 Officer to authorise the submission and acceptance of funding bids (including to the Brownfield Land Release Fund) that will assist in the delivery of the re-development of the site as agreed above.

1. Summary of report

- 1.1 In February 2022, Council considered a report on the council's Accommodation Strategy and agreed:

“That the production of detailed options analysis and an associated development and delivery strategy for the Castlewood site be commissioned, and a further report be brought back to a future meeting of Council.”

- 1.2 In May 2022 Council considered a further report including a strategic outline business case and agreed to:

“(1) Transition out of Castlewood to remove it from the council's office requirement, and release it for development

(2) Develop a preferred way forward through progressing a package of technical, planning and development workstreams, alongside soft market testing and pre-planning engagement; and

(3) Delegate to the Section 151 officer, Director of Place and Head of Strategic Procurement, the commissioning, procurement and appointment of technical, planning and development workstreams, alongside soft market testing and preplanning engagement.”

- 1.3 This current report does not seek to revisit the decisions referred to above in relation to the council's transitioning out of Castlewood
- 1.4 As instructed, further work has been carried out to progress an Outline Business Case (OBC) to arrive at a preferred way forward for the development of the site. The conclusion of the OBC is to recommend that the preferred way forward is a residential-led redevelopment of the site based on the demolition of the existing building. It further recommends that the council takes action to address the restrictive covenants that exist within the title and recommends a delivery strategy including selection of a developer partner.
- 1.5 The preferred option of demolition and new build residential-led development results in a financial benefit of £6.5m (NPV) over a 10 year period, and outperforms other options in terms of both sustainability and placemaking. It provides an opportunity for an investment in an exemplary sustainable development that can help the council achieve its net zero carbon ambitions and provide much needed new homes (including affordable housing) for Clevedon and North Somerset as a whole. Options to retain the existing building either for purely commercial use or for a residential conversion perform poorly against financial, placemaking and sustainability criteria.
- 1.6 The report sets out proposals and an anticipated timeline for identifying a developer for the site (the “Commissioning Plan”). The proposed form of delivery would be a Development Agreement based on a Building Lease. The procurement process will be Public Contract Regulations 2015 compliant and due to its value will be

advertised and open to all potential bidders. It is expected to take the form of a two- or three-stage competitive tender.

2. Policy

- 2.1 The Council's Asset, Accommodation and Development Strategies were adopted on 23rd February 2021. Part of this work, the Strategic Asset Management Plan (SAMP), sets out a methodology for the council to consider whether assets within its estate are required for service delivery and whether they should be retained. The intention to progress the phased withdrawal from Castlewood was outlined in this document and later agreed by Council.
- 2.2 The Development Strategy element of the work identified opportunities for the council to promote its own land for residential, commercial and mixed-use development. As well as generating income to support the council's capital programme for infrastructure, the council's participation in projects can help address market failure, deliver good design, optimise affordable housing outcomes and reduce the carbon emissions of development.
- 2.3 Delivery of the recommended preferred option for a residential-led development would support the Corporate Plan priority of enabling "thriving and sustainable places", including through delivery of "a broad range of new homes to meet our growing need, with an emphasis on quality and affordability".
- 2.4 Recommendations on the form of re-development are informed by a detailed analysis and comparison of carbon emissions, in line with the council's commitment to becoming a net zero area by 2030.
- 2.5 The future of the Castlewood site has been subject to initial local engagement through the Clevedon Placemaking Strategy exercise and Development Sites consultation. There will be further opportunities for engagement as the redevelopment project progresses through planning and delivery.

3. Details

- 3.1 Further to the resolution of Council in February and May 2022, officers have worked with an appointed specialist consultancy team, led by PRP architects, to progress the production of the Outline Business Case to identify a preferred option and development and delivery strategy.
- 3.2 This work has included:
 - A review of the strategic objectives of the council and how they potentially fit with the objectives for this site.
 - Discussions with current tenants and other potential occupiers / developers to understand the likely appetite for the site both as it is currently configured and/or for re-development.
 - Site surveys and drafting and feasibility testing of potential development options, informed also by pre-application discussions with the local planning authority.
 - Sustainability appraisals of the shortlisted options, specifically a review of predicted whole-life carbon emissions of the development.
 - Financial modelling informed by market intelligence from Alder King.

- A review of restrictive legal covenants on the site and receipt of advice from Bevan Brittan on how to address these.
 - Consideration of delivery strategy, e.g. how the council might take the options forward.
- 3.3 The outcome of this work is the production of the detailed Outline Business Case (OBC), which is available to members on request as an exempt Background Paper.
- 3.4 The paragraphs below draw together a summary of the key issues and conclusions arising from the OBC.

Strategic case (review of strategic objectives)

- 3.5 This is broadly as set out in the policy section of this report (paragraphs 2.1 – 2.5 above).
- 3.6 The decision in May 2022 to move out of Castlewood was motivated by the objective of reducing the operational estate and capturing revenue savings, whilst the delivery of housing and/or employment on a brownfield site within a settlement boundary aligns with spatial planning goals and the aims of the council's Development Strategy.
- 3.7 Consideration of options for the future of the site were further driven by the council's objectives around sustainability and the ambition for North Somerset to achieve net zero carbon status by 2030, in particular by the high level of emissions from the existing building due to its inherently poor energy efficiency.

Case for change: consideration of continued operation as commercial premises

- 3.8 The council's decision to transition out of Castlewood does not in itself necessitate a change of use or re-development of the building. Consideration of continued use for wholly commercial purposes included the following:
- (i) Discussions with existing partners/tenants:**
- 3.9 Castlewood is currently occupied by council teams and several service partners including Sirona Health and Care, CCG, Police, Ambulance, Agilisys, Liberata, Somerset County Council and BANES. 47% of the office space is occupied by NSC teams and 53% by partners. The site can accommodate 700 – 900 desks, but post Covid-19, use of the building has reduced to as low as 100 per day (NSC staff and partners).
- 3.10 Early discussions have been held with partners to understand their future intentions for the occupation of the building and a number have indicated that they envisage their requirements reducing, irrespective of NSC decisions. This creates a risk to assumptions of future revenue income for the council's Medium Term Financial Plan.
- 3.11 Most of the tenancies are scheduled to end within the next 2 – 3 years, and/or include a flexible six-month break clause, however the agreements for the DWP (Job Centre Plus) and Police and Crime Commissioner extend to 2027 without options for termination. The DWP has indicated that due to their funding model they would not themselves be able to look for alternative accommodation until at least 2025, but if a space was fitted out to their specification they would 'in principle' be agreeable to a move, if it was cost neutral to them.

- 3.12 Several other partners / tenants expressed a wish or requirement to maintain small-scale ‘touchdown’ space and welfare facilities in the vicinity.
- 3.13 NSC has outsourced its Registrars service to Somerset County Council, who run a registration office from the Ground Floor of Castlewood. The council will need to provide alternative accommodation for SCC to house the Registration Office and serviced desks spaces if it were to be moved.
- 3.14 Taking account of these discussions, the cost of accelerating vacant possession to 2025 is estimated at £1.8m. This would be reduced if the date for vacant possession were moved to 2027, as partners/tenants would not need to be re-accommodated, however that would result in continuing the operation of the building for a further two years, potentially with fewer tenants, which would worsen the net revenue position described below.
- 3.15 An alternative would be to seek a phased re-development of the site, allowing continued occupancy by a number of partners from 2025 – 2027, while redevelopment proceeds on other parts of the site.

(ii) Interest from other potential occupants or buyers:

- 3.16 Soft market testing was conducted by Alder King from July to September 2022, gathering feedback and market intelligence on a range of development options for Castlewood.
- 3.17 Alder King engaged with 53 parties, from residential developers, housing associations, office, industrial mixed-use developers and potential office occupiers and hotel operators. The mix of those responding positively is shown below:

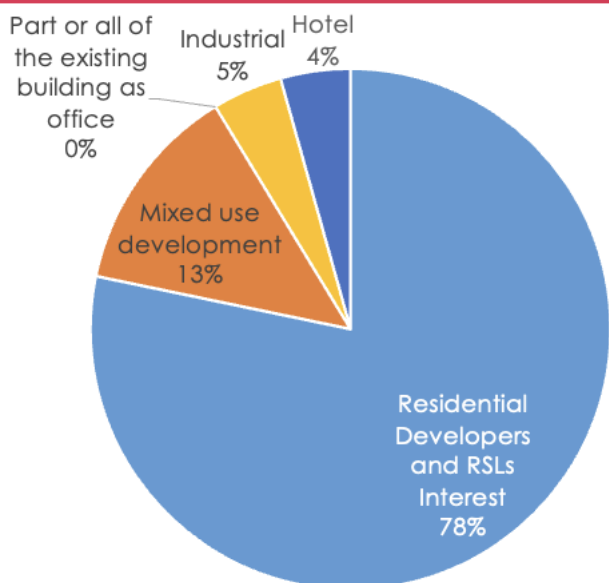


Figure 2.6. Soft market testing results

- 3.18 Results showed that there was very limited interest from parties for commercial development and no interest in the site from those actively seeking office accommodation. Among the commercial sector parties, only one hotel operator (of a

relatively budget nature targeting motorway traffic) and one industrial developer expressed interest in limited development on part of the site.

- 3.19 Levels of office take-up in Clevedon average around 1,000sqm per annum; Castlewood at 8,361sqm would take 8 – 9 years to occupy at such a rate. Commercial rents in the area are relatively low (£7.25 - £14 per sqft, equating to £78 - £151 per sqm) and even at full occupation would not cover the operational costs of the building.
- 3.20 A strong response and interest was achieved for a residential-led development from a range of residential developers, mixed-use developers and Registered Providers of Affordable Housing.

(iii) Costs and energy efficiency:

- 3.21 As detailed in previous reports, the operational costs of running Castlewood were £1.2m for 2020 – 2021 and £1.8m for 2021 – 2022. For 2023 – 24 they are forecast to be £2.3m. After taking account of income, the net running costs for 2023 – 2024 are forecast at £1.43m.
- 3.22 An Energy Management report published in 2021 reviewed all council-owned and operated sites. The report found that from Sept 2020 - Aug 2021, Castlewood contributed 19.4% of overall energy usage and 16.6% overall cost of the assets reviewed. The annual energy cost for Castlewood in 2023 – 2024 is forecast as £1.1m.
- 3.23 Significant capital investment estimated at a minimum of £3.8m is needed in the short-term to maintain building services, including statutory replacement of distribution boards, replacement of heating and water infrastructure and lift replacement. This does not include improving the energy efficiency of the existing services meaning that the buildings emissions will continue to be high unless significant additional investment is made. Retrofitting the building is technically difficult due to the building's structure. Due to new legal requirements, the building would need to be improved to EPC level C in order to be leased out to new tenants after 2025; this would be additional to the other costs in this section and require significant capital investment.
- 3.24 Occupiers expect a good level of fit out such as raised floors, LED lighting and Air Conditioning. An additional £15 per sq. ft. for a light touch redecoration of the building would total £1.4m.
- 3.25 In total, the council would have to invest an estimated £7.74m (including contingency, overheads & preliminaries) to bring the building up to a lettable standard (more to meet the EPC requirements).

(iv) Restrictive covenants

- 3.26 In considering options as to whether to maintain the site in its current use, or to pursue alternative development, the project team investigated legal covenants applicable to the site.
- 3.27 Fourteen restrictive covenants were identified, relating to:
- Rights to mines and minerals.

- Rights of light.
- Restrictions on use/prohibition or limitation on building, including restrictions on housing.
- Drainage rights.

3.28 Whilst some of the covenants are believed to have been expunged or to be unenforceable, they create a risk to any re-development of the site. Advice from Bevan Brittan is that the covenants can be resolved, however this is likely to require the council to play a more active role in the future development of the site. This topic is discussed further under delivery considerations below.

(v) Pre-application planning advice:

3.29 The Castlewood site is undesignated within the North Somerset Sites & Policies Plan. Formal pre-application advice was sought from North Somerset Council's planning team as to the acceptability of a re-development.

3.30 Overall the advice was broadly supportive of a residential-led scheme, recognising pressures of housing supply and that the site is brownfield land within the existing settlement area of Clevedon.

3.31 Other key points included:

- A preference to see the proposals include some continued provision of employment floorspace on the site.
- A residential scheme should include a housing mix to reflect local housing needs, in particular family housing.
- At least 19% of future energy needs should be provided through decentralised, renewable and/or low carbon technologies.
- Development design must respond appropriately to context, including addressing the Tickenham Road frontage and giving consideration to impacts on the character and heritage and wider landscape including Clevedon Court.

3.32 Taking account of all of the points in the paragraphs above in relation to the consideration of continued commercial uses, the project team reached the following conclusions:

- Continued long-term occupation of the building by existing tenants is unlikely and unviable due to changing requirements post-Covid.
- Progressing a scheme with large provisions of commercial space would constitute a high financial risk for NSC, one for which there is limited evidence of demand and risk of long-term high vacancy rates.
- One-off costs relating to re-accommodating partners (where needed), and other costs of securing accelerated vacant possession are estimated at £1.8m.
- However the costs of maintaining and re-letting the building for commercial use are estimated at £7.74m (in addition to improvements to achieve required EPC levels), plus ongoing revenue expenditure.
- To maximise the benefits and enable development from 2025, a dedicated programme and resourcing to secure vacant possession and resolve restrictive covenants will be required.
- The interest of a number of NSC partners and services in retaining a degree of flexible commercial space for touchdown and welfare purposes – as well as the pre-application advice from North Somerset's planning team - indicates that the

inclusion of small-scale commercial space within a re-development could be of benefit.

Residential-led scenarios

3.33 Further to the conclusions of the initial phase of work above, the project team developed and tested two main options for a residential-led scheme:

- An option based on retaining and refurbishing the existing building to convert it into apartments, coupled with new-build development on the rest of the site.
- An option in which the existing building was demolished, creating a clear site for wholly new build development.

3.34 Both options included an element of small-scale commercial development of flexible use class.

3.35 It is important to note that the layouts and designs in the OBC have been developed for the purposes of feasibility testing and confirming a business case for development. The work to date will inform next steps through planning and procurement but does not represent a final scheme for the site.

3.36 Benefits and disadvantages of each scheme were considered under the following workstreams:

(i) Design and placemaking:

3.37 Options based on the retention of the existing building were by definition constrained by its presence. The conversion of the building would also require very significant works in order to ensure compliance with Building Regulations and space standards.

3.38 Demolition of the building and replacement with new build homes and commercial space would allow a 'clean slate' approach in which design could be developed to meet market and local needs.

3.39 Design development for both designs recognised the importance of the existing landscape and sought to maximise its benefits, including through better links to the adjacent river and improved provision of active travel links.

(ii) Sustainability:

3.40 Sustainability assessments were a key consideration in the testing of options. Carbon emissions were modelled in line with BEIS and RIBA guidance, taking account of embodied and operational carbon over a 60 year period.

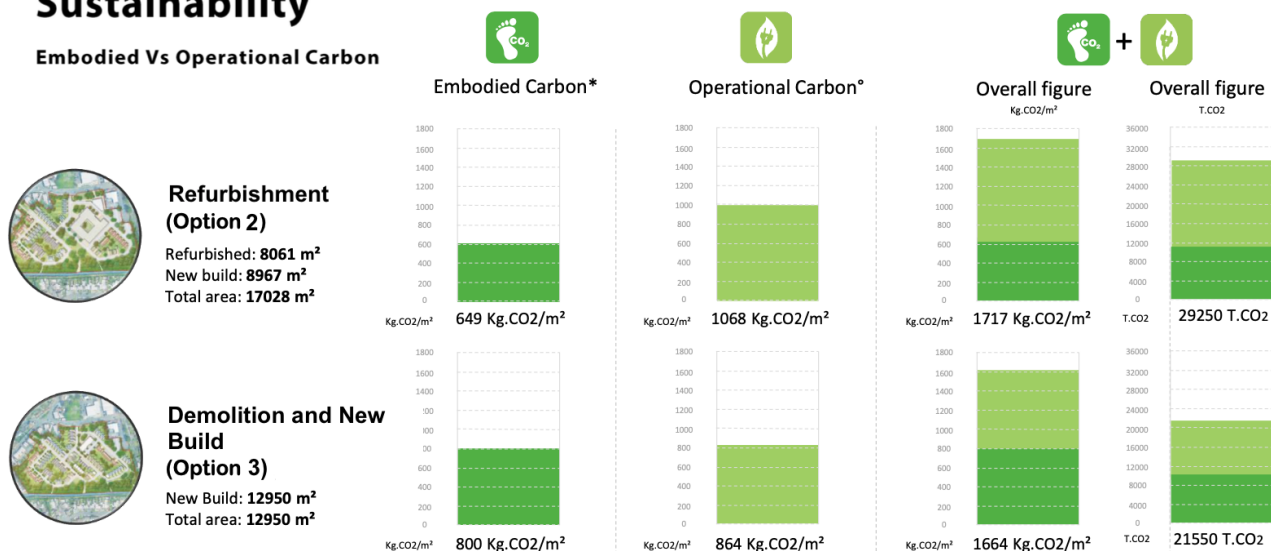
3.41 "Embodied carbon" relates to the carbon emissions during the construction (and demolition) of a building. A key concern expressed early on was that the demolition of Castlewood and replacement with newbuild would create significant emissions compared to the option for refurbishment. However the conversion of the building would also require significant elements of demolition and rebuild, as referenced above, in equating to around 60% of the building being replaced.

3.42 Overall, the embodied carbon calculation for the option based on conversion of the existing building (649 kg CO₂ per m²) remained lower than the option for demolition & newbuild (800 kg CO₂ per m²).

- 3.43 Operational carbon performance was significantly better for a new build option, due to the improved energy efficiency of wholly newbuild homes. Emissions for new build were calculated at 864 kg CO₂ per m² in comparison to 1068 kg CO₂ per m² for the option focused on conversion.
- 3.44 Across the 60 year lifecycle, considering both embodied carbon and operational carbon, the new build option is forecast to achieve a 36% reduction in CO₂ emissions. The option of retaining the building would generate an estimated 29,250 kg CO₂ emissions (1,717 Kg CO₂ per cubic meter), whereas full demolition and new build are forecast to generate 21,550 kg CO₂ emissions (1,664 Kg per cubic meter). This is illustrated in the diagram below:

Sustainability

Embodied Vs Operational Carbon



- 3.45 Both options performed significantly better than the option for retention and continuation of the building in its current commercial use.
- 3.46 To ensure a fair and 'industry standard' comparison between options, the above modelling assumed levels of energy efficiency in line with national requirements due to be introduced in 2025 (the "Future Homes" standard).
- 3.47 The council's Climate Change Action Plan and the emerging Local Plan for North Somerset aim that all new homes should be zero carbon or net carbon plus. Delivery of this higher standard has not been included in the business case modelling and may impact on the land value achieved. However there are a number of variables within any development scheme that can be adjusted, and officers will work with members with a view to finding solutions that maximise the overall sustainability (aiming for zero carbon) as part of finalising the specifications for the Procurement Plan.

(iii) Market interest and development viability:

- 3.48 By its nature, a scheme focused on the conversion of the existing building lends itself to a higher proportion of apartments and fewer houses.
- 3.49 Market feedback from Alder King was that this was a less attractive option to the market than a 'clear site' scheme which would allow a solution less focused on

apartments. In general there was a market preference for a site without the constraint of an existing building.

- 3.50 Development viability testing found that the conversion/apartment-led scenario performed less well financially, as apartments carry a proportionately higher build cost without an equivalent increase in sales values. Overall this option created a negative land value.
- 3.51 Viability testing of the newbuild scheme created a positive land value. Further detail is provided in the financial appendix to this report.
- 3.52 The delivery of new commercial space within either development option reduces the viability of development such that it is suppressing the forecast residual land value. Its inclusion within a development may manage planning risk and may derive local employment benefits but is not a commercially advantageous development strategy.
- 3.53 As stressed at the start of this section, the two schemes that were tested were hypothetical. In both cases densities could be increased or decreased and financial values could change, albeit the constraints of the existing building, of the costs/values of apartments versus houses, and the financial impacts of commercial elements would continue to apply.

(iv) Economic modelling:

- 3.54 Further Green Book compliant modelling was carried out on the options, testing wider economic benefits including for example Social Value and construction jobs.
- 3.55 This testing found a Benefit Cost Ratio (BCR) of 47.03% on Total Costs (including finance) for the wholly newbuild scheme, against a figure of 12.43% on the scheme based on conversion. Note that this is a technical calculation and should not be read as a cash equivalent to the return on investment.

(v) Conclusion on preferred residential option:

- 3.56 Based on the factors above, a residential-led scheme based on the demolition of the Castlewood office is recommended. This:
- Allows greater flexibility for design and placemaking to respond to local character, needs and demand.
 - Performs better in terms of carbon emissions than a model based on retention of the existing building.
 - Is more attractive to the market, more financially viable and therefore more deliverable.
 - Performs more strongly overall in calculations of Cost Benefit.

Route to delivery

- 3.57 Key considerations in determining a route to delivery include the following:
- Actions required to resolve restrictive covenants.
 - Choice of available delivery models, taking account of:
 - Commercial and procurement regulations.
 - NSC view on balance of control of the development outcome versus risk (particularly financial risk).

- Market appetite & response to risk.
- Planning strategy.
- Programme.

(i) Actions required to resolve restrictive covenants

- 3.58 Advice from Bevan Brittan is that the restrictive covenants could be resolved through a process of appropriation and use of powers under Section 203 of the Housing and Planning Act 2016.
- 3.59 Appropriation is a process whereby the council changes the purpose for which it holds land, following a review of the balance of needs for the existing and proposed purposes. The council has carried out similar exercises in relation to other land which it holds.
- 3.60 Section 203 of the Housing and Planning Act 2016 contains powers for persons to override easements and other rights in relation to the development or use of land. In effect, the rights are converted into rights for compensation in line with a statutory compensation code. These powers are not restricted to local authorities and are increasingly being used where a regeneration or development scheme is affected by historic and complex title issues. In the case of Castlewood, any compensation is thought likely to be nominal.
- 3.61 In the view of Bevan Brittan, the appropriation process and use of Section 203 powers requires first that planning consent should be secured for the site. This is to provide clarity on the purpose of the appropriation and as to any level of compensation required.
- 3.62 Planning could be secured by a third party (e.g. by a developer through a 'subject to planning' disposal or as part of a Development Agreement), but to avoid challenge to the council's appropriation decision and use of Section 203 powers, the development would need to be built out in a way that addressed the needs on which the appropriation decision was based. This means that the developer would need to deliver either the scheme that had gained planning consent, or a scheme close to that in terms of the benefits it delivered (if, as an example, the appropriation decision was based on provision of housing for families, but a developer chose instead to deliver housing exclusively for older people, this could undermine the legal basis on which the decisions and development were based). For this reason it would be advisable for the council to have some ongoing control over the development post-planning.

(ii) Delivery models:

- 3.63 In determining its preferred delivery model, the council will need to consider the level of control it needs and wishes to maintain over the final product at the site, balanced against the level of financial exposure and risk that it is able to take on.
- 3.64 The options available are summarised below:
- (a) Commercial disposal:

This is in effect a straightforward land sale.

NSC would be required to secure “best consideration” as required by the Local Government Act 1972 for land disposals by local authorities.

The council would be limited in the conditions it could apply to such a sale, so would have little control over the development once sold, other than through planning.

Clawback arrangements could be included, as could a time limit on the commencement of development.

Due to the need for appropriation, the sale would need to be subject to planning (with appropriation after the developer has secured planning consent), alternatively, NSC would need to secure planning prior to sale.

This option would minimise further expenditure by NSC (depending on whether it funds the planning application) and the risks of construction would sit wholly with the purchaser.

However, as set out in paragraph 3.62, the lack of control over delivery post-disposal could risk challenge to the use of appropriation and Section 203 powers.

The risks around covenants may limit the land receipt that may be achieved.

(b) Procurement of development partner through contractual Joint Venture:

This is the model that the council has used for its land at Parklands and Uplands, as it has been deemed to offer a good balance of control and risk.

The council specifies its desired outcomes in relation to the site and carries out a procurement exercise to secure a development industry partner.

The partner pays NSC for the land and is required to carry out the development in line with the specifications required through the procurement and embedded in contractual Development Agreements. The development partner finances the development and carries the associated risks.

The level of detail specified by NSC can be as simple or detailed as the council chooses, but must be agreed in advance and stated in the procurement documents. The key specifications cannot later be varied.

In general, a higher level of specification will lead to less market interest and a lower financial receipt.

The main disadvantage of this option, in comparison to a commercial disposal, is in the cost of procurement (in addition to planning costs). However it should minimise the risks in relation to challenge on appropriation and use of Section 203 powers.

(c) Corporate Joint Venture:

This model entails setting up a joint company with a development partner, selected through a procurement process.

Development details are not specified in advance, instead the partners work together to develop and deliver the project to a set of company objectives.

The partners each contribute towards the required investment, and share risks and profits according to their equity shares. Typically a local authority will simply contribute land.

A difficulty with this model is that it is complex, time-consuming and expensive to set up, and for that reason is mainly used for much larger developments (not usually less than 1,000 homes). The market of partners willing to invest in a Corporate Joint Venture for this site on its own may be very limited.

The level of control by the council would minimise risk to challenge on appropriation and use of Section 203 powers.

(d) Direct delivery:

NSC could choose to deliver development at Castlewood itself, or through an arms-length development company.

This would allow it full control over delivery and would secure a financial return in terms of profit as well as land value.

The council would hold all of the financial risk, requiring borrowing in the range of £30 – 50m which would not be repaid until homes were sold or otherwise occupied.

Significant revenue resource in the form of staff and consultant time and expertise would be required.

Risks around appropriation and use of Section 203 powers would be minimised.

(iii) Decision on whether to secure planning consent:

3.65 Based on the above, there are a number of factors suggesting benefits to NSC in securing planning consent prior to disposal of the site:

- The process of appropriating the site and use of Section 203 powers to resolve restrictive covenants would be simplified.
- The site would be de-risked for potential developers, which would increase its attractiveness to the market and subsequent land value.
- Depending on the choice of delivery model, a planning consent could be helpful in specifying the requirements to be delivered by the eventual developer.

3.66 The key factor against securing planning consent is cost, as estimated in the finance section of this report and in the appended OBC. It is possible that NSC may be able through a Development Agreement to require a development partner to prepare and submit the planning application and to cover the costs. However that investment by the developer would be at risk until such time as the council appropriated the land and resolved the restrictive covenants. For this reason and to remain commercially attractive, the Development Agreement would need to include a provision that the council would underwrite planning costs and refund the developer if it in due course decided against the appropriation.

3.67 If planning is secured by the council itself, it is recommended that this should be at Outline level, rather than Full, and should be relatively limited in the detail it contains. This is because a detailed level planning consent can be viewed by the market as

overly restrictive and less attractive; it also involves additional cost and resource to prepare.

- 3.68 Some developers prefer a site with no planning consent (and no associated restrictions), provided there is confidence in its deliverability. A positive pre-application report and clear decisions from the local authority can be helpful in this regard, however the restrictive covenants on this site would still be likely to be seen as a significant risk to prospective development partners.

(iv) Recommendations on route to delivery

- 3.69 Based on the above, it is recommended that NSC moves forward to secure an Outline Planning application for the site and to identify a development partner by way of a Development Agreement (contractual Joint Venture). This option provides a good balance of control and risk both for the Council and for any future developer, in particular by providing a route to certainty on resolution of covenants. The timeline for such actions tallies with the time required to ensure vacant possession of the site, with a target start date of 2025.
- 3.70 As suggested in paragraph 3.66, officers will further explore the option of a Development Agreement through which the development partner secures planning consent. NSC would need to underwrite planning costs in order for this option to be attractive to the market.
- 3.71 Detailed criteria for the selection of a development partner would be established through the Procurement Plan for the site.

Programme

- 3.72 Due to the requirements for vacating the site of NSC services and partners, securing planning, resolving covenants and carrying out procurement processes, a start on site is unlikely to be achievable before 2025.
- 3.73 The presence of DWP and police tenancies until 2027 may require a phased delivery between 2025 – 2027, if those services cannot be relocated.
- 3.74 Mobilisation, site preparation and construction works would be likely to take around two years from commencement to completion.

4. Consultation

- 4.1 Market consultation has included the soft market testing detailed above.
- 4.2 Wider community engagement has included meetings with Clevedon Town Council's planning committee, stakeholder workshops through work on the Clevedon Placemaking Strategy, and the public consultation on Development Strategy Sites. The outcomes of these consultations broadly supported a residential-led re-development of the site and emphasised the need for the provision of good quality affordable housing.
- 4.3 A joint session of the Place and PCOM Policy and Scrutiny Panels was held on 17th November 2022 to discuss the re-development options. Key points of discussion included the need to ensure the maximum sustainability of development, a

recognition of the need for affordable housing in Clevedon, and consideration as to whether the council could take on the direct delivery of the site.

5. Financial implications

- 5.1 Information on the financial implications of this decision are contained within exempt Appendix A. The reason for the exemption of the report from publication is because it contains commercially sensitive information which could compromise future procurement and/or disposal processes.
- 5.2 The preferred option recommended in this report, if approved by Council, is forecast to result in a positive financial benefit of £6.5m (Net Present Value), based on mid-range cost scenarios. This compares to negative figures of minus £4.6m NPV for an option based on conversion of the existing building to residential, and minus £22.5m NPV for the option of retaining the building in its current use and renting it out as a commercial property.
- 5.3 Recommendation 3 of this report requests revenue funding of £0.8m for the financial years 2023/24 and 2024/25. This funding will enable the project to progress through the preparation of a planning application, procurement of a development partner and resolution of covenants. Officers will seek to reduce costs where possible.

6. Legal powers and implications

- 6.1 Under the Local Government Act 1972, a council has the powers to manage, develop and dispose of its assets as it sees fit, subject to acquiring best value in the case of any disposal and in accordance with any relevant statutory process triggered by such decisions.
- 6.2 Decisions related to the future repurposing of the Castlewood site will need to progress in line with local government legislation, financial regulations and Contract Standing Orders, in line with the Council's Constitution.
- 6.3 Delivery of the site will require resolution of legal covenants. This is discussed in Section 3 above.
- 6.4 This report is written from the perspective of the council's role as a landowner. The commentary and decisions in this paper do not prejudice any future decisions of NSC in its role as Local Planning Authority. Planning permission will be required for a change of use or redevelopment of the site.

7. Climate Change and environmental implications

- 7.1 Climate change and environmental implications of the preferred redevelopment and delivery options have been considered as part of preparing the options analysis and are set out in detail in Section 3 and within the OBC report.

8. Risk management

- 8.1 The risks of the different redevelopment options are considered in Section 3 and within the OBC as part of the options analysis and will be monitored as part of the ongoing development and delivery strategy. In summary, the highest ranked risks are as follows:

Risk & impacts	Mitigation
Recommended preferred option is not the optimum solution for Castlewood site.	<ul style="list-style-type: none"> • Outline Business Case informed by detailed assessments and specialist advice, as detailed in this report.
Restrictive covenants impact on ability to change current use of site and/or to attract development partner.	<ul style="list-style-type: none"> • Specialist legal advice has informed recommended route to delivery incl. resolution of covenants. • Proposed route allows for covenants to be resolved prior to disposal and/or allows for underwriting of planning costs of development partner.
Planning consent refused.	<ul style="list-style-type: none"> • Specialist support to be appointed. • Early & ongoing liaison with planning team through pre-application advice and Planning Performance Agreement.
Site unattractive to market / change in market conditions, resulting in failure to secure development partner.	<ul style="list-style-type: none"> • Ongoing market advice and engagement from specialist consultants. • Planning consent to be Outline level.
Delay in securing vacant possession of site: NSC or partners cannot be re-located within required timescales.	<ul style="list-style-type: none"> • Funding and management of NSC accommodation strategy. • Ongoing discussions with partners to negotiate end of tenancies and/or alternative accommodation. • Potential for phased approach to delivery of development.
Cost increases or other issues with development delivery post-procurement.	<ul style="list-style-type: none"> • Development Agreement places risk with development partner rather than NSC. • Planning consent and developer procurement to be informed by specialist market advice.

9 Equality implications

- 9.1 A Stage 1 Equality Impact Assessment for a residential-led re-development of the Castlewood site is appended to this report.
- 9.2 Impacts of the proposed re-development are broadly neutral or positive in relation to individuals and/or groups with protected characteristics. The most significant (and positive) impact would be the expected provision of affordable and accessible housing to meet the needs of people on a low income and disabled people.
- 9.3 In enabling the re-development of the site, some limited negative impacts may arise from ending the tenancies of partners, as this may change the way in which their services are provided. These impacts would be likely to be greatest for those with less access to private travel and/or digital connectivity, including those on a low

income, potentially older and younger people, and disabled people. The council will seek to mitigate these impacts through discussion with tenants/partners to ensure continued provision of appropriate access to services and facilities. Some impacts would be likely to arise irrespective of council decisions, as many partners are already considering reducing their presence at Castlewood.

- 9.4 The EIA does not consider issues relating to the transitioning of NSC services from Castlewood, as these have been considered in previous council reports.

10. Corporate implications

- 10.1 The OBC for this site has required input and support from a wide range of council teams, including planning, property, legal and finance.

11. Options considered

- 11.1 The options considered, including the preferred option, are detailed above. Further information is available in the Outline Business Case background paper, which is available to members on request.

Authors:

Alex Hearn, Assistant Director Placemaking and Growth
Jenny Ford, Head of Development & Placemaking
Martin O' Neill, Development Programme Manager
Jo Jones, Finance Business Partner (Place)

Appendices:

Appendix A (exempt): Financial information
Appendix B: Stage 1 Equality Impact Assessment

Background papers:

The Outline Business Case and supporting documentation is available to members on request.

Report to Full Council, 15th February 2022: Accommodation Strategy Update: <https://n-somerset.moderngov.co.uk/documents/s3106/22%20Accommodation%20Strategy%20Update.pdf>

Report to Full Council, 10th May 2022: Accommodation Strategy Update: <https://n-somerset.moderngov.co.uk/documents/s3380/28%20Accommodation%20Strategy%20Update%20Report.pdf>

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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1. The Proposal

Directorate:	Place
Service area:	Development
Lead Officer:	Jenny Ford Head of Development & Placemaking
Links to a budget reduction proposal:	Yes – MTFP revenue saving
Date of assessment:	01.12.22

Description of the proposal:

Potential re-development of Castlewood site to deliver residential-led development.

Summary of changes:

This EIA relates to the recommended closure, demolition and re-development of the Castlewood site, which is expected to deliver housing (including affordable housing) and a small quantum of commercial space.

A separate EIA has already been provided for reports and decisions of the council to transition out of the Castlewood site.

2. Customer equality impact summary

Will the proposal have a disproportionate impact on any of these groups?

H = High, M = Medium, L = Low, N = None

+ = Positive, = = Neutral, - = Negative

Impact Level	Impact type						
	H	M	L	N	+	=	-
Disabled people			X		X		X
People from different ethnic groups				X			
Men or women (including those who are pregnant or on maternity leave)				X			
Lesbian, gay or bisexual people				X			
People on a low income		X			X		X
People in particular age groups			X				
People in particular faith groups				X			
People who are married or in a civil partnership				X			
Transgender people				X			
Other specific impacts, for example: carers, parents, impact on health and wellbeing, Armed Forces Community etc.				X			

3. Explanation of customer impact

1) The provision of approx. 100 – 130 homes, modelled with 40% affordable housing (equivalent to 40 – 52 units) would have a positive impact on those struggling to access the housing market, esp. those on low incomes.

Planning policy requires that this would also include a proportion of adaptable and accessible homes, which would be of positive benefit to disabled people.

The proposed inclusion of some commercial space could assist access to jobs and services for all groups but would have particular

2) Some limited negative impacts may arise from ending the tenancies of partners to secure vacant possession of the site, as this may change the way in which the services of those partners are provided (for example, police, Registrar's Office, DWP).

If not mitigated, these impacts would be likely to be greatest on those with less access to private travel, including those on a low income, potentially older and younger people, and disabled people.

The council will seek to mitigate these impacts through discussion with tenants/partners to ensure continued provision of appropriate access to services and facilities.

4. Staff equality impact summary

Are there any staffing implications for this proposal? No

Explanation of staff impact

N/a

5. Consolidation savings

Does this budget saving include many service areas/savings/projects?

The financial impacts of this decision are detailed in the report to Council dated 10th January 2023. They are not expected to have any specific differential impacts on equality groups.

6. Review and Sign Off

Service Manager Review

Insert any service manager comments here:

N/a

Is a further detailed equality impact assessment needed? Yes

If 'yes', when will the further assessment be completed?

Recommended that a further assessment be completed prior to the decision to award contract for the development of the site.

Service Manager: Alex Hearn

Date: 07.12.23

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North Somerset Council

Report to the Full Council

Date of Meeting: 10 January 2023

Subject of Report: Corporate Parenting

Town or Parish: All

Officer/Member Presenting: Councillor Catherine Gibbons

Key Decision: No

Reason: Not an Executive decision

Recommendations

To note some of the achievements of the Children's Directorate during 2022, all of which impact on our children and young people.

1. Summary of Report

Rather than provide a lengthy report on the achievements of our staff in the Children's Directorate this report is in the form of an 'advent calendar' which was put together by managers within the directorate and shared across all staff.

2. Policy

A council which empowers and cares about people.

3. Details

The calendar is an attachment to this report. While this looks back on some of the achievements it is important to reflect on the improvements we have made in the last year which have been recognised by both external agencies such as the Department for Education and Ofsted and, more importantly, by people who use our services. There is always more to be done and in the coming year we expect continued challenge and scrutiny of our work to improve services and outcomes for our children and young people.

However, it is equally important to recognise the considerable pressures that exist nationally: a growing shortage of people wanting to enter or stay in the social work profession, increasing numbers of children coming into care, huge pressures to increase the numbers of foster carers and good quality residential care and rising costs of such care. The government's response to the Independent Care Review is expected early this year and their commitment to implementing the recommendations will be key in enabling local authorities to respond to families' needs in the best way possible.

4. Consultation

The content of this report focuses on staff achievements and was compiled by staff.

5. Financial Implications

None.

Costs

None.

Funding

N/A

6. Legal Powers and Implications

N/A

7. Climate Change and Environmental Implications

N/A

8. Risk Management

N/A

9. Equality Implications

No

10. Corporate Implications

None.

11. Options Considered

None.

Author:

Sheila Smith

Director of Children's Services

Appendices:

[North Somerset Children's Services \(myadvent.net\)](http://myadvent.net)

Background Papers:

None.

Audit Committee

24 November 2022

Draft Extract

AUD 17 **Audit Committee Annual Report 2021-22 (Agenda item 10)**

The Chairperson presented the Audit Committee Annual Report which set out a summary of the work undertaken by the Committee in the previous year. Members noted the Audit Committee had specific terms of reference given to it from Full Council and as such was required to report back annually to Council on its activities.

Members' attention was directed to Appendix 1 which provided a commentary over key areas of financial and corporate governance and associated assurance activities including internal audit; risk management; governance; anti-fraud and corruption; audit committee performance.

The Annual Report was being re-submitted to the Committee to allow the requested changes from the September 2022 Audit Committee to be included as follows:

Report.

7. last sentence, link to Performance Management Risk Framework for ease of use

Appendix 1.

2. last bullet of first bullet list, correction, ... constitution exc. Financial Regulations...

3.b.ii request further assurance on integrated risk management of treasury assets

6.ii the Assistant Director of Legal & Governance for completeness

The Chairperson thanked Members for their work on the committee and acknowledged how much work had been undertaken.

Resolved: that the Audit Committee Annual Report 2021/22 be approved;

And

Recommended to Council: that the report be received

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North Somerset Council

Report to the Audit Committee

Date of Meeting: 24 November 2022

Subject of Report: Audit Committee Annual Report

Town or Parish: None

**Officer/ Member Presenting:
Councillor John Cato – Chair of the Audit Committee**

Key Decision: No

Recommendations

The Audit Committee approves the Annual Report for 2021/ 22 at Appendix 1.

Summary of Report

The Audit Committee has specific terms of reference given to it from Full Council and as such is required to report back annually to Council on its activities. Appendix 1 is the proposed summary report for approval by the Audit Committee.

The Committee is requested to consider the Annual Report and recommend its approval by Full Council.

1. Policy

There is no statutory obligation to have an Audit Committee, however they are widely recognised as a core component of effective governance as laid out in best practice from a number of professional bodies. The Audit Committee therefore has a key role in advising the council on the adequacy of its financial governance and other management arrangements for achieving the organisation's objectives.

2. Details

Appendix 1 sets out a report with details a high-level summary of the activities of the Committee. It provides a commentary over key areas of financial and corporate governance and associated assurance activities including:

- Internal audit
- External audit
- Risk management
- Governance
- Anti-fraud and corruption
- Audit Committee performance

The Annual Report also incorporates the Committee's outline programme for 2022/23, as shown in Appendix 2. In noting this work programme, it should be acknowledged that the programme may change during the year to accommodate any emerging significant governance, internal control, or risk issues.

Benefits for Customers/ Residents

The committee's work is based around ensuring the council's systems of control and arrangements for the management of risk are effective. This effectiveness is central to the council achieving its corporate objectives. In addition, a strong control environment and effective risk and governance arrangements enable the council to secure its assets and ensure that they are used in the best interests of customers and residents of the council.

3. Consultation

Prior to its production, this report has been discussed between the Chair and Vice-Chair of the Audit Committee, the S151 Officer, and the Head of Audit and Assurance.

Given the nature of the report, no further consultation and engagement was necessary beyond these interactions and those that there have been with the Committee over the period covered by the report. Committee Members will have the opportunity to comment and make suggestions in the meeting before it is approved.

4. Financial Implications

There are no direct financial implications in relation to this report.

5. Legal Powers and Implications

There are no direct legal implications from this report which is focussed on a high-level summary of the activities of the Committee.

6. Climate Change and Environmental Implications

There are no direct environmental implications from this report which is focussed on a high-level summary of the activities of the Committee.

7. Risk Management

The Audit Committee is tasked with ensuring that there are effective arrangements within the Council for managing significant risks. This responsibility is reflected in the Audit Committee's Terms of Reference. An effective Audit Committee demonstrates good governance in that democratically elected Members carry out an independent scrutiny role on behalf of the Community. This helps to ensure that the Council is delivering good value to its residents from its services and is managing its key risks appropriately. The [Performance and Risk Management Framework is available on line by clicking here](#)

8. Equality Implications

There are no specific equality implications. The elected members serving on the Audit Committee are representative of the council's political balance.

9. Corporate Implications

Good Corporate Governance and Risk Management is the responsibility of all officers and

Members of the Council.

10. Options Considered

None.

Authors

Councillor John Cato – Chairman of the Audit Committee
John.cato@n-somerset.gov.uk

Peter Cann - Audit West
Peter.cann@n-somerset.gov.uk

Background Papers

Members requiring further information are requested to refer to the agenda, reports and minutes of the Committee meetings posted on the council's website.

<https://n-somerset.moderngov.co.uk/ieListMeetings.aspx?Committeeld=153>

Appendix 1

Audit Committee Annual Report to Council - 2021/22

1. Introduction

This is the sixteenth annual report of the Committee since it was established by the Council in July 2006. It covers the work undertaken from August 2021 to July 2022. The purpose of this report is to comply with the Constitution that requires the Full Council to receive a report from the Audit Committee, detailing its activities and effectiveness for the year and the proposed work programme for the following year. The Committee's annual report is one of the means by which the Council is assured that the Committee is carrying out its role effectively.

2. General Approach

The Audit Committee is committed to the principles of openness, effectiveness, and collaboration. The Committee is a key component of the Council's governance framework. Its function is to provide an independent and high-level resource to support good governance and strong public financial management. The purpose of the Committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing both internal and external audit activity it makes an important contribution to ensuring that effective assurance arrangements are in place.

To this end, in the last year the Audit Committee has held informal working group meetings regularly over the year to keep abreast of issues which may be of concern to it and to receive appropriate briefings/ updates from officers. Discussions have given consideration to the following main areas:

- Internal Audit
- Internal Control Frameworks
- External Audit
- Council Performance and CMMI culture
- Understanding of the Council's participation in the National Fraud Initiative
- Risk Management and Risk Management Reporting Improvement
- Audit Committee Training
- Significant partnerships governance and assurance; clarity and visibility of their responsibilities, objectives and KPIs
- Requesting clarity and visibility of the organisation chart, roles, responsibilities, objectives and KPIs
- External Best Practice and Peer Education
- Asset and Treasury Management
- Amendments to the Council's Constitution exc. Financial Regulations and CSO's which will be reviewed in future meetings.

And has:

- Promoted access to the Audit Committee and to Audit Committee meetings to all members and scrutiny committees
- Pressed for improvements to resident/customer experience

- Pressed for quarterly Voice of Customer Report
- Developed a workplan ad hoc template agenda for further in year focus on issues
- Maintained dialogue with Audit Committees in other authorities in pursuit of best practice, continuous improvement and to understand lessons learned
- Identified gaps in Audit Committee skills and undertaken training
- The chair has regular informal meetings with officers, auditors, and executive members to monitor performance, including monthly meetings with the Chief Executive and Director of Corporate Services/ S151
- Has noted their concerns about HR - resilience, succession planning, work load, stress, training and continuous improvement.
- Continued challenge on the way that risks are presented to members to ensure that members are more aware when making decisions and caused action to be initiated on improving the council's Risk Management frameworks.
- Maintained peer connections outside of North Somerset Council.
- Recruited and appointed two skilled independent members of the audit committee

3. **Review of Work Undertaken in 2021/22**

a. Financial Governance – Annual Accounts

Due to the ongoing COVID-19 pandemic, local authorities were required to commence the public inspection period on or before the first working day of August 2021.

b. Financial Governance – Treasury Management

- The Committee acts as a scrutiny function for the Council's Treasury Management arrangements as recommended by CIPFA.
- The Committee formally received reports on the outturn of performance for the year 2021/22 including a mid-year update on performance and the strategy for the year 2022/23. Members had concerns about longer term treasury assets, risk monitoring, and control and request further assurance on integrated risk management of these assets at the January 2023 Audit Committee meeting. Members expressed their thanks to the officers and advisors on additional informal work explaining the complexities and technical aspects of Treasury Management and were pleased to see that the Council was taking a balanced view in how to exploit opportunities in this area to deliver increased value back to the Council.

c. Financial Governance - External Audit

- Alongside the audit of the accounts for 2020/21 which were examined during the last 12 months the external auditor also conducted work in relation to Value for Money for the Council following assessments of our financial resilience, economy, efficiency and effectiveness and a Satisfactory review of our main grant returns. The committee is pleased to note that there were no significant findings or recommendations arising from the first Value for Money report.
- The external auditor also presented their audit plans. No significant variances were proposed from the previous audit approach and update reports on their work

continued to be presented to the Committee alongside references to key national reports and reviews which could impact on the governance framework.

- iii. The Committee supported the recommended option for the future procurement of External Auditors to the Council by Public Sector Audit Appointments Limited.

d. Corporate Governance (Including Risk Management) –

- i. The Accounts and Audit Regulations require the Council to carry out an annual review of its governance arrangements, and to produce an annual statement detailing the results of that review.
- ii. In terms of significant issues identified, the Committee did recognise through the Annual Governance Statement the state of the financial challenge facing the Council, not least due to the ongoing issues with COVID-19. Additionally, a significant issue has been added to reflect the need to ensure robust governance and transparency of risks to the Councils capital programme.
- iii. During the year the Committee received updates on the Councils key risks. This included a presentation on Corporate Risk Registers. The Committee spent time discussing these and are looking to see further improvements in reporting for members.
- iv. The Committee are pleased to note the Chief Executive, the Director of Corporate Services/ S151 and the Head of Business Insight, Policy and Partnerships have brought a commitment to a standard model dashboard for risk assessment and reporting which is in the process of being implemented.
- v. The Audit Committee expressed continued interest in respect to the governance, transparency, and visibility to Councillors over major projects and will be following progress on this.
- vi. The Committee reviewed and recommended the refresh of the Council's Constitution, including changes to parts of the Financial Regulations and Contract Standing Orders.

e. Corporate Assurance -

Internal Audit & Counter Fraud

- i. The Committee was satisfied with the balance of the 2022/23 forward plan in relation to the Council's key corporate risks as well as the mix of its planned projects, unplanned commissions and follow-up of previous reports.
- ii. In relation to performance the Committee received quarterly updates on key issues and service performance for 2021/22, notably high-risk audits and the impacts of COVID-19 unplanned work and investigations and follow-up of recommendations made during previous audits.
- iii. The committee noted the annual opinion on the internal control framework and that with increased pressure on budgets as well as a continuing theme of staff

homeworking, choices on the degree of internal control had to be made and, as per 2020/21 there was a continued heightened level of risk being accepted.

- iv. The Committee received briefings on areas of Counter-Fraud work in reducing and eliminating fraud and corruption within the Council's activities and monitored progress. They also received and approved the Council's updated Counter-Fraud Strategy and associated policies.

f. Audit and Assurance Annual Report

This was the closing Internal Audit Annual Report to the Committee for the financial year 2021/22. Also included was a summary of audit performance and key issues, as well as the formal opinion on the internal control framework.

g. Audit and Assurance Plan

This report described the reasonable assurance model for internal audit and summarised the Audit and Assurance work plan as identified and prioritised by internal audit.

h. Internal Audit Charter

Internal Audit is an assurance function that primarily provides an independent and objective opinion to the Council on its control environment. Internal Audit helps the organisation to achieve its objectives through a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control, processes. Its mission is to enhance and protect organisational value by providing risk based and objective assurance, advice and insight.

i. Awareness & Briefings

- i. Updates and briefings continue to be a strong part of the Committee's approach to raising awareness of key governance issues with members and several briefings were given this year through the normal meeting cycle which included -
 - Ongoing Impact of COVID-19 on Council Finances
 - External Audit
 - Internal Audit
 - Treasury Management
 - Annual Accounts
 - Fraud Prevention/ Counter-Fraud inc. National Fraud Initiative
 - Risk Management, Risk Assessment and Risk Registers
- ii. This approach continues to be welcomed and has resulted in constructive and valuable debate of individual topic areas which will continue into 2022/23. The committee have also identified areas where they would like to receive briefings next year.

4. Audit Committee Training

The Chair and Vice-Chair are keen that external formal training for all Audit Committee members is undertaken as a regular annual process.

As well as attending the briefings identified in this report, in addition some Audit Committee Training has been achieved by free courses identified by audit committee members and voluntarily completed. All members of the audit committee also received formal training from CIPFA regarding Local Government Financial Statements.

The Chairman of the Committee is also a member of the South West Chairs of Audit and Governance Forum, which considers and compares best practice in areas of audit, governance and risk management. The Chairman shares this information with Members at North Somerset Council.

The committee is looking to find ways to achieve more external training for all committee members in the forthcoming year and a training plan is being developed in this respect. We have an intention to have a robust training plan ready for the next council elections.

5. **Work Plan for 2022/23**

The workplan is kept under review in the informal and formal meetings of the committee and in discussions with the officers and auditors. Planned subjects for 2022 – 2023 are shown in detail in Appendix 2, however it is acknowledged that it may not be possible to cover all of these areas within the financial year and thus the work plan will be update as necessary.

6. **Membership and Support**

- i. Councillor John Cato is the Chair of the Committee. The Vice Chair is Councillor Sandra Hearne, and the other members are Councillors Patrick Keating, Marcia Pepperall and Richard Tucker. There were no independent co-opted members for year 21-22.

Work has been completed in-year to recruit independent co-opted members. Two members have been successfully recruited and looking ahead they will attend their first formal meeting in September 2022.

- ii. The Committee is supported by a range of officers, notably the Director of Corporate Services (S151 Officer), engagement leads from Audit West, the Head of Finance, the Head of Business, Insight and Policy, the Assistant Director Legal & Governance and Democratic Services.
- iii. The external auditors are currently represented by an Engagement Lead and Audit Manager from Grant Thornton.
- iv. The Committee is in contact with Audit committees from other authorities to exchange views, methods of working, and ideas.

Appendix 2 – Audit Committee 2022/23 Formal Meetings Workplan

Main business provisional work plan:

Ad Hoc further items to be decided

Title	Frequency	Lead Officer	Purpose of Report	Sep-22	Nov-22	Jan-23	Apr-23	Sep-23	Nov-23
Governance - ad hoc reports when changes happen, a risk arises which requires additional assurance or as a result of audit recommendations									
Major Projects Governance Strategy Update	When required	Head of Major Projects	Major Projects Governance						
Outsourced Services Governance Strategy Update	When required	Director of Corporate Governance	Strategic Procurement Governance						
Procurement Governance Strategy Update	When required	Director of Corporate Governance	Outsourced Services Governance						
Support Services Contract Governance Briefing	When required	Director of Corporate Governance	Support Services Governance						
Critical Incident and Emergency Response Audit and Governance	When required	Director of Corporate Governance	Corporate Governance monitoring						
Information Technology Audit and Assurance	When required	Director of Corporate Governance	IT Governance Assurance						
Climate Emergency Governance, Metrics and Control	When required	Director of Corporate Governance	Corporate Governance monitoring						
Procurement Processes Governance Assurance	When required	Director of Corporate Governance	Procurement Governance Assurance						
Information Security Audit and Assurance	When required	Director of Corporate Governance	Security Governance Assurance						
Cyber Security Audit and Assurance	When required	Director of Corporate Governance	Security Governance Assurance						
Third Party Outsourced Services Governance Assurance	When required	Director of Corporate Governance	Delegated/Outsourced Services Governance						
Directorate Report on organisation and governance.	When required	As required	Directorate Governance and Improvement						
Constitution Review and Update briefing - informal	When required	Assistant Director - Governance	for recommendation of proposed changes						
Significant Partnerships Governance Strategy Update	When required	Director of Corporate Governance	Governance, Risk Management and Compliance						
Contract Standing Orders	When required	Assistant Director - Governance	Principles and structure of governance						
Voice of the Customer Report	When required	Director of Corporate Governance	Governance, Customer/Resident Engagement						
Continuous Performance Improvement Update	When required	Director of Corporate Governance	Governance, Risk Management and Compliance						
Ethics and Standards	When required	Internal Audit?	Ethics and Standards Assurance						
HR matters	When required	Director of Corporate Governance	HR Governance						
Council Continuous Improvement Update	When required	Director of Corporate Governance	HR Governance						
Financial Regulations	When required	Head of Finance	Finance Governance and Assurance						
Annual Training - suggest that training needs analysis is completed to ensure focussed									
AC Member Training - stage 1 - plan/specify/establish		Director of Corporate Governance	Redmond Review - Audit Committee						
AC Member Training - stage 2 - training commissioned		Director of Corporate Governance	Redmond Review - Audit Committee						
Principles of Governance, Assurance and Audit		Director of Corporate Governance	To ensure skills and knowledge						
Role of Audit Committee and deliverables		Director of Corporate Governance	To ensure skills and knowledge						
Role of External Audit and deliverables		Director of Corporate Governance	To ensure skills and knowledge						
Role of Internal Audit and deliverables		Director of Corporate Governance	To ensure skills and knowledge						
Role of S151/Finance		Director of Corporate Governance	To ensure skills and knowledge						
Role & Responsibilities of Senior Officers		Director of Corporate Governance	To ensure skills and knowledge						
Annual Accounts		Director of Corporate Governance	To ensure skills and knowledge						
Internal Controls		Director of Corporate Governance	To ensure skills and knowledge						
Risk Management		Director of Corporate Governance	To ensure skills and knowledge						
Business Performance		Director of Corporate Governance	To ensure skills and knowledge						

North Somerset Council

10 January 2023

Report on the Avon Fire Authority meeting 14 December 2022

Councillor Don Davies

Meeting held at Severn Park

1. request from PCC Shelford to join AFA was agreed.
2. Revenue budget for 2022/3 projects a minor overspend which is a very good outcome given the cost pressures.
3. Agreed to examine in detail us taking over the Severn Park site at the end of the PFI project in 2028 as our preferred delivery location for training.
4. Agreed the framework for the development of our Service Plan from 2023, noting the significant changes in local demographics highlighted in 2021 census and technological changes, especially around electrically powered mobility and battery usage, as well as increased provision around high rise accommodation, as part of densification.
5. AFA received a further report on the implications of the McCloud judgment on pension age discrimination and the Home Office have still not resolved this very complex matter. In the meantime AFA as scheme manager will still deal with each affected individual on a case by case basis. Fuller details are in the long report in the meeting papers!
6. In closed session a new IT services contract was awarded.
7. AFRS contributed specialist resource to the fire services in Jersey, following the tragic incident at the block of flats in St Helier. This included our search dog, Sally.

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