



Ministry of Housing,
Communities &
Local Government

James Blythe
*Deputy Director, Local Government
Stewardship and Interventions*

**Ministry of Housing, Communities
& Local Government**
2 Marsham Street
London SW1P 4DF

www.gov.uk/mhclg

Duncan Sharkey
Chief Executive
Somerset Council

15 July 2026

Somerset Council Best Value Notice issued on 15 July 2026

All Best Value Authorities are required to implement arrangements to secure continuous improvement in order to comply with the Best Value Duty. The Department acknowledges the steps you are already taking to address issues at Somerset Council.

However, Ministers remain concerned as to Somerset's capacity to comply with its Best Value Duty under the Local Government Act 1999 and consider that action is necessary to address those concerns transparently and at pace. They have therefore decided to issue Somerset with this Best Value Notice ("notice").

This notice is a formal notification that the Department has concerns regarding your authority and requests that the Authority engages with the Department to provide assurance of improvement. We expect authorities that have been issued with a Best Value Notice to continue leading their own improvement.

This notice is issued following:

- The findings of the May 2026 CIPFA external assurance review carried out as a condition of Exceptional Financial Support, which concluded that the Authority remains in a fragile financial position and requires urgent action to put in place effective demand management strategies for key services and to accelerate the scope and pace of transformation;
- Evidence that, despite receiving Exceptional Financial Support, the impact of transformation has not yet been sufficient to address the scale of the Authority's financial challenge, and significant further transformation is required;
- Evidence of weaknesses in financial resilience and financial management, including continued reliance on Exceptional Financial Support, low reserves, the need to address statutory recommendations issued by the external auditor, and instability in leadership of the Authority's finances; and

- Continued demand pressures in key service areas, including Children's Services, Adult Social Care, and Special Educational Needs and Disabilities (SEND), alongside evidence of inconsistent performance, reflected in the Authority's most recent Ofsted and CQC assessments.

The Authority has engaged constructively with the Department about the challenges it faces, including during the process for Exceptional Financial Support and a recent visit from the Department's Local Government Stewardship Team in April of this year. However, given the seriousness of the issues identified, and the pace required to deliver the level of change needed, the Department is setting out its expectations of the Authority in providing assurance of progress. The Authority should:

- Continue to take urgent steps to improve financial sustainability, including delivering against the recommendations made by the May 2026 CIPFA external assurance review, which will be shared formally with you and the Authority shortly, and providing associated updates as requested by the Department;
- Ensure sufficient finance capacity and capability is in place to support effective financial management and decision-making;
- Continue to address external audit findings, including the full and timely implementation of all statutory recommendations;
- Deliver transformation at pace, ensuring activity translates into tangible improvements in financial sustainability and service delivery, including demonstrable reductions in financial risk;
- Strengthen management of key services, including Children's Services, Adult Social Care, and SEND, ensuring improved outcomes and better management of demand and financial pressures;
- Strengthen decision-making, performance management, and organisational accountability to support timely, evidence-based, and effective delivery; and
- Engage with the Department on at least a quarterly basis to discuss progress against the actions above.

We expect the Council's improvement board to provide regular written updates to Cabinet, to be shared with the Department and published for transparency. These updates will help to inform the Department's engagement with the Council through this notice and should provide assurance regarding progress, risks and delivery. The improvement board should consider all aspects of the Council's improvement journey, including progress against any expectations and requirements set out in other correspondence from the Department, and reflect these within its work.

Whilst your Authority may continue to receive and be awarded government funding whilst under this notice, we would emphasise that receipt of funding does not indicate its broader view of the performance of the Authority, nor would it indicate any change in the status of this notice, with individual funding programmes being managed and assured independently by their respective departments.

The Notice will remain in place until the Department confirms otherwise. It will be reviewed after 12 months, at which point the Department will confirm whether it deems it necessary to continue to seek assurance through such a Notice, in which case it will remain in place. The Notice may also be withdrawn or escalated at any point based on the available evidence.

This Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of best value failure. However, a failure to demonstrate continuous improvement may be judged to contribute to best value failure and the secretary of state will consider using their statutory powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and the Department's engagement on these issues. A copy of this Notice will therefore be published on GOV.UK. We encourage the Authority to make a copy of this letter available on its website and to share a copy with the assurance panel, the Full Council and the Audit Committee. In line with this, we will notify the Authority's external auditor of this action.

The Department encourages you to continue making use of the full range of support offered by the LGA. A member of the Local Government Stewardship team will be in touch with you to arrange regular engagement on this notice. We look forward to receiving updates on the Authority's progress.

Yours sincerely

James Blythe

Deputy Director, Local Government Stewardship and Interventions