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Wednesday, 13 July 2016

Meeting of the Council

Dear Member

I am pleased to invite you to attend a meeting of Torbay Council which will be held in **Brixham College, Higher Ranscombe Road, Brixham, TQ5 9HF** on **Thursday, 21 July 2016** commencing at **2.30 pm**

The items to be discussed at this meeting are attached.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Steve Parrock'.

Steve Parrock
Chief Executive

(All members are summoned to attend the meeting of the Council in accordance with the requirements of the Local Government Act 1972 and Standing Orders A5.)

A prosperous and healthy Torbay

For information relating to this meeting or to request a copy in another format or language please contact:

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Meeting of the Council Agenda

1. **Opening of meeting**
2. **Apologies for absence**
3. **Minutes** (Pages 6 - 31)
To confirm as a correct record the minutes of the Special and Annual Council meetings held on 11 May 2016.
4. **Declarations of interests**
 - (a) To receive declarations of non pecuniary interests in respect of items on this agenda
For reference: Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
 - (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda
For reference: Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(**Please Note:** If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)
5. **Communications**
To receive any communications or announcements from the Chairman, the Mayor, the Overview and Scrutiny Co-ordinator or the Chief Executive.
6. **Strategic Agreement between Torbay and Southern Devon NHS Foundation Trust (Integrated Care Organisation - ICO) and Torbay Council /Torbay and South Devon Clinical Commissioning Group** (Pages 32 - 170)
To consider the submitted report on the above.
7. **Adult Social Care - Local Account and Annual Adult Safeguarding Report** (Pages 171 - 205)
To consider the submitted annual report on the above.

8. **Provisional Revenue Outturn 2015/2016 - Subject to External Audit** (Pages 206 - 214)
To consider the submitted revenue outturn report which provides a summary of the Council's expenditure for the financial year 2015/16 and any recommendations from the Overview and Scrutiny Board.
9. **Capital Investment Plan Outturn 2015/2016 - Subject to Audit** (Pages 215 - 227)
To consider the Capital Monitoring report for 2015/16 under the Council's budget monitoring procedures which provides high-level information on capital expenditure and income for the year (subject to Audit), compared with the latest budget position as at quarter three reported in February 2016.
10. **Treasury Management Outturn 2015/2016** (Pages 228 - 240)
To consider the submitted report on the above.
11. **Equalities Objectives** (Pages 241 - 252)
To consider the submitted report on the above Policy Framework document.
12. **Consultation, Communication and Engagement Strategy** (Pages 253 - 269)
To consider the submitted report on the above Policy Framework Strategy.
13. **Local Government Boundary Review** (Pages 270 - 282)
To consider the submitted report on the above.
14. **Exclusion of the Press and Public**
To consider passing a resolution to exclude the press and public from the meeting prior to consideration of the following item on the agenda on the grounds that exempt information (as defined in Part 3 of Schedule 12A of the Local Government Act 1972 (as amended)) is likely to be disclosed.
15. **Proposed Investment at Torbay Business Park** (To Follow)
To consider a proposal to invest and purchase an employment site at Torbay Business Park, Paignton.
16. **Adjournment**
To consider adjourning the meeting until 5.30pm.
17. **Petitions - Sandringham Drive, Paignton**
In accordance with Standing Order A12, the Council received a petition objecting to the release of restrictive covenants on 9 Sandringham Drive

Subject of the petition: Objection to the release of restrictive covenants on 9 Sandringham Drive, TQ3 1HU, that would allow a substantial extension, already with planning permission, to be built contravening covenants that neighbours, and much of the properties on the road are subject to.

We believe that the release of the restrictive covenant would undoubtedly set a precedent that will lead to completely changing

the character of the road. Many properties have been substantially extended within the existing covenant restrictions. Release of covenants is unnecessary.

Action required: For the Council, who administer the covenants, to leave the covenants as they are to preserve the distinctive character of Sandringham Drive.

- 18. Public question time** (Page 283)
To hear and respond to any written questions or statements from members of the public which have been submitted in accordance with Standing Order A24.
- 19. Members' questions** (Pages 284 - 286)
To respond to the submitted questions asked under Standing Order A13:
- 20. Notice of motions**
To consider the attached motion, notice of which has been given in accordance with Standing Order A14 by the members indicated:
- (a) Notice of Motion - Racism, Xenophobia and Hate Crime** (Page 287)
To consider the attached motion.
- 21. Amendments to the Corporate Asset Management Plan** (Pages 288 - 326)
To consider an amendment to the Corporate Asset Management Plan, as set out in the submitted report.
- 22. Torre Valley North Lease** (Pages 327 - 345)
To consider the submitted report on the above.
- 23. Self Build and Custom Build Housing Allocation Policy** (Pages 346 - 355)
To consider the submitted report on the self build housing allocation policy.
- 24. New Primary School in Paignton** (Pages 356 - 384)
To consider the submitted report on the above.
- 25. Proposed Disposal by Long Lease - Waterpark and Go-Kart Site, Goodrington Sands, Tanners Road, Paignton TQ4 6LN (Mayoral Decision)** (Pages 385 - 405)
To consider the submitted report on the above.
- 26. Devolution** (Pages 406 - 451)
To consider a report that endorses the current approach to devolution.
- 27. Torbay Air Show** (Pages 452 - 474)
To consider the submitted report which sets out a summary of the outcomes of the first Torbay Air Show in 2016 and provides a financial proposal to underwrite the Air Show in future years.

Note

An audio recording of this meeting will normally be available at www.torbay.gov.uk within 48 hours.



Minutes of the Special Meeting of the Council

11 May 2016

-: Present :-

Chairman of the Council (Councillor Hill) (In the Chair)
Vice-Chairwoman of the Council (Councillor Brooks)

The Mayor of Torbay (Mayor Oliver)

Councillors Amil, Barnby, Bye, Carter, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, King, Lewis, Manning, Mills, Morey, Morris, Parrott, Robson, Sanders, Stockman, Stringer, Stubley, Sykes, Thomas (D), Thomas (J), Tolchard, Tyerman and Winfield

170 Apologies for absence

Apologies for absence were received from Councillors Bent, Cunningham, Kingscote, O'Dwyer, Pentney and Stocks.

171 Outcome of Referendum on how Torbay Council is run

In accordance with the Local Government and Public Involvement in Health Act 2007, the Council received the submitted report on the results of the local government referendum to determine whether the Council should continue with the Elected Mayor system or change to a Leader and Cabinet model.

It was proposed by Councillor Mills and seconded by Councillor Darling (S):

- (i) that the results of the Local Government Referendum to approve a change in governance to a Leader and Cabinet system be noted;
- (ii) that, in accordance with the Local Government and Public Involvement in Health Act 2007, the change of Torbay Council's governance to a leader and cabinet system commencing following the next local elections in May 2019 be implemented;
- (iii) that the Monitoring Officer be requested to prepare the Constitution for a Leader and Cabinet model of governance and a Constitution Working Party be established in the proportion of 5 Conservatives, 1 Liberal Democrat and 1 Independent with the meetings of the Working Party being held in public; and

- (iv) that during the 12 months prior to the commencement of the Leader and Cabinet system of governance a meeting of the Independent Remuneration Panel be arranged to undertake a review of Members' Allowances.

On being put to the vote, the motion was declared carried.

Chairman



Minutes of the Annual Meeting of the Council

11 May 2016

-: Present :-

Chairman of the Council (Councillor Hill) (In the Chair)
Vice-Chairwoman of the Council (Councillor Brooks)

The Mayor of Torbay (Mayor Oliver)

Councillors Amil, Barnby, Bent, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, King, Kingscote, Lewis, Manning, Mills, Morey, Morris, Parrott, Pentney, Robson, Sanders, Stockman, Stocks, Stringer, Stubley, Sykes, Thomas (D), Thomas (J), Tolchard, Tyerman and Winfield

1 Opening of meeting

The meeting was opened with a prayer.

2 Apologies for absence

Apologies for absence were received from Councillors Cunningham, Kingscote and Stocks (for the first part of the meeting) and Councillor O'Dwyer (for the whole meeting).

3 Election of Chairman/woman

It was proposed by Councillor Thomas (D) and seconded by Councillor Morey:

that Councillor Ray Hill be elected Chairman of the Council of the Borough of Torbay for the Municipal Year 2016/2017.

On being put to the vote, the motion was declared carried.

The Chairman thanked the Council for the honour bestowed upon him.

The Chairman announced that Mrs Patricia Hill would be his Consort during his term of office and his joint charities would be the Torbay Holiday Helpers Network and the Disabled Sailing Association.

The Chairman also announced that he had appointed the Reverend Father Paul Ward to be his Chaplain and that the Annual Civic Church Service would be held at All Saints Church Babbacombe on a date to be arranged.

4 Appointment of Vice-Chairman/woman of the Council

It was proposed by Councillor Barnby and seconded by Councillor Doggett:

that Councillor Anne Brooks be appointed Vice-Chairwoman of the Council of the Borough of Torbay for the Municipal Year 2016/2017.

On being put to the vote, the motion was declared carried (unanimous).

The Vice-Chairwoman announced that Mr William Taylor would be her Escort during her term of office.

5 Minutes

The Minutes of the meeting of the Council held on 7 April 2016 were confirmed as a correct record and signed by the Chairman.

6 Declarations of interests

Mayor Oliver declared a pecuniary interest in respect of Minute 21.

7 Communications

The Chairman:

- (a) welcomed Councillor Nick Pentney to his first Council meeting following his successful election at the Tormohun By-Election; and
- (b) announced that Councillor Steve Darling had completed 21 years continuous public service as a Councillor for Torbay.

The Mayor invited members to join a team to take part in the "One You" national public health campaign which a number of councillors and officers had already committed to undertake along with partner organisations. The Mayor advised that the Council's Public Health Team were encouraging members and staff to take part in the 4-week workplace challenge which aimed to assist individuals in making lifestyles choices to stay fit and healthy.

8 Members' questions

Members received a paper detailing the questions and answers, as attached to these Minutes, notice of which had been given in accordance with Standing Order A13.

Supplementary questions were then asked and answered in respect of the questions.

9 Composition and Constitution of the Executive and Delegation of Functions

The Mayor presented his revised report (as circulated at the meeting) on the above, which was noted.

10 Appointment of Overview and Scrutiny Co-ordinator and Scrutiny Leads

The Council was requested to consider the appointment of the Overview and Scrutiny Co-ordinator and the appointment of scrutiny lead members for 2016/2017.

It was proposed by Councillor Tyerman and seconded by Councillor Darling (S):

- (i) that Councillor Lewis be appointed as the Overview and Scrutiny Co-ordinator for 2016/17 municipal year; and
- (ii) that the following Councillors be appointed as the Scrutiny Leads as indicated for the 2016/17 municipal year:

Joint Commissioning – Children’s and Adults: Councillor Barnby;

Joint Commissioning – Health, Wellbeing and Public Health: Councillor Bent;

Joint Operations – Corporate and Business Services: Councillor Doggett; and

Joint Operations – Community and Customer Services: Councillor Stocks.

On being put to the vote, the motion was declared carried (unanimous).

11 Review of Political Balance and Appointments to Committees

The Council considered the submitted report on the appointment of committees and other bodies in the light of the political balance of the Council.

It was proposed by Councillor Thomas (D) and seconded by Councillor Darling (S):

- (i) that the overall political balance of the committees, as set out in Appendix 1 to the submitted report, be approved;
- (ii) that, subject to (i) above being approved, the committees be appointed with the terms of reference set out in Appendix 2 to the submitted report;
- (iii) that, subject to (i) above being approved, nominations be received to fill the seats on the committees;

- (iv) that the Mayor confirms the appointments to the Health and Wellbeing Board as set out in Appendix 2 to the submitted report;
- (v) that the Monitoring Officer be authorised to update the Committee Standing Orders to reflect the unanimous voting requirements by the Civic Committee for recommendation on Honorary Freeman and Honorary Alderman applications; and
- (vi) that the Council supports the establishment of a Joint Committee with Devon County Council and its District Councils called the Devon Authorities Strategic Waste (Joint) Committee which will replace the Devon Authorities Waste Reduction and Recycling Committee with membership (the Council's representative will be the Executive Lead for Planning, Transport and Housing – Councillor King) and terms of reference as set out in Appendix 3 to the submitted report. Councillor Mills will be appointed as the Deputy Committee member.

On being put to the vote, the motion was declared carried.

Following the vote, the members to serve on each committee and other bodies were nominated by the Group Leaders as set out in Appendix 2 to the submitted report.

12 Calendar of Meetings 2016/2017

The Council considered the submitted report setting out the proposed calendar of meetings for 2016/2017.

It was proposed by Councillor Mills and seconded by Councillor Bye:

- (i) that, subject to the Annual Council meeting being held on one day namely 10 May 2016, the calendar of meetings for 2016/2017, set out in Appendix 1 to the submitted report, be approved;
- (ii) that meetings of the Employment Committee and Civic Committee be held on an ad-hoc basis, to be determined by the Governance Support Manager in consultation with the relevant Chairman/woman; and
- (iii) that the Priorities and Resources meetings be determined by the Governance Support Manager in consultation with the relevant Chairman/woman once the budget setting process for 2017/2018 has been agreed.

An amendment was proposed by Councillor Darling (S) and seconded by Councillor Stringer:

- (i) that, subject to the Annual Council meeting being held on one day namely 10 May 2016 and Development Management Committees commencing at 5.30 pm with any site visits taking place during the

afternoon, the calendar of meetings for 2016/2017, set out in Appendix 1 to the submitted report, be approved;

On being put to the vote, the amendment was declared lost.

The original motion was then put to the vote and declared carried.

13 Scheme of Delegation for Council Functions and Confirmation of Budget and Policy Framework Documents

It was proposed by Councillor Mills and seconded by Councillor King:

- (i) that the scheme of delegation of Council functions, as set out in Part 3 of the Constitution in so far as they relate to Council functions be approved; and
- (ii) that the revised Article 4 – The Council be approved.

On being put to the vote, the motion was declared carried (unanimous).

14 Overview and Scrutiny Annual Report 2015/2016

The Council received and noted the Overview and Scrutiny Annual Report for 2015/2016.

15 Adjournment

At this juncture, the meeting was adjourned until 5 pm on Wednesday 11 May 2016.

16 Petition Centenary Way, The Willows, Torquay

In accordance with Standing Order A12, the Council received a petition requesting the Council to reduce the current speed limit on Centenary Way, The Willows, Torquay, to 20 miles per hour (approximately 56 valid signatures).

At the invitation of the Chairman, Mrs Mooney addressed the Council in relation to the petition referred to above.

It was noted that the petition would be referred to the Assistant Director for Community and Customer Services for consideration in consultation with the Executive Lead for Planning, Transport and Housing.

17 Notice of Motion - 60 and 61 Bus Service

Members considered a motion and background information in relation to the future funding of the 60 and 61 bus service, notice of which was given in accordance with Standing Order A14.

It was proposed by Councillor King and seconded by Councillor Amil:

The 60 and 61 route carried around 93,000 passengers in the last financial year, of which around 80 % were concessionary fares, i.e. free bus passes. The Government (Department of Transport) provide guidance on how to calculate the concession rate for each operator/network. A very complex set of algorithms have been developed by Department for Transport economists to ensure that bus operators are no worse off, or no better off, from having to carry concessionary passengers free of charge.

This service runs through the Preston, Clifton with Maidenway, Cockington with Chelston and Tormohun Wards 9 journeys per day Monday to Friday.

This service in particular has seen a reduction in concessionary passengers recently and there has been a reduction in the concession rate paid to this operator. Therefore this route has now proven too marginal for the current operator to continue operating commercially and Local Link have given notice to cut the service 60/61 from 16 May 2016.

This Council is asked to approve that a maximum of £100,000 be allocated from the 2016/2017 Revenue Budget Contingency to fund the procurement and subsidised service for the retention of the 60 and 61 bus routes and provide a suitable service for 1 year, on the understanding that it must be commercially viable by the end of the period, or the subsidy will cease.

In accordance with Standing Order A14.3(b), the Monitoring Officer advised that the motion would be dealt with by this meeting.

The Monitoring Officer provided a statement of fact, on behalf of the Assistant Director of Community and Customer Services, whereby the operator of the bus route had given notice to the Department of Transport to cease the service. Members were advised that following this notice the operator had requested the Department of Transport for an extension to the notice period, however, the outcome of this request was not known. The Council had sent a letter to the Department of Transport to support the extension.

An amendment was proposed by Councillor Tyerman and seconded by Councillor Robson:

that the matter be deferred for a full officer report to be presented to the Council meeting in July 2016.

In accordance with Standing Order A19.4, a recorded vote was taken on the amendment. The voting was taken by roll call as follows: For: Councillors Barnby, Bent, Bye, Ellery, Hill, Kingscote, Morey, Robson, Stockman, Thomas (D), Thomas (J) and Tyerman (12); Against: The Mayor, Councillors Amil, Brooks, Carter, Cunningham, Darling (M), Darling (S), Doggett, Excell, Haddock, King, Lewis, Manning, Mills, Morris, Parrott, Pentney, Sanders, Stocks, Stringer, Stubbley, Sykes, Tolchard and Winfield (24); and Absent: Councillor O'Dwyer (1). Therefore, the amendment was declared lost.

An amendment was moved by Councillor Doggett and seconded by Councillor Excell.

This Council is asked to approve that a Di Minimus contract for the 60 and 61 route, not exceeding £60,000 in total, is negotiated with the current operator, Local Link. The negotiation will be led by the Executive Lead for Transport, Housing and Planning and Councillor Doggett, together with the Assistant Director for Community and Customer Services.

~~This Council is asked to approve that a maximum of £100,000~~ The amount negotiated will be allocated from the 2016/2017 Revenue Budget Contingency to fund the ~~procurement and subsidised service for the~~ retention of the 60 and 61 bus routes and provide a sustainable and suitable service for 1 year, on the understanding that it must be commercially viable by the end of the period, or the Di Minimus contract ~~subsidy~~ will cease.

That the Council will develop a user group for bus users in Torbay and will hold regular meetings with bus operators to assist in the future of transport provision in Torbay.

During the debate on the amendment Councillors Doggett and Excell agreed to the insertion of the word 'sustainable' in the amendment as set out above.

In accordance with Standing Order A19.4, a recorded vote was taken on the amendment. The voting was taken by roll call as follows: For: The Mayor, Councillors Amil, Barnby, Brooks, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, Hill, King, Lewis, Manning, Mills, Morey, Morris, Parrott, Pentney, Sanders, Stocks, Stringer, Stubley, Sykes, Thomas (D), Thomas (J), Tolchard, Tyerman and Winfield (32); Abstain: Councillors Bent, Kingscote, Robson and Stockman (4); and Absent: Councillor O'Dwyer (1). Therefore, the amendment was declared carried.

The substantive motion was then before members for consideration.

On being put to the vote, the substantive motion (the original motion with the additional paragraphs and removal of words as set out in the amendment above) was declared carried.

18 Notice of Motion - Libraries

Members considered a motion in relation to alternative delivery models for running or developing Torbay's libraries, notice of which was given in accordance with Standing Order A14.

It was proposed by Councillor Morris and seconded by Councillor Mills:

The Council is currently developing a new Library Strategy to determine the future needs and services which the Council and its partners will be able to offer within reducing Council resources. Part of this strategy will consider the future of all Torbay Council Libraries, which includes options for a

Community led approach to delivering the service and a review of current library sites which may have potential for future re-development.

Therefore the Council requests the Assistant Director of Community and Customer Services to seek expressions of interest for alternative delivery models for the running or development of all Torbay Council Libraries, which will keep within our statutory obligations but provide a more cost effective long term solution

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor advised that he supported the motion and his Record of Decision is attached to these minutes.

19 Notice of Motion - Homeless Persons on Torquay and Paignton Sea Front

Members considered a motion in relation to the growing numbers of homeless people on Torquay and Paignton seafronts and funding for their accommodation needs, notice of which was given in accordance with Standing Order A14. A revised motion was circulated at the meeting to cover all homeless people.

It was proposed by Councillor Parrott and seconded by Councillor King:

That this Council calls for an urgent report setting out ways in which accommodation might be found for the growing numbers of homeless persons that are living in and around the seafronts in Paignton and Torquay.

We note that in common with other local authorities there has been a rising number of rough sleepers and rising pressure for temporary accommodation, and that central Government has said that there is finance available to counteract this trend.

This Council calls upon the Chief Executive to write to the Department for Communities and Local Government in order that Torbay receives an appropriate allocation of these new monies.

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor advised that he supported the motion and his Record of Decision is attached to these minutes.

20 Notice of Motion - Donkey Rides at Paignton Green

Members considered a motion and background information in relation to the provision of donkey rides in Paignton, notice of which was given in accordance with Standing Order A14.

It was proposed by Councillor Amil and seconded by Councillor King:

As part of our heritage, Donkey Rides are a traditional seaside attraction at Paignton Green and have been for many years.

After a recent tendering exercise, they have been given notice that they were the unsuccessful bidder on this occasion. Therefore there will be no Donkey rides for children on Paignton Green.

This Council requests the Assistant Director of Community and Customer Services to find an alternative site in Paignton so that Donkey Rides can remain as part of the Torbay visitor experience.

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor advised that he supported the motion and his Record of Decision is attached to these minutes.

21 Notice of Motion Queen Elizabeth II Playing Field at Torre Valley North

Members considered a motion and background information in relation to a long term lease for Queen Elizabeth II playing fields at Torre Valley North, notice of which was given in accordance with Standing Order A14.

It was proposed by Councillor Excell and seconded by Councillor King:

Torre Valley North Costs this Council £21,000 per annum to maintain.

Over a period of 30 Years this equates to £630,000.

Policies at other Local Authorities including neighbours South Hams charge only "Peppercorn Rents" for these type of sites.

A rent of £2,000 per annum had been previously agreed with Mayor Oliver and Council Officers in 2013. This figure was reached to encourage clubs to take on Long Term leases. Long term sports leases are a Mayoral Election promise.

This Council agrees to honour the previous agreement and to keep the rent at £2,000 per annum.

In accordance with Standing Order A14.3(b), the Monitoring Officer advised that the motion would be dealt with by this meeting.

An amendment was proposed by Councillor Thomas (D) and seconded by Councillor Thomas (J):

~~This Council agrees to honour the previous agreement and to keep the rent at £2,000 per annum.~~

That the issues raised within this motion be delayed to enable the correct decision-making process to be followed, therefore ensuring the Constitutional requirements for details to be published on the Forward Plan and a full officer report to be presented to Council in July 2016. Therefore, this motion be deferred.

In accordance with Standing Order A19.4, a recorded vote was taken on the amendment. The voting was taken by roll call as follows: For: Councillors Amil, Barnby, Bent, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Hill, Kingscote, Lewis, Morey, Pentney, Robson, Sanders, Stockman, Stocks, Stringer, Sykes, Thomas (D), Thomas (J), Tolchard and Tyerman (25); Against: The Mayor, Councillors King, Manning, Mills, Stubbley and Winfield (6); Abstain: Councillors Brooks, Excell, Haddock, Morris and Parrott (5); Absent: Councillor O'Dwyer (1). Therefore, the amendment was declared carried.

The substantive motion was then before members for consideration.

On being put to the vote, the substantive motion (the original motion with the additional paragraph and removal of words as set out in the amendment) was declared carried.

22 Connections Office Rationalisation

As resolved by the Council at its meeting on 25 February 2016, members received further information on the potential options for the rationalisation of the Connections Service (as set out in the submitted report).

It was proposed by Councillor Haddock and seconded by Councillor Thomas (D):

- (i) that the Connections service be centralised within Paignton Library and Information Centre by end of September 2016, together with an appointments based system being available in Torquay and Brixham;
- (ii) that it be noted that the appointments based system will ensure that there is working day emergency availability of appointments to ensure appropriate capacity remains to meet the needs of our most vulnerable individuals;
- (iii) that Customer Services continue to introduce new technologies and revised business processes or delivery methods to further reduce footfall in our Connections offices (i.e. new processes for bus pass applications, parking permits and overseas pension verification and document scanning); and
- (iv) that it be noted that the introduction of new technologies and revised business processes or delivery methods will enable the centralised service to move quickly to an appointments only service in all three towns. This will occur as soon as possible and in any event no later than the end of September 2017. This will assist the Council in

making potential future savings, whilst maintaining an efficient service and protecting our most vulnerable.

On being put to the vote, the motion was declared carried (unanimous).

(Note: Prior to consideration of Minute 21, Mayor Oliver declared his pecuniary interest and withdrew from the meeting.)

23 Capital Plan 2016/17 - 2019/20 Prioritisation Matrix

Further to the decision of the Council at its meeting on 25 February 2016, members received a proposed scoring matrix to assist with the prioritisation of capital schemes (as set out in the submitted report).

It was proposed by Councillor Mills and seconded by Councillor Morey:

that consideration of the Capital Plan 2016/17 – 2019/20 Prioritisation Matrix be deferred to the Council meeting on 21 July 2016 to enable the matrix to be considered alongside the scored Capital Plan.

An amendment was proposed by Councillor Tyerman and seconded by Councillor Morey:

- (i) that the Capital Projects scoring matrix, as set out at Appendix 1 to the submitted report, be approved; and
- (ii) that the matrix be applied by the Chief Finance Officer, in consultation with the Chief Executive and Senior Leadership Team, to score and prioritise capital projects within the current approved Capital Plan (where schemes have not yet commenced), the Capital Reserve List and any new Capital schemes, any resulting revisions to the Council's Capital Plan will be presented to the Council for approval.

On being put to the vote the amendment was declared carried.

The substantive motion was then before members for consideration.

A further amendment was proposed by Councillor Darling (S) and seconded by Councillor Carter:

- (i) that, subject to the points for deprivation being amended from 5 to 10 points, the Capital Projects scoring matrix, as set out at Appendix 1 to the submitted report, be approved.

On being put to the vote, an equality of votes was declared. Therefore, the Chairman used his casting vote, voted against the amendment and declared the amendment lost.

On being put to the vote, the substantive motion was declared carried.

24 Corporate Plan Delivery Plans 2015-2019

The Council considered the submitted report which set out the Corporate Plan Delivery Plans for 2015 to 2019. It was noted the delivery plans underpinned the overarching Corporate Plan and set out the areas of focus for the Council to deliver its ambitions.

It was proposed by Councillor Mills and seconded by Councillor King:

- (i) that the Corporate Plan Delivery Plans 2015-2019, as set out in Appendix 1, be approved and published as part of the Corporate Plan; and
- (ii) that the Audit Committee monitor the performance and risk framework, referring matters by exception to the Overview and Scrutiny Board where it was felt that further investigation is required.

On being put to the vote, the motion was declared carried (unanimous).

25 Order of Business

At this juncture and in accordance with Standing A7.2, the Chairman varied the order of the business to enable Item 23 (Community Infrastructure Levy) (CIL) to be considered before Item 21 (Communication, Consultation and Engagement 2016-2020).

26 Community Infrastructure Levy (CIL)

Members received the submitted report which set out Community Infrastructure Levy (CIL) Draft Charging Schedule. It was noted the CIL was a levy on new floor space created by development and the CIL Draft Charging Schedule would be submitted to the Planning Inspectorate for examination.

It was proposed by Councillor King and seconded by Councillor Haddock:

- (i) that the Community Infrastructure Levy (CIL) Revised Draft Charging Schedule (with Modifications set out in Appendix 2 to the submitted report) be submitted to the Planning Inspectorate for independent examination in accordance with Regulation 19 of the CIL Regulations 2010 (as amended);
- (ii) that the Executive Head of Business Services, in consultation with the Executive Lead for Planning, Transport and Housing, be given delegated authority to agree further minor modifications to CIL as deemed necessary to secure a recommendation for approval by the Independent Examiner; and
- (iii) that it be noted that following receipt of the Independent Examiner's Report, the Community Infrastructure Levy (CIL) Charging Schedule must be agreed by the Council.

On being put to the vote, the motion was declared carried (unanimous).

27 Duration of Meeting

In accordance with Standing Order A11.1, the Chairman invited members to vote for the meeting to continue as the meeting had exceeded four hours duration. On being put to the vote, it was resolved to adjourn the meeting.

The Chairman advised that the remaining business on the agenda would be considered at the next meeting of the Council on 21 July 2016.

Chairman

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Minute Item 8

Annual Meeting of the Council

Wednesday, 11 May 2016

Questions Under Standing Order A13

| | |
|---|---|
| Question (1) by Councillor Sanders to the Executive Lead for Community Services (Councillor Excell) | Will he explain how removing disabled parking spaces from Hele Road is consistent with the Disability Discrimination Act? |
| Councillor Excell | <p>Disabled bays such as the ones in Hele Road are provided as advisory markings only and do not have a Traffic Regulation Order attached to them.</p> <p>When a Controlled Parking Scheme is introduced to a street a new legal order is put in place and parking can then be controlled by the issue and display of residents permits. In order that the authority is able to enforce these types of parking schemes, it must ensure that all signs and markings are in accordance with the Traffic signs and General Directions Regulations. Advisory markings sometimes conflict with the legal status of the markings in this case, making it difficult to enforce.</p> <p>A Controlled Parking Zone is only considered where there is majority support from residents and all eligible residents will have equal opportunities to purchase parking permits for their area and have the advantage of some priority to park in their street. However no one has any legal right to park a vehicle outside of their property.</p> <p>Generally when a new scheme is introduced advisory markings are removed to avoid conflict. This is not contrary to the requirements of the Disabilities Discriminations Act, as this relates solely to the legal requirements of controlling vehicles parked on the public highway.</p> |
| Question (2) by Councillor Sanders to the Mayor and Executive Lead for Finance and Regeneration (Mayor Oliver) | What was: a) the total full-time establishment of Torbay Council in May 2011 compared to the full-time current establishment; and b) his assessment of the effectiveness of Council Officers to respond to Councillors and the public as a consequence? |
| Mayor Oliver | <p>The full time equivalent staff for the core Council in May 2011 was 1213, as at 30 April 2016 this was 841.</p> <p>With such a reduction, there is no doubt that the ability of officers to respond has been affected. However all officers are doing an excellent job within this context.</p> |

| | |
|--|--|
| <p>Question (3) by Councillor Sanders to the Mayor and Executive Lead for Finance and Regeneration (Mayor Oliver)</p> | <p>What assessment he has made of the impact on employment, external support and the economy of Torbay if the UK votes to leave the EU, and what advice he will be giving voters?</p> |
| <p>Mayor Oliver</p> | <p>No assessment has been made. With regard to advising voters, I have none, it is up to the UK electorate to decide and the government to give a lead, pending the outcome.</p> |

Record of Decision

Review of Political Balance and Appointments to Committees - Appointment of Members to the Health and Wellbeing Board

Decision Taker

Mayor on 11 May 2016

Decision

That the following elected Members be appointed to the Health and Wellbeing Board:

- Mayor Oliver;
- Executive Lead for Adults and Children – Councillor Parrott;
- Executive Lead for Health and Wellbeing – Councillor Mills;
- Liberal Democrat – Councillor Doggett;
- Independent Group – Councillor Stockman;

Reason for the Decision

The Mayor is required to appoint elected Members to the Health and Wellbeing Board each Municipal Year.

Implementation

This decision will come into force and may be implemented on Tuesday, 24 May 2016 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

Information

At the annual Council meeting held on 11 May 2016, the Council re-appointed the Health and Wellbeing Board and confirmed its terms of reference and membership as set out in Appendix 2 to the submitted report.

The Mayor is required to confirm the elected Member representation on the Health and Wellbeing Board and his decision is set out above.

Alternative Options considered and rejected at the time of the decision

None

Is this a Key Decision?

No – Reference Number: I024408

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

Published

16 May 2016

Signed: _____
Mayor of Torbay

Date: 16 May 2016

Record of Decisions

Notice of Motion - Libraries

Decision Taker

Mayor on 11 May 2016

Decision

That the motion be supported.

Reason for the Decision

To respond to the motion.

Implementation

This decision will come into force and may be implemented on Tuesday, 24 May 2016 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

At the Annual Meeting of the Council held on 11 May 2016, members received a motion, as set out below, notice of which had been given in accordance with Standing Order A14 by Councillors Morris and Mills.

The Council is currently developing a new Library Strategy to determine the future needs and services which the Council and its partners will be able to offer within reducing Council resources. Part of this strategy will consider the future of all Torbay Council Libraries, which includes options for a Community led approach to delivering the service and a review of current library sites which may have potential for future re-development.

Therefore the Council requests the Assistant Director of Community and Customer Services to seek expressions of interest for alternative delivery models for the running or development of all Torbay Council Libraries, which will keep within our statutory obligations but provide a more cost effective long term solution.

The Mayor considered the motion at the Annual Meeting of the Council and his decision is set out above.

Alternative Options considered and rejected at the time of the decision

None

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

Published

16 May 2016

Signed: _____
Mayor of Torbay

Date: 16 May 2016

Record of Decisions

Notice of Motion - Homeless Persons on Torquay and Paignton Sea Front

Decision Taker

Mayor on 11 May 2016

Decision

That the motion be supported.

Reason for the Decision

To respond to the motion.

Implementation

This decision will come into force and may be implemented on Tuesday, 24 May 2016 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

At the Annual Meeting of the Council held on 11 May 2016, members received a motion, as set out below, notice of which had been given in accordance with Standing Order A14 by Councillors Parrott and King.

That this Council calls for an urgent report setting out ways in which accommodation might be found for the growing numbers of homeless persons that are living in and around the seafronts in Paignton and Torquay.

We note that in common with other local authorities there has been a rising number of rough sleepers and rising pressure for temporary accommodation, and that central Government has said that there is finance available to counteract this trend.

This Council calls upon the Chief Executive to write to the Department for Communities and Local Government in order that Torbay receives an appropriate allocation of these new monies.

The Mayor considered the motion at the Annual Meeting of the Council and his decision is set out above.

Alternative Options considered and rejected at the time of the decision

None

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

Published

16 May 2016

Signed: _____
Mayor of Torbay

Date: 16 May 2016

Record of Decision

Notice of Motion - Donkey Rides at Paignton Green

Decision Taker

Mayor on 11 May 2016

Decision

That the motion be supported with the addition that the Assistant Director of Community and Customer Services works with Councillor Amil.

Reason for the Decision

To respond to the motion.

Implementation

This decision will come into force and may be implemented on Tuesday, 24 May 2016 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

At the Annual Meeting of the Council held on 11 May 2016, members received a motion, as set out below, notice of which had been given in accordance with Standing Order A14 by Councillors Amil and King.

As part of our heritage, Donkey Rides are a traditional seaside attraction at Paignton Green and have been for many years.

After a recent tendering exercise, they have been given notice that they were the unsuccessful bidder on this occasion. Therefore there will be no Donkey rides for children on Paignton Green.

This Council requests the Assistant Director of Community and Customer Services to find an alternative site in Paignton so that Donkey Rides can remain as part of the Torbay visitor experience.

Further background information can be found the officer report which accompanied the motion.

The Mayor considered the motion at the Annual Meeting of the Council and his decision is set out above.

Alternative Options considered and rejected at the time of the decision

Alternative options are set out in the officer background report accompanying the motion.

Is this a Key Decision?

No – Reference Number: I024433

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

Published

16 May 2016

Signed: _____
Mayor of Torbay

Date: 16 May 2016

Agenda Item 6



Meeting: Council

Date: 21 July 2016

Wards Affected: All

Report Title: Annual Strategic Agreement 2016/2017 between Torbay Council, South Devon and Torbay Clinical Commissioning Group and Torbay and South Devon NHS Foundation Trust – Complete Version

Is the decision a key decision? Yes

When does the decision need to be implemented? As soon as possible

Executive Lead Contact Details: Councillor Parrott, Executive Lead for Children's and Adults Services, 01803 293217, julien.parrott@torbay.gov.uk

Supporting Officer Contact Details: Caroline Taylor, Director of Adult Services, 01803 208949, caroline.taylor@torbay.gov.uk

1. Proposal and Introduction

- 1.1 An early version of the Annual Strategic Agreement relating to Adult Social Care was approved by the Council in February 2016. However, due to the NHS planning cycle, at that stage the complete position across all NHS services was not available.
- 1.2 The complete Annual Strategic Agreement has now been produced following negotiations between the Council, the Clinical Commissioning Group and the Foundation Trust/ICO.

2. Reason for Proposal

- 2.1 The Annual Strategic Agreement sets out the strategic direction which is designed to maximise choice and independence for those requiring adult social care and support in the context of an integrated care organisation. It sets out the objectives which the Council and the CCG require the Trust to meet and forms the basis on which performance can be monitored and managed.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Annual Strategic Agreement (ASA) between Torbay Council, South Devon and Torbay Clinical Commissioning Group and Torbay and South Devon NHS Foundation Trust set out at Appendix 1 (and annexes 1 to 13) to the submitted report be approved.

forward thinking, people orientated, adaptable - always with integrity.

- 3.2 That, to support the funding requirements of Torbay and South Devon NHS Foundation Trust for 2016/17 as identified in the ASA, the Council allocates £2.4m to adult social care on a one off basis to be funded as identified in paragraph 4.8 of this report.
- 3.3 That, the allocation of the Better Care Fund to specific schemes (as set out in Appendix 2 to this report) be noted and that any subsequent changes required as a result of changes in central government guidance be agreed by the Chief Financial Officer and the Director of Adult Services, in consultation with the Executive Leads for Children's and Adults Services.

4. Supporting Information

- 4.1 The Annual Strategic Agreement has been prepared within the overall context of:
- The implementation of the Care Act 2014 – the most significant reform of care and support in more than 60 years and locally is one of the significant elements of delivery in 2015 across our local system
 - The creation of the Integrated Care Organisation – as well as the success of being a national Pioneer and Vanguard for further integration and innovation
 - The development of a new model of care
 - The funding arrangements for the NHS and Adult Social Care – whilst there is welcome reform through the Care Act and the proposals in the Chancellors Autumn Statement, there remain overall pressure on the NHS and councils to provide safe and quality services with less resources.
- 4.2 All organisations are committed to working in partnership with the NHS, local authority, other providers and the third sector to develop the new model of integrated care for which Torbay and South Devon is renowned. This includes our commitment to drive integration to a new level, including further structural integration and extended organisational pathways between health and social care services.
- 4.3 The agreement makes reference to the Adult Social Care Outcomes Framework which is a national framework which provides the policy context for health and care. The majority of performance indicators associated with each domain will be measured monthly although several rely on annual or bi-annual surveys and they will be reported as national results become available.
- 4.4 The ASA outlines service development areas within the budget envelope provided by the Council and outlines elements of the work plan being undertaken by the Trust on our behalf in the next financial year as well as specifying roles and responsibilities and areas of risk. It aligns with the section of the corporate plan which sets out our aims to support vulnerable adults. Risks remain in respect of the scale of savings required, the stability and sufficiency of the independent market, the appetite and acceptance for change in this model of care by the community, the continuing pressures of DOLS (Deprivation of Liberty Safeguards), as well as the impact of specific operational pressures in the ICO.
- 4.5 As outlined in the Agreement there is an assumption that Section 256 monies will be incorporated into the Better Care Fund. The schemes to be delivered by the ICO from the Better Care Fund resources within the overall risk share agreement are set out in Appendix 2 to this report. However, guidance is continuing to emerge

from central government in relation to the Better Care Fund and therefore the schemes may be subject to change as the year progresses.

- 4.6 The agreement of the funding for the ASA between the three partners to the ASA for 2016/17 has been challenging with all three partners facing significant funding pressures. To reach an agreed funding level for each partner in 2016/17 has required financial compromise from all three partners. There has been a difference of view between the Council and the CCG which, through mediation, has resulted in the Council proposing to agree a greater contribution to the Better Care Fund in return for greater stability in future years.
- 4.7 As part of the ASA the Council is requested to fund an additional £2.4m in 2016/17 to the ICO. The shortfall arises from two elements. Firstly the ICO has requested funding of £1.5m over the figure identified in the Risk Share Agreement. This funding to be one off and the Council will pay in future years the total identified in the Risk Share Agreement. (The total will be adjusted for any agreed changes such as impact of judicial review on care home fees relating to 2014/15 and 2015/16). Secondly the CCG have reduced the amount of Better Care Fund funding for adult social care by £0.9m which creates an ICO funding shortfall for the Council. The reduction in Better Care Fund revenue funding for social care can be offset, in part, by the use of the 2016/17 of the Better Care Fund capital allocation previous allocated as a capital grant for adult social care as identified in the table below.
- 4.8 It is proposed that the additional £2.4 million be funded from the sources detailed below:

| Budget | Amount | Note |
|--|--------------|---|
| 2016/17 balance of funding for 15/16 overspend | £0.8m | As part of 2016/17 budget, £2.5m was allocated to fund the predicted 2015/16 Council overspend. As the outturn position was better than forecast the balance can be released. |
| 2016/17 Better Care Fund Capital Allocation | £0.5m | The £0.5m allocation for adult social care capital has now been included in the Disabled Facility Grant allocation which can be released. The DFG budget allocation in 2016/17 will be £1.0m in line with 2015/16. |
| 2016/17 Social Care Contingency | £0.5m | The 2016/17 budget included a contingency for adult social care which can be released. |
| Care Act Reserve | £0.2m | The balance on the 2015/16 Care Act Grant which is part of ICO delivery can be released. |
| 2014/15 Disabled Facility Grant underspend | £0.4m | The unallocated balance from prior year under spends in DFG expenditure from 2014/15 can be released. The Council and ICO will take an integrated approach to housing, care and support forward. DFGs are not part of the Better Care Fund. |
| | £2.4m | |

5. Consultation

- 5.1 The Annual Strategic Agreement forms part of the Council's Policy Framework. Consultation and negotiation has been ongoing during the preparation of both the earlier version (February 2016) and this version. The Overview and Scrutiny Board

were formally consulted with this version being considered by the Board on 15 June 2016. Whilst the Board has no specific recommendations, it is felt that the recurrent basis of the agreement reached between the Council and the CCG with the Council contributing £926,000 throughout the lifetime of the Risk Share Agreement should be made explicit in the covering report to the Council.

Appendices

Appendix 1: Annual Strategic Agreement

Appendix 2: Better Care Fund Financial Summary

Background Documents

None



Annual Strategic Agreement

Between:

**Torbay Council and Torbay and South
Devon NHS Foundation Trust**

For the delivery of:

Adult Social Care April 2016 to March 2017

For Approval by Torbay Council 21st JULY 2016

Consultation and Approval Process:

| Meeting | Papers to be circulated | Meeting Date | Status of papers |
|---|-------------------------|-----------------------|------------------|
| Trust Executive | 5 th May | 10 th May | Confidential |
| Trust Board (part 2) | 19 th May | 25 th May | Confidential |
| Council Senior Leadership Team | Not known | 25 th May | Confidential |
| Council Policy Development Group | Not known | 25 th May | Confidential |
| Mayor and Lead member to agree Draft for Circulation to O&S | Not known | 2 nd June | Confidential |
| Overview and Scrutiny Board | 2 nd June | 15 th June | Public |
| Trust Executive | 16 th June | 21 st June | Confidential |
| Trust Board | 29 th June | 6 th July | Public |
| Full Council | 13 th July | 21 st July | Public |

Contents

| | | |
|------|---|----|
| 1 | Introduction | 5 |
| 1.1 | Definitions | 5 |
| 1.2 | Scope of the Agreement | 5 |
| 1.3 | Status of the Agreement | 5 |
| 1.4 | Context | 6 |
| 1.5 | Summary of services to be provided..... | 6 |
| 1.6 | ASC Commissioning Priorities..... | 7 |
| 2 | Current Services | 9 |
| 2.1 | Activity Assumptions | 9 |
| 2.2 | Projected activity..... | 10 |
| 2.3 | Activity Baselines and Planning Assumptions: | 10 |
| 2.4 | Impact on quality, activity and cost including cost improvement | 11 |
| 2.5 | Adult Social Care Workforce | 11 |
| 2.6 | Safeguarding..... | 12 |
| 2.7 | Delivery and Performance Management: Adult Social Care Services..... | 13 |
| 3 | Service developments..... | 14 |
| 3.1 | Social Care Workforce Plan | 14 |
| 3.2 | Strengths Based Approach | 14 |
| 3.3 | New Approaches to Person Centred support Planning | 15 |
| 3.4 | Wellbeing Coordinators | 15 |
| 3.5 | Standardisation of process..... | 15 |
| 3.6 | Direct Payments | 15 |
| 3.7 | Care Model Implementation | 16 |
| 3.8 | Services for people with learning disabilities..... | 16 |
| 3.9 | Residential and day Services for Older People..... | 17 |
| 3.10 | Single Point of Contact | 17 |
| 3.11 | Emergency Duty Service..... | 17 |
| 3.12 | Double Handed Care | 18 |
| 3.13 | Reviews | 18 |
| 3.14 | PMO arrangements to ensure delivery | 18 |
| 3.15 | Key milestones | 19 |
| 4 | Mental Health..... | 20 |
| 5 | Quality Assurance..... | 21 |
| 5.1 | National: CQC (Care Quality Commission) | 21 |

| | | |
|-----|---|----|
| 5.2 | Local: Torbay and South Devon NHS FT | 21 |
| 5.3 | Multi-agency Safeguarding Hub (MASH)..... | 21 |
| 6 | Finance and Risks | 22 |
| 6.1 | Budget allocations..... | 22 |
| 6.2 | Financial Risk Share: | 22 |
| 6.3 | Revenue Budget 2016-17 | 23 |
| 6.4 | Care home Fees Judicial Review | 23 |
| 6.5 | Better Care Fund / S256 | 23 |
| 7 | Client Charges | 25 |
| 7.1 | Power to Charge..... | 25 |
| 7.2 | Residential and Non Residential Charges..... | 25 |
| 7.3 | Carers | 25 |
| 7.4 | Universal Deferred Payments | 25 |
| 8 | Governance | 27 |
| 8.1 | Adult Social Care Programme Board (ASCPB) | 27 |
| 8.2 | Consultation, engagement and involvement process..... | 27 |
| 8.3 | Programme Management | 28 |
| 8.4 | Key Decisions..... | 28 |
| 8.5 | Governance of other decisions | 28 |
| 8.6 | Risk Share Oversight Group..... | 28 |
| 8.7 | Individual Roles and Responsibilities | 29 |
| 8.8 | Emergency cascade | 29 |

Annexes

- Annex 1: Legislative framework and other contextual agreements
- Annex 2: ASC Performance measures
- Annex 3: EDS Service Specification
- Annex 4: Joint Improvement Management Plan (not yet available)
- Annex 5: ASC Budget Proposals-Year End
- Annex 6a: Risk Share Contract Variation Statement
- Annex 6b: ICO Risk Share Agreement
- Annex 7: Risk Matrix
- Annex 8: ICO Budget
- Annex 9: ASC CIP plans
- Annex 10: Care Model Savings Summary
- Annex 11: Terms of Reference for Risk Share Oversight Group
- Annex 12: Torbay Council Roles in Emergency Cascade
- Annex 13: Trust CIP Programme & Governance Structures

1 Introduction

1.1 Definitions

This agreement is between Torbay Council (referred to in this document as ‘the Council’) and Torbay and South Devon NHS Foundation Trust (‘the Trust’).

This Annual Strategic Agreement (referred to here as the ‘Agreement’) describes the Adult Social Care (referred to as ‘ASC’) services the Trust will provide and procure on behalf of the Council.

This will include discharging the Council’s statutory duty to provide information, undertake assessments of need and commission individual packages of care to meet the assessed care and support needs of adults and older people living in Torbay.

The Trust will also collect income on behalf of the Council where it has been agreed that charges will be made for social care services.

The provision of care and collection of income will be carried out in accordance with all relevant legal and statutory instruments set nationally as well as Council policy.

1.2 Scope of the Agreement

The scope of this agreement is Adult Social Care services provided for the population for which Torbay Council is accountable. This will normally mean people who are resident in Torbay but will also include people placed in accommodation in other areas of the country where national policy dictates that the Council remains the accountable authority.

In addition to the services described in this Agreement, the Trust provides other services, including those commissioned by South Devon and Torbay Clinical Commissioning Group, NHS England specialist, dental and screening teams. These services are beyond the scope of this Agreement in that they are described and agreed elsewhere.

One of these additional services is Drug and Alcohol service which are commissioned by the Council’s Public Health team from the Trust and Devon Partnership Trust; these services are agreed separately and therefore fall outside the scope of this Agreement.

The Trust also acts as a supplier to other Trusts and organisations for clinical and support services.

1.3 Status of the Agreement

This document is the second iteration of the ASA for 2016/17. This two stage approach has been necessary because planning in regard to health services could not be finalised within the timescales of the Council’s budget setting process which culminated in agreements reached at the Council meeting held on the 25th February 2016.

The finalisation of plans for NHS services may have an impact on the need or demand for Adult Social Care Services but not the eligibility thresholds for access to those services. However the Trust accepts that the planned budgets for Adult Social Care Services in 2016/17 were fixed at the Council meeting on the 25th February 2016.

All organisations are committed to working in partnership with NHS, local authorities, other providers, voluntary organisations and community groups to deliver the model of integrated care for which Torbay and South Devon is renowned. This includes our commitment to drive integration to a new level, including extended organisational care pathways between health and social care services.

Where specific service specifications are required to ensure clarity and accountability for specific functions, or to ensure successful and timely delivery of the work outlined, these will be developed separately.

1.4 Context

On the 1st October 2015 the Trust was created as an Integrated Care Organisation (ICO) through the merger of the community and acute provider Trusts in Torbay and South Devon.

This Agreement, therefore, represents the first year of operation for the new integrated provider. The Agreement is made in the context of the national and local policy frameworks and the prevailing national and local fiscal requirements. As such the services described will comply with all relevant legislative requirements and be aligned with the service development priorities set out in local agreements and the regional Sustainability and Transformation Plan.

This Agreement is made in the context of the Council's efficiency plan which will see a 3% reduction in funding in the period 2016/17 to 2019/20.

Funding for the services delegated and described in the Agreement will flow through the tripartite risk share agreed between the Trust, the Council and the Clinical Commissioning Group (CCG). The arrangements for managing this process are set out in Section 6: Finance and Risk.

The legislative framework and other contextual agreements are set out in further detail in Annex 1.

1.5 Summary of services to be provided

The service provided under this Agreement will include:

- provision of information and advice to people enquiring about ASC services;
- assessment of need for social care services, including the provision of rehabilitation and reablement services;
- commissioning and monitoring individual packages of care, including case management assessments under the Mental Capacity Act, Deprivation of Liberty safeguarding and engagement in Court proceedings;
- monitoring of the quality, performance, and cost of services provided by Trust staff and other providers;
- safeguarding the needs of adults and older people living in Torbay. This includes servicing the Torbay Adult Safeguarding Board, investigations of individual safeguarding concerns and whole homes investigations;
- ensuring that services are provided in a cost effective way whilst still offering the choice to which people are entitled;

- collection of income for chargeable services, including and assessment of an individuals' financial circumstances and ensuring that people are receiving any welfare benefits to which they are entitled;
- the collection, collation and submission of activity information and performance returns as required operationally, by the Council and to meet local, regional and national statistical returns;
- the collection, collation and submission of financial returns and budget reports as required operationally, by the Council and to meet local, regional and national statistical returns.

1.6 ASC Commissioning Priorities

The Council's Corporate Plan (2015-2019) includes the following commissioning priorities for 2016-2017.

Care Model

- Living Well@Home development programme
- Care Homes outcomes based commissioning
- Accommodation, care and support strategy
- Outcomes based specification for extra care housing and procurement

Autism

- Provide autism awareness training for all staff that come into contact with people with autism
- Provide specialist training for key staff, such as GPs and community care assessors.
- Undertake community care assessments for adults with autism irrespective of their IQ and perceived ability
- Appoint an Autism lead for Torbay
- Develop a clear pathway to diagnosis and assessment for adults with autism
- Commission services based on adequate population data and needs assessment

Learning Disabilities

- Focus on people living full and independent lives, where secure homes and fulfilling lives are a priority
- We will help people and let them know what options they have to help them achieve their goals
- Improved accessibility to community services for those people who have a learning disability
- Improve access to employment and housing

Mental Health

- Delivery of the improvement plan with joint commissioning arrangements with Devon County Council and South Devon and Torbay Clinical Commissioning Group
- Support for integrated personal care planning and brokerage

Housing and Care

- Implement the homelessness prevention plan
- Re-commissioning of accommodation based and outreach support for single homeless and young peoples' homelessness support services and young parents service
- Implement the Devon protocol to support joint action on improving health through housing
- Accommodation-based care and support plan
- Better use of equipment, home improvements, grants and technology
- Homelessness strategy delivery including, prevention and early intervention and alternatives to temporary accommodation and improved hospital discharge
- Undertake full assessment of the health needs of the homeless population of Torbay is carried out by Oct 2016
- The physical development of Care Homes to provide an environment for fit for the provision of care and in support through the Villa Revival programme and Housing Strategy.

Safeguarding Adults

- Continue to prevent abuse and neglect wherever possible, understand the causes of abuse and neglect, and learn from experience
- Safeguard adults in a way that supports choice and control and improves their lives
- Provide information and promote public awareness to enable people in the community to be informed so that they know when, and how, to report suspected abuse

2 Current Services

2.1 Activity Assumptions

These figures relate to activity as of 31st December 2015 and are the basis of activity assumptions applied in the Council planning processes for setting the 2016/17 budget.

Table 1: Activity Assumptions

| Types of Care and Support Plans | Mental Health Under 65 | Mental Health Over 65 | Learning Disability | Adults and Older People | | | Total |
|---|------------------------|-----------------------|---------------------|-------------------------|------------|------------|---------------------|
| | | | | Torquay | Paignton | Brixham | |
| Packages of Care Under £70 week (At Home) | 38 | 17 | 7 | 129 | 75 | 42 | 308 |
| Care between £70 & £606 per week (At Home) | 58 | 45 | 209 | 286 | 214 | 86 | 898 |
| Care under £606 per week (Residential Care) | 38 | 144 | 66 | 164 | 111 | 32 | 555 |
| Care Over £606 per week (At Home & Residential) | 7 | 5 | 109 | 16 | 6 | 5 | 148 |
| Full Cost care (Residential) | 0 | 44 | 0 | 38 | 32 | 6 | 120 |
| Full Cost Care (At Home) | 9 | 12 | 10 | 73 | 58 | 26 | 188 |
| Total | 150 | 267 | 401 | 706 | 496 | 197 | 2,217 People |

2.2 Projected activity

These figures are based on activity assumptions of steady state in non-residential care and support plans and a reduction of 2% in the number of care home placements.

Table 2: Projected Activity 2016/17

| Types of Care and Support Plans | Mental Health Under 65 | Mental Health Over 65 | Learning Disability | Adults and Older People | | | Total |
|---|------------------------|-----------------------|---------------------|-------------------------|------------|------------|---------------------|
| | | | | Torquay | Paignton | Brixham | |
| Packages of Care Under £70 week (At Home) | 38 | 17 | 7 | 129 | 75 | 42 | 308 |
| Care between £70 & £606 per week (At Home) | 58 | 45 | 209 | 286 | 214 | 86 | 898 |
| Care under £606 per week (Residential Care) | 37 | 141 | 65 | 161 | 109 | 31 | 544 |
| Care Over £606 per week (At Home & Residential) | 7 | 5 | 109 | 16 | 6 | 5 | 148 |
| Full Cost care (Residential) | 0 | 44 | 0 | 38 | 32 | 6 | 120 |
| Full Cost Care (At Home) | 9 | 12 | 10 | 73 | 58 | 26 | 188 |
| Total | 149 | 264 | 400 | 703 | 494 | 196 | 2,206 People |

2.3 Activity Baselines and Planning Assumptions:

At any one time the Trust will be supporting around 2,200 adults and older people with social needs through the provision of Adult Social Care Services and support funded through the Adult Social Care budgets delegated to the Trust under this Agreement.

Delivery is monitored through local operational meetings, the Trust's Community Divisional Board and the Adult Social Care Programme Board against financial run rates and performance targets.

The Trust will operate autonomously to take any management action is necessary to correct performance which can be taken within the parameters of this Agreement. However, should exceptional circumstances arise, through excess demand or other external factors not taken into account when the budget allocations underpinning this agreement were made, the impact and any corrective actions will be discussed through the Adult Social Care Programme Board and Risk Share Oversight Group.

Performance indicators for the service will be those set nationally, under the Adult Social Care Outcomes Framework (ASCOF), or agreed locally. A description of the ASCOF indicators is set out in Annex 2 and includes details of the performance and benchmarking information against each KPI.

2.4 Impact on quality, activity and cost including cost improvement

Current levels of run rate are based upon demand and the legal duties within the Care Act with which we have a legal duty to comply. As a result (and as can be seen from the above tables) there is little impact on the number of people the Trust will be expected to support, aside from the reductions in care home placements.

Consequently although action is necessary to bring run rates back in line with delegated budgets it is expected that the majority of cost improvements will need to be found through one or both of the following ways of reducing the cost of each individual package of care:

- i. Tight adherence to national eligibility criteria and/or
- ii. Finding more innovative ways of meeting peoples' needs which deliver better solutions at lower cost.

To support this approach there have been additional quality assurance processes developed in 2015/16 which will continue in 2016/17, these are described in Section 5.

2.5 Adult Social Care Workforce

The provision of integrated health and social care services through local multidisciplinary teams has proved to be an effective model for delivery, able to respond to customer needs swiftly, facilitate rehabilitation and avoid admissions to residential care and hospital where ever possible. However, the existing model relies on a level of staff resources which will not be sustainable in future given the additional demands. An alternative model is being designed which will have an impact on how staff are deployed.

The new care model will be built on a strengths based approach, aligning entirely to the model in use within the voluntary sector and Integrated Personalised Commissioning. Adopting this approach across social care, health services and the voluntary sector will bring a synergy of approach not previously seen. For social care this is building upon the previous 'Personalisation Strategy' which was been successful in delivering a change of philosophy from time based and care based provision to outcomes based commissioning.

A social care workforce strategy is in development which will underpin the above strategy and also take into account a number of specific challenges that relate to recruitment and retention of professionally qualified social workers. This has been a recent development resulting, in part, from market forces in relation to pay. Left unchecked this will have an impact on delivery of social care activity and KPIs.

As part of the workforce strategy consideration will be given to the future workforce required within Health and Wellbeing Teams including changes to skill mix (to manage more the complex workloads which are resulting from legislative requirements), changes to the management of short term work and the increased application of telephone based interventions.

The increased complexity of workload is being driven by the Care Act legislation, an increased number of Best Interest assessments, Court work, Domestic Deprivation of Liberty Safeguards and the increased time associated with Making Safeguarding Personal.

In the past the impact of young people transitioning from children's to adult services has been a key issue. A strategy is now in place for transitions and the Special Educational Needs and Disabilities (SEND) partnership has prioritised clarifying the pathway between children and adults services. This includes a tool to assist young people and parents. We have also identified transitions co-ordinators in the zones based adult social care teams to support the process.

2.6 Safeguarding

The Trust will continue to deliver the delegated responsibilities of Torbay Council regarding Safeguarding Adults. The Care Act 2014 put Safeguarding Adults into a statutory framework for the first time from April 2015. This placed a range of responsibilities and duties on the Local Authority with which the Trust will need to comply. This includes requirements in the following areas:

- duty to carry out enquiries;
- co-operation with key partner agencies;
- Safeguarding Adults Boards;
- Safeguarding Adult Reviews;
- information sharing;
- supervision and training for staff.

Accountability for this will sit with the Torbay Safeguarding Adults Board (SAB). This is a well-established group that will provide a sound basis for delivering the new legislative requirements. The Board will incorporate the requirements into its terms of reference and Business Plan for 2016/17, ensuring that all relevant operational and policy changes are in place for April implementation.

Regular performance analysis from all partner agencies will be reported to the SAB to give a clear picture of performance across the agencies. The Council will ensure high level representation on the Board by the Director of Adult Social Care Services and Executive Lead for Adult Social Care.

In order to maximise capacity Torbay SAB will work closely with the Devon SAB with an increased number of joint sub-committees and shared business support. In addition

to this, to provide internal assurance that the Trust is fulfilling its Safeguarding Adult requirements, the Board will have a sub-committee which will oversee performance. This will have a particular focus on training and performance activity.

The Council has signed up to the national initiative of **Making Safeguarding Personal**. This is an exciting initiative designed to measure Safeguarding Adult performance by outcomes for the individual, rather than the current reliance on quantitative measurement of timescales for strategy meetings and case conferences. Work will be done through SAB during 2016/17 to implement these new measures in Torbay.

The Trust also has delegated responsibility as a provider of social care services to ensure that we participate as a full partner in the TSAB and meet all regulatory requirements in safeguarding adults and children.

2.7 Delivery and Performance Management: Adult Social Care Services

Given the operational challenges facing these services and the current financial constraints little change is planned in relation to activity against the key performance indicators. Consequently the majority of activity targets for 2016/17 will be set at the same level as 2015/16. The exceptions to this are summarised below with details being set out in Annex 2:

- **Safeguarding**
Where targets need to be reset to meet the requirements of 'Making Safeguarding Personal'.
- **Direct Payments**
Where annual outturn position of 26% (against a target of 10%) has been rolled forward.
- **Mental Health Services**
Targets to be agreed between the Council and Devon Partnership Trust.

3 Service developments

Key developments in the way ASC services are provided, and any changes in what services will be provided, are outlined in the following paragraphs. Where appropriate the planning and implementation of these changes will involve internal and external consultation with key stakeholders as set out in the Decision Tracker which is managed by the Adult Social Care Programme Board. Where appropriate the Decision Tracker will also clarify accountability for decision making in these developments.

The new care model will target resources to those in greatest need and provide a universal service to allow people to be as independent as possible and be connected with their local community. The new care model will require significant change and we will need to ensure that we support staff and managers through complex change.

To support the resilience and sustainability of services, we will work closely with the voluntary sector in relation to co-production of solutions that provide solutions for 'what matters to me'.

The Ageing Well Programme, led by the Community Development Trust, and the new Directory of Services is an enabler to improve access to preventative services and providing alternatives to traditional social care commissioned services.

3.1 Social Care Workforce Plan

Delivery of Care Act compliance is a key deliverable for our social care staff and in 2016/17 we will develop and implement a workforce plan for social care services which focuses on:

- working in partnership with our community, addressing the issues faced by our most vulnerable members;
- revisiting our approach to ensure we are inclusive with users, carers and community organisations – using strengths based approaches as our principal theoretical approach and operating model;
- promoting the reputation of social work in Torbay through engagement with users and the co-design of our approach;
- supporting staff to reach their potential using a capability framework; training the Social Work health check and by providing support to improve resilience;
- delivering a high quality, safe and well respected service through use of quality, safety and governance processes.

3.2 Strengths Based Approach

The Care Act 2014 requires local authorities to consider the person's own strengths and capabilities, and what support might be available from their wider support network or within the community to help in considering what else other or alongside the provision of care and support might assist the person in meeting the outcomes they want to achieve. In practice, this means operationalising strengths based approaches into the care model.

A strengths based approach will be the bed rock of how we work in the new Health and Wellbeing Teams. It will become the golden thread which runs through all our interactions with people, both in terms of how we invest care and support in our teams

and how our teams in turn invest care and support in the people they serve. To support the deployment of a strengths based approach we have developed the following principles for the implementation:

- we will empower staff to use their skills and experience;
- we will let go of care management approaches;
- we will focus on community involvement;
- we will concentrate on the assets and strengths of the people who use our services, our staff and our partners.

3.3 New Approaches to Person Centred support Planning

During the course of 2016/17 the Trust will continue to explore new approaches to undertaking support planning. This will include furthering existing schemes for people with learning disabilities and undertaking wider proof of concept work in partnership with voluntary and third sector organisations.

3.4 Wellbeing Coordinators

There will be Wellbeing Coordinators in place within Health and Wellbeing teams from Quarter two onwards. They will be a bridge between the statutory and voluntary sector providing alternatives to traditional social care commissioned services. There will be a focus on reducing social isolation and providing support for activities that social care cannot do as they are required to focus on more complex work. Evidence from Newquay Pathfinder site has shown reductions in cost where they included in their cohort of people receiving packages of care under £50 and over £200.

We will develop new approaches to support planning, building on the learning so far, which maximise the use of the voluntary sector and best value.

3.5 Standardisation of process

We will continue to build on the standardisation work that streamlines our systems and processes making sure the most appropriate staff focus on the right work. We will build on the strength of delivering standardisation across the Bay whilst keeping a local focus for Paignton and Brixham and Torquay. We will use benchmarking to consider further opportunities for standardisation and the delivery of productivity and cost improvement.

3.6 Direct Payments

The implementation of Direct Payment cards starting in Quarter one will extend choice and make it easier for people to access Direct Payments which will support the deliver of improvements in this KPI to enabled us to deliver the outturn position for this consistently.

The legislative change in relation to providing pensions may impact on the rate we pay for personal assistants which would be a cost pressure if this rate had to be increased.

The Trust currently does well in terms of carer assessments and we will continue to support carers within the overall framework recognising they are key to keeping people well at home.

3.7 Care Model Implementation

The proposal is that health and wellbeing teams will be providing a range of functions details of which are below:

- encourage self-care, healthy lifestyles and maintain independence;
- help to grow community assets/develop resilience;
- assessment, support planning and professional social work support;
- provide rehabilitation;
- provide nursing care;
- integrated medical management of people with complex co-morbidities;
- reactive care coordination of people with deteriorating complex health issues and frail elderly;
- proactive care co-ordination of people with complex needs and frail elderly;
- proactive integrated long term conditions support;
- high quality discharge support from hospital to home, integrated planning and seamless handover of care;
- provide falls prevention services;
- provide palliative care as part of end of life care pathway.

The proposals for establishing these new teams are currently subject to consultation, the timescales for implementation will be set after the consultation process has closed and the CCG governing body has been able to taken final decisions.

3.8 Services for people with learning disabilities

Following a public engagement and consultation in 2015/16 the decision was made by the Trust board to close Baytree House during 2016/17 on the following basis:

- a. that Baytree House should in due course close and the short break beds nights should alternatively be sourced in the independent sector;
- b. that a transitional period to 30/6/16 occurs before the decision to close is implemented;
- c. that Adult Social Care Commissioners in partnership with the Support Planning Services are tasked urgently over the next four months to work closely with provider to develop and secure satisfactory provision;
- d. that progress on this change programme and all the associated activity will be reported to and monitored by Torbay Council Overview and Scrutiny function.

During the early part 2016/17 our Support Planning Services will be reviewing all 39 service users and families who use Baytree to secure alternative services in the independent sector.

The target date for closure is 30th June but that the building may have to stay open a little longer for those who did not have solutions in place.

However this may be challenging staffing wise as employees are currently going through a redeployment process and will start to find alternative employment. We will keep the situation under close review and may need to be flexible about the day offered at Baytree as the number of users and staff changes.

3.9 Residential and day Services for Older People

At the Trust Board in April 2016 a number of ways forward were agreed with respect to the current and proposed St Kilda facility. Four recommendations were approved:

- that the previously proposed new build St Kilda on the Brixham Community Hospital site does not proceed and instead the Board accepts the revised proposal as presented as the preferred solution;
- that the team undertakes more formal engagement with current service users and with stakeholders in Brixham (League of Friends, Brixham Does Care and the Town Council) with respect to these proposals;
- that the ICO works in partnership with Sandwell Community Caring Trust (SCCT) to find alternative services for its clients and employment for SCCT staff within the NHS and SCCT will develop a detailed operational plan and agree the sequence of changes required; and
- the output of the engagement will be detailed into a report and a recommendation made to the Director of Adult Social Care at Torbay Council at the earliest opportunity for a final decision.

To deliver the above in 2016/17 implementation plans are being developed to re-provide services elsewhere.

3.10 Single Point of Contact

Essential to the future model will be a standardised way of working across Torbay so that people receive equitable and consistent outcomes and secondly a single point for telephony access for Torbay, and ideally for the whole footprint of the Trust, to include Southern Devon localities. Any telephony Single Point of Contact (SPOC) solution will need to be cost effective and sustainable, therefore our model must be economic and deliver savings, whilst retaining a quality response. The following changes will be delivered in 2016/17:

- a single point of telephony contact in Torbay to be implemented in Torbay for the two localities; this will be called the Customer Service Centre (CSC);
- feasibility work will be undertaken to ascertain if in the long term our first point of contact and call handling should continue to be delivered separately in Torbay and South Devon or whether a unified solution should be sought;
- Standard Operating Procedures (SOP) and associated business flow charts will be put in place. This is fundamental to deliver and implement the SPOC, for a local solution in Torbay to facilitate a consistent and reliable approach for the local authority area.

3.11 Emergency Duty Service

The responsibility to provide the statutory out of hours Emergency Duty Service (EDS) has been delegated by the Council to the Trust.

The service receives and triages calls for:

- Adults
- Children

- Mental Health Assessments

The service has been operating at risk for many years because this tri-service remit covers a broad spectrum of requirements often with a minimum number of staff available and recurring recruitment difficulties. Many EDS services nationally face the same problems.

In October 2015 there was an internal review of EDS and the recommendations from this are being worked through with governance and decision making taking place through the Adult Social Care Programme Board.

A service specification for EDS provision is attached as Annex 3.

3.12 Double Handed Care

This project is designed to review packages of care which require two workers to deliver and consider if through provision of equipment and training to the workers and the client that care can then be delivered by one staff member. The expectation is that this will reduce domiciliary care hours the details of which will be reviewed on a case by case basis. The project will be developed across Quarters one to three.

3.13 Reviews

Reviews will continue within zones and specialist services as part of business as usual. In addition to this there is a review team who concentrate on high cost packages review. This team in 16/17 are focussing on reviews of independent living providers with support from Commissioners to consider the care and accommodation costs and driving best value.

There will also be a review and further refinement of standardised processes and systems for high cost packages. This work will be ongoing throughout the year with outcomes reported through existing reporting arrangements.

3.14 Programme Management Office (PMO) arrangements to ensure delivery

This work will be co-ordinated through the Transformation Team, and the governance arrangements that are in place within the organisation, with progress being reported through the ASCPB. Please see section 8 for details.

3.15 Key milestones

| Project | Timelines |
|--|--------------|
| • Workforce strategy | Quarter 2 |
| • Strengths based approach | Ongoing |
| • Wellbeing Coordinators | Quarter 2 |
| • Standardisation | Quarter 1- 4 |
| • Direct payments | Ongoing |
| • Care Model Implementation | Ongoing |
| • Services for people with learning disabilities | Quarter 2 |
| • Residential and day care services | Quarter 3 |
| • Single point of contact | Quarter 1 |
| • Emergency Duty Service | Ongoing |
| • Double handed care | Quarter 1- 3 |
| • Reviews including supported living | Quarter 1-4 |
| • Workforce strategy | Quarter 2 |

4 Mental Health

The Council has statutory responsibilities for providing services to eligible people with poor mental health under the Mental Health Act 1983 and NHS and Community Act 1990, which are delegated to the Trust. These include:

- approval and provision of 'sufficient' numbers of Approved Mental Health Practitioners (AMHP);
- guardianship under section 7;
- financial and Budgetary responsibilities for the whole Mental Health budget, including activity below assigned to DPT.

Devon Partnership Trust (DPT) will be commissioned by the Council to operationally deliver these under 65 social care mental health services in Torbay. This is in compliance with Torbay Council's statutory duties under the Care Act, Mental Health Act and other relevant legislation, including:

- aftercare under section 117;
- care management services, including operational brokerage of social care packages.

Strategic Commissioning Support for this arrangement will be provided by Torbay Council's Joint Commissioning Team including, co-location of the Trust mental health commissioner and day to day work allocation and support.

Professional Practice oversight of AMHP will remain with the Trust. This arrangement will be governed by this annual strategic agreement and a contract between DPT and the Trust.

The priorities for the commissioned service in 2016 to 2017 are outlined in the Joint Improvement Plan (JIMP) between the Council, Devon County Council and DPT and will be available as Annex 4 (JIMP in progress). Quarterly performance and finance reports will be submitted to the ASCPB. A joint governance structure is in place with Devon County Council to monitor the JIMP.

It is expected that during 2016 employment of the Approved Mental Health Practitioners will transfer from the Council to the Trust.

5 Quality Assurance

5.1 National: CQC (Care Quality Commission)

The Commission will make sure health and social care services provide people with safe, effective, and compassionate high-quality care and encourage care services to improve. They monitor, inspect, and regulate services to make sure they meet fundamental standards of quality and safety and publish what they find, including performance ratings to help people choose care.

5.2 Local: Torbay and South Devon NHS FT

The Trust will provide quality assurance of both its own integrated business activity and the services it commissions on behalf of the community. A quality and safety report is being developed, which will report all social care quality, safety and performance metrics quarterly. Interim performance monitoring is via the ASCPB; which receives performance reports and updates on ad hoc issues.

A Quality Assurance Framework has been developed and is now in use with independent and voluntary sector providers to provide assurance in regard to the quality of care provided to people in their own homes and in care homes.

5.3 Multi-agency Safeguarding Hub (MASH)

Since October 2015 the Single Point of Contact for safeguarding adults has been co-located with Torbay Council Children's Services

There will be a continued focus on ensuring that all staff have the appropriate level of training for their role, as set out in the Torbay Safeguarding Adults Multi-Agency Training Policy.

6 Finance and Risks

6.1 Budget allocations

ASC budget proposals are listed as Annex 5.

6.2 Financial Risk Share:

The Risk Share Agreement (RSA) developed as part of the transaction creating the ICO took effect from its inception on 1st October 2015. The share of financial risk going forward is a function of the wider performance of the Trust, rather than specifically in relation to Adult Social Care.

The financial baseline from the Council and the CCG commissioners funding the ICO through the RSA is confirmed in the financial table contained within the 2016/17 variation to the RSA. The variation has been agreed by all parties and is contained in Annex 6a along with the original RSA as set out in Annex 6b. In addition to confirming the financial baselines the 2016/17 variation also set out specific changes or variations to the original RSA.

Efficiency Risks:

- delivery of the wider cost improvement programme;
- agency and temporary staffing costs;
- increasing costs of medical technologies;
- rate of expenditure in both Adult Social Care and Placed People;
- delayed delivery of financial benefits associated with the implementation of the revised care model.

Risks pertinent to Adult Social Care expenditure include:

- the scale of savings required;
- the Judicial Review challenging Care Home fees set by the Council;
- insufficient capacity in the domiciliary care market;
- sufficiency in the care home market;
- community Support for Change;
- impact of case law relating to the Deprivation of Liberty Safeguards;
- pressures within the out of hours Emergency Duty Service;
- impact of the Care Act;
- the increasing complexity of needs.

Please refer to Annex 7 Risk Matrix for further details.

6.3 Revenue Budget 2016-17

The budget for the ICO is set out in Annex 8. Delivery against this budget will require:

- commissioners to maintain the funding levels set out in the Long Term Financial Model in 2016/17 and beyond;
- shortfalls in Adult Social Care Cost Improvement Plans carried forward from 2015/16 to be addressed. The scheme shortfall and associated explanations are described in Annex 5;
- achievement of ASC Cost Improvement Plans (Annex 9). These schemes are designed to improve efficiency and are not expected to have any impact on either the volume or quality of services provided by the Trust. Before finalisation each will be subject to a formal Quality Impact Assessment;
- delivery of care model changes and their associated savings (Annex 10).

6.4 Care Home Fees Judicial Review Appeal

The commitment set out in the RSA (Annex 6b) includes an interim assessment of the increase in care home fees associated the judicial review established in 2015/16. The Council have agreed to fund this in addition to the original opening baseline, along with any additional settlement agreed or instructed in the final decision on the judicial review appeal.

6.5 Better Care Fund / S256

The financial table contained in the 2016/17 RSA variation (Annex 6a), and copied below, identified £1.3M of funding, referred to as S256 / BCF and committed to the ICO that is jointly and severally underwritten by the Council and the CCG. However the allocation of this amount between the Council and the CCG was under dispute.

| | RESTATED RISK SHARE AGREEMENT VALUES | | | | |
|--|---|--------------|---|---------|---------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| | £m | £m | £m | £m | £m |
| Income | | | Future years to be confirmed by 30th June 2016 | | |
| South Devon & Torbay CCG (Community) | 60.4 | 77.1 | | | |
| South Devon & Torbay CCG (Acute) | 160.2 | 161.7 | | | |
| SD&T CCG Sub Total | 220.6 | 238.8 | | | |
| Torbay Council ASC | 37.2 | 36.1 | | | |
| CCG - Section 256/Better Care Fund | 3.0 | 2.1 | | | |
| Torbay Council sub total | 40.2 | 38.2 | | | |
| Council - Section 256/Better Care Fund | | 0.9 | | | |
| Other Operating Revenue | 121.8 | 115.7 | | | |
| TOTAL INCOME | 382.6 | 393.6 | | | |

Both commissioners were, and continue to be, agreed that the outcome of the dispute over contributions to the BCF will be neutral to the ICO. At the time of drafting this Agreement it is understood that the agreement reached between the Council and CCG

is that:

- The CCG has confirmed that it will raise the minimum contribution to £2,050,000 leaving the council to identify a further £926,000. Between them these two changes to contributions will meet the £3m commitment set out in the table
- There is agreement that should BCF allocations be increased these will be passported to the Council in line with guidance.
- This will be consistent with planning and agreements with ICO on risk sharing agreements.
- Both CCG and Council will ensure a strategic approach rather than a short-term tactical fix for 16/17.
- It is understood that this means the agreement reached is secured on a recurrent basis and that the CCG and Council will respectively contribute the £2,050,000 and £926,000 set out above throughout the lifetime of the Risk Share Agreement.

7 Client Charges

7.1 Power to Charge

With the introduction of the Care Act, the Council now has a 'power to charge for services' whereas previously, there was a 'duty to charge' for long term residential/nursing care and a 'power to charge' for non-residential care.

The Council has made the decision to utilise the 'power to charge' for both residential and non-residential services. The Trust will discharge this power on behalf of the Council and in doing so will apply sections 14 and 17 of the Care Act and the Care and Support (charging and assessment of resources) regulations 2014.

7.2 Residential and Non Residential Charges

Charges per unit of care for residential services will be amended each April as directed by the Department of Health new rates.

Charges per unit of care for non-residential care services will be set annually through the Council's charging policy.

Client contributions are based on the level of care a person requires and an assessment of their financial circumstances, including capital and income. The Trust will ensure that individual financial assessments are updated at least annually (but more frequently where the financial circumstances of an individual service user are known to have changed during the course of the year).

Consequently the charges made to an individual may change in the course of a year if there are changes in their financial circumstance or the level of care they require.

The Trust will ensure that all clients in receipt of a chargeable service receive a full welfare benefit check from the Finance and Benefits team and an individual financial assessment in person for new assessments where possible.

There is no charge for Intermediate Care or Continuing Health Care services.

7.3 Carers

Services provided specifically to carers will, in principle, not be subject to a charge but this will be reviewed in view of final guidance on implementation of the Care Act, dependent upon resource allocation. These are services provided directly to the carer (rather than the person that they care for) which include open access services such as Carers Emergency Card and Carers Education Courses, and simple services provided as a result of an assessment including emotional support or one-off direct payments for a carer's break.

7.4 Universal Deferred Payments

The Care Act 2014 established a requirement for a universal deferred payments scheme which means that people should not be forced to sell their homes in their lifetime to pay for the cost of their care.

A deferred payment is, in effect, a loan against the value of the property which has to be repaid either from disposal of the property at some point in the future or from other

sources. The scheme has now been running since April 2015 as all councils in England are required to provide a deferred payment scheme for local residents who move to live in residential or nursing care, own a property and have other assets with a value below a pre-determined amount (currently £23,250). They must also have assessed care needs for residential or nursing care.

The Council's deferred payments policy is now fully implemented as part of the policy the Trust has the ability to recover any reasonable costs it may incur in setting up a Deferred Payment Arrangement in addition to the cost of any services provided. These management costs may be included in the deferred payment total or be paid as and when they are incurred.

The interest rate payable on deferred payments is advised by the Department of Health and changed every six months. Interest will be added to the balance outstanding on the deferred arrangement on a compound daily basis, in accordance with the regulations.

8 Governance

8.1 Adult Social Care Programme Board (ASCPB)

The Adult Social Care Programme Board will become the contract management Board for this Agreement. The Board will drive adult social care and improvement plans. Its Terms of Reference cover the following areas:

- to assist the development of the strategic direction of adult social care services supporting the new context faced by the Council and Trust in terms of public sector reform, reducing public resources and potential devolution;
- to receive regular reports and review progress against transformation and cost improvement plans differentiating between those areas incorporated within the budget settlement and any cost pressures over and above this;
- to receive reports and review performance against indicators and outcomes included in the Annual Strategic Agreement providing and/or participating in regular benchmarking activities;
- to monitor action plans against any in-year areas of concern, raising awareness to a wider audience, as appropriate;
- to discuss and determine the impact of national directives translating requirements into commissioning decisions for further discussion and approval within the appropriate forums. This will include the initial list of service improvement areas planned for 2014-15 and onwards;
- to discuss and develop future Annual Strategic Agreements;
- co-ordinate the production of the Local Account.

8.2 Consultation, engagement and involvement process

As the Accountable Authority the Council will lead consultation processes where the need for change is being driven by the needs and requirements of the Council. The Trust is committed to supporting the consultation and engagement processes the Council undertakes in relation to service changes recognising the Council's statutory duty and good practice.

As a provider the Trust will engage all stakeholders in service redesign and quality assurance including, playing an active role with Torbay Council Health Overview and Scrutiny Committee. Additionally the Trust will be engaged with the CCG Locality Teams where the primary focus will be on consultation in regard to NHS services.

Where service changes will result in variation in the level or type of service received by individual service users, the Trust will comply with statutory guidance on the review/reassessment of care needs and ensure that those service users affected are given appropriate notice of any changes.

The Council, the Trust, and the CCG will continue to support the role of Healthwatch and the community voluntary sector in involving people who use services in key decisions as well as service improvement and design. The Council also expects the Trust to engage actively with service users and the voluntary sector in Torbay in developing new service solutions. This will apply irrespective of whether the service

changes are driven by the necessities of the current financial environment or the need to ensure the continual evolution and development of services.

8.3 Programme Management

Programme management support for the programmes of work set out in the Agreement will be provided from within the Trust's Transformation team. Delivery will be tracked by the Trust's Programme Management Office (PMO), monitored through standing internal meetings (such as the Community Divisional Board) and reported to the ASCPB.

8.4 Key Decisions

Whilst this agreement places accountabilities on the Trust for the delivery and development of Adult Social Care Services, the Trust may not act unilaterally to make or enact decisions if they meet the criteria of a 'key decision' as described in the standing orders of the Council.

This requirement reiterates section 22.3 of the Partnership Agreement under which services were originally transferred from the Council to Torbay Care Trust. Key decisions must be made by the Council in accordance with its constitution.

In Schedule 8 of the Partnership Agreement a key decision is defined as a decision in relation to the exercise of council functions, which is likely to:

- result in incurring additional expenditure or making of savings which are more than £250,000;
- result in an existing service being reduced by more than 10% or may cease altogether;
- affect a service which is currently provided in-house which may be outsourced or vice versa and other criteria stated within schedule 8 of the Partnership Agreement.

In addition when determining what constitutes a key decision consideration should be given to the possible level of public interest in the decision. The higher the level of interest the more appropriate it is that the decision should be considered to be a 'key decision'.

8.5 Governance of other decisions

Governance of other decisions will vary according to the scope and sensitivity of the decision being made. To ensure clarity about whether decisions are to be taken by the Trust, Council or CCG and at what level the decision should be taken a 'Decision Tracker' has been developed.

The Decision Tracker will be reviewed, managed and updated by the ASCPB throughout the year.

8.6 Risk Share Oversight Group

The Risk Share Agreement (RSA) describes the framework for the financial management of the multi-year investment by health and social care commissioners for the services provided by the Trust. The RSA sits alongside the NHS Standard

Contract and this Agreement. Whilst does not override the quality or administrative elements it does supersede all financial components.

The implementation of the RSA will be monitored by the Risk-Share Oversight Group (RSOG), which includes senior officer representation from the Council and Directors from the Trust and CCG, to provide strategic oversight of the RSA. Please refer to Annex 11, Terms of Reference for RSOG.

8.7 Individual Roles and Responsibilities

8.7.1 Torbay Council Executive Lead Adults and Children

The role of Executive Lead is held by an elected Member of Torbay Council, as part of their duties they will sit as the Council's representative on the Trust Board to provide oversight, challenge, and liaison.

8.7.2 Director of Adult Social Services

The role of Director of Adult Social Services (DASS) is a statutory function, and is fulfilled by a senior officer of the Council who is accountable for all seven responsibilities of the role set out in statutory guidance dated May 2006. However responsibility for Professional Practice and Safeguarding are delegated to the Deputy DASS employed within the professional practice directorate of the Trust.

8.7.3 Assistant Director of Adult Social Services

The role will provide professional leadership for social care services and lead on workforce planning, implementing standards of care, safeguarding and support the running of the Adult Social Care Programme Board.

8.8 Emergency cascade

Please see Annex 12 for details of Torbay Council's Emergency Planning Roles in Council's Emergency cascade. The Trust will be expected to identify social care senior officers to be part of emergency cascade, to co-ordinate delivery of Adult Social Care in an emergency situation.

Legislative framework and other contextual agreements

The Care Act 2014

The Care Act 2014 represents the most significant reform of care and support in more than 60 years, putting people and their carers in control of their care and support. The element of the Act which places a limit on the amount anyone will have to pay towards the costs of their care has been delayed until 2020. However the principles of wellbeing and putting people in control of their care and support is policy direction which is, and will continue to be, reflected in the local redesign of service and the development of new models of care. The Act strengthens previous commitments to an integrated approach across organisations and health and social care boundaries, including a requirement of continuity during transition between children's and adult services.

Five Year Forward View

NHS England has produced a five year forward view (October 2014). This document sets out a clear direction for the NHS-showing why change is needed and what it will look like. It supports patients being in control of their own care, and supports combined budgets with local government as well as personal budgets. It supports integration between GPs and hospitals, physical and mental health, health and care. It described a strategic direction which is in line with local plans and our Health and Wellbeing Board strategy.

It also stresses a radical upgrade in prevention and public health. Public Health England has been created and public health commissioning responsibilities is now embedded in local government. Our local strategy reflects those ambitions to improve the health and support of our local population through prevention and self-care and community support, wherever possible.

Adult Social Care Outcomes Framework (ASCOF)

The ASCOF is part of a suite of three outcomes frameworks covering Health, Public Health and Adult Social Care along with an outcomes framework for training for care. The guidance that it provides sets a framework which supports the council to improve the quality of the care and support services it provides. At a national level it is the Department of Health's main tool for setting direction and strengthening transparency in adult social care. There are clear inter-linkages between the three main outcomes frameworks and these enable priorities and work to be directed to supporting one and all.

Transforming Care Partnerships

The aim of the Transforming Care Partnerships is primarily to improve the support to the community for people of all ages who have a learning disability and/or autism who display behaviour that challenges. The focus will be those individuals who are at risk of being admitted into hospital for lack of appropriate community support. Partnerships are required to have robust system wide plans in place to ensure a long term development of local services that enable people to be supported and treated as close to home as possible.

All stakeholders are required to work collaboratively and to make the best use of economies of scale and collective leverage within the market. It is hoped that this will result in positive, coordinated, pro-active and planned strategic change for this population. Locally a Devon wide Transforming Care Partnerships has been put in place to work across local authority and CCG boundaries.

Integrated Personal Commissioning

Announced in the Summer of 2014 the Integrated Personal Commissioning (IPC) Programme is a new programme that joins up health and social care funding for individuals with complex needs and gives them greater control over how their combined health and social care budget is used. The goals of the IPC programme are to improve the quality of life of people with complex needs and their carers by:

- Enabling them and their families to achieve important goals through greater involvement in their care.
- Being able to design support around their needs and circumstances.
- Preventing crises in people's lives that lead to unplanned hospital and institutional care by keeping them well and supporting self-management.

The Trust is part of a south west regional demonstrator pilot and as part of this will be testing the use of IPC tools and integrated personal budgets during 2016/17.

National Financial Context

The outcome of the spending review for local government is a planned reduction of £6.1bn or 56% in real terms over four years. In the provisional local government finance settlement announced 17th December 2015 the Revenue Support Grant for Torbay is to reduce from £26m to £6m over four years (in 2016/17 this will mean a £7m reduction). As a result the resources available to Torbay Council will reduce to the lowest level ever over the next three years. However it has also been announced, by the Government, that councils will have the flexibility to raise an extra 2% locally each year specifically to support adult social care services.

The NHS Comprehensive Spending Review was delivered on the 25th November setting out the budget for NHS England's from which local CCG's receive their funding. Nationally the NHS England budget will increase from £101.3bn in 2015/16 to £119.9bn in 2020/2, an average annual increase of 1.5%. The average growth across England that is being allocated to CCG's next year is 3.4%. However our local CCG is assessed as being over funded and they will therefore not receive this level of growth. South Devon and Torbay CCG will therefore receive growth provided nationally at 2.3% in 2016/17 and will continue to receive less than average growth for each year through to 2020/21, when its allocation will have been brought back to within 5% above target share; a level of tolerance deemed acceptable by NHS England.

Local Position

The joint commissioning and delivery of services underpins the direction of travel which the Council, CCG and provider Trusts set out since the recent NHS reforms. The local context is shaped by the creation of the Integrated Trust, as well as the success of being a national 'pioneer' and Vanguard area to deliver further integration and innovation.

The CCG, Council, and the Trust and other providers will continue to pursue a strategic direction designed to maximise choice and independence for those requiring adult health, social care and support.

Torbay Council Corporate Delivery Plan

The Corporate Plan 2015-2019 has been prepared by the Mayor and the council Executive and approved by the Council. It is a key document and provides an overarching framework setting out the strategic ambitions for the council over the next four years and the principles within which the council will operate. The Plan provides clarity as to the council's ambitions and gives staff, partners and the community a clear understanding of what it seeks to achieve and how it prioritises spending.

Local Financial context

Funding arrangements for NHS and Adult Social Care (ASC) are under great pressure to ensure the NHS and councils can continue to provide safe and quality services within constrained resource and against a backdrop of rising public expectations and a more challenging demography.

The Trust will use the flexibility of the Risk Share Agreement (RSA) to deliver a transfer of resources from inpatient beds to care provided in people's homes, which is of high quality and value for money for our population. To deliver this we expect to

see a shift in the current workforce configuration to more community based care and support, delivering seven day a week services.

Care Model

The care model represents a significant change in how the Trust will deliver services to our local population, now and in the future. By fundamentally transforming the way we work and using the resources available to us differently, the Trust will be able to provide a credible, robust service offer which is financially sustainable and enables a cultural shift for both staff and local people in approaches towards health care and wellbeing.

There will be a significant focus on changing culture and behaviour; moving from a paternalistic relationship between professional and patient, to a partnership approach where identifying 'what matters to you' is the new focus, as opposed to the traditional 'what is the matter with you' relationship. The Trust seeks to develop multi-agency partnership arrangements and ensure that volunteers, carers, neighbourhoods and civic functions all play an equal role within integrated multi-disciplinary teams, in the attainment of a balanced and empowered way of life for our residents of Torbay and South Devon.

The core principles underpinning the care model will run as a thread through our plans for change:

- Shifting the focus of care into the community and away from a bed-based model of care.
- Providing consistent and reliable alternatives to hospital admission and embedding the ethos that, wherever possible, ***“the best bed is your own bed”***.
- Establishing a model of care in which the focus is on ***“what matters to people”*** rather than *‘what is the matter with them’*.
- Focusing on prevention and early intervention to reduce demand for acute services and release specialist capacity to support more people in community settings.
- Integrating the services we provide to ensure a seamless experience of care by working in partnership with other statutory providers, independent organisations, voluntary and community groups.
- Removing traditional financial barriers and restrictions to deliver more flexible and effective responses to people’s needs.
- Using our current workforce more flexibly, developing new, multi-skilled roles and extending the scope of existing roles.

- Adopting a strengths-based approach to practice, which empowers people to take greater responsibility for their own health and wellbeing.
- Working much more closely with independent providers, voluntary and community groups.

Health and Wellbeing Board

The emphasis for the work of Torbay's Health and Well-being Board is on adding value by focussing the causes of poor health and cross-cutting issues. This is reflected in strap line for the Joint Health and Well-being Strategy: "Building a Healthy Community".

Since the previous joint strategy was written, much work has taken place to bring partners together around a joint plan. Consequently the Joint Health and Well-being Strategy for 2015 to 2020 represents a pragmatic approach to joining up a number of plans which are already in existence:

- The Joined-up Health and Social Care Plan
- The Healthy Torbay framework
- The Community Safety and Adult and Children's Safeguarding plans

With this emphasis on integration, it is recognised within this strategy is now the over-riding framework which incorporates many of the previous strategies and plans. Consequently the Children's and Young People plan, the Older People Active Ageing Strategy and the Supporting People strategy will be taken forward within the Joined-up plan. In addition the Health and Well-being Board will agree three or four key cross-cutting issues each year for particular consideration where there are significant issues for health and well-being.

Performance Measures from the Adult Social Care Outcomes Framework (ASCOF), Better Care Fund (BCF) & Local Indicators (Version 3.7)

| Domain & KPI | Frame work | Available | 2016/17 Target | 2015/16 Target | 2014/15 Target | 2015/16 Prov Outturn | 2014/15 Outturn | 2014/15 England Average | 2014/15 SW Average |
|--|-------------|-----------|----------------|----------------|----------------|----------------------|-----------------|-------------------------|--------------------|
| Domain 1: Enhancing quality of life for people with care and support needs | | | | | | | | | |
| ASC 1A: Social care-related quality of life | ASCOF | Annual | 19.4 | 19.2 | no tgt | 19.7 | 19.4 | 19.1 | 19.3 |
| ASC 1B: The proportion of people who use services who have control over their daily life | ASCOF | Annual | 79.0% | 79.0% | no tgt | 81.5% | 80.4% | 77.3% | 79.9% |
| ASC 1C part 1A: The proportion of people using social care who receive self-directed support (adults aged over 18 receiving self-directed support) | ASCOF | Monthly | 90.0% | no tgt | no tgt | 93.6% | 90.1% | 83.7% | 79.2% |
| ASC 1C part 1B: The proportion of people using social care who receive self-directed support (carers receiving self-directed support) | ASCOF | Monthly | 83.0% | no tgt | no tgt | 82.6% | 79.7% | 77.4% | 71.0% |
| ASC 1C part 2A: The proportion of people using social care who receive direct payments (adults receiving direct payments) | ASCOF | Monthly | 26.0% | no tgt | no tgt | 26.0% | 27.8% | 26.3% | 24.7% |
| ASC 1C part 2B: The proportion of people using social care who receive direct payments (carers receiving direct payments for support direct to carer) | ASCOF | Monthly | 83.0% | no tgt | no tgt | 82.6% | 79.7% | 66.9% | 47.7% |
| ASC 1D: Carer-reported quality of life | ASCOF | Biennial | 9.0 | n/a | no tgt | n/a | 8.3 | 7.9 | 7.9 |
| ASC 1E: Proportion of adults with a learning disability in paid employment | ASCOF | Monthly | 4.0% | 4.5% | no tgt | 3.9% | 3.8% | 6.0% | 6.3% |
| ASC 1F: Proportion of adults in contact with secondary mental health services in paid employment (commissioned outside ICO) | ASCOF | Monthly | 6.0% | 7.1% | 5.5% | 3.2% | 1.7% | 6.8% | 8.4% |
| ASC 1G: Proportion of adults with a learning disability who live in their own home or with their family | ASCOF | Monthly | 75.0% | 70.0% | 69.0% | 70.3% | 71.0% | 73.3% | 69.5% |
| ASC 1H: Proportion of adults in contact with secondary mental health services who live independently, with or without support (commissioned outside ICO) | ASCOF | Monthly | 68.0% | 77.0% | 77.0% | 62.1% | 62.9% | 59.7% | 53.8% |
| ASC 1I part 1: Proportion of people who use services who reported that they had as much social contact as they would like | ASCOF / BCF | Annual | 50.0% | 41.7% | no tgt | 49.4% | 43.9% | 44.8% | 45.7% |
| ASC 1I part 2: Proportion of carers who reported that they had as much social contact as they would like | ASCOF | Biennial | 41.5% | n/a | no tgt | n/a | 41.5% | 38.5% | 36.4% |
| D40: % clients receiving an annual review | Local | Monthly | 76.0% | 76.0% | 80.0% | 78.1% | 76.4% | n/a | n/a |
| SC-005: No. of overdue reviews | Local | Monthly | no tgt | no tgt | 500 | 677 | 710 | n/a | n/a |
| SC-007b: Number of OOA placements reviews overdue by more than 3 months (snap shot) | Local | Monthly | 0 | 0 | no tgt | 0 | 8 | n/a | n/a |
| D39: % clients receiving a Statement of Needs | Local | Monthly | 90.0% | 90.0% | 95.0% | 88.5% | 90.0% | n/a | n/a |
| NI132: Timeliness of social care assessment | Local | Monthly | 70.0% | 74.1% | 70.0% | 68.9% | 74.1% | n/a | n/a |
| NI133: Timeliness of social care packages following assessment | Local | Monthly | 94.0% | 90.0% | 85.0% | 95.2% | 94.6% | n/a | n/a |
| Domain 2: Delaying and reducing the need for care and support | | | | | | | | | |
| ASC 2A p1: Permanent admissions to residential and nursing care homes, per 100,000 population. Part 1 - younger adults | ASCOF | Monthly | no tgt | no tgt | no tgt | tbc | 6.7 | 14.2 | 16.8 |
| ASC 2A p2: Permanent admissions to residential and nursing care homes, per 100,000 population. Part 2 - older people | ASCOF / BCF | Monthly | 563.2 | 572.6 | 594.6 | tbc | 606.3 | 668.8 | 678.2 |
| ASC 2B p1: Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services. Part 1 - effectiveness | ASCOF / BCF | Annual | 88.7% | 88.7% | 82.0% | 80.0% | 77.2% | 82.1% | 84.0% |
| ASC 2B p2: Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services. Part 2 - coverage | ASCOF | Annual | no tgt | no tgt | no tgt | n/a | 3.5 | 3.1 | 3.5 |
| ASC 2C p1: Delayed transfers of care from hospital and those which are attributable to adult social care. Part 1 - total delayed transfers | ASCOF | Monthly | no tgt | no tgt | no tgt | 7.0 | 7.6 | 11.1 | 15 |
| ASC 2C p2: Delayed transfers of care from hospital and those which are attributable to adult social care | ASCOF | Monthly | no tgt | no tgt | no tgt | 3.0 | 3.4 | 3.7 | 5.9 |
| BCF-04a: Average monthly number of days of delayed transfers of care per 100,000 population aged 18 and over | BCF | Monthly | 2460 | tbc | tbc | tbc | tbc | tbc | tbc |
| ASC 2D: The outcomes of short-term support: sequel to service | ASCOF | Monthly | 85.0% | no tgt | no tgt | tbc | 82.7% | 74.6% | 76.0% |
| LI-404: No. of permanent care home placements at end of period | Local | Monthly | 617 | 630 | 644 | 635 | 641 | n/a | n/a |
| LI-450: Proportion of clients supported in a care home at end of period | Local | Monthly | no tgt | no tgt | 18.0% | 21.3% | 20.0% | n/a | n/a |
| BCF-01: Non-elective hospital admissions (general and acute) per 100k population | BCF | Monthly | 17,688 | 14,119 | tbc | tbc | 14,119 | n/a | n/a |
| BCF-03: Dementia Diagnosis Rate | BCF | Annual | 66.71% | 60.0% | tbc | tbc | tbc | n/a | n/a |

| Domain & KPI | Frame work | Available | 2016/17 Target | 2015/16 Target | 2014/15 Target | 2015/16 Prov Outturn | 2014/15 Outturn | 2014/15 England Average | 2014/15 SW Average |
|---|------------|-----------|----------------|----------------|----------------|----------------------|-----------------|-------------------------|--------------------|
| Domain 3: Ensuring that people have a positive experience of care and support | | | | | | | | | |
| ASC 3A: Overall satisfaction of people who use services with their care and support | ASCOF | Annual | 68.0% | 68.5% | no tgt | 67.9% | 69.7% | 64.7% | 67.4% |
| ASC 3B: Overall satisfaction of carers with social services | ASCOF | Biennial | 46.4% | n/a | no tgt | n/a | 46.4% | 41.2% | 41.9% |
| ASC 3C: The proportion of carers who report that they have been included or consulted in discussions about the person they care for | ASCOF | Biennial | 75.7% | n/a | no tgt | n/a | 75.7% | 72.3% | 72.1% |
| ASC 3D part 1: The proportion of people who use services who find it easy to find information about services | ASCOF | Annual | 81.3% | 77.3% | no tgt | 81.3% | 77.4% | 74.5% | 76.6% |
| ASC 3D part 2: The proportion of carers who find it easy to find information about services | ASCOF | Biennial | 75.0% | n/a | no tgt | n/a | 74.9% | 65.5% | 66.4% |
| NI135: Carers receiving needs assessment, review, information, advice, etc. | Local | Monthly | 40.0% | 40.0% | 35.0% | 43.3% | 41.3% | n/a | n/a |
| Domain 4: Safeguarding adults who circumstances make them vulnerable and protecting from avoidable harm | | | | | | | | | |
| ASC 4A: The proportion of people who use services who feel safe | ASCOF | Annual | 72.3% | 69.6% | no tgt | 72.3% | 67.2% | 68.5% | 68.3% |
| ASC 4B: The proportion of people who use services who say that those services have made them feel safe and secure | ASCOF | Annual | 85.2% | 85.6% | no tgt | 85.2% | 83.3% | 84.5% | 86.9% |
| QL-018: Proportion of high risk Adult Safeguarding Concerns where immediate action was taken to safeguard the individual | Local | Monthly | 100.0% | n/a | n/a | n/a | n/a | n/a | n/a |
| TCT14b: % repeat safeguarding referrals in last 12 months | Local | Monthly | 8.0% | 8.0% | n/a | 4.9% | 7.6% | n/a | n/a |

EDS specification

The commissioner needs to develop and agree a detailed service specification that must contain the following:

- Service objectives
- Service standards and policies
- Staff standards and key personnel allocations
- Relationships with the day service
- Referral responsibilities and formal handshakes
- Referral criteria
- Day time alert process two way
- Resource and organisational obligations (leave/sickness/rota arrangements etc.)
- Management cover
- Quality Assurance including monitoring and KPI expectations.
- The provider must then recognise and price these expectations in the service specification and understand its need to adhere to its obligations.
- The service needs to develop a succession planning policy, with a focus on the induction of new staff to generic working.
- The EDS requires a performance management framework for the team, and specific service standards. The lack of performance management arrangements means that the effectiveness of the team cannot be measured and the quality of the service provided cannot be assured. There is an available EDT Access Database which records call profile, call categories, lengths of calls, times of calls etc. that could produce quality management information for workforce and capacity planning. This database has been used by the review to evidence the recommendations in this report.
- It is recommended that the EDS carries out regular self-evaluation of how well the service is meeting the needs of service users and other agencies, including an evaluation of how well the needs of families and carers were met.
- The EDS needs to be clear in its policy statement about the level of service they are providing. This message needs to be emphasised to other agencies which may refer cases.
- The service requires a radical change on operation just on the basis that it continuously relies on the goodwill of the personnel working in EDS. There is no flexibility or surplus capacity in its existing form. Only a move to a more dynamic approach will achieve this, especially in the light of continuous recruitment problems.

Adult Social Care

Director:

Caroline Taylor

Executive Lead:

Cllr Christine Scouler

| Agreed Savings – Outline details | Savings for 2015/16 | | | Balance | Notes |
|---|---------------------|--------------------------|--|-----------|---|
| | Income £ | Budget reduction £ | Estimated Recurrent Savings £ | | |
| Adult Social Care (via Partnership Agreement with Torbay and Southern Devon Health and Care NHS Trust / ICO) | | | | | |
| 1. Renegotiation of Contracts: | | 220,000 | 188,000 | (32,000) | Secured best value from a range of existing contracts, without affecting service volumes or outcomes, through negotiation of terms and conditions with suppliers. |
| 2. Review of all existing community care support plans | | 381,000 | 111,000 | (270,000) | This was within existing policy and continued to ensure equity and parity between service users. The scheme has delivered savings in 2014/15 and partial savings into 2015/16. This has been predominantly underpinned by savings on Packages of Care over £606 per week. |
| 2a. Review of all existing community care support plans (Low Cost Packages of Care specific) | | 117,000 | Nil | (117,000) | This area is under severe pressure in 2015/16 and not only has no progress been made on the CIP target of £117K but there is an additional cost pressure of £361K forecast for the year. It should be noted that this is year 2 of a two year programme and that the first year target of £400K was undelivered and this underlying issue has been carried forward into 2015/16. |
| 3. Care Home Placement Numbers & Rates | | 360,000 | 494,000 | 134,000 | There has been a year on year reduction in the number of placements, which are necessary to meet assessed needs, over the last five years and this continued throughout 2015/16. This trend has developed as alternative forms of care have come on stream. |

| Agreed Savings – Outline details | Savings for 2015/16 | | | Balance | Notes |
|--|---------------------|--------------------------|--|----------|--|
| | Income £ | Budget reduction £ | Estimated Recurrent Savings £ | | |
| 4. Equitable Application of Non-residential Charging policy | 50,000 | | 50,000 | Nil | This was within existing policy and ensured equity and parity between service users. The scheme started in 2014/15 and all relevant service users had been assessed by April 2015. |
| 5. Community Alarms | | 48,000 | 48,000 | Nil | Operations based – Managed within the bottom line of operational spend, within the Trust and laterally the ICO. |
| 6. Learning Disability Development Fund | | 17,000 | 17,000 | Nil | Operations based – Managed within the bottom line of operational spend, within the Trust and laterally the ICO. |
| 7. Voluntary Sector Block Contracts | | 38,000 | 17,000 | (21,000) | Reduction in block contracts with the voluntary sector. Only partial savings achieved in 2015/16. |
| 8. Service Redesign - Learning Disability | | 525,000 | 675,000 | 150,000 | Detailed review through engagement processes which included people with learning disabilities and representative groups. Over achieving this target required a range of challenging redesign work to be completed on a co-production basis with stakeholders and services users. This covered day care and residential service including transport arrangements. |

| Agreed Savings – Outline details | Savings for 2015/16 | | | Balance | Notes |
|--|---------------------|--------------------------|--|-----------|---|
| | Income £ | Budget reduction £ | Estimated Recurrent Savings £ | | |
| 9. Service Redesign - Respite Care | | 250,000 | Nil | (250,000) | Following a consultation process a revised policy (now referred to as short breaks) was implemented to ensure equitable availability of respite care services according to need. Unfortunately, since this scheme was originally proposed (late 2013 as part of 2 year CIP programme) there has been a significant demand pressure that has resulted in no CIP being achievable. |
| 10. Service Redesign - St Kilda's | | 320,000 | 63,000 | (257,000) | During 2015/16 no progress was made on the proposed new build that it was hoped would have realised the full level of savings required. In the interim £63K was realised, mainly as a result of private / out of area clients utilising the residential element of the St Kilda facility. |
| 11. Delivery Model 1 - Assessment Process | | 668,000 | 668,000 | NIL | Operations based – Managed within the bottom line of operational spend, within the Trust and laterally the ICO. |
| 12. Delivery Model 2 - Emergency Duty Team | | 274,000 | 274,000 | NIL | Operations based – Managed within the bottom line of operational spend, within the Trust and laterally the ICO. |
| 13. Delivery Model - Quality Assurance | | 127,000 | 127,000 | NIL | Operations based – Managed within the bottom line of operational spend, within the Trust and laterally the ICO. |

| Agreed Savings – Outline details | Savings for 2015/16 | | | Balance | Notes |
|---|---------------------|--------------------------|--|------------------|---|
| | Income £ | Budget reduction £ | Estimated Recurrent Savings £ | | |
| 14. Movement of clients from residential homes to Extra Care Housing | | 500,000 | Nil | (500,000) | The scheme objective was to support people to remain, or return to, living independently in their own accommodation. This area was looked into in some detail specifically with regard alternative accommodation alternatives specific to the Learning Disability client group. Nothing suitable could be sourced within the two year CIP time frame. |
| 15. Non recurrent in year savings | | Nil | 617,000 | 617,000 | Savings were achieved in the first half of the financial year (Learning Disability was £361K of overall total) but due to pressures in the second half, expenditure levels have increased and therefore, the on-going commitments do not signal recurrent savings moving into 2016/17. |
| TOTAL | 50,000 | 3,845,000 | 3,349,000 | (546,000) | |


This statement is agreed on 18 May 2016 between NHS South Devon and Torbay Clinical Commissioning Group (the “CCG”), Torbay and South Devon NHS Foundation Trust (the “Trust”) and Torbay Council (“the Council”) in its role as commissioner of social care, and sets out the agreements made on the unresolved issues for 2016/17. This statement will be included within the 2016/17 NHS Standard Contract (the “contract”), Schedule 2G and will be varied into the Risk Share Agreement (RSA). The RSA sits alongside the contract and whilst does not override the quality or administrative elements, does supersede all financial components.

The following points have been agreed:

1. Transformation funding to be managed as £3.9m investment pool (£2m funded from the CCG and £1.9m from the Trust). The investment pool will sit outside of RSA and will, if underspent, be shared 50:50 between the Trust and the CCG.
2. Better Care Fund (BCF).
 - a. For Torbay Council the BCF value for protecting Adult Social Care is proposed to be £1.65m. This represents a reduction of £1.3m based on 15/16. A mediation process is being undertaken by NHS England that will place the risk with either the Council or the CCG. This mediation process commences Tuesday 24 May. The Council and CCG will underwrite the value of £1.3m to ensure the risk is not placed with the Trust. The Trust will not charge either commissioner until the outcome of the mediation is determined at which point it will be backdated from 01 April 2016. Delivery of improvements as a result of BCF investment will be monitored.
 - b. For Devon County Council the BCF value for protecting Adult Social in 15/16 was £2.4m. £1.2m has already been removed from the RSA baseline. Of the residual value, an additional £600k will also be removed from the RSA baseline
3. For the management of funds following the transfer of west Devon services, Northern Eastern and Western (NEW) Devon CCG has agreed an annual payment of £919k to the Trust. The residual shortfall value of £750k will be split 50:50 between the CCG and the Trust. The CCG and the Trust will conclude a piece of work by 31 August 2016 to confirm the recurrent arrangements. This will include following up the indication from NEW Devon CCG that the £919k block will remain in place for three years, with 2015/16 being year one of three.
4. To avoid ‘double jeopardy’, failure of relevant Quality Requirements as per the contract will result in the Trust developing Remedial Action Plans (RAP) that include, where necessary, the value of additional investments made by the Trust in order to recover delivery to the agreed trajectory. No other financial penalty will be applied by the CCG.

A collaborative process will be agreed between the Trust and the CCG that describes the governance arrangements for the non-delivery of quality requirement thresholds. This will include RAPs that are transparent and allow challenge via the respective Trust Board and CCG Governing Body. Plans must demonstrate actions that will bring delivery back to agreed trajectory and will be available for public scrutiny.
5. The quality payments associated with Commissioning for Quality and Innovation (CQUIN) will be treated as part of the RSA block value and will not be variable based on performance.
6. The responsibility of the placed people service will remain delegated from the CCG to the Trust for 16/17. A proposal will be developed by 30 September 2016 which, if agreed by the Trust, the CCG and the Council will be implemented at the earliest on 01 April 2017, unless otherwise

agreed. Savings delivered in 16/17 will form part of the RSA unless the 'who benefits' ¹ framework, being developed jointly all three parties, determines a different conclusion.

7. All parties agree to an adjustment to the deficit position from which the RSA will operate. The planned deficit of £0.9m as written in the RSA will be adjusted to £1.8m deficit due to the receipt of the Sustainability and Transformation Funds of £6.7m and adjusted for the investment in urgent and emergency care. Where actual performance is better than the baseline £1.8m deficit, agreement will be reached between finance leads on the appropriate sharing of benefits between parties, mindful to avoid withdrawal of the STF for non-delivery of the target surplus of £2.3m as agreed with NHS Improvement.
8. The RSA baseline will be restated and presented for approval to the Risk Share Oversight Group on Wednesday 25 May.
9. The full year effect of QIPP delivered in 2015/16 of £920k will be deducted from the value of the CCG acute contract as per the RSA baseline.
10.  In 2016/17 the Council will fund £1,566k previously withdrawn from the RSA value in respect of the 'Mayoral Challenge'. All parties will work to generate income or drive efficiencies in services outside of direct care delivery to address this matter on a recurring basis in 2017/18.
11. The Council have uplifted the RSA value in respect of the interim payment in response to the Judicial Review into care home fees. Any balance due as a result of the outcome of this, existing Judicial Review result in a further increase in the Council's RSA value. Further increases in care home fees, either inflationary or arising from new factors such as the living wage will be managed through the RSA without adjustment to RSA baseline value.

¹ 'who benefits' framework being developed by Ann Wagner, Jo Turl and a Council representative by 30 June 2016.

Acquisition of Torbay and Southern Devon Health and Care NHS Trust by
South Devon Healthcare NHS Foundation Trust

Annex 6b

In partnership with Torbay Council and South Devon and Torbay Clinical Commissioning Group



Risk-Share Agreement

Contents

| | | |
|----|---|----|
| 1 | PURPOSE OF AGREEMENT | 2 |
| 2 | PARTIES TO AGREEMENT | 2 |
| 3 | KEY PRINCIPLES BEHIND RISK-SHARE | 2 |
| 4 | DESCRIPTION OF RISK-SHARE MECHANISM..... | 4 |
| 5 | SCOPE OF RISK-SHARE MECHANISM..... | 5 |
| 6 | DEFINITION OF BASELINE..... | 6 |
| 7 | COOPERATION AND EXTRAORDINARY MEASURES | 8 |
| 8 | ICO CARE MODEL INVESTMENT AND TRANSITIONAL FUNDING..... | 10 |
| 9 | TREATMENT OF FUNDS RELEASED THROUGH "UNDERSPENDS" | 10 |
| 10 | LEGAL BASIS OF AGREEMENT | 10 |
| 11 | GOVERNANCE/CONTROL | 10 |
| 12 | CONTRACT VARIATION | 11 |
| 13 | DISPUTE RESOLUTION | 11 |
| 14 | CONTRACT TERMINATION..... | 12 |
| 15 | EXTERNAL REFERENCES..... | 12 |
| 16 | SIGNATURES | 13 |
| 17 | APPENDIX A – BASELINE INCOME AND COSTS | 14 |
| 18 | APPENDIX B – SUMMARY EXTRACT FROM LONG TERM FINANCIAL MODEL (LTFM)..... | 15 |

1 Purpose of agreement

To facilitate the development of integrated health and social care and secure the quality of services. Changing the model of care through creating a stable financial environment for multi-year investment and aligned financial incentives. The future model of care will provide more proactive and preventative care, delivering:

- A shift away from incentivising activity volume growth (in acute services);
- A focus on population groups that are experiencing greatest demographic growth (the very young and the more elderly);
- A shift towards incentivising improved overall system capacity and the use of alternatives to acute admission (including development of community based care);
- To simplify and ease contractual processes and negotiations, to make time for more productive and developmental activities;
- To maximise the use of health and social care funds for care, rather than organisational and administrative processes;
- To maintain levels and quality of service despite reducing real terms resourcing;
- To reduce the volatility arising from individual organisations' exposure to demand and cost changes;
- To support a long-term contract for services between the parties; and support Heads of Terms for agreements between the parties and any regulatory authorities.

2 Parties to agreement

Commissioners:

- South Devon and Torbay Clinical Commissioning Group (SDTCCG) (*Lead: Simon Davies*)
- Torbay Council (*Lead: Martin Phillips*)

Providers (Integrated Care Organisation - ICO):

- South Devon Healthcare NHS Foundation Trust (SDH) (*Lead: Paul Cooper*)
- Torbay and Southern Devon Health and Care NHS Trust (TSD) (*Lead: Mark Hocking*)

The process of developing the agreement has been to understand each of the parties needs from the agreement and then build these into the principles and operational mechanism to deliver a mutually acceptable framework. This has included oversight from the Non-Executives and Governors from the South Devon Healthcare NHS Foundation Trust and Torbay and Southern Devon Health and Care Trust, the GP Governing body of the South Devon and Torbay Clinical Commissioning Group and elected members, and the Mayor from Torbay council. The agreement has also been formally approved by the local authority through their Full Council meeting (pt2).

3 Key principles behind risk-share

1. A financial and service baseline will be agreed for a period of five years, on a rolling basis. Variance from this baseline will trigger the risk-share mechanism;
2. The risk share mechanism focuses on variance in actual costs incurred by the ICO. For the purposes of this risk-share agreement the cause of variance in costs (i.e. demand or efficiency) is not important – the impact will be shared regardless of origin;
3. Variances from planned cost in the ICO will be shared between the parties in agreed proportions. The impact of negative and positive variances will be mirrored;

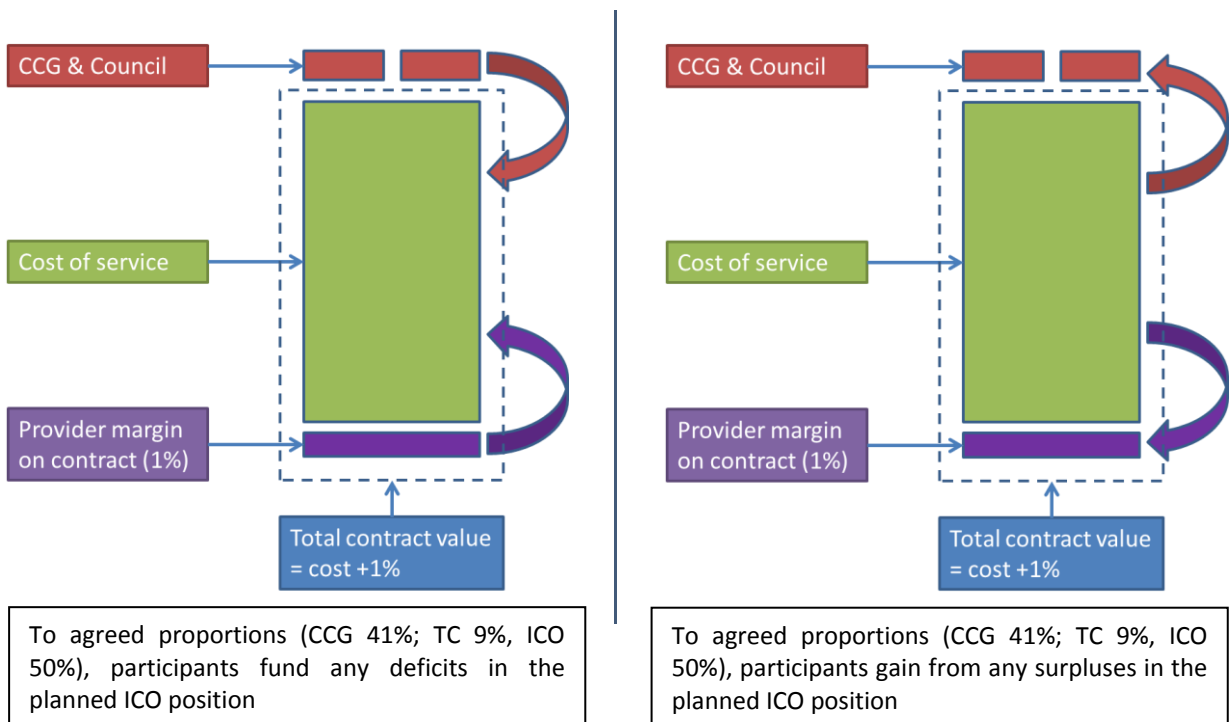
4. Variances from plan will be calculated on the total income and expenditure position of the ICO. This includes all commercial activities and all NHS commissioned services. Therefore, variances arising in services commissioned by NHS England (including specialised services), NEW Devon, and Public Health will also trigger implementation of the risk share agreement;
5. As part of this agreement, and by committing to a five year funding envelope defined by current baseline adjusted for expected growth / contraction in their allocations going forward, commissioners are committed to maintaining planned levels of spend for the duration of this agreement. This envelope recognises that prevailing national economic conditions plan for a real terms decrease. Any downward change to planned resource availability will require re-specifying service commitments to be deliverable within available resources. Any upward change to planned resource availability will also require joint consideration of the service commitments. Such allocation changes, in either direction will, other than by agreement be limited to the overall percentage change applied to the relevant commissioner's overall allocation;
6. Enhancements to elective care pathways delivered by the ICO will deliver a better patient experience and it is therefore expected that patient choice will support the ICO's market share in this area. The impact of patient choice will be accommodated through funding transfer arrangements as part of this agreement. These could increase or decrease the ICO income and will be calculated with reference to the planned and actual level of elective activity delivered in the ICO;
7. The planned ICO cost enables a sufficient margin on income to provide a 1% surplus to the ICO over the five years of this agreement. This surplus may be reduced by adverse cost variances shared through this agreement;
8. This agreement requires a long term commitment from all parties. The initial five year duration for the agreement is set to enable the ICO to recover set up costs and to deliver the 1% target surplus on a sustainable basis. Beyond this point it is recognised that parties may wish to reduce the duration to three years;
9. All parties should seek to minimise costs to the system as a whole where possible and to maximise the utilisation of all public expenditure;
10. Sufficient transparency around the cost base of the ICO and CIP plans, along with associated transparency around commissioner (financial and commissioning) plans will be a prerequisite for the successful operation of the risk share agreement;
11. Where parties have a responsibility to commission services, set prices, or enter into agreements which may affect the cost of the ICO, these responsibilities will be exercised with due regard to the risk share agreement, and the parties to it. Early and sufficient transparency around such arrangements will be the expectation;
12. The impact of unplanned changes to commissioner funding envelopes will be managed in accordance with key principle five above.

4 Description of risk-share mechanism

1. **Agree baseline:** A planned level of service commitment and ICO spend on these services will be agreed for an initial five year fixed period. The agreement will move to a rolling three year period beyond this point;
2. **Commit resources:** Commissioners will agree to commit the necessary resources to meet the baseline level of service as described in current plans, allowing for a 1% surplus for the ICO;
3. **Deliver service efficiencies:** The ICO will deliver agreed levels of efficiency improvements throughout the period;
4. **Manage variance:** Any variance in the planned financial performance of the ICO, as initially captured in the LTFM (baseline summarised in Appendix A on page 13). This may be subsequently amended by agreement, and will be shared according to proportions described below;
5. **Changes to risk share contributions:** Changes to risk share contributions will normally only arise where they follow a shift in baseline resource between commissioning organisations not already described in current plans. Changes in baselines already described in current plans will not give rise to alterations in the risk share contributions set out above.

| Party | Share | Practical application |
|-----------------------------|-------|---|
| ICO (currently SDH and TSD) | 50% | Overspend: All costs incurred within ICO Underspend: All costs incurred within ICO |
| TSDCCG | 41% | Overspend: Share of variance is paid to ICO |
| Torbay Council | 9% | Underspend: Share of variance is withheld from ICO |

This is represented diagrammatically:



5 Scope of risk-share mechanism

| | |
|--|-----|
| Contract between the current SDH and CCG | |
| Elective services (planned) | In |
| Non-elective services (urgent) | In |
| All other services (e.g. PTS) | In |
| Contract between the current TSD and CCG | |
| Continuing healthcare (live cases) ¹ | In |
| Continuing healthcare (retrospective cases) | Out |
| Community health services | In |
| Contract between the current SDH and Torbay Council | |
| Public health | In |
| Contract between the current TSD and Torbay Council | |
| Public health | In |
| Adult social care | In |
| Other relevant factors²: | |
| Other sources of income to SDH | In |
| Other sources of income to TSD | In |
| Supporting people | Out |
| Joint equipment store | Out |
| Devon social care | Out |
| West Devon contract with NEW Devon CCG | In |
| Additional non-clinical service resource allocations e.g. Consultant Merit Awards, etc. | In |
| Impact of Care Act and other regulatory changes | In |

¹ There will be a requirement to continue managing the distinction between health and social care for South Devon patients, unlike for Torbay patients where the commissioning is fully integrated. It is assumed that proportion of people receiving continuing healthcare is aligned between Torbay Council and Devon County Council.

² Any surplus or deficit the ICO makes from activities outside the scope of the risk share agreement may be factored into the agreement (and, therefore effect the financial position of all parties) by mutual agreement of the parties as described in Section 7 (page 8).

6 Definition of baseline

The baseline will be defined as follows:

Service commitments

The services provided by SDH and TSD at the end of 2014/15 will define the baseline range of services to be provided by the ICO once formed.

The level of activity provided within each service will not be explicitly measured as part of this risk share agreement, as payments will not be made on an activity basis. However, activity will be recorded and reported as per other regulatory requirements, and for the purposes of service analysis and improvement (in concert with commissioners and national initiatives).

Although income will not be linked to activity, should costs exceed income an understanding the driver(s) for a deficit will be essential to help identify solutions. Many of the costs in the ICO will continue to be linked to levels of demand, understanding variances between planned and actual demand will therefore be a requirement of this agreement.

Both commissioners five year financial plans are described explicitly in the ICO final business case (FBC) and form a key component of the financial baseline within the ICO LTFM. A summary is provided in the appendix, page 13.

The CCG and the acute trust have agreed Heads of Terms for the 2015/16 contract which describes the mechanism to achieve the necessary opening recurrent baseline. These Heads of Terms identify the treatment of the associated opening baseline risks and will be applied in advance of the ICO Risk Share Agreement being applied.

The specification and mode of delivery of services may be changed by the ICO (undertaking relevant consultation where necessary) in order to better meet the needs of the community while continuing to deliver against the above frameworks.

Shifts in services, either into or out of the ICO will result in a cost change to the baseline of the ICO but will otherwise not affect the operation of the agreement (except insofar as they are so material they would trigger other aspects of the agreement). In other words, where commissioners incur net costs or savings as a result of the shift in service, these will be borne by the commissioners.

Performance Management

The ICO will meet the requirements of all statutory performance frameworks for these services. These frameworks are as follows:

- The Monitor risk assessment framework
- The Single Outcomes Framework which is currently under development by the parties.

The Commissioners and the ICO are committed to the delivery of all performance standards in the standard NHS contract. It is recognised that imposed penalties will not in and of themselves enable achievement of standards and may run counter to the aims of the risk share agreement. Any penalties which are calculated under the NHS standard contract will be used in full to address the performance issues for which it was identified.

It is recognised that penalties may apply in two distinct circumstances - planned and unplanned.

- Where an unplanned penalty is applied, i.e. a breach of performance standard which was not planned, this will be subject to management as described above;
- Where the breach is planned (i.e. agreed in advance with Commissioners), e.g. backlog patients impacting on RTT or managing diagnostic waiting times, etc. then this will be subject to a more proactive approach describing the plan to the commissioner upfront. In these circumstances penalties will not be levied.

It is the Commissioner and Trust intention that as many breaches of performance standards as possible fall into the planned category and are managed in the way set out above.

Service costs

The cost baseline will be defined and agreed for the services described above over the initial 5 year period. This will set out a profile of the total cost of ICO health and care services for the relevant population for this period and analysed by commissioner.

The initial cost will be determined by the indicative resource availability information provided by the commissioners in advance of this agreement, which has been informed by historic service costs alongside key service changes for 2015/16.

This cost baseline will be set out in the final ICO LTFM in support of the Transaction Agreement as submitted to Monitor and the Trust Development Authority (TDA) for the purpose of regulatory assessment. A summary is provided in the appendix on page 13.

As a general principle the ICO will be supported to make a 1% surplus on its services, and a 1% margin will be applied on the total planned service cost within this agreement. Changes to surplus can however be considered as part of level 2 and level 3 risk share considerations (below).

Arrangements for the appropriate recovery of VAT in line with current arrangements between the Council and Torbay and Southern Devon Health and Care NHS Trust insofar as they will relate to the on-going services provided by the ICO will be considered alongside this arrangement. Further guidance on the VAT implications of Better Care Fund, and in particular as it relates to this arrangement, will be considered alongside this arrangement.

Financial Mechanism

The basic model of payment underpinning the risk share agreement is seeking to move from a historic negotiated contract based on an initial agreement of likely future demand and income under tariff to a longer term, planned level of income, in line with commissioner funding, which seeks to better enable the ICO to move settings of care from more to less acute settings. The current and planned cost of the ICO along with anticipated efficiencies will inform the payment model, alongside a view of current and future commissioner funding. This will be supported through greater transparency for commissioners around the current cost base of the ICO, as well as sight of and input to investment (particularly capital and workforce) plans and reciprocally, greater transparency of commissioner funding and associated spending plans. Both commissioners and provider will evaluate the value for money of this approach as a minimum in the context of national standard contract terms and conditions and current national tariff.

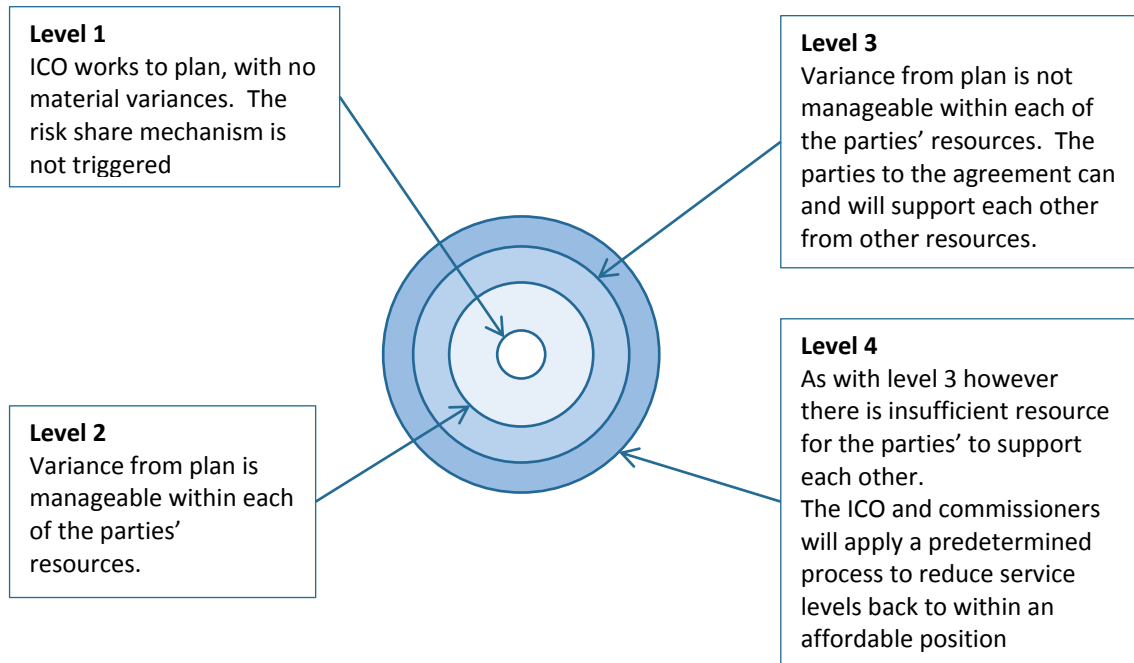
Payments for the delivery of services (as per the agreed capitation baseline) will be made monthly.

Variance between actual costs and the baseline will be reviewed in arrears on a quarterly basis. If actual costs are higher than the agreed baseline then the relevant additional share will be paid to the ICO for the quarter, in accordance with agreed risk share proportions. If actual costs are less than the agreed baseline then that month's contract payment will be reduced to account for underspend in the quarter, in accordance with agreed gain share.

This mechanism to apportion the variance will apply at each of the levels 2, 3 and 4 of extraordinary measures that are described in section 7 below.

7 Cooperation and extraordinary measures

The core mechanisms within this risk share agreement aim to incentivise a reduction in cost of health and care across the community, and reduce the risk to individual parties through sharing the impact of adverse (or positive) financial performance between the parties.



These mechanisms are summarised as “Levels 1 & 2” below:

| Level | Description | Action |
|---------|--|--|
| Level 1 | Agreed plan is met with no material variance | Contract sums are paid on a monthly basis. |
| Level 2 | Variance from plans is manageable within normal flexibilities available to parties | The risk share mechanism is applied as described herein, with variations applied on a quarterly basis. |

It is possible that external events or extraordinary pressures may lead to a situation where one or more parties to this agreement struggle to meet their contractual commitments. This is a particular risk in the public sector where new rules or budget changes can be imposed without warning and in a short time period.

The parties have agreed to operate in a spirit of cooperation to meet challenges to the local community over the life of this agreement. As such the parties will consider flexibilities they may have in order to support each other.

The following table (describing escalation levels 3 and 4) indicates how the parties will aim to support each other in such circumstances.

| Level | Description | Action |
|---------|--|--|
| Level 3 | <p>One party raises concerns meeting their obligations within the agreement.</p> <p>The other parties have capacity to support the troubled party.</p> <p>These issues may be raised by the risk share oversight group which meets on a quarterly basis.</p> | <p>Support may be provided through the following routes (this list is not exhaustive):</p> <p>Mutual agreement to flexible management of financial commitments within the contract period.</p> <p>Consideration of how services and funds that are out of scope of the risk share agreement (see page 2) but have a potential impact on other parties could contribute towards the wider group’s sustainability.</p> <p>Consideration of other (potentially third party) routes of support that could be drawn upon to support the wider group’s sustainability.</p> |
| Level 4 | <p>One party raises concerns about meeting their obligations within the agreement.</p> <p>The other parties do not have capacity to support the troubled party.</p> <p>These issues will be raised by the risk share oversight group. It is anticipated that this would occur infrequently (for instance as part of an annual review) and with significant notice.</p> | <p>Solutions may be drawn from the following routes, which would only be considered where other options have been exhausted, and where the parties agree the chosen option would be a “least harm” approach (this list is not exhaustive):</p> <p>Consideration of potential changes to service scope or specification in order to reduce costs while meeting statutory demands.</p> <p>Consideration of potential for one or more parties to compromise delivery of expected performance or financial standards on a temporary basis, alongside a plan to resolve the situation and put the agreement onto a more sustainable position.</p> |

8 ICO Care Model investment and transitional funding

Under this type of collaborative agreement both commissioners and the provider have needs of assurance that are different than under a PbR contract type. Commissioners are seeking assurance around the investments necessary to deliver the care model changes and other significant investments and the ICO provider is seeking assurance from commissioners in their role as system managers in managing demand.

ICO Investments: All investment business cases are considered through the Joint Leadership Group in the run up to the ICO. As the ICO we move to business as usual a strategic meeting (in addition to the normal contracts meeting) will be initiated between the ICO and commissioners to review the system performance and the planned strategy for the short, medium and longer term. This should be the formal vehicle for securing CCG support for major service development plans and contract changes. The Trust acknowledges that the main commissioner will want to have some discussion on any significant spend that increases capacity whether capital or revenue and there will be regular dialogue between relevant directors to ensure the CCG is informed before any material decisions are taken. The Commissioner recognises that general operational revenue or capital will need to be committed to maintain services and this agreement will not slow that necessary spend to maintain a commissioned service.

Commissioner demand management: The ICO will need to respond to demand pressure arising from elective and emergency referrals and the CCG role managing system demand will be key in controlling these pressures. In addition to considering the ICO response including its investment response to pressures, the newly convened strategic review group will also consider the actions being taken to support demand management and the effectiveness of these actions.

9 Treatment of funds released through “underspends”

The parties anticipate that in the absence of special circumstances, any underspend achieved by the ICO should be pooled, and an appropriate cross-party body would be involved in deciding how such funds are invested in future health and care services. A group such as the Pioneer Board or JoinedUp Cabinet may be appropriate for this role.

In circumstances where one or more parties are under extreme financial pressure, the parties agree that any of such parties may need to retain underspends for internal use.

10 Legal basis of agreement

This agreement will take the form of a contract between the parties with an initial term of five years, leading to a three year contract renewed annually on a rolling basis beyond the first five years.

This agreement is designed to sit alongside and complement the existing contracts for services between the two provider trusts (that will become the ICO) and the commissioners. It will not override any of the service quality or administrative elements of those contracts, but will supersede all financial components of these contracts.

11 Governance/control

A risk share oversight group will be created, with initial membership based on the group developing this agreement. It will operate in shadow form from the 1st April 2015 and operate through to the start of the ICO. Administration for the **RSA Oversight Group** will be through the CCG finance lead Simon Bell. They will act to ensure the risk share mechanism is ready to operate from the expected start date of the 1st October 2015. They will have a particular responsibility to consider the medium term operation of the risk share agreement and

provide early advice around likelihood of maintaining risk at level 1 or 2 of the agreement and consider and recommend actions where this is not the case.

Services and cost plans will be reviewed annually, and the rolling contract renewed by the risk share oversight group. Mutually agreed changes will be accounted for as the rolling contract is refreshed each year. This will include review of future government funding plans, and 'horizon scanning' of likely cost and demand pressures.

Financial and service performance against plan, along with review of performance and quality standards will be formally reviewed in the bi-monthly meeting of a contract review group. This will be chaired by an executive director of the CCG. All parties to the risk share agreement will be members of this contract review group.

Each respective organisations statutory responsibility and internal governance mechanisms remain unaffected by this agreement.

12 Contract Variation

Variation to the agreement is possible through the consent of all parties. This may include the addition of new services or reflecting the provider's intention to withdraw from provision or subcontract a service. It may also reflect the commissioner's decision to tender services provided by the ICO.

All parties to the agreement will work together to fully assess the impact of the proposed variation and will be given sufficient time to enable due diligence to be carried out. The specifics of any change will determine the level of materiality and therefore the period of time required for due diligence. However it is envisaged that 3 months will be sufficient in most instances to provide a full impact assessment. This will be followed by a 6 month notice period for the variation to take effect.

Variations will normally be managed through the annual review of the contract, therefore unless the parties agree an alternative start date variations will commence on the 21st April each year.

13 Dispute resolution

All parties are expected to operate in good faith and with transparency with regard to the agreement. Where disputes around the operation of this agreement arise it is expected that the Risk Share Oversight Group will, in the first instance, seek to understand the dispute and either agree remedies or else agree and describe the parameters of the dispute for further consideration.

As it will be important in terms of on-going operation of the agreement to seek to resolve all disagreements locally where the risk share oversight group cannot reach agreement, a special meeting of Chief Executive Officers of the parties will be convened to consider the dispute as described by the risk oversight group and agree a solution.

In the unlikely event that parties to the agreement consider that external mediation is required to resolve a dispute, and with due consideration for the likely impact on the on-going success of the agreement, an external mediation provider will be appointed and all parties to this agreement agree to be bound by the final judgement reached.

The external mediator will be the Centre for Effective Dispute Resolution. The costs of the mediation will be borne by the parties to this agreement equally.

14 Contract Termination

This agreement has been put in place as a medium to long term means of managing the risks relating to volatile funding arrangements alongside increasing demand for care. There is also an expectation that this agreement will help to facilitate service reconfiguration over the course of the agreement.

This agreement should ensure that the first step for any party who wishes to change or withdraw from the agreement should be to sit down with the other parties to understand the circumstances and identify an appropriate solution that best meets the needs of the local population and balances the interests of the parties. Therefore there is no explicit premature termination clause within this agreement.

The duration of this agreement is set to allow sufficient time for the ICO to make the necessary service changes and investments and to achieve the resulting efficiencies. The modelling has indicated that this will be achieved of the first 5 years of the ICO and this period has therefore been agreed as the initial duration of the contract. At the end of the initial 5 year term the contract term will revert to a rolling 3 years.

During this time all efforts will be made to support each other in the event that individual parties' become financially distressed. However if one party is not in a position to continue the agreement the notice period is 12 months. This period of time is required for the other parties to the agreement to conclude their own exit plans. At the end of this notice period the default contractual terms set out in the NHS standard contract will apply. For the acute aspects of the business this will be payment by results (PbR) and for the community aspect of the business the traditional cost plus contract terms will apply to the extent PbR tariff have not been developed.

Force majeure

There may be a small number of exceptions to the above, which account for circumstances where there is a very serious catastrophe or event that threatens the health of the local population on a large scale or the existence of any of the parties as a going concern.

One of the partners shall not be deemed in default of this Agreement, nor shall it hold the other Parties responsible for, any cessation, interruption or delay in the performance of its obligations (excluding payment obligations) due to earthquake, flood, fire, storm, natural disaster, war, terrorism, armed conflict, or other similar events beyond the reasonable control of the Party provided that the Party relying upon this provision:

- 1) gives prompt written notice thereof, and
- 2) takes all steps reasonably necessary to mitigate the effects of the force majeure event.

For clarity most changes in government policy or funding would not be covered by this force majeure clause. We can reasonably anticipate that there will be changes in policy and funding in the life of this agreement and such changes should not signal an end to the relationships described in this agreement. The purpose and spirit of this agreement is to:

- 1) Recognise the level of uncertainty in health and care services and the existence of local risk
- 2) Ensure that the parties collaborate to prepare for and manage such risks for the medium-long term
- 3) Share the financial impact of any residual risk and benefit

15 External references

This risk share agreement will be referenced within the following documents:

- The Business Transfer Agreement
- The contract for services between the ICO and SDTCCG – financial schedules
- Torbay Council – The Annual Strategic Agreement
- The SDH Final Business Case
- The TSD Divestment Business Case

16 Signatures

Signed on behalf of **South Devon and Torbay Clinical Commissioning Group (SDTCCG)**

Signature: Name:

Signed on behalf of **Torbay Council**

Signature: Name:

Signed on behalf of **South Devon Healthcare NHS Foundation Trust (SDH)**



Signature: Name: Mairead McAlinden, CEO

Signed on behalf of **Torbay and Southern Devon Health and Care NHS Trust (TSD)**

Signature: Name:

17 Appendix A – Baseline income and costs

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|---|---------------|---------------|---------------|---------------|---------------|
| | £m | £m | £m | £m | £m |
| INCOME | | | | | |
| South Devon & Torbay CCG (Community) ¹ | 60.4 | 62.2 | 64.1 | 66.1 | 68.2 |
| South Devon & Torbay CCG (Acute) ² | 160.4 | 162.6 | 164.9 | 167.2 | 169.6 |
| Torbay Council ASC | 38.0 | 36.5 | 35.6 | 34.7 | 33.9 |
| Other operating revenue ³ | 115.7 | 117.6 | 120.5 | 121.7 | 124.4 |
| Non-operating revenue | -6.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total income | 374.5 | 378.9 | 385.1 | 389.7 | 396.1 |
| COSTS | | | | | |
| Employee Benefit expenses | -210.1 | -206.4 | -200.7 | -198.8 | -198.8 |
| Drug expenses | -27.1 | -29.1 | -30.8 | -32.8 | -35.0 |
| Clinical supplies and services expenses | -30 | -30.6 | -31.9 | -33.1 | -34.5 |
| Adult Social Care | -39.4 | -38.9 | -38.4 | -37.9 | -37.4 |
| Other Expenses | -57.2 | -54.5 | -55.6 | -58.3 | -61.8 |
| PFI operating expenses | -0.9 | -0.9 | -0.9 | -1.0 | -1.0 |
| Non-operating expenses | -17.7 | -21.5 | -21.6 | -23.8 | -21.1 |
| Total costs | -382.5 | -382.0 | -380.0 | -385.7 | -389.6 |
| NET SURPLUS / DEFICIT | -13.9 | -3.1 | 5.2 | 4.0 | 6.6 |
| Normalised surplus / deficit | -7.4 | -0.6 | 6.2 | 6.5 | 6.6 |

Notes

¹ The TSD CCG element of ICO income combines the growth rates of the CCG assumptions on CHC and the balance of TSD budgets.

² The baseline value is consistent with the opening contract identified in the Heads of Terms and the Standard NHS contract. As the Trust and commissioners secure the savings needed to manage the costs down by £2.2M in year and £4.4M recurrently this will reduce the contract value to the target level of £156M.

³ The transaction finance from commissioners has been excluded from clinical income, but is included in Other Operating Revenue, this is separately referenced in the Transaction Agreement.

18 Appendix B – Summary extract from long term financial model (LTFM)

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--|---------------|--------------|-------------|-------------|-------------|-------------|
| | Plan | Plan | Plan | Plan | Plan | Plan |
| | £m | £m | £m | £m | £m | £m |
| Income and Expenditure | | | | | | |
| Income | 374.5 | 378.9 | 385.1 | 389.7 | 396.1 | 404.1 |
| Operating expenses | (364.8) | (360.5) | (358.4) | (361.9) | (368.5) | (375.5) |
| EBITDA | 9.7 | 17.6 | 25.8 | 27.8 | 27.6 | 28.5 |
| Non-operating revenue | (6.0) | - | - | - | - | - |
| Non-operating expenses | (17.7) | (21.5) | (21.6) | (23.8) | (21.1) | (20.6) |
| Net surplus / (deficit) | (13.9) | (3.1) | 5.2 | 4.0 | 6.6 | 7.9 |
| <i>Nominalised surplus</i> | <i>(7.4)</i> | <i>(0.6)</i> | <i>6.2</i> | <i>6.5</i> | <i>6.6</i> | <i>7.9</i> |
| <i>...included in the above :</i> | | | | | | |
| Impairment | (0.5) | (2.5) | (1.0) | (2.5) | - | - |
| Investment in ICO transition Costs | (3.4) | (3.6) | (1.2) | (0.5) | (0.6) | - |
| ICO Merger Synergies | 0.9 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ICO Care Model | 1.6 | 3.3 | 1.7 | 0.1 | 0.1 | 0.1 |
| Continuous Improvement Plan (CIP) | 15.2 | 11.8 | 13.5 | 11.6 | 9.9 | 11.0 |
| | 4.2% | 3.3% | 3.8% | 3.2% | 2.7% | 2.9% |
| Cash balance and key movements | | | | | | |
| Cash Balance | 27.8 | 19.0 | 19.4 | 22.3 | 25.5 | 29.5 |
| Capital Expenditure | (29.1) | (27.8) | (15.9) | (15.2) | (9.3) | (9.3) |
| Loans & leases Drawdown | 31.6 | 14.5 | 5.4 | 5.5 | 0.2 | 0.3 |
| Key Metrics | | | | | | |
| EBITDA Margin | 2.6% | 4.6% | 6.7% | 7.1% | 7.0% | 7.1% |
| ICO changes as % of cost | (0.7%) | (1.2%) | (0.5%) | (0.0%) | (0.0%) | (0.0%) |
| CIP as % of Cost | (4.2%) | (3.3%) | (3.8%) | (3.2%) | (2.7%) | (2.9%) |
| I&E Surplus Margin | (3.7%) | (0.8%) | 1.3% | 1.0% | 1.7% | 2.0% |
| Continuity of Service Measures | | | | | | |
| Liquidity Ratio Rating | 4 | 2 | 2 | 3 | 3 | 4 |
| Capital Servicing Capacity Rating | 1 | 2 | 3 | 3 | 3 | 3 |
| Continuity of Service Risk Rating | 3 | 2 | 3 | 3 | 3 | 4 |

Risk Matrix

Analysis of risks set out in ASA: The risk analysis set out in this grid has been completed against the Trust’s risk scoring matrix under which a score of 4 or less is regarded low, between 6 and 14 as moderate and 15 to 25 as significant.

| Risk Title | Trust Risk Number | Risk Description | Controls and Mitigation in Place | Current Risk Score | | | Risk Owner |
|--|-------------------|---|---|--------------------|------------|-------|------------|
| | | | | Impact | Likelihood | Score | |
| FINANCIAL | | | | | | | |
| Increased overspends on the independent sector | 1236 | Increase in overspends on the Independent Sector (Placed People, Adult Social Care) budgets will impact on the Trust's ability to achieve the business plan current year's business plan. | This risk will be mitigated through discussion at the following groups and meetings: 1. Monthly Finance, Performance & Investment Committee meetings. 2. Monthly Social Care Programme Board meetings. 3. Placed People Oversight Group. 4. SFIs and Scheme of Delegation | 5 | 4 | 20 | Shared |
| STRATEGIC / COMMISSIONING | | | | | | | |
| Care Home Fees | Council Risk | In 2014/15 care home fees were set within a new banding structure for residential care. This has been challenged through JR. | <ul style="list-style-type: none"> This challenge is currently under appeal and in addition to this commissioners (Torbay Council) are in on-going discussions with the care home market. | 3 | 4 | 12 | Council |
| Insufficient capacity for Domiciliary Care | 631 | The risk is that there is insufficient capacity in relation to domiciliary care. | A range of controls are in place as set out in the corporate risk register. | 4 | 3 | 12 | Shared |

Page 95

Agenda Item 6
Appendix 8

| Risk Title | Trust Risk Number | Risk Description | Controls and Mitigation in Place | Current Risk Score | | | Risk Owner |
|---|---------------------|---|--|--------------------|------------|-------|------------|
| | | | | Impact | Likelihood | Score | |
| OPERATIONS | | | | | | | |
| Community support for change | Council Risk | Concern may be raised in response to implementation of the programme of work outlined in this agreement which may affect the pace of delivery. | This is mitigated through: <ul style="list-style-type: none"> • The close involvement of, and engagement with the individuals involved, their families and carers through the relevant assessment and reassessment processes. • Moderation of decision making in complex cases through Zone managers and the complex care review panel. • Consistent application of the cost choice risk policy • Escalation of individual cases to the Social Care Programme Board, support from Council Legal services and briefing for Members where particularly difficult, sensitive or contentious cases arises. | 4 | 3 | 12 | Council |
| Mental Capacity Act 2005 Deprivation of Liberty Safeguards | 803 | In March 2014 the Supreme Court set a ruling to clarify the threshold for a Deprivation of Liberty, this now set as being: "A person is under Continuous Supervision and Control and not free to leave". As a consequence of the ruling, the number of people residing in Care home or Hospital settings that fall within the scope of the Deprivation of Liberty Safeguards, has significantly increased. | A range of controls are in place as set out in the corporate risk register. | 3 | 4 | 12 | Shared |

| Risk Title | Trust Risk Number | Risk Description | Controls and Mitigation in Place | Current Risk Score | | | Risk Owner |
|---|-------------------|--|---|--------------------|------------|-------|------------|
| | | | | Impact | Likelihood | Score | |
| Risk Of Not Covering The EDS Rota Due To Staff Shortages | 668 | Risk of not covering the Emergency Duty Social worker (EDS) rota due to staff shortages and recruiting appropriately qualified staff. Current staff are also of retirement age and there is a great reliance on good will. | A range of controls are in place as set out in the corporate risk register. | 4 | 3 | 12 | Trust |
| Complex Care Delivery Risk | 722 | Risk that the Trust may not deliver on development of integrated complex care over full patch. | <ul style="list-style-type: none"> Pioneer bid in support- national sponsor identified. Complex Care teams integrated within zones, community hubs in Torbay area driving model. Working in conjunction with commissioners and Director of Organisation for Pioneer. CHC SDIP monitoring Place People. Governance Group meeting with CG on a monthly basis. | 3 | 2 | 6 | Shared |

NOTE: The shared risks recorded in the grid will be managed separately by the Trust and the Council through their respective risk management processes.

17 Appendix A – Baseline income and costs

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|---|---------------|---------------|---------------|---------------|---------------|
| | £m | £m | £m | £m | £m |
| INCOME | | | | | |
| South Devon & Torbay CCG (Community) ¹ | 60.4 | 62.2 | 64.1 | 66.1 | 68.2 |
| South Devon & Torbay CCG (Acute) ² | 160.4 | 162.6 | 164.9 | 167.2 | 169.6 |
| Torbay Council ASC | 38.0 | 36.5 | 35.6 | 34.7 | 33.9 |
| Other operating revenue ³ | 115.7 | 117.6 | 120.5 | 121.7 | 124.4 |
| Non-operating revenue | -6.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total income | 374.5 | 378.9 | 385.1 | 389.7 | 396.1 |
| COSTS | | | | | |
| Employee Benefit expenses | -210.1 | -206.4 | -200.7 | -198.8 | -198.8 |
| Drug expenses | -27.1 | -29.1 | -30.8 | -32.8 | -35.0 |
| Clinical supplies and services expenses | -30 | -30.6 | -31.9 | -33.1 | -34.5 |
| Adult Social Care | -39.4 | -38.9 | -38.4 | -37.9 | -37.4 |
| Other Expenses | -57.2 | -54.5 | -55.6 | -58.3 | -61.8 |
| PFI operating expenses | -0.9 | -0.9 | -0.9 | -1.0 | -1.0 |
| Non-operating expenses | -17.7 | -21.5 | -21.6 | -23.8 | -21.1 |
| Total costs | -382.5 | -382.0 | -380.0 | -385.7 | -389.6 |
| NET SURPLUS / DEFICIT | -13.9 | -3.1 | 5.2 | 4.0 | 6.6 |
| Normalised surplus / deficit | -7.4 | -0.6 | 6.2 | 6.5 | 6.6 |

Notes

¹ The TSD CCG element of ICO income combines the growth rates of the CCG assumptions on CHC and the balance of TSD budgets.

² The baseline value is consistent with the opening contract identified in the Heads of Terms and the Standard NHS contract. As the Trust and commissioners secure the savings needed to manage the costs down by £2.2M in year and £4.4M recurrently this will reduce the contract value to the target level of £156M.

³ The transaction finance from commissioners has been excluded from clinical income, but is included in Other Operating Revenue, this is separately referenced in the Transaction Agreement.

ASC – Potential CIP Schemes 2016/17 – Draft 3

(11th January 2016)

| Scheme Number | Area | Scheme | Savings £'000s | Notes |
|---------------|------------------------------|---|-------------------|--|
| ASC 1 | In House Learning Disability | Bay tree (Reprovision of Respite Care) | 250 | Could be one off costs in 2016/17 if staff cannot be redeployed. Public consultation is underway and Trust Board decision is anticipated March 2016. Scrutiny date (Torbay Council) to be confirmed. This effects circa 40 users per annum. |
| ASC 2 | Independent Sector | Reduction in Care Home Placements (Standard under £606 per week) | 175 | 2% reduction of base budget. In the previous three financial years there has been a 4% year on year reduction but client numbers are currently at their lowest point and further savings will be more difficult to achieve. A snapshot of client numbers (October 2015), indicate there are 565 clients in a Care Home costing under £606 per week so there would need to be a net reduction of 11-12 clients. |
| ASC 3 | Independent Sector | Removal of Community Care Trust block and replace with spot purchase | 100 | This is specific to Mental Health Under 65 (Mental Illness) client group and assumes a saving of circa 33% could be achieved on the block payment as a result of negotiated efficiencies with the provider. |
| ASC 4 | Independent Sector | Reduction in High Cost Packages of Care (Over £606 per week) and Non-Residential Packages of Care (£70 to £606) | 750 | See Enabler Schemes Listed (over page) and £750K is a 4.5% saving on current October 2015 levels. There are circa 150 clients with a high cost package of care and 920 clients with a non-residential package of care between £70 and £606. It should be noted that the enabler schemes could effect all clients and some clients might be impacted by more than one scheme. |
| | Total | | 1,275 | |

Enabler Schemes for ASC 4 (Note that in isolation all the schemes below ultimately cut across the same client base)

- **Double Handed Care** - Reduce cost of double handed care through effective moving & handling assessment. Initial pilot of ten clients to be undertaken in early 2016. In total there are estimated to be 70 clients in ASC (Domiciliary Care) and this has proved successful in other local authorities, for example Bournemouth. Based on an estimated 2 hours saving, per client, per week a full year effect saving could be in the region of £100K.
- **SPACE** - will entirely focus upon supporting planning and independence for Learning Disability clients in Supported Living and making savings on those packages by working with providers and matching service users in shared arrangements or moving people with consent into new settings that enhance their independence. A new contract with SPACE for 16/17 has been agreed and the service will also develop working with other clients using the support planning model, such as Mental Under 65 and younger physically disability and head injury clients. It is planned to review 40 clients and an average saving of £100 per week, per client would deliver £200K of savings (full year effect). The exact timing of this will be linked to the Baytree CIP scheme detailed above.
- **Supported Living** - Reviewing the supporting living contracts to separate the cost of care and accommodation costs. This will require partnership working between the Trust and Council / CCG commissioners.
- **Telecare / Telehealth** - This would require pump priming that has not been available in recent years. Scoping work is currently underway through the Transformation team within the Trust and will be linked / progressed through the Social Care Programme Board.
- **Enhanced brokerage** for high cost packages - More expertise in brokerage can reduce unit cost and manage the market across a range of providers. A review is currently underway and learning is being taken from a pilot with Continuing Healthcare placements (South Devon) which utilised an enhanced brokerage service provided by Devon County Council. This scheme would require an element of pump priming (invest to save).
- **Responsive management** of domiciliary care. Working with Mears, our prime living well at home contractor to have a seconded social care worker with Mears to support early review and reduction of care packages. Anticipated start date of April 2016.

| Element | Activity Change | | | Savings | | Investments | | Net impact | |
|----------------------------|-----------------|-------------------------|----------------------------------|--------------------------|------------------|-------------------------|----------------|------------|-------------------|
| | Bed Reduction | ED Attendance Reduction | Outpatient Appointment Reduction | Pay | Non Pay | Pay | Non Pay | | |
| | | | | £ | £ | £ | £ | | |
| 3a Acute Frailty | 24 | 4,000 | - | 893,405 | 169,743 | 849,224 | - | £ | |
| 3b Community frailty | - | - | - | 175,000 | - | 310,000 | - | | |
| 3c Single Point of Contact | - | - | - | - | - | - | 20,000 | | |
| 3d Community Localities | - | - | - | 383,790 | 63,980 | 425,580 | 610,332 | | |
| 3e Community Hospitals | 18 | 3,000 | - | 2,016,579 | 1,318,105 | - | 101,000 | | |
| 4a – e Acute Innovations | 15 | 24,000 | 29,500 | 4,767,850 | 1,683,171 | 1,374,420 | 30,000 | | |
| MAAT | 8 | 4,000 | - | 399,196 | 65,543 | 289,312 | 10,000 | | |
| Intermediate Care | - | - | - | - | 499,276 | - | - | | |
| A&E Investment | - | - | - | - | - | 1275,000 | - | | |
| Medical skill mixing* | - | - | - | - | - | - | - | | |
| TOTAL | 65 | 35,000 | 29,500 | 8,635,820 | 3,799,818 | 5284,772 | 771,332 | | TOTAL |
| | | | | TOTAL £12,435,638 | | TOTAL £6,055,804 | | | £6,379,834 |

Risk-Share Oversight Group Terms of Reference - December 2015

Constitution

The Risk–Share Agreement (RSA) was signed by Torbay and South Devon NHS Foundation Trust (TSD), herein known as the integrated care organisation (ICO), Torbay Council and NHS South Devon and Torbay Clinical Commissioning Group (CCG) in September 2015. It describes the framework for the financial management of the multi-year investment by commissioners for services provided by the ICO. The RSA sits alongside the NHS Standard Contract and whilst does not override the quality or administrative elements, does supersede all financial components. The RSA states a Risk-Share Oversight Group (RSOG) is established with all parties, to provide strategic oversight of the agreement.

Purpose

For the Risk–Share Agreement, the Risk-Share Oversight Group will:

1. Provide assurance on system performance
2. Oversee strategy (short, medium and long term)
3. Agree support of major service development plans and contract changes.

Responsibilities

The role of the Risk-Share Oversight Group shall be to carry out the functions relating to the strategic delivery of the Risk–Share Agreement. In particular the group will have responsibility for:

1. Operation of the risk-share ‘mechanism’
2. Medium term operation of the RSA
3. Renewal of RSA
4. Consideration of disputes

Whilst not an exhaustive list, this includes the following activities:

- Receipt of key information, in an agreed format to monitor the activity, finance and performance of the ICO.
- Seek assurance on the implementation of the ICO care model

Membership

The Risk-Share Oversight Group shall consist of the following members from the three organisations:

Integrated care organisation:

- Director of Finance, Performance & Information and Deputy Chief Executive
- Head of Performance, Information and Contracting

Torbay Council:

- Director of Adult Services
- Chief Accountant
- Finance Manager

South Devon and Torbay CCG:

- Chief Finance Officer (chair)
- Deputy Chief Finance Officer (vice chair)
- Commissioning director with portfolio responsibility for the integrated care organisation

| <p><u>Reporting arrangements</u></p> <p>It is the responsibility of the members of the Risk-Share Oversight Group to ensure outcomes from the group are communicated to the governance arrangement of each organisation. South Devon and Torbay CCG will submit Commissioning and Finance Committee.</p> <p>The Delivery Assurance Group</p> | | |
|--|--|---|
| <p><u>Administration</u></p> <p>Secretariat support for the Risk-Share Oversight Group will be provided by South Devon and Torbay CCG. The secretariat will circulate the notes of the group committee within 5 working days of the meeting to all members.</p> | | |
| <p><u>Conduct of the Group</u></p> <p>The committee shall conduct its business in accordance with national guidance, relevant codes of practice including the Nolan Principles.</p> | | |
| Quorum | Frequency of meetings | Terms of Reference |
| <p><u>Quorum</u></p> <p>The Risk-Share Oversight Group is quorate when at least one member is present from each organisation, including the Chair or the Deputy Chair.</p> | <p><u>Frequency of meetings</u></p> <p>The Risk-Share Oversight Group will meet as required to conduct its business, and will meet a minimum of four times per year.</p> | <p><u>Review</u></p> <p>These terms of reference may be amended by mutual agreement between all parties at any time to reflect changes in circumstances which may arise. They will be formally reviewed by the membership in quarter four of each year.</p> <p>Date approved: 03 Dec 15 Next review: January 2016</p> |

Torbay Council, Emergency Planning Roles in Council's Emergency cascade

- Strategic commissioning of adult social care services (residential care and community care and support)
- Responsibility for housing commissioning and strategy
- Commissioning of accommodation based and outreach (floating) support for Homeless People and other Vulnerable Groups.
- Relationships with external providers and joint commissioners in health and neighbouring local authorities
- Delivery of adult social care services

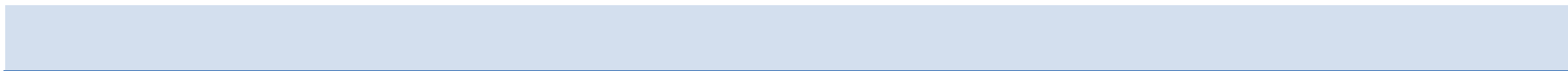
ADULT SERVICES PRIMARY CONTACTS

| Name / Title | Emergency Role | Contact Details |
|---|--|-----------------|
| Fran Mason Head of Partnerships, People and Housing | Communication with contracted providers of Care and Support for vulnerable people. Availability and co-ordination of needs assessment. Safeguarding vulnerable adults and serious case review including authorisation of deprivation of liberty under Mental Capacity Act. | |
| Jo Williams Associate Director of Adult Social Services | assessment of vulnerable people, brokering packages of care, moving people from residential or nursing care identifying suitable alternatives, liaising with health to make sure prescriptions/meds available, identifying rest centres, aids and adaptations, other support for displaced vulnerable people, responsible for maintaining access to out of hours emergency support | |

ADULT SERVICES SECONDARY CONTACTS

| Name / Title | Emergency Role | Contact Details |
|--|--|-----------------|
| Vacant Strategic Partnership Manager | Communication with contracted providers of Care and Support for vulnerable people. Availability and co-ordination of needs assessment. Safeguarding vulnerable adults and serious case review including authorisation of deprivation of liberty under Mental Capacity Act. | |
| Robin Willoughby Lead AMHP | Assessment and placement, access to services, medication and packages of care and place of safety for older people with poor mental health | |
| Sharon O'Reilly Manager Older person | Assessment and placement, access to services, medication and packages of care and place of safety for people under 65 with poor mental health | |

Mental health team



Trust CIP Programme and Governance Structures

The Trust has, historically, had a good record on delivering against its CIP Targets. This has been possible through the organisation's ability to scope opportunities, produce good quality data and identify and resource dedicated project teams and project managing schemes that deliver on time, supported by a robust CIP performance management and Project Management Office (PMO) function. However, like most other NHS organisations, we acknowledge that identifying and delivering recurrent savings, in particular, is proving increasingly challenging and requires a different approach.

Additionally in regard this Annual Strategic Agreement trying to align the different planning cycles which are driven nationally for local authorities and the NHS has been challenging.

The Trust wide CIP programme for 2016/17 builds on the strategies of the past and also seeks to address the challenges faced through a constructive, inclusive approach to deliver authenticated schemes. The proposed portfolio is partially based upon the Trust's Five Year Plan that was previously submitted to Monitor in 2015 and was the product of Healthcare benchmarking provided by the NHS Benchmarking authority, trust-wide engagement and regional networking as well as a review undertaken by Ernst & Young. It has been cross referenced to the findings of the Carter Review.

The CIP planning process is dynamic and the number of projects in play changes as schemes progress through the development stages. At the time of drafting this Agreement the Trust has identified 74 schemes with the potential to reduce cost or improve efficiency. The indicative full year effect of these schemes is £14.5m, the schemes are summarised in Table One below.

The schemes include:

- Workforce savings to be achieved through a range of initiatives which focus on reducing the need for expensive temporary staff, improved rostering, revised skill-mix, management-restructuring and reduced absenteeism.
- Income generation created through partnerships with our neighbours for example utilisation of capacity, within our Cardiac Catheterisation lab, and through exploiting volume based commissioning arrangements where possible. The Trust will also continue to run profitable franchised services and further expand salary sacrifice schemes.
- Enhanced procurement to reduce the costs of our consumables and our cost-base will be further lowered through a range of pharmacy initiatives to reduce drug spend.

- Within community services, we will continue to reduce costs through earlier intervention, in partnership with primary care services, further utilisation of the independent sector and improved management/review of care. We will seek to support greater independence through supported living for people with learning disabilities, re-structure packages of care and remove double handling. The service will also benefit from reduced costs in areas such as insurance as a result of integration.

Once the consultation exercise current being run by the CCG has concluded, and the outcomes have been carefully considered, it may be that further schemes can be developed.

The schemes set out in Table One have been scoped to assess the potential for delivery and RAG rated with the following results:

- | | |
|--|----------------------|
| • Green (delivered or low risk to delivery): | £ 3.2m |
| • Amber (moderate risks to delivery): | £ 4.5m |
| • Red (significant risks to delivery): | £ 2.3m |
| • Not yet assessed | <u>£ 4.6m</u> |
| | <u>£14.5m</u> |

In addition to the potential savings schemes set out in Table One other areas where there may be the opportunity to make further savings have been suggested but have not yet been scoped. These areas are listed in Table Two; work to assess the potential of these suggested savings schemes will be progressed by the PMO.

The areas of work set out in Tables One and Two comprises projects that span all areas of our recently integrated community and acute services. The potential benefits will be delivered in parallel with the synergies achieved through integration and a new care model that seeks to provide the right care in the right place at the right time for people who live in Torbay and South Devon.

The Trust recognises that delivery against these schemes is not yet assured and that successful delivery requires projects that are feasible, clear leadership, sufficient delivery resource and a robust governance framework to ensure visibility and accountability.

The Trust has appointed an interim deputy Chief Operating Officer to provide additional professional input to the process. The Trust has also created a dedicated transformation project delivery team who will assist with the delivery of the ICO based CIP projects. In addition, the PMO and Finance reporting tools are being further enhanced to ensure the timely reporting of scheme delivery progress to the Executive board. Appropriate action will be taken to get any delayed schemes back on track (or devise replacement schemes).

The next phase sees outline planning for each project to establish key metrics such as timeline, resources, workforce implications and risks. These will be set out on a standard Project Inception Document for all schemes over £50k. A quality impact assessment will also be produced and signed off by the Medical Director and Chief Nurse to ensure any risks to patient care are resolved.

All 'approved schemes' will be managed through a revised governance process that includes a more robust reporting, assurance and escalation through a bi-weekly CIP review meeting with key managers.

Reporting to Board is secured through a reporting structure through the Senior Business Management Team meeting, through Finance Committee to Board. Detailed scheme level reporting will be in place across all of these levels.

The output from the Trust's internal process is reported through the Risk Share Oversight Group, which is the forum through which Commissioners gain assurance.

Table One

| Potential CIP Schemes at 6th June 2016 | | | | | | | | |
|--|------------------------|--|-------------------------|---------------------|----------------|--------------|---------------------|---|
| Ref | Area | Opportunity | 16/17 Likely Value £000 | Forecast Confidence | | | | Programme Stage |
| | | | | Green £000 | Amber £000 | Red £000 | Not Assessed £000 | |
| ASC Independent Sector | | | | £ Green | £ Amber | £ Red | Not Assessed | |
| ASC2 | ASC Independent Sector | Independent Sector - Assumed continuing demographic reduction in Care Home Placements (Standard under £606 per week) | £ 175 | £ 175 | | | | Delivery |
| ASC3 | ASC Independent Sector | Independent Sector - change from block to spot contracting arrangements | £ 100 | £ 100 | | | | Delivery |
| ASC4a | ASC Independent Sector | Independent Sector - Double Handed Care | £ 125 | | £ 125 | | | Delivery |
| ASC4b | ASC Independent Sector | Independent Sector - SPACE person centred care planning to achieve more personalised and cost effective care plans. | £ 125 | | £ 125 | | | Idea |
| ASC4c | ASC Independent Sector | Independent Sector - Supported Living | £ 125 | | £ 125 | | | Idea |
| ASC4d | ASC Independent Sector | Independent Sector - Telecare/Telehealth | £ 125 | | £ 125 | | | Idea |
| ASC4e | ASC Independent Sector | Independent Sector - Enhanced Brokerage | £ 125 | | £ 125 | | | Idea |
| ASC4f | ASC Independent Sector | Independent Sector - Responsive Management of Domiciliary Care | £ 125 | | £ 125 | | | Idea |
| | ASC Independent Sector | Income collection - assumes run rate from 2015/16 is recurrent. | £ 100 | £ 100 | | | | Delivery |
| ASC6 | ASC Independent Sector | Reduction in Short Stay Placements | £ 236 | | £ 236 | | | Idea |
| ASC7 | ASC Independent Sector | Close St Kilda | £ 100 | | | £ 100 | | Subject to engagement and decision by Council |
| ASC8 | ASC Independent Sector | Contracting efficiencies | £ 36 | £ 36 | | | | Delivery |
| ASC2 (more rigour) | ASC Independent Sector | As scheme ASC2 but doubled the anticipated savings | £ 175 | | £ 175 | | | Idea |
| ASC4 (More rigour) | ASC Independent Sector | As scheme ASC4 but doubled the anticipated savings | £ 750 | | £ 750 | | | Idea |
| | ASC Independent Sector | ASC Insurance Premium Reduction | £ 100 | £ 100 | | | | Idea |
| | ASC Independent Sector | Community Nursing Review - Torbay and SD | £ 5 | | £ 5 | | | Idea |
| | | | £ 2,527 | £ 511 | £ 1,916 | £ 100 | £ - | |
| Placed People | | | | £ Green | £ Amber | £ Red | Not Assessed | |
| PP03 (CCG) | Placed People | Bring review assessments up to date | £ 430 | £ 430 | | | | Idea |
| PP1 | Placed People | Tightening panel process (CHC) | £ 498 | £ 498 | | | | Idea |
| PP2 | Placed People | Increasing PHB numbers | £ 62 | | £ 62 | | | Idea |
| PP4 | Placed People | Contracting efficiencies | £ 81 | £ 81 | | | | Delivery |
| PP5 | Placed People | Reduction in Intermediate Care (Short Stay Placements) | £ 204 | | £ 204 | | | Idea |
| PP6 | Placed People | Robust review process for adult IPPs | £ 100 | £ 100 | | | | |
| | | | £ 1,375 | £ 1,109 | £ 266 | £ - | £ - | |
| In-House LD | | | | £ Green | £ Amber | £ Red | Not Assessed | |
| ASC1 | In-house LD | In House Learning Disability Bay Tree (Reprovision of Respite Care) | £ 175 | £ 175 | | | | Delivery |
| | | | £ 175 | £ 175 | £ - | £ - | £ - | |
| Public Health | | | | £ Green | £ Amber | £ Red | Not Assessed | |
| | Public Health | Non Recurrent CIP Saving assumption based on previous years | £ 200 | £ 200 | | | | Idea |
| | | | £ 200 | £ 200 | £ - | £ - | £ - | |

Table One

| | | Torbay | £ Green | £ Amber | £ Red | Not Assessed | |
|-------------|-----------------------|--|---------|---------|---------|--------------|----------|
| | Torbay | Non Recurrent CIP Saving assumption based on previous years | £ 500 | £ 500 | | | Idea |
| | Torbay | Recurrent Impact of Community Support Team savings | £ 80 | £ 80 | | | Complete |
| | Torbay | Vacant FAB team posts to be reviewed re, Care Act Funded | £ 44 | £ 44 | | | Complete |
| | Torbay | Move to 1 front end across Torbay Zones | £ 45 | £ 45 | | | Idea |
| | Torbay | Service redesign | £ 76 | £ 76 | | | Idea |
| | Torbay | Outsource Dom Care IHSS & CRT to independent Sector deleted and included in above | £ 228 | £ 228 | | | Idea |
| | Torbay | Co-location of Paignton & Brixham Zones | £ 250 | £ 250 | | | Idea |
| | Torbay | Cavanna House - termination of existing lease at end of current term | £ 102 | £ 102 | | | Delivery |
| | Torbay | Review of specialist LD vacancy | £ 37 | £ 37 | | | Idea |
| | | | £ 1,362 | £ 80 | £ 1,282 | £ - | £ - |
| | | South Devon | £ Green | £ Amber | £ Red | Not Assessed | |
| | South Devon | Non Recurrent CIP Saving assumption based on previous years | £ 150 | £ 150 | | | Idea |
| | | | £ 150 | £ 150 | £ - | £ - | |
| | | Finance | £ Green | £ Amber | £ Red | Not Assessed | |
| G11 | Finance | Staff Salary Sacrifice Schemes | £ 122 | | | £ 122 | Delivery |
| | Finance | Review Revenue Costs for IT Systems | £ 81 | | | £ 81 | Idea |
| NP01 | Finance | Procurement efficiencies | £ 540 | | | £ 540 | Idea |
| 8 | Finance | Lost pager review | £ 2 | | | £ 2 | Complete |
| | Finance | Mobile Phone review/Buy Your Own Device | £ 30 | | | £ 30 | Idea |
| CC07 | Human Resources | Workforce Flexibility - impact of applying the principles from Carter review to be assessed. | £ 571 | | | £ 571 | Idea |
| NP03 | Finance | Printing and Electronic Communication Strategy | £ 75 | | | £ 75 | Delivery |
| | Finance | Benchmarking, Carter & other tools | £ 1,000 | | | £ 1,000 | Idea |
| | | | £ 2,421 | £ - | £ - | £ 2,421 | |
| | | EFM | £ Green | £ Amber | £ Red | Not Assessed | |
| CC11 | EFM | EFM Savings | £ 400 | | | £ 400 | Idea |
| | | | £ 400 | £ - | £ - | £ 400 | |
| | | Operations - Medicine | £ Green | £ Amber | £ Red | Not Assessed | |
| CI10 | Operations - Medicine | Additional income via Utilisation of new Cardiac Lab | £ 30 | | | £ 30 | Idea |
| M03 | Operations - Medicine | Community Dietetics funding set based on Run Rate spend last yr. | £ 108 | £ 108 | | | Complete |
| M01 | Operations - Medicine | Bowel Cancer Screening Programme | £ - | | | | Delivery |
| | | | £ 138 | £ 108 | £ - | £ 30 | |
| | | OPERATIONS - SURGERY | £ Green | £ Amber | £ Red | Not Assessed | |
| CC02 | Operations - Surgery | Outpatient Productivity | £ 25 | £ 25 | | | Planning |
| S04 | Operations - Surgery | Clinically led procurement | £ 300 | £ 300 | | | Delivery |
| | Operations - Surgery | Non-Pay Challenge | £ 440 | £ 440 | | | Delivery |
| | | | £ 765 | £ 325 | £ 440 | £ - | |
| | | OPERATIONS - WCDT | £ Green | £ Amber | £ Red | Not Assessed | |
| NP05 | Operations - WCDT | Microbiology VAT saving | £ 30 | £ 30 | | | Delivery |
| NP06 | Operations - WCDT | Review existing contractual arrangements | £ 200 | £ 147 | | £ 53 | Delivery |
| | Operations - WCDT | Private Therapy Income | £ 5 | £ 5 | | | Idea |
| | Operations - WCDT | Medical Electronics Reorganisation | £ 30 | £ 30 | | | Delivery |
| | Operations - WCDT | Clinical Psychology Staff Saving | £ 30 | £ 30 | | | Delivery |
| | Operations - WCDT | Reduction in spend on Blood in progress | £ 50 | £ 50 | | | Delivery |
| | Operations - WCDT | Therapies recurrent vacancy factor in progress - complete | £ 198 | £ 198 | | | Complete |
| | Operations - WCDT | Increase Ultrasound scan charge Idea to work up further | £ 10 | £ 10 | | | Delivery |
| | Operations - WCDT | Reduction in discretionary spend | £ 57 | £ 57 | | | Complete |
| | | | £ 610 | £ 542 | £ 15 | £ 53 | |

Table One

| | | WCDDT Ideas to be Worked Up | | £ Green | £ Amber | £ Red | Not Assessed | |
|-------------|--------------------------|---|-------------------|------------|------------|----------|-------------------|----------|
| | Operations - WCDDT | Review of tests requested by consultants | £ 50 | | £ 50 | | | Idea |
| | Operations - WCDDT | MR contrast for livers is being discussed. | £ 13 | | £ 13 | | | Idea |
| | Operations - WCDDT | MR contrast for cardiac is about to be ordered in different volumes. This reduces waste and potentially saves £3,500 pa (again est. patient numbers). | £ 4 | | £ 4 | | | Idea |
| | | | £ 67 | £ - | £ 67 | £ - | £ - | |
| | | Human Resources | | £ Green | £ Amber | £ Red | Not Assessed | |
| | Human Resources | Agency Reduction (Senior Manager, Admin and Clerical) | £ 350 | | | | £ 350 | Idea |
| | Human Resources | Improved auditing of interface between Rosterpro to ESR for Payment errors | £ 20 | £ 20 | | | | Complete |
| | | | £ 370 | £ 20 | £ - | £ - | £ 350 | |
| | | Strategy and Improvement | | £ Green | £ Amber | £ Red | Not Assessed | |
| CI03 | Strategy and Improvement | Charity/Sponsorship | £ 50 | | | | £ 50 | Idea |
| | | | £ 50 | £ - | £ - | £ - | £ 50 | |
| | | UNALLOCATED | | £ Green | £ Amber | £ Red | Not Assessed | |
| | Unallocated | Functional Efficiency Challenge | £ 2,164 | | | £ 2,164 | | Idea |
| | Unallocated | Integration Synergies | £ 1,184 | | £ 1,184 | | | Idea |
| | | | £ 2,164 | £ - | £ - | £ 2,164 | £ - | |
| | | PMU | | £ Green | £ Amber | £ Red | Not Assessed | |
| 4 | PMU | PMU - increased sales on top of planned surplus | £ 300 | | | | £ 300 | Idea |
| | | | £ 300 | £ - | £ - | £ - | £ 300 | |
| | | PHARMACY | | £ Green | £ Amber | £ Red | Not Assessed | |
| G10 | Pharmacy | Drug savings | £ 160 | | | | £ 160 | Idea |
| | Pharmacy | FP10 Outpatients | £ 100 | | | | £ 100 | Idea |
| | Pharmacy | Integrated Medicines Management | £ 250 | | | | £ 250 | Idea |
| | | | £ 510 | £ - | £ - | £ - | £ 510 | |
| | | MEDICAL WORKFORCE | | £ Green | £ Amber | £ Red | Not Assessed | |
| CC04 | Medical Workforce | Medical Workforce Productivity | £ 389 | | | | £ 389 | Idea |
| | | | £ 389 | £ - | £ - | £ - | £ 389 | |
| | | EDUCATION | | £ Green | £ Amber | £ Red | Not Assessed | |
| G05 | Education | eLearning Strategy | £ 50 | | | | £ 50 | Idea |
| | | | £ 50 | £ - | £ - | £ - | £ 50 | |
| | | NURSING | | £ Green | £ Amber | £ Red | Not Assessed | |
| CC05 | Nursing | Nursing Workforce Productivity and Agency Spend Reduction | £ 500 | | £ 500 | | | Delivery |
| | | | £ 500 | £ - | £ 500 | £ - | £ - | |
| | | Totals | Likely Value £000 | Green £000 | Amber £000 | Red £000 | Not Assessed £000 | |
| | | | £ 14,523 | £ 3,220 | £ 4,486 | £ 2,264 | £ 4,553 | |

Table Two**Potential Savings Suggested but Not Yet Scoped**

| Area | Opportunity |
|--------------------------|--|
| Education | Income from Training |
| Finance | Patient Access Booking |
| Human Resources | Improved Rostering Practices |
| Human Resources | Removal of paper timesheets |
| Human Resources | Employee on line self service |
| Human Resources | Staff wellbeing and improved Absence (Sickness, Holiday and other absences) recording to ensure better visibility and accountability |
| Operations - Community | Review Continence assessments |
| Operations - Community | Review CHC Nursing model |
| Operations - Community | Benchmarking and consistency across zones |
| Operations - Community | Blue badges – administration |
| Operations - Community | Chronic fatigue services – service redesign. |
| Operations - Community | Review of on-call arrangements |
| Operations - Community | Redesign of Stroke and Neuro pathways |
| Operations - WCDT | Open Access to GP patients for plain x-rays |
| Operations - WCDT | RFID Tagging |
| Operations - WCDT | Review outsourced maintenance contracts |
| Operations - WCDT | Review Community Loan Service |
| Operations - WCDT | Long term plan to combine UKAS registration into one instead of four |
| Operations - WCDT | Investigate potential for synergies from further back office shared services |
| Operations - WCDT | Order Comms savings |
| Operations - WCDT | Increased scope for Advanced Practitioner Reporting Radiographers would reduce the need for outsourcing of plain film radiography |
| Strategy and Improvement | Private Treatment |
| Strategy and Improvement | On-line medical sales |
| Strategy and Improvement | Advertising Income |
| Strategy and Improvement | R&D income generation |

Dated 1st April 2016

Torbay Council

and

**NHS South Devon and Torbay CLINICAL
COMMISSIONING GROUP**

and

Torbay and South Devon NHS Foundation Trust

**FRAMEWORK PARTNERSHIP AGREEMENT RELATING
TO THE COMMISSIONING OF HEALTH AND SOCIAL
CARE SERVICES ¹**

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Contents

| Item | Page |
|--|-----------|
| PARTIES (REFERRED TO AS THE PARTNERS IN THIS AGREEMENT) | 3 |
| BACKGROUND | 3 |
| 1 DEFINED TERMS AND INTERPRETATION | 3 |
| 2 TERM | 8 |
| 3 GENERAL PRINCIPLES | 8 |
| 4 PARTNERSHIP FLEXIBILITIES | 8 |
| 5 FUNCTIONS | 8 |
| 6 COMMISSIONING ARRANGEMENTS | 9 |
| 7 ESTABLISHMENT OF A POOLED FUND | 10 |
| 8 THE POOLED FUND SHALL BE MANAGED AND MAINTAINED IN ACCORDANCE WITH THE RISK SHARE AGREEMENT (SEE SCHEDULE 2 - GOVERNANCE) | 10 |
| 9 POOLED FUND MANAGEMENT | 10 |
| 10 FINANCIAL CONTRIBUTIONS | 10 |
| 11 RISK SHARE ARRANGMENTS, OVERSPENDS AND UNDERSPENDS | 11 |
| 12 CAPITAL EXPENDITURE | 11 |
| 13 VAT | 11 |
| 14 AUDIT AND RIGHT OF ACCESS | 11 |
| 15 LIABILITIES AND INSURANCE AND INDEMNITY | 12 |
| 16 STANDARDS OF CONDUCT AND SERVICE | 12 |
| 17 CONFLICTS OF INTEREST | 12 |
| 18 GOVERNANCE | 13 |
| 19 REVIEW | 13 |
| 20 COMPLAINTS | 13 |
| 21 TERMINATION & DEFAULT | 13 |
| 22 DISPUTE RESOLUTION | 14 |
| 23 FORCE MAJEURE | 15 |
| 24 CONFIDENTIALITY | 15 |
| 25 FREEDOM OF INFORMATION AND ENVIRONMENTAL PROTECTION REGULATIONS | 16 |
| 26 OMBUDSMEN | 16 |
| 27 INFORMATION SHARING | 16 |
| 28 NOTICES | 16 |
| 29 VARIATION | 17 |
| 30 CHANGE IN LAW | 17 |
| 31 WAIVER | 17 |
| 32 SEVERANCE | 17 |
| 33 ASSIGNMENT AND SUB CONTRACTING | 17 |
| 34 EXCLUSION OF PARTNERSHIP AND AGENCY | 17 |
| 35 THIRD PARTY RIGHTS | 18 |
| 36 ENTIRE AGREEMENT | 18 |

| | | |
|-----------|--|-----------|
| 37 | COUNTERPARTS | 18 |
| 38 | GOVERNING LAW AND JURISDICTION | 18 |
| | SCHEDULE 1 – SCHEME SPECIFICATIONS AND METRICS | 20 |
| | SCHEDULE 2 - GOVERNANCE | 24 |
| | ENCLOSURE A | 28 |
| | ENCLOSURE B | 29 |
| | ENCLOSURE C | 30 |
| | SCHEDULE 3 - CONTRIBUTIONS TO POOLED FUNDS, RISK SHARE AND OVERSPENDS | 31 |
| | SCHEDULE 4 – JOINT WORKING OBLIGATIONS | 32 |
| | Part 2 – LEAD COMMISSIONER OBLIGATIONS | 32 |
| | Part 3 – OBLIGATIONS OF THE OTHER PARTNER | 33 |
| | SCHEDULE 5 - BETTER CARE FUND PLAN | 34 |
| | SCHEDULE 6 – POLICY FOR THE STANDARDS OF BUSINESS CONDUCT AND MANAGEMENT OF CONFLICTS OF INTEREST | 35 |
| | SCHEDULE 7 - INFORMATION SHARING PROTOCOL | 35 |

THIS AGREEMENT is made on 1st day of July 2016

PARTIES (referred to as the Partners in this agreement)

- (1) **Torbay Council** (the "**Council**")
- (2) **NHS South Devon and Torbay CLINICAL COMMISSIONING GROUP** [(the "**CCG**")]
- (3) **Torbay and South Devon NHS Foundation Trust** (the "**ICO**")

BACKGROUND

- (A) The Council has responsibility for commissioning and/or providing social care services on behalf of the population of the borough of Torbay.
- (B) The CCG has the responsibility for commissioning health services pursuant to the 2006 Act in the boroughs of South Devon and Torbay.
- (C) The ICO has the responsibility for providing health and adult social care services on behalf of the Council and the CCG in the boroughs of South Devon and Torbay.
- (D) The Better Care Fund has been established by the Government to provide funds to local areas to support the integration of health and social care and to seek to achieve the National Conditions and Local Objectives. It is a requirement of the Better Care Fund that the CCG and the Council establish a pooled fund for this purpose. See Schedule 5 for Better Care Fund Plan.
- (E) Section 75 of the 2006 Act gives powers to local authorities and clinical commissioning groups to establish and maintain pooled funds out of which payment may be made towards expenditure incurred in the exercise of prescribed local authority functions and prescribed NHS functions.
- (F) The purpose of this Agreement is to set out the terms on which the Partners have agreed to collaborate and to establish a framework through which the Partners can secure the future position of health and social care services through lead or joint commissioning arrangements. It is also the means through which the Partners will pool funds and align budgets as agreed between the Partners.
- (G) The aims and benefits of the Partners in entering in to this Agreement are to:
 - a) improve the quality and efficiency of the Services;
 - b) meet the National Conditions and Local Objectives;
 - c) make more effective use of resources through the establishment and maintenance of a pooled fund for revenue expenditure on the Services
- (H) The Partners have jointly carried out consultations on the proposals for this Agreement with all those persons likely to be affected by the arrangements.
- (I) The Partners are entering into this Agreement in exercise of the powers referred to in Section 75 of the 2006 Act and/or Section 13Z(2) and 14Z(3) of the 2006 Act as applicable, to the extent that exercise of these powers is required for this Agreement.

1 DEFINED TERMS AND INTERPRETATION

- 1.1 In this Agreement, save where the context requires otherwise, the following words, terms and expressions shall have the following meanings:

1998 Act means the Data Protection Act 1998.

2000 Act means the Freedom of Information Act 2000.

2004 Regulations means the Environmental Information Regulations 2004.

2006 Act means the National Health Service Act 2006.

Affected Partner means, in the context of Clause 23, the Partner whose obligations under the Agreement have been affected by the occurrence of a Force Majeure Event

Agreement means this agreement including its Schedules and Appendices.

Authorised Officers means an officer of each Partner appointed to be that Partner's representative for the purpose of this Agreement.

Better Care Fund means the Better Care Fund as described in NHS England Publications Gateway Ref. No.00314 and NHS England Publications Gateway Ref. No.00535 as relevant to the Partners.

Better Care Fund Plan means the plan attached at Schedules 3 and 5 setting out the Partners plan for the use of the Better Care Fund.

CCG Statutory Duties means the Duties of the CCG pursuant to Sections 14P to 14Z2 of the 2006 Act

Change in Law means the coming into effect or repeal (without re-enactment or consolidation) in England of any Law, or any amendment or variation to any Law, or any judgment of a relevant court of law which changes binding precedent in England after the date of this Agreement

Commencement Date means 00:01 hrs on 1st July 2016

Confidential Information means information, data and/or material of any nature which any Partner may receive or obtain in connection with the operation of this Agreement and the Services and:

- (a) which comprises Personal Data or Sensitive Personal Data or which relates to any patient or his treatment or medical history;
- (b) the release of which is likely to prejudice the commercial interests of a Partner or the interests of a Service User respectively; or
- (c) which is a trade secret.

Contract Price [means any sum payable to a Provider under a Service Contract as consideration for the provision of Services and which, for the avoidance of doubt, does not include any Default Liability or Performance Payment].

Default Liability means any sum which is agreed or determined by Law or in accordance with the terms of a Services Contract to be payable by any Partner(s) to the Provider as a consequence of (i) breach by any or all of the Partners of an obligation(s) in whole or in part) under the relevant Services Contract or (ii) any act or omission of a third party for which any or all of the Partners are, under the terms of the relevant Services Contract, liable to the Provider.

Financial Contributions means the financial contributions made by each Partner to a Pooled Fund in any Financial Year.

Financial Year means each financial year running from 1 April in any year to 31 March in the following calendar year.

Force Majeure Event means one or more of the following:

- (a) war, civil war (whether declared or undeclared), riot or armed conflict;
- (b) acts of terrorism;
- (c) acts of God;
- (d) fire or flood;
- (e) industrial action;

- (f) prevention from or hindrance in obtaining raw materials, energy or other supplies;
- (g) any form of contamination or virus outbreak; and
- (h) any other event,

In each case where such event is beyond the reasonable control of the Partner claiming relief

Functions means the NHS Functions and the Health Related Functions

Health Related Functions means those of the health related functions of the Council, specified in Regulation 6 of the Regulations as relevant to the commissioning of the Services and which may be further described in the relevant Scheme Specification.

Host Partner means for each Pooled Fund the Partner that will host the Pooled Fund.

Health and Wellbeing Board means the Health and Wellbeing Board established by the Council pursuant to Section 194 of the Health and Social Care Act 2012.

Indirect Losses means loss of profits, loss of use, loss of production, increased operating costs, loss of business, loss of business opportunity, loss of reputation or goodwill or any other consequential or indirect loss of any nature, whether arising in tort or on any other basis.

Individual Scheme means one of the schemes which is agreed by the Partners to be included within this Agreement using the powers under Section 75 as documented in a Scheme Specification.

Integrated Commissioning means arrangements by which both Partners commission Services in relation to an individual Scheme on behalf of each other is exercise of both the NHS Functions and Council Functions through integrated structures.

Joint Commissioning means a mechanism by which the Partners jointly commission a Service. For the avoidance of doubt, a joint commissioning arrangement does not involve the delegation of any functions pursuant to Section 75.

Law means:

- (a) any statute or proclamation or any delegated or subordinate legislation;
- (b) any enforceable community right within the meaning of Section 2(1) European Communities Act 1972;
- (c) any guidance, direction or determination with which the Partner(s) or relevant third party (as applicable) are bound to comply to the extent that the same are published and publicly available or the existence or contents of them have been notified to the Partner(s) or relevant third party (as applicable); and
- (d) any judgment of a relevant court of law which is a binding precedent in England.

Lead Commissioning Arrangements means the arrangements by which one Partner commissions Services in relation to an Individual Scheme on behalf of the other Partner in exercise of both the NHS Functions and the Council Functions.

Lead Commissioner means the Partner responsible for commissioning an Individual Service under a Scheme Specification.

Losses means all damage, loss, liabilities, claims, actions, costs, expenses (including the cost of legal and/or professional services), proceedings, demands and charges whether arising under statute, contract or at common law but excluding Indirect Losses and "Loss" shall be interpreted accordingly.

Month means a calendar month.

National Conditions mean the national conditions as set out in the NHS England Planning Guidance as are amended or replaced from time to time.

NHS Functions means those of the NHS functions listed in Regulation 5 of the Regulations as are exercisable by the CCG as are relevant to the commissioning of the Services and which may be further described in each Service Schedule

Non Pooled Fund means the budget detailing the financial contributions of the Partners which are not included in a Pooled Fund in respect of a particular Service as set out in the relevant Scheme Specification

Non-Recurrent Payments means funding provided by a Partner to a Pooled Fund in addition to the Financial Contributions pursuant to arrangements agreed

Overspend means any expenditure from a Pooled Fund in a Financial Year which exceeds the Financial Contributions for that Financial Year.

Partner means each of the CCG and the Council, and references to "**Partners**" shall be construed accordingly.

Partnership Board means the partnership board responsible for review of performance and oversight of this Agreement as set out in Schedule 2.

Permitted Budget means in relation to a Service where the Council is the Provider, the budget that the Partners have set in relation to the particular Service.

Personal Data means Personal Data as defined by the 1998 Act.

Pooled Fund means any pooled fund established and maintained by the Partners as a pooled fund in accordance with the Regulations

Pooled Fund Manager means such officer of the Host Partner which includes a Section 113 Officer for the relevant Pooled Fund established under an Individual Scheme as is nominated by the Host Partner from time to time to manage the Pooled Fund in accordance with Clause [9].

Provider means a provider of any Services commissioned under the arrangements set out in this Agreement.

Public Health England means the SOSH trading as Public Health England.

Quarter means each of the following periods in a Financial Year:

1 April to 30 June

1 July to 30 September

1 October to 31 December

1 January to 31 March

and "**Quarterly**" shall be interpreted accordingly.

Regulations means the means the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 No 617 (as amended).

Performance Payment Arrangement means any arrangement agreed with a Provider and one of more Partners in relation to the cost of providing Services on such terms as agreed in writing by all Partners.

Performance Payments means any sum over and above the relevant Contract Price which is payable to the Provider in accordance with a Performance Payment Arrangement.

Scheme Specification means a specification setting out the arrangements for an Individual Scheme agreed by the Partners to be commissioned under this Agreement.

Sensitive Personal Data means Sensitive Personal Data as defined in the 1998 Act.

Services means such health and social care services as agreed from time to time by the Partners as commissioned under the arrangements set out in this Agreement and more specifically defined in each Scheme Specification.

Services Contract means an agreement for the provision of Services entered into with a Provider by one or more of the Partners in accordance with the relevant Individual Scheme.

Service Users means those individual for whom the Partners have a responsibility to commission the Services.

SOSH means the Secretary of State for Health.

Third Party Costs means all such third party costs (including legal and other professional fees) in respect of each Individual Scheme as a Partner reasonably and properly incurs in the proper performance of its obligations under this Agreement and as agreed by the Torbay Health and Wellbeing Board.

Working Day means 8.00am to 6.00pm on any day except Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday (in England) under the Banking & Financial Dealings Act 1971.

- 1.2 In this Agreement, all references to any statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any conditions attaching thereto. Where relevant, references to English statutes and statutory provisions shall be construed as references also to equivalent statutes, statutory provisions and rules of law in other jurisdictions.
- 1.3 Any headings to Clauses, together with the front cover and the index are for convenience only and shall not affect the meaning of this Agreement. Unless the contrary is stated, references to Clauses and Schedules shall mean the clauses and schedules of this Agreement.
- 1.4 Any reference to the Partners shall include their respective statutory successors, employees and agents.
- 1.5 In the event of a conflict, the conditions set out in the Clauses to this Agreement shall take priority over the Schedules.
- 1.6 Where a term of this Agreement provides for a list of items following the word "including" or "includes", then such list is not to be interpreted as being an exhaustive list.
- 1.7 In this Agreement, words importing any particular gender include all other genders, and the term "person" includes any individual, partnership, firm, trust, body corporate, government, governmental body, trust, agency, unincorporated body of persons or association and a reference to a person includes a reference to that person's successors and permitted assigns.
- 1.8 In this Agreement, words importing the singular only shall include the plural and vice versa.
- 1.9 In this Agreement, "staff" and "employees" shall have the same meaning and shall include reference to any full or part time employee or officer, director, manager and agent.
- 1.10 Subject to the contrary being stated expressly or implied from the context in these terms and conditions, all communication between the Partners shall be in writing.
- 1.11 Unless expressly stated otherwise, all monetary amounts are expressed in pounds sterling but in the event that pounds sterling is replaced as legal tender in the United Kingdom by a different currency

then all monetary amounts shall be converted into such other currency at the rate prevailing on the date such other currency first became legal tender in the United Kingdom.

- 1.12 All references to the Agreement include (subject to all relevant approvals) a reference to the Agreement as amended, supplemented, substituted, novated or assigned from time to time.

2 TERM

2.1 This Agreement shall come into force on the Commencement Date

2.2 This Agreement shall continue until it is terminated in accordance with Clause [21].

2.3 The duration of the arrangements for each Individual Scheme shall be as set out in the relevant Scheme Specification.

3 GENERAL PRINCIPLES

3.1 Nothing in this Agreement shall affect:

3.1.1 the liabilities of the Partners to each other or to any third parties for the exercise of their respective functions and obligations (including the Functions); or

3.1.2 any power or duty to recover charges for the provision of any services (including the Services) in the exercise of any local authority function.

3.2 The Partners agree to:

3.2.1 treat each other with respect and an equality of esteem;

3.2.2 be open with information about the performance and financial status of each; and

3.2.3 provide early information and notice about relevant problems.

3.3 For the avoidance of doubt, the aims and outcomes relating to an Individual Scheme may be set out in the relevant Scheme specification.

4 PARTNERSHIP FLEXIBILITIES

4.1 This Agreement sets out the mechanism through which the Partners will work together to establish one or more of the following:

4.1.1 the establishment of one or more Pooled Funds

in relation to Individual Schemes (the "Flexibilities")

4.2 The Council delegates to the CCG and the CCG agrees to exercise, on the Council's behalf, the Health Related Functions to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the NHS Functions.

4.3 The CCG delegates to the Council and the Council agrees to exercise on the CCG's behalf the NHS Functions to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the Health Related Functions.

4.4 Where the powers of a Partner to delegate any of its statutory powers or functions are restricted, such limitations will automatically be deemed to apply to the relevant Scheme Specification and the Partners shall agree arrangements designed to achieve the greatest degree of delegation to the other Partner necessary for the purposes of this Agreement which is consistent with the statutory constraints.

5 FUNCTIONS

- 5.1 The purpose of this Agreement is to establish a framework through which the Partners can secure the provision of health and social care services in accordance with the terms of this Agreement.
- 5.2 This Agreement shall include such functions as shall be agreed from time to time by the Partners.
- 5.3 Where the Partners add a new Individual Scheme to this Agreement a Scheme Specification for each Individual Scheme shall be in the form set out in Schedule 1 shall be completed and agreed between the Partners.
- 5.4 The Partners shall not enter into a Scheme Specification in respect of an Individual Scheme unless they are satisfied that the Individual Scheme in question will improve health and well-being in accordance with this Agreement.
- 5.5 The introduction of any Individual Scheme will be subject to business case approval by the Health and Wellbeing Board.

6 COMMISSIONING ARRANGEMENTS

Integrated Commissioning:

- 6.1 Where there are Integrated Commissioning arrangements in respect of an Individual Scheme, Partners shall work in cooperation and shall endeavour to ensure that the NHS Functions and Health Related Functions are commissioned with all due skill, care and attention.
- 6.2 Partners shall be responsible for compliance with and making payments of all sums due to a Provider pursuant to the terms of each Service Contract.
- 6.3 Partners shall work in cooperation and endeavour to ensure that the relevant Services as set out in each Scheme Specification are commissioned within each Partners Financial Contribution in respect of that particular Service in each Financial Year.
- 6.4 Partners shall comply with the arrangements in respect of the Joint Commissioning as set out in the relevant Scheme Specification.
- 6.5 Each Partner shall keep the other Partners and the ICO Contract Review Meetings regularly informed of the effectiveness of the arrangements including the Better Care Fund and any Overspend or Underspend in a Pooled Fund or Non Pooled Fund.
- 6.6 The Better Care Fund Delivery Group will report back to the Health and Wellbeing Board as required by its Terms of Reference.

Appointment of a Lead Commissioner –Where there are Lead Commissioning Arrangements in respect of an Individual Scheme the Lead Commissioner shall:

- 6.6.1 exercise the NHS Functions in conjunction with the Health Related Functions as identified in the relevant Scheme Specification;
- 6.6.2 endeavour to ensure that the NHS Functions and the Health Related Functions are funded within the parameters of the Financial Contributions of each Partner in relation to each particular Service in each Financial Year.
- 6.6.3 commission Services for individuals who meet the eligibility criteria set out in the relevant Scheme Specification;
- 6.6.4 contract with Provider(s) for the provision of the Services on terms agreed with the other Partners;
- 6.6.5 comply with all relevant legal duties and guidance of Partners in relation to the Services being commissioned;
- 6.6.6 where Services are commissioned using the NHS Standard Form Contract, perform the obligations of the “Commissioner” and “Co-ordinating Commissioner” with all due skill,

care and attention and where Services are commissioned using any other form of contract to perform its obligations with all due skill and attention;

- 6.6.7 undertake performance management and contract monitoring of all Service Contracts;
- 6.6.8 make payment of all sums due to a Provider pursuant to the terms of any Services Contract.
- 6.6.9 keep the other Partners and the ICO Contract Review Meetings regularly informed of the effectiveness of the arrangements including the Better Care Fund and any Overspend or Underspend in a Pooled Fund or Non Pooled Fund.

7 ESTABLISHMENT OF A POOLED FUND

- 7.1 In exercise of their respective powers under Section 75 of the 2006 Act, the Partners have agreed to establish and maintain such pooled funds for revenue expenditure as set out in the Scheme Specifications.

8 THE POOLED FUND SHALL BE MANAGED AND MAINTAINED IN ACCORDANCE WITH THE RISK SHARE AGREEMENT (SEE SCHEDULE 2 - GOVERNANCE)

- 8.1 The Partners may only depart from the definition of Permitted Expenditure to include or exclude other revenue expenditure with the express written agreement of each Partner.
- 8.2 For the avoidance of doubt, monies held in the Pooled Fund may not be expended on Default Liabilities unless this is agreed by all Partners.

9 POOLED FUND MANAGEMENT

- 9.1 All expenditure from the Pooled Fund is in accordance with the provisions of the Partners' Risk Share Agreement. Partners will be responsible for:
 - 9.1.1 reporting to the Torbay Health and Wellbeing Board as required by the Torbay Health and Wellbeing Board;
 - 9.1.2 ensuring action is taken to manage any projected under or overspends relating to the Pooled Fund ;
 - 9.1.3 preparing and submitting to the Better Care Fund Delivery Group Quarterly reports (or more frequent reports if required by the Better Care Fund Delivery Group and an annual return about the income and expenditure from the Pooled Fund together with such other information as may be required by the Partners and the Torbay Health and Wellbeing Board to monitor the effectiveness of the Pooled Fund and to enable the Partners to complete their own financial accounts and returns. The Partners agree to provide all necessary information in time for the reporting requirements to be met.
 - 9.1.4 preparing and submitting reports to the Torbay Health and Wellbeing Board as required by it.

10 FINANCIAL CONTRIBUTIONS

- 10.1 The Financial Contribution of the CCG and the Council to any Pooled Fund for the Financial Year of operation is set out in Schedule [3].
- 10.2 Provisions around how Financial Contributions will be determined going forward will be set out each year as and when financial allocations are agreed.
- 10.3 The total amount of the Better care fund agreement between the parties equates to £11.829m. This is part of the total pooled budget for the ICO described above and comprises the following elements:
- 10.4 Disabled facilities grant and social care capital grant allocations totalling £1.524m. It is received and retained by Torbay council and is excluded from the s75 agreement.

- 10.5 The total CCG minimum contribution of £10.305m is supporting the development of schemes within the integrated care organisation.
- 10.6 The total amount payable directly to Torbay Council by the CCG as part of this overall amount being £2,050,000 paid quarterly £512,500.
- 10.7 With the exception of Clause [13], no provision of this Agreement shall preclude the Partners from making additional contributions of Non-Recurrent Payments to the Pooled Fund from time to time by mutual agreement. Any such additional contributions of Non-Recurrent Payments shall be explicitly recorded in the Torbay Health and Wellbeing Board minutes and recorded in the budget statement as a separate item.

11 RISK SHARE ARRANGMENTS, OVERSPENDS AND UNDERSPENDS

Risk share arrangements

- 11.1 The partners have agreed risk share arrangements as set out in schedule 3 which provide for financial risks arising within the commissioning of services from the pooled funds and the financial risk to the pool arising from the payment for performance element of the Better Care Fund.

Overspends in Pooled Fund

- 11.2 Subject to Clause [11.4], the Host Partner for the relevant Pooled Fund shall manage expenditure from a Pooled Fund within the Financial Contributions and shall ensure that the expenditure is limited to Permitted Expenditure.
- 11.3 The Host Partner shall not be in breach of its obligations under this Agreement if an Overspend occurs PROVIDED THAT the only expenditure from a Pooled Fund has been in accordance with Permitted Expenditure and it has informed the Partnership Board in accordance with Clause 11.4.
- 11.4 In the event that the Pooled Fund Manager identifies an actual or projected Overspend the Pooled Fund Manager must ensure that the Partnership Board is informed as soon as reasonably possible and the provisions of the relevant Scheme Specification and Schedule [3] shall apply.

Underspends in Pooled Fund

- 11.5 In the event that expenditure from any Pooled Fund in any Financial Year is less than the aggregate value of the Financial Contributions made for that Financial Year the Partners shall agree how the surplus monies shall be spent, carried forward and/or returned to the Partners as per schedule [3]. Such arrangements shall be subject to the Law and the Standing Orders and Standing Financial Instructions (or equivalent) of the Partners and the terms of the Performance Payment Arrangement.

12 CAPITAL EXPENDITURE

Neither Pooled Funds nor Non Pooled Funds shall normally be applied towards any one-off expenditure on goods and/or services, which will provide continuing benefit and would historically, have been funded from the capital budgets of one of the Partners. If a need for capital expenditure is identified this must be agreed by the Partners.

13 VAT

The Partners shall agree the treatment of the Pooled Fund for VAT purposes in accordance with any relevant guidance from HM Customs and Excise.

14 AUDIT AND RIGHT OF ACCESS

- 14.1 All Partners shall promote a culture of probity and sound financial discipline and control.
- 14.2 All internal and external auditors and all other persons authorised by the Partners will be given the right of access by them to any document, information or explanation they require from any employee, member of the Partner in order to carry out their duties. This right is not limited to financial information or accounting records and applies equally to premises or equipment used in

connection with this Agreement. Access may be at any time without notice, provided there is good cause for access without notice.

15 LIABILITIES AND INSURANCE AND INDEMNITY

- 15.1 Subject to Clause 15.2, and 15.3, if a Partner ("First Partner") incurs a Loss arising out of or in connection with this Agreement or the Services Contract as a consequence of any act or omission of another Partner ("Other Partner") which constitutes negligence, fraud or a breach of contract in relation to this Agreement or the Services Contract then the Other Partner shall be liable to the First Partner for that Loss and shall indemnify the First Partner accordingly.
- 15.2 Clause 15.1 shall only apply to the extent that the acts or omissions of the Other Partner, or partners, contributed to the relevant Loss. Furthermore, it shall not apply if such act or omission occurred as a consequence of the Other Partner, or partners, acting in accordance with the instructions or requests of the First Partner or the Partnership Board.
- 15.3 If any third party makes a claim or intimates an intention to make a claim against a Partner, which may reasonably be considered as likely to give rise to liability under this Clause 15. the Partner that may claim against the other indemnifying Partner, or partners will:
- 15.3.1 as soon as reasonably practicable give written notice of that matter to the Other Partners specifying in reasonable detail the nature of the relevant claim;
 - 15.3.2 not make any admission of liability, agreement or compromise in relation to the relevant claim without the prior written consent of the Other Partner, or partners, (such consent not to be unreasonably conditioned, withheld or delayed);
 - 15.3.3 give the Other Partners and their professional advisers reasonable access to its premises and personnel and to any relevant assets, accounts, documents and records within its power or control so as to enable the Indemnifying Partner, or partners, and their professional advisers to examine such premises, assets, accounts, documents and records and to take copies at their own expense for the purpose of assessing the merits of, and if necessary defending, the relevant claim.
- 15.4 Each Partner shall ensure that they maintain policies of insurance in respect of all potential liabilities arising from this Agreement.
- 15.5 Each Partner shall at all times take all reasonable steps to minimise and mitigate any loss for which one party is entitled to bring a claim against the other pursuant to this Agreement.

16 STANDARDS OF CONDUCT AND SERVICE

- 16.1 The Partners will at all times comply with Law and ensure good corporate governance in respect of each Partner (including the Partners respective Standing Orders and Standing Financial Instructions).
- 16.2 The Council is subject to the duty of Best Value under the Local Government Act 1999. This Agreement and the operation of the Pooled Fund is therefore subject to the Council's obligations for Best Value and the other Partners will co-operate with all reasonable requests from the Council which the Council considers necessary in order to fulfil its Best Value obligations.
- 16.3 The CCG is subject to the CCG Statutory Duties and these incorporate a duty of clinical governance, which is a framework through which they are accountable for continuously improving the quality of its services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish. This Agreement and the operation of the Pooled Funds are therefore subject to ensuring compliance with the CCG Statutory Duties and clinical governance obligations.
- 16.4 The Partners are committed to an approach to equality and equal opportunities as represented in their respective policies. The Partners will maintain and develop these policies as applied to service provision, with the aim of developing a joint strategy for all elements of the service.

17 CONFLICTS OF INTEREST

The Partners shall comply with the agreed policy for identifying and managing conflicts of interest as set out in schedule 6.

18 GOVERNANCE

- 18.1 Overall strategic oversight of partnership working between the partners is vested in the Health and Well Being Board, which for these purposes shall make recommendations to the Partners as to any action it considers necessary.
- 18.2 The ICO Contract Review Meetings and Social Care Programme Board will, monitor performance and agree allocation of resources
- 18.3 The Better Care Fund Delivery Group is based on a joint working group structure. Each member of the BCF Delivery Group shall be an officer of one of the Partners and will have individual delegated responsibility from the Partner employing them to make decisions which enable the Partnership Board to carry out its objects, roles, duties and functions as set out in this Clause 18 and Schedule 2.
- 18.4 The Better Care Fund Delivery Group has been established to focus on delivery and metrics of Better Care Fund schemes as a sub group of the ICO Contract Review Meetings. Governance is set out in Schedule [2] and the Torbay Better Care Delivery Group – Terms of Reference as set out in Schedule 8.
- 18.5 Each Partner has secured internal reporting arrangements to ensure the standards of accountability and probity required by each Partner's own statutory duties and organisation are complied with.
- 18.6 The Torbay Health and Wellbeing Board shall be responsible for the overall approval of the Better Care Fund Plan and the strategic direction of the Better Care Fund.

19 REVIEW

- 19.1 Save where the ICO Contract Review Meetings agree alternative arrangements (including alternative frequencies) the Partners shall undertake an annual review (“**Annual Review**”) of the operation of this Agreement and the provision of the Services within 3 Months of the end of each Financial Year.
- 19.2 Subject to any variations to this process required by the Better Care Fund Delivery Group, annual Reviews of relevant projects shall be conducted in good faith and, where applicable, in accordance with the governance arrangements set out in Schedule [2].
- 19.3 In the event that the Partners fail to meet the requirements of the Better Care Fund Plan and NHS England the Partners shall provide full co-operation with NHS England to agree a recovery plan.

20 COMPLAINTS

The Partners' own complaints procedures shall apply to this Agreement. The Partners agree to assist one another in the management of complaints arising from this Agreement or the provision of the Services.

21 TERMINATION & DEFAULT

- 21.1 This Agreement may be terminated by any Partner giving not less than 3 Months' notice in writing to terminate this Agreement provided that such termination shall not take effect prior to the termination or expiry of all Individual Schemes.
- 21.2 Each Individual Scheme may be terminated in accordance with the terms set out in the relevant Scheme Specification provided that the Partners ensure that the Better Care Fund requirements continue to be met.
- 21.3 If any Partner (“Relevant Partner”) fails to meet any of its obligations under this Agreement, the other Partners (acting jointly) may by notice require the Relevant Partner to take such reasonable action within a reasonable timescale as the other Partners may specify to rectify such failure. Should the

Relevant Partner fail to rectify such failure within such reasonable timescale, the matter shall be referred for resolution in accordance with Clause 22.

- 21.4 In the event of termination of this Agreement, the Partners agree to cooperate to ensure an orderly wind down of their joint activities and to use their best endeavours to minimise disruption to the health and social care which is provided to the Service Users.
- 21.5 Upon termination of this Agreement for any reason whatsoever the following shall apply:
- 21.5.1 the Partners agree that they will work together and co-operate to ensure that the winding down and disaggregation of the integrated and joint activities to the separate responsibilities of the Partners is carried out smoothly and with as little disruption as possible to service users, employees, the Partners and third parties, so as to minimise costs and liabilities of each Partner in doing so;
- 21.5.2 where a Partner has entered into a Service Contract which continues after the termination of this Agreement, Partners shall continue to contribute to the Contract Price in accordance with the agreed contribution for that Service prior to termination and will enter into all appropriate legal documentation required in respect of this;
- 21.5.3 the Partners shall make reasonable endeavours to amend or terminate a Service Contract (which shall for the avoidance of doubt not include any act or omission that would place Partners in breach of the Service Contract) where the other Partners request the same in writing provided that the Partners shall not be required to make any payments for such amendment or termination unless the Partners shall have agreed in advance who shall be responsible for any such payment.
- 21.5.4 here a Service Contract held by a Partner relates all or partially to services which relate to other Partners' Functions then provided that the Service Contract allows the other Partners may request that the Partner assigns the Service Contract in whole or part upon the same terms mutatis mutandis as the original contract.
- 21.5.5 The ICO Contract Review Meeting shall continue to operate for the purposes of functions associated with this Agreement for the remainder of any contracts and commitments relating to this Agreement; and
- 21.5.6 Termination of this Agreement shall have no effect on the liability of any rights or remedies of Partners already accrued, prior to the date upon which such termination takes effect.
- 21.6 In the event of termination in relation to an Individual Scheme the provisions of Clause 21.5 shall apply mutatis mutandis in relation to the Individual Scheme (as though references as to this Agreement were to that Individual Scheme).

22 DISPUTE RESOLUTION

- 22.1 In the event of a dispute between the Partners arising out of this Agreement, Partners may serve written notice of the dispute on the other Partners, setting out full details of the dispute.
- 22.2 The Authorised Officer shall meet in good faith as soon as possible and in any event within seven (7) days of notice of the dispute being served pursuant to Clause 22.1, at a meeting convened for the purpose of resolving the dispute.
- 22.3 If the dispute remains after the meeting detailed in Clause 22.2 has taken place, the Partners' respective Chief Executives or nominees shall meet in good faith as soon as possible after the relevant meeting and in any event with fourteen (14) days of the date of the meeting, for the purpose of resolving the dispute.
- 22.4 If the dispute remains after the meeting detailed in Clause 22.3 has taken place, then the Partners will attempt to settle such dispute by mediation in accordance with the CEDR Model Mediation Procedure or any other model mediation procedure as agreed by the Partners. To initiate mediation, Partners may give notice in writing (a "**Mediation Notice**") to the other requesting mediation of the

dispute and shall send a copy thereof to CEDR or an equivalent mediation organisation as agreed by the Partners asking them to nominate a mediator. The mediation shall commence within twenty (20) Working Days of the Mediation Notice being served. Neither Partner will terminate such mediation until each of them has made its opening presentation and the mediator has met each of them separately for at least one (1) hour. Thereafter, paragraph 14 of the Model Mediation Procedure will apply (or the equivalent paragraph of any other model mediation procedure agreed by the Partners). The Partners will co-operate with any person appointed as mediator, providing him with such information and other assistance as he shall require and will pay his costs as he shall determine or in the absence of such determination such costs will be shared equally.

22.5 Nothing in the procedure set out in this Clause 22 shall in any way affect Partners right to terminate this Agreement in accordance with any of its terms or take immediate legal action.

23 FORCE MAJEURE

23.1 Partners shall not be entitled to bring a claim for a breach of obligations under this Agreement by other Partners nor incur any liability to other Partners for any losses or damages incurred by that Partner to the extent that a Force Majeure Event occurs and it is prevented from carrying out its obligations by that Force Majeure Event.

23.2 On the occurrence of a Force Majeure Event, the Affected Partner shall notify the other Partners as soon as practicable. Such notification shall include details of the Force Majeure Event, including evidence of its effect on the obligations of the Affected Partner and any action proposed to mitigate its effect.

23.3 As soon as practicable, following notification as detailed in Clause 23.2, the Partners shall consult with each other in good faith and use all best endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and, subject to Clause 24.4, facilitate the continued performance of the Agreement.

23.4 If the Force Majeure Event continues for a period of more than [sixty (60) days], Partners shall have the right to terminate the Agreement by giving [fourteen (14) days] written notice of termination to other Partners. For the avoidance of doubt, no compensation shall be payable by either Partner as a direct consequence of this Agreement being terminated in accordance with this Clause.

24 CONFIDENTIALITY

24.1 In respect of any Confidential Information a Partner receives from another Partner (the "**Discloser**") and subject always to the remainder of this Clause 24, each Partner (the "**Recipient**") undertakes to keep secret and strictly confidential and shall not disclose any such Confidential Information to any third party, without the Discloser's prior written consent provided that:

24.1.1 the Recipient shall not be prevented from using any general knowledge, experience or skills which were in its possession prior to the Commencement Date; and

24.1.2 the provisions of this Clause 24 shall not apply to any Confidential Information which:

(a) is in or enters the public domain other than by breach of the Agreement or other act or omission of the Recipient; or

(b) is obtained by a third party who is lawfully authorised to disclose such information.

24.2 Nothing in this Clause 24 shall prevent the Recipient from disclosing Confidential Information where it is required to do so in fulfilment of statutory obligations or by judicial, administrative, governmental or regulatory process in connection with any action, suit, proceedings or claim or otherwise by applicable Law.

24.3 Each Partner:

24.3.1 may only disclose Confidential Information to its employees and professional advisors to the extent strictly necessary for such employees to carry out their duties under the Agreement; and

24.3.2 will ensure that, where Confidential Information is disclosed in accordance with Clause 24.3.1, the recipient(s) of that information is made subject to a duty of confidentiality equivalent to that contained in this Clause 24;

24.3.3 shall not use Confidential Information other than strictly for the performance of its obligations under this Agreement.

25 FREEDOM OF INFORMATION AND ENVIRONMENTAL PROTECTION REGULATIONS

25.1 The Partners agree that they will each cooperate with each other to enable any Partner receiving a request for information under the 2000 Act or the 2004 Act to respond to a request promptly and within the statutory timescales. This cooperation shall include but not be limited to finding, retrieving and supplying information held, and directing requests to other Partners as appropriate and responding to any requests by the Partner receiving a request for comments or other assistance.

25.2 Any and all agreements between the Partners as to confidentiality shall be subject to their duties under the 2000 Act and 2004 Act. No Partner shall be in breach of Clause 25 if it makes disclosures of information in accordance with the 2000 Act and/or 2004 Act.

26 OMBUDSMEN

The Partners will co-operate with any investigation undertaken by the Health Service Commissioner for England or the Local Government Commissioner for England (or both of them) in connection with this Agreement.

27 INFORMATION SHARING

The Partners will follow the Information Governance Protocol set out in schedule 7, and in so doing will ensure that the operation this Agreement complies with Law, in particular the 1998 Act.

28 NOTICES

28.1 Any notice to be given under this Agreement shall either be delivered personally or sent by facsimile or sent by first class post or electronic mail. The address for service of each Partner shall be as set out in Clause 29.3 or such other address as each Partner may previously have notified to the other Partner in writing. A notice shall be deemed to have been served if:

28.1.1 personally delivered, at the time of delivery;

28.1.2 sent by facsimile, at the time of transmission;

28.1.3 posted, at the expiration of forty eight (48) hours after the envelope containing the same was delivered into the custody of the postal authorities; and

28.1.4 if sent by electronic mail, at the time of transmission and a telephone call must be made to the recipient warning the recipient that an electronic mail message has been sent to him (as evidenced by a contemporaneous note of the Partner, or partners, sending the notice) and a hard copy of such notice is also sent by first class recorded delivery post (airmail if overseas) on the same day as that on which the electronic mail is sent.

28.2 In proving such service, it shall be sufficient to prove that personal delivery was made, or that the envelope containing such notice was properly addressed and delivered into the custody of the postal authority as prepaid first class or airmail letter (as appropriate), or that the facsimile was transmitted on a tested line or that the correct transmission report was received from the facsimile machine sending the notice, or that the electronic mail was properly addressed and no message was received informing the sender that it had not been received by the recipient (as the case may be).

28.3 The address for service of notices as referred to in Clause 28.1 shall be as follows unless otherwise notified to the other Partners in writing:

28.3.1 if to the Council, addressed to the Director of Adults Social Care, Torbay Council, Town Hall, Torquay, TQ1 3DR.

Tel 01803 207116, E.mail: caroline.taylor@torbay.gov.uk

28.3.2 if to the CCG, addressed to Director of Commissioning, South Devon and Torbay Clinical Commissioning Group, Pomona House, Oak View Close, Torquay TQ2 7FF.

Tel: 01803 652508, E.mail: simon.tapley@nhs.net

28.3.2 If to the ICO, addressed to Liz Davenport, Director of Operations, Torbay and South Devon NHS Foundation Trust, Hengrave House, Torbay Hospital, Lowes Bridge, Torquay, TQ2 7AA
Tel: 01803 655703 Email: liz.davenport@nhs.net

29 VARIATION

No variations to this Agreement will be valid unless they are recorded in writing and signed for and on behalf of the Partners.

30 CHANGE IN LAW

30.1 The Partners shall ascertain, observe, perform and comply with all relevant Laws, and shall do and execute or cause to be done and executed all acts required to be done under or by virtue of any Laws.

30.2 On the occurrence of any Change in Law, the Partners shall agree in good faith any amendment required to this Agreement as a result of the Change in Law subject to the Partners using all reasonable endeavours to mitigate the adverse effects of such Change in Law and taking all reasonable steps to minimise any increase in costs arising from such Change in Law.

30.3 In the event of failure by the Partners to agree the relevant amendments to the Agreement (as appropriate), the Clause 22 (Dispute Resolution) shall apply.

31 WAIVER

No failure or delay by any Partner to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same or of some other right to remedy.

32 SEVERANCE

If any provision of this Agreement, not being of a fundamental nature, shall be held to be illegal or unenforceable, the enforceability of the remainder of this Agreement shall not thereby be affected.

33 ASSIGNMENT AND SUB CONTRACTING

The Partners shall not sub contract, assign or transfer the whole or any part of this Agreement, without the prior written consent of the other Partners, which shall not be unreasonably withheld or delayed. This shall not apply to any assignment to a statutory successor of all or part of a Partner's statutory functions.

34 EXCLUSION OF PARTNERSHIP AND AGENCY

34.1 Nothing in this Agreement shall create or be deemed to create a partnership under the Partnership Act 1890 or the Limited Partnership Act 1907, a joint venture or the relationship of employer and employee between the Partners or render any of the Partners directly liable to any third party for the debts, liabilities or obligations of the other.

34.2 Except as expressly provided otherwise in this Agreement or where the context or any statutory provision otherwise necessarily requires, Partners will not have authority to, or hold themselves out as having authority to:

34.2.1 act as an agent of the other;

34.2.2 make any representations or give any warranties to third parties on behalf of or in respect of each other; or

34.2.3 bind the others in any way.

35 THIRD PARTY RIGHTS

Unless the right of enforcement is expressly provided, no third party shall have the right to pursue any right under this Contract pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

36 ENTIRE AGREEMENT

36.1 The terms herein contained together with the contents of the Schedules constitute the complete agreement between the Partners with respect to the subject matter hereof and supersede all previous communications representations understandings and agreement and any representation promise or condition not incorporated herein shall not be binding on any Partner.

36.2 No agreement or understanding varying or extending or pursuant to any of the terms or provisions hereof shall be binding upon any Partner unless in writing and signed by a duly authorised officer or representative of the parties.

37 COUNTERPARTS

This Agreement may be executed in one or more counterparts. Any single counterpart or a set of counterparts executed, in either case, by all Partners shall constitute a full original of this Agreement for all purposes.

38 GOVERNING LAW AND JURISDICTION

38.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

38.2 Subject to Clause 22 (Dispute Resolution), the Partners irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to hear and settle any action, suit, proceedings, dispute or claim, which may arise out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS WHEREOF this Agreement has been executed by the Partners on the date of this Agreement

THE CORPORATE SEAL of **TORBAY
COUNCIL**

was hereunto affixed in the presence of:



Caroline Taylor, Director of Adult Services

Signed for on behalf of **CLINICAL
COMMISSIONING GROUP**



Simon Tapley, Director of Commissioning
and Transformation

SCHEDULE 1 – SCHEME SPECIFICATIONS AND METRICS

Unless the context otherwise requires, the defined terms used in this Scheme Specification shall have the meanings set out in the Agreement. The terms apply to all four schemes unless otherwise specified.

• OVERVIEW OF INDIVIDUAL SERVICE 1

Scheme 1: Single Point of Access (SPOA)

The entry point entitled 'SPOA' Single Point of Access, aims to provide a multimedia gateway for both members of the public and for clinicians to be signposted to the right provider within the system (this may include voluntary, private and independent sector provision).

The SPOA will be the link between statutory and non-statutory health and social care provider services directly or through locality teams. It will provide a gateway to a range of provider services that can be accessed immediately or through a direct appointment booking system. The SPOA will be managed through a 24 hour response service. The range of services that could be accessed through the SPOA is likely to include:

1. GP/ practice nurse clinics/ pharmacists
2. Children and young people's services
3. Health/ social care/ mental health professional
4. Hospital at home
5. End of life services
6. Domiciliary care services
7. Voluntary care services
8. Community groups/ activities
9. Out of hours services
10. Lifestyles team and wellbeing activities

In addition to providing a single point of access for the public the SPOA will also provide a central hub for clinicians. The aim of this service is two-fold:

1. To operate a live Directory of Commissioned Services that Clinicians can access to identify what options exist for a patient requiring a change in their current level of care in real time – the aim of this being to stream patients to the most appropriate service or facility to meet their immediate care needs thereby preventing avoidable non-elective admissions or facilitating early discharge from A & E or hospital
2. To facilitate patient matching (client-needs led approach) to appropriate services and e-referral to that service to facilitate the transfer of care.

The service is expected to be accessible 24 hours a day, seven days a week via telephone or internet.

AIMS AND OUTCOMES

- Reduction in 'face to face' clinical appointments by up to 25% (based on Devon Care Direct Plus model)
- The increase in utilisation of existing staff will free up capacity to manage the increase in workload generated from the introduction of the Care Bill
- Allocation of required based on patient need, this will shift some frontline work out of traditional health or social care providers into the domiciliary or third sector market
- 10% increase in citizens sourcing their own health and care solutions
- 10% reduction in numbers of citizens requiring assessment
- Reductions in non-elective hospital admissions (target initially 15% reduction in inappropriate admissions (net 5%))
- More appropriate treatment/management of patients
- Better utilisation of non-hospital resources
- Promoting self-care
- Increased involvement and utilisation of the Voluntary Sector

- The extension of the SPOA service to provide in-home monitoring is also expected to reduce 30-day, post-acute readmission as well as provide an early warning system for at-risk patients that will enable early intervention prior to a crisis occurring

THE ARRANGEMENTS

(1) *Joint Commissioning;*

FUNCTIONS

The scheme is part of a programme to create new models of integrated care across the South Devon and Torbay health and care community

No functions of the NHS are delegated as a result of this scheme.

Additional services may be brought within the scope of this Agreement during the Term by agreement.

SERVICES

The CCG is the Host Partner for the Partnership Arrangements, and agrees to act as lead commissioner of the Services listed in part 2 of this schedule.

Torbay Council shall provide the Services or procure them through external providers and, working closely with its NHS partners, shall be accountable to the NHS bodies for the NHS Functions for the benefit of Service Users:

- (a) to ensure the proper discharge of the Partners' Functions;(b) with reasonable skill and care, and in accordance with best practice guidance;(c) in all respects in accordance with the Aims and Outcomes, the performance management framework, the provisions of this Agreement in accordance with its standing orders or other rules on contracting; and (d) in accordance with all applicable Law.

COMMISSIONING, CONTRACTING, ACCESS

Commissioning Arrangements

Torbay Council is the lead commissioner for this scheme

Contracting Arrangements

The costs of this scheme are staff costs of both health and social care staff. The health staff are employed by the acute and community Trusts

- (a) Section 31 partnership agreement with Torbay and Southern Devon Health and Care Trust pending planned creation of ICO arrangements will be monitored by ICO Contract Review Meetings

Access

People who are eligible for health and care services. The target demographic for this service is

- Adults
- Older People
- People who are acutely or terminally ill
- People with long term conditions
- People with mental health problems
- People with dementia or cognitive impairment
- People with learning disabilities
- People with physical disabilities

The Care Act requirements will be met in assessing the individuals eligibly for the scheme.

STAFF

Staff working within this scheme will continue to be employed by Torbay and South Devon NHSFT

RISK AND BENEFIT SHARE ARRANGEMENTS

The risk and benefits in relation to the funding are outlined in schedule [3].

REGULATORY REQUIREMENTS

This scheme complies with the Care Act 2014.

OVERVIEW OF INDIVIDUAL SERVICE 2

Enhanced Intermediate care services

To redesign community based services in order to manage more people in a proactive way to prevent hospital admission, reduce delayed discharges and reduce admissions to long term care. This includes the enhancement of the current primary care service to provide a single multi-disciplinary assessment service. The aim is to shift from a 'reactive' care model to a 'proactive' care model, focusing on enabling and empowering citizens, carers, and communities to support themselves and provide varying care settings dependent upon the individual's needs.

This work currently provides case management/care coordination for the vulnerable and frail population as identified by the risk stratification done via the GP DES. Further population segmentation is required in the future as outlined in the case for change section and action plan to further target our approach.

The model of care involves greater collaboration between citizens, carers, voluntary sector, health and social care in community and acute settings to support older persons. This includes agree goals with patients, carers, access to individual health record and sharing of data. We are planning to enhance this in our action plan.

The service model will link an enhanced single point of coordination primarily developed to reduce reliance on the statutory sector to local Multidisciplinary Teams which will be enhanced by support from primary care, the voluntary sector, mental health and hospital consultants to deliver more preventative care and support within the community. This will link through to the development of one GP practice per care home. This scheme will also focus clinical interventions earlier in the day, more pro-active care for patients most at risk of admissions, improve and enhance quality of medical care for care home patients and improve discharge planning for patients in acute and community hospitals.

The identification of individuals that would benefit from care co-ordination or case management through risk stratification will ensure identification of those individuals who require a care plan and increase supported to manage their needs.

Other additional work that is in progress that supports this:

- Working with care homes to ask them to notify the GP when a 999 call has been made, also linking with the ambulance service to try to prevent unnecessary conveyances to hospital as part of their "Right Care, Right Time, Right Place" strategy
- Changing working arrangements in practices to enable visits to be made earlier in the day in order to try to prevent overnight admissions occurring simply due to the time of day
- Care Homes – working towards one care home, one practice; extending the medication review pilot already underway; mentoring of care home staff by GPs and annual reviews of care home residents.

AIMS AND OUTCOMES

- a) Reduction in minor injury attendances at A & E by approximately 3,000 per annum
- b) Improve the quality, equity and consistency of services delivered across the South Devon and Torbay footprint
- c) In conjunction with SPOA outcome reduction in 'face to face' clinical appointments by up to 25% (based on Devon Care Direct Plus model)
- d) The increased utilisation of existing staff will free up capacity to manage the increases in work generated from the introduction of the care bill
- e) Reduction in community bed based care and bed days.
- f) Increased use of Crisis Response Team/domiciliary care/social care/Intensive Home Support Services
- g) Reduction in total number of admissions to acute wards.
- h) Less patients feeling a loss of independence in acute trust by giving autonomy for quick reablement in their own home.
- i) Fewer resulting in overnight stays
- j) Fewer emergency hospital admissions from care homes
- k) An increase in the number of high-risk patients who have a care plan
- l) Fewer 999 calls from care homes
- m) Improved experience of patients and carers as a result of proactive case management and link to a case manager
- n) Reduction in placements into long term care
- o) Reduction in delayed transfer of care
- p) Increase in the number of patients offered rehabilitation following discharge from hospital
- q) Reduction in the number of readmissions to hospital within 91 days - 79.7% of older people (65's and over) still at home 91 days after discharge
- r) An increase in the number of people with a dementia diagnosis to 66.71%
- s) An increase in the number of people with a dementia diagnosis
- t) Increase in patient satisfaction
- u) Reduction in hospital admissions for patients diagnosed with dementia
- v) Reduction in predictable end of life deaths in acute setting

OVERVIEW OF INDIVIDUAL SERVICE 3

Multiple Long Term Conditions

The Multi long term conditions model describes a new service for people with multiple LTCs. This will allow consistent and co-ordinated multidisciplinary management of all of a person's medical conditions in one place and at one time. For example individuals with heart failure, atrial fibrillation, diabetes, chronic kidney disease, hypertension and obesity will be managed by one multi-disciplinary locality team. Each individual will have a care co-ordinator who will monitor and manage the person's status and care needs. The service will be staffed by medical and nursing staff with a broad range of clinical skills and, supported by allied health professionals appropriate to the needs of the users and with integrated links to social care, mental health and the voluntary sector. The service will be supported by specialist consultants and nurses in appropriate clinical areas with regular education support and rapid access for advice rather than referral to specialist clinics. Multi-condition care planning will be the hall mark of the service. Clear linkages with 'Virtual wards' and services for frail elderly will be established. This service will function across all sectors (primary care, community services and hospital inpatient) allowing the services team to follow patients through their care journey and retain clinical management and accountability throughout.

AIMS AND OUTCOMES

- a) Promote self-care and self-efficacy, and support carers
- b) Be integrated at an individual user level to as great a degree as possible- patient centred, co-ordinated care (National Voices)
- c) Be integrated across a range of providers including service provider partners outside the combined organisation e.g. local authorities, mental health providers
- d) Be accessible and responsive to service users and to health professionals needing advice and support
- e) Able to respond to the needs of localities as outlined in locality plans
- f) Be unrestrained by the traditional barrier in healthcare both physical and professional
- g) Reduce hospital admissions before and after commencement of the service
- h) Changes in volume of activity within the multi-LTC service and the specialty LTC services
- i) Reduction in outpatient appointments for patients

- j) Reduction in unnecessary hospital admissions as LTC is managed more proactively
- k) Improved palliative care and less patients dying in an acute trust through the single holistic care plan

OVERVIEW OF INDIVIDUAL SERVICE 4

Community Care (Locality Teams & Community Hospital beds)

We want to make sure that people do not travel further than they need to for treatment and support, prevent unnecessary admissions to hospital and provide care in or close to people's homes as possible. To do this, we need to move resources away from bed based hospital care in order to strengthen the teams which support people within their local communities.

By doing this, we believe we can do more to keep people healthy, strengthen the health services that most people use and need, keep pace with the rising demand and ensure that we can afford to deliver these into the future. We want to use 21st century clinical approaches to meet the diverse needs of our population. In 2013 South Devon and Torbay CCG began to engage with the public to identify what matters to them in terms of their health and care to help the three organisations to develop proposals to create a new model of care. This engagement has continued into 2016 and we plan to launch a public consultation on these proposals in the autumn of 2016. The proposals include:

Locality clinical hub: each of the four localities which are part of this process – Moor to Sea, Newton Abbot, Paignton and Brixham, Torquay – will have a clinical hub which will provide community hospital beds, a long term conditions service and specialist outpatient clinics where insufficient people need to be seen to justify holding them in local towns. The clinical hub will also host a multi agency team. In Totnes and Newton Abbot, there will be a seven day a week, 8 am to 8 pm, minor injuries unit which will enable people to access urgent care closer to home and avoid unnecessary attendances at A&E.

Health and wellbeing centres: these will be based in Ashburton/Buckfastleigh, Bovey Tracey, Brixham, Dartmouth, Newton Abbot, Paignton, Torquay and Totnes. Locally based community staff will work alongside GP, pharmacists and voluntary sector organisations to provide health and well-being services and community clinics.

Health and wellbeing teams: these will operate out of the above centres and provide local services. The teams will bring together community health and social care staff, mental health professionals and our voluntary sector partners.

Intermediate care: will be provided in people's own homes supported by community staff or in local nursing and residential homes.

Investing in community services: by switching to this model of care we will be able to invest £3.9 million strengthening community services such as:

- Health and Wellbeing Co-ordinators, to be employed by our Voluntary Sector partners to support and signpost local people to the most appropriate services in their local area.
- Clinics and services for people with multiple long term conditions
- Additional intermediate care services in or close to people's own homes

Fewer hospital beds: to deliver this we will reduce the number of community hospitals to one per locality - in Brixham, Newton Abbot, Totnes (and Torbay Hospital) as well as in Teignmouth. By concentrating medical beds in fewer hospitals, we will be able to meet national safe staffing levels of one qualified nurse to eight beds with two nurses being on duty at any one time. This means closing hospitals in Ashburton/Buckfastleigh, Bovey Tracey, Dartmouth and Paignton.

Concentrating MIU activity: to ensure that MIUs provide a viable, effective service, we propose to reduce the number to three and have them located in Newton Abbot and Totnes, as well as Dawlish. All MIUs will open 8 am to 8 pm, seven days a week and will have with x ray facilities.

28 AIMS AND OUTCOMES

Outcomes from the draft consultation proposals:

1. Reduction of 32 hospital beds

2. Reduction of 24,000 attendances to A & E for minor injuries due to the streamlining and increased efficiency of MIU's within the plan
3. Reduction in roles within existing community hospital configuration will be realigned to increase community locality teams providing additional capacity to support a more proactive approach to care
4. Reduction in spend on intermediate care spot purchase beds
5. Meet increasing demand for services
6. Deliver high quality care and improve health outcomes
7. Increase joint health & social care working
8. Improve life expectancy, especially in our most deprived areas
9. Keep people out of hospital unless absolutely essential
10. Support people in the community, near to or in their own homes
11. Focus limited resources where they have most impact
12. Make best use of our staff and our building

SCHEDULE 2- GOVERNANCE

Introduction

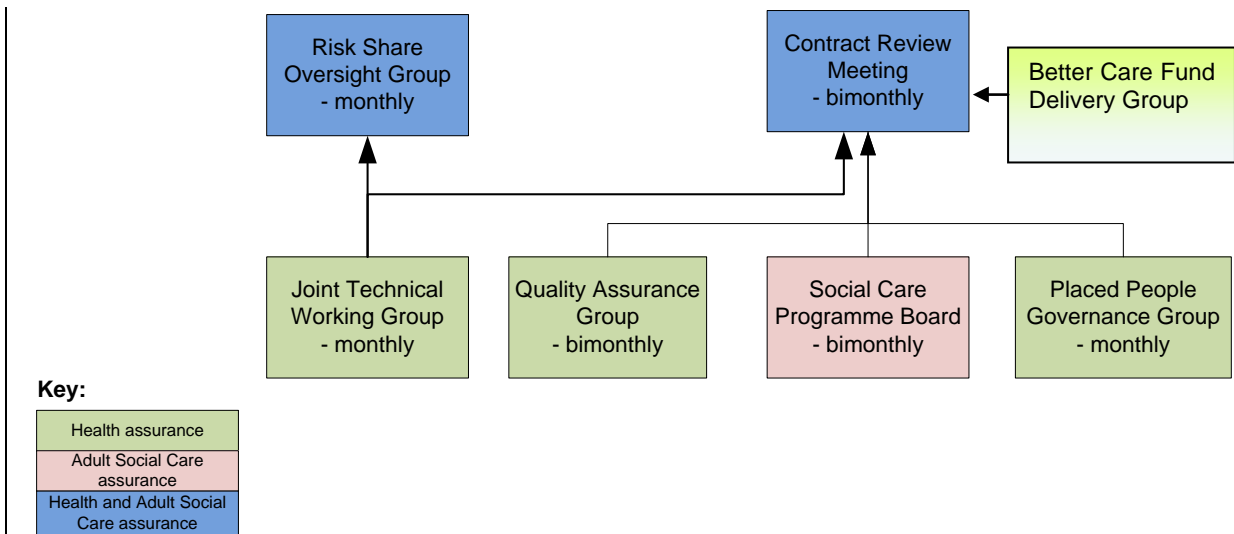
As a result of the acquisition that created Torbay and South Devon NHS Foundation Trust (TSD), the integrated care organisation (ICO), the health and social care commissioners, Torbay Council (TC) and South Devon & Torbay Clinical Commissioning Group (CCG), revised the governance arrangements that delivered assurance for the provided services. Whilst the arrangements have been in place for over six months, this paper provides an update to those arrangements.

Core assurance groups

Whilst there are many groups that meet across the three organisations, the following groups have a significant responsibility for gaining assurance across health and social care.

- 1 Risk Share Oversight Group (RSOG). The group will provide strategic assurance on the financial aspects of all *health and social care* commissioned services. It will also provide assurance on system performance, oversee strategy (short, medium and long term) and reach agreement on support of major service development plans and contract changes. Meetings will take place monthly and will be chaired by the CCG Director of Finance. Alternate meetings will run back to back with the bimonthly Contract Review Meeting.
- 2 Contract Review Meeting (CRM). To provide strategic assurance and discuss issues and exceptions on key aspects of all *health and social care* commissioned services including quality, performance, service developments and improvements. Meetings will take place bimonthly and will be chaired by the CCG Director of Commissioning. As stated above, meetings will run on the same day as Risk Share Oversight Group.
- 3 Social Care Programme Board (SCPB). To provide detailed assurance on *social care* commissioned services including quality, performance, finance and service developments & improvements. Meetings will take place bimonthly and will be chaired by Torbay Council's Director of Adult Social Services. Meetings will run in the alternate months to the Contract Review Meeting (CRM). Exceptions and issues relating to social care services will be discussed at the bimonthly CRM.
- 4 Better Care Fund delivery Group. The BCF Delivery Group has a performance focus and is responsible for the commissioning, monitoring and review of the BCF schemes. All BCF schemes are part of a programme of work to deliver new models of integrated care through Torbay and South Devon NHS Foundation Trust. Meetings will run monthly
- 5 Quality Assurance Group (QAG). To provide assurance on the quality (safety, effectiveness and experience) of *health* commissioned services by receiving data / information, identifying risks / trends and escalating where necessary on areas such as quality requirements, operating principles, CQUIN, serious incidents, never events and major complaints. Meetings will take place bimonthly and will be chaired by the CCG Director of Quality. The group will be a subcommittee of the Contract Review Meeting.
- 6 Joint Technical Working Group (JTWG). To provide assurance of the delivery of *health* commissioned services by receiving data / information, identifying risks / trends and escalating where necessary on areas such as performance indicators, delivery of agreed capacity, financial impact and service improvements / developments. Meetings will take place monthly and will be chaired by the CCG Head of Performance. The group will be a subcommittee of the Contract Review Meeting and Risk Share Oversight Group.
- 7 Placed People Governance Group (PPGG). To provide assurance on the quality, performance and finance aspects of the placed people service (Continuing Healthcare and individuals with complex health needs). The meetings will take place monthly and will be chaired by the CCG Director of Commissioning. The group will be a subcommittee of the Contract Review Meeting.

A diagram of the proposed governance structure is shown below.



It is incumbent upon members of the relevant groups to ensure knowledge is shared appropriately within organisations to maintain effective communication. Within the CCG, the RSOG and CRM will report to the Commissioning and Finance Committee, a subcommittee of Governing Body.

Further details on membership and meeting dates are contained within enclosures A and B.

Terms of Reference will be updated where relevant and meeting dates distributed.

Enclosure A

Membership of the core assurance meetings:

| Meetings / representatives: | Contract Review Meeting | Risk Share Oversight Group | Joint Technical Working Group | Social Care Programme Board | Quality Assurance Group | Placed People Governance Group | Better Care Fund Delivery Group |
|--|-------------------------|----------------------------|-------------------------------|-----------------------------|-------------------------|--------------------------------|---------------------------------|
| Commissioning representatives (SD&TCCG unless specified): | | | | | | | |
| Finance Director, CCG | | Chair | | | | | |
| Commissioning Director, CCG | Chair | Yes | | | | Chair | Yes |
| Director of Adult Social Services, Torbay Council | Yes | Yes | | Chair | | | Chair |
| Clinical lead, CCG | Yes | | | | | | |
| Quality Director, CCG | Yes | | | | Chair | | |
| Chief Accountant, Torbay Council | | Yes | | | | | Yes |
| Deputy Finance Director, CCG | Yes | Yes | Yes | | | | Yes |
| Deputy Commissioning Director, CCG | Yes | | | | | | |
| Performance lead, CCG | Yes | | Chair | | | | |
| Contract lead, CCG | | | Yes | Yes | | | |
| Finance lead, CCG | | | Yes | | | Yes | |
| Finance lead, Torbay Council | Yes | Yes | | Yes | | | Yes |
| Quality lead, CCG | | | | | Yes | Yes | |
| Commissioning lead, CCG | | | Yes | Yes | | | Yes |
| Commissioning lead, Torbay Council | Yes | | | Yes | | Yes | Yes |
| NHS associate commissioner representatives (NHS England and NEW Devon CCG) | Yes | | Yes | | | | |
| Administrator | Yes | Yes | - | Yes | Yes | Yes | |
| Provider representatives | | | | | | | |
| Medical Director | Yes | | | | | | |
| Chief Nurse | Yes | | | | Yes | | |
| Director of Finance | Yes | Yes | | Yes | | | Yes |
| Chief Operating Officer | Yes | | | | | Yes | |
| Deputy Chief Nurse | | | | Yes | Yes | | |
| Divisional Manager | | | | Yes | | Yes | yes |
| Head of Performance, Information & Contracting | Yes | Yes | Yes | Yes | | | Yes |
| Performance lead | | | Yes | Yes | | | Yes |
| Finance lead | | | Yes | Yes | | Yes | |
| Quality & Safety lead | | | | | Yes | Yes | |
| Associate Director for Adult Social Care | | | | Yes | | | |

Enclosure B

Current and proposed dates of core assurance meetings:

| Month / group | Risk Share Oversight Group monthly (4 th Wed), 2hrs | Contract Review Meeting bimonthly (4 th wed), 2hrs | Social Care Programme Board bimonthly, 3hrs | Joint Technical Working Group monthly (4 th Thur), 2hrs | Quality Assurance Group bimonthly, 2hrs | Placed People Governance Group monthly, 3hrs | Better Care Fund Delivery Group |
|---------------|---|--|--|---|--|---|---------------------------------|
| Mar-16 | 9Mar 11.30-1.30, 23Mar 9-11 | | | 24Mar, 1-3 | | 11Mar. 9-12 | |
| Apr-16 | 6Apr & 20Apr, 9-11 | | 19Apr, | cancelled | | 8Apr, 9-12 | |
| May-16 | 18May & 25May, 9-11 | 12May, | 12May, | cancelled | | 6May, 9-12 | |
| Jun-16 | 22Jun, 9-11 | | 16Jun, 11-1 | 23Jun, 1-3 | | 10Jun, 9-12 | |
| Jul-16 | 20Jul, 9-11 , cancel 27Jul,9-11 | 14Jul, 10-12 cancel 27Jul, 11.30-1 | 4Jul, 11-1 cancel | 28Jul, 1-3 | 06Jul, 10-12 | 8Jul, 9-12 | 21 Jul |
| Aug-16 | 24Aug, 9-11 | - | 11Aug 12.30-4 change time to 11-2 | 25Aug, 1-3 | | TBC | 15 Aug |
| Sep-16 | 28Sep, 9-11 | 28Sep, 11.30-1 | 4Sep, 10-12 cancel | 22Sep, 1-3 | TBC | TBC | 20 Sep |
| Oct-16 | 26Oct, 9-11 | | w/c 17Oct, 3hrs | 22Oct, 1-3 | | TBC | 18 Oct |
| Nov-16 | 23Nov, 9-11 | 23Nov, 11.30-1 | 1Nov, 1.30-3.30 cancel | 24Nov, 1-3 | TBC | TBC | 16 Nov |
| Dec-16 | 28Dec, 9-11 | | 15Dec, 11-1 extend to 3hrs | 22Dec, 1-3 | | TBC | 19 Dec |
| Jan-17 | 25Jan, 9-11 | 25Jan, 11.30-1 | 5Jan, 10-12 cancel | TBC | TBC | TBC | |
| Feb-17 | 22Feb, 9-11 | - | 09Feb, 12.30-4 reduce to 3hrs | TBC | | TBC | |
| Mar-17 | 22Mar, 9-11 | 22Mar, 11.30-1 | | TBC | TBC | TBC | |

Key: current / *proposed*

NB. Dates have been established using the following principles:

1. To allow RSOG to have timely financial information, it needs to meet as close after the ICO's internal finance committee. Therefore as the finance committee meet on the 4th Tuesday of each month, RSOG will meet on the 4th Wednesday of each month.
2. CRM will run concurrently on the same day as alternate RSOG.
3. SCPB will run in the alternate months to CRM

Enclosure C

Terms of Reference for the BCF Delivery Group

1. Introduction

Torbay Council, South Devon and Torbay CCG and Torbay and South Devon NHS Foundation Trust have jointly developed a plan in accordance with the national programme for the development of the Better Care Fund. Delivery of this plan will sit with Torbay and South Devon NHS Foundation Trust where a pooled budget arrangement is in place for health and social care. This plan has been fully assured at a national level and endorsed locally by the Torbay Health and Well Being Board. A prime aim of the Torbay BCF plan is to improve the delivery of health and social care services in order that people are able to live well in their own homes and communities and return to a place of their choice as soon as appropriate following a period of ill health. The intended consequence of this will be to improve the experience of people using services, reduce the number of people who require more intensive health and social care services and, as appropriate, the length of time that people remain in hospital or other institutional settings. This is being measured through a combination of national and local performance metrics (see Appendix). Progress on delivery and performance is subject to regular reporting to the Torbay Health and Well Being Board.

Torbay is served by one acute hospital, Torbay and South Devon NHS Foundation Trust, which is an Integrated Care Organisation (ICO). The activity and flow of patients is overseen and managed through the Systems Resilience Group.

The Torbay Better Care Delivery Group will ensure co-ordination of delivery of the better care fund plan.

2. Purpose and Responsibilities

The BCF Delivery Group has a performance focus and is responsible for the commissioning, monitoring and review of the BCF schemes. All BCF schemes are part of a programme of work to deliver new models of integrated care through Torbay and South Devon NHS Foundation Trust (ICO). The Schemes should have formal service specifications, including clear and measurable performance indicators which align to core BCF outcomes, and will be embedded in provider contracts. There are three exceptions to this general rule: (i) support to social care, which is a contribution to services as a whole rather than to specific BCF objectives; (ii) support for Care Act duties; (iii) support for community health services, which is allocated to CCGs as lump sums and not monitored in detail by the BCF Delivery Group. The performance review schedule informs the core agenda for the BCF Delivery Group, and there is an agreed process for decommissioning schemes which do not deliver against the KPIs. Any decision on redistribution of resources and the funding of new schemes is included in the S75 agreement and will be subject to the agreement of all parties.

Purpose: To provide a clear and collaborative management structure for the Better Care Fund for the Torbay Council footprint

Responsible for: Delivery of the Better Care Fund outcomes for improved health and social care services through effective use and performance management of the resources available within the pooled fund.

Accountable to: ICO Contract Review Meetings and onward to the Health & Well Being Board.

Aim: To enable effective collaborative working between providers of services and commissioners in order to inform the optimum use of resources to achieve the required outcomes.

SCHEDULE 3- CONTRIBUTIONS TO POOLED FUNDS, RISK SHARE AND OVERSPENDS

a) Financial Contributions to the Pooled Fund

- 1.2 Each partner shall make the financial contributions set out in the table below to the pooled fund in the financial year

| The Torbay Better Care Fund 2016/17 | | |
|--|-------------|---------------|
| <i>For the period 1st April 2016 to 31st March 2017</i> | | |
| | £000 | £000 |
| Funding provided to the pooled fund | | |
| South Devon and Torbay CCG | 10,305 | |
| Torbay Council | 1,524 | |
| | | 11,829 |
| Expenditure met from the pooled Budget | | |
| Torbay and South Devon NHS Healthcare Foundation Trust | 8,255 | |
| Torbay Council | 2,050 | |
| Torbay Council (capital) | 1,524 | |
| | | 11,829 |
| Net underspend | | - |
| | | - |
| | | |
| Pooled Budget accounted for on a contribution basis | | |

b) Overspend and underspends

- 1.3 If there is an overspend or underspend in any of the revenue expenditure pools the ICO Risk share agreement will apply.
- 1.4 Torbay Council are 100% responsible for any overspend or underspend on Capital.

SCHEDULE 4 – JOINT WORKING OBLIGATIONS

Part 1 - LEAD COMMISSIONER OBLIGATIONS

Terminology used in this Schedule shall have the meaning attributed to it in the NHS Standard Form Contract save where this Agreement or the context requires otherwise.

- 2 The Lead Commissioner shall notify the other Partners if it receives or serves:
 - 2.1 a Change in Control Notice;
 - 2.2 a Notice of a Event of Force Majeure;
 - 2.3 a Contract Query;
 - 2.4 Exception Reports and provide copies of the same.
- 3 The Lead Commissioner shall provide the other Partners with copies of any and all:
 - 3.1 CQUIN Performance Reports;
 - 3.2 Monthly Activity Reports;
 - 3.3 Review Records; and
 - 3.4 Remedial Action Plans;
 - 3.5 JI Reports;
 - 3.6 Service Quality Performance Report;
- 4 The Lead Commissioner shall consult with the other Partners before attending:
 - 4.1 an Activity Management Meeting;
 - 4.2 Contract Management Meeting;
 - 4.3 Review Meeting; and, to the extent the Service Contract permits, raise issues reasonably requested by a Partner at those meetings.
- 5 The Lead Commissioner shall not:
 - 5.1 permanently or temporarily withhold or retain monies pursuant to the Withholding and Retaining of Payment Provisions;
 - 5.2 vary any Provider Plans (excluding Remedial Action Plans);
 - 5.3 agree (or vary) the terms of a Joint Investigation or a Joint Action Plan;
 - 5.4 give any approvals under the Service Contract;
 - 5.5 agree to or propose any variation to the Service Contract (including any Schedule or Appendices);
 - 5.6 suspend all or part of the Services;
 - 5.7 serve any notice to terminate the Service Contract (in whole or in part);
 - 5.8 serve any notice;
 - 5.9 agree (or vary) the terms of a Succession Plan;

without the prior approval of the other Partners (acting through the [JCB]) such approval not to be unreasonably withheld or delayed.

- 6 The Lead Commissioner shall advise the other Partners of any matter which has been referred for dispute and agree what (if any) matters will require the prior approval of one or more of the other Partners as part of that process.
- 7 The Lead Commissioner shall notify the other Partners of the outcome of any Dispute that is agreed or determined by Dispute Resolution
- 8 The Lead Commissioner shall share copies of any reports submitted by the Service Provider to the Lead Commissioner pursuant to the Service Contract (including audit reports)

Part 2 - OBLIGATIONS OF THE OTHER PARTNER

Terminology used in this Schedule shall have the meaning attributed to it in the NHS Standard Form Contract save where this Agreement or the context requires otherwise.

- 1 Each Partner shall (at its own cost) provide such cooperation, assistance and support to the Lead Commissioner (including the provision of data and other information) as is reasonably necessary to enable the Lead Commissioner to:
 - 1.1 resolve disputes pursuant to a Service Contract;
 - 1.2 comply with its obligations pursuant to a Service Contract and this Agreement;
 - 1.3 ensure continuity and a smooth transfer of any Services that have been suspended, expired or terminated pursuant to the terms of the relevant Service Contract;
- 2 No Partner shall unreasonably withhold or delay consent requested by the Lead Commissioner.
- 3 Each Partner (other than the Lead Commissioner) shall:
 - 3.1 comply with the requirements imposed on the Lead Commissioner pursuant to the relevant Service Contract in relation to any information disclosed to the other Partners;
 - 3.2 notify the Lead Commissioner of any matters that might prevent the Lead Commissioner from giving any of the warranties set out in a Services Contract or which might cause the Lead Commissioner to be in breach of warranty.

SCHEDULE 5 - BETTER CARE FUND PLAN



BCF narrative FOR
s75 agreement final.c

A clear work plan detailing a review of services that contribute to the delivery of the BCF metrics is in development with NHS E.

Two priority areas of focus for the review by the end of Q2:

- Reablement
- DTOC

SCHEDULE 6 – POLICY FOR THE STANDARDS OF BUSINESS CONDUCT AND MANAGEMENT OF CONFLICTS OF INTEREST

Standards of Business Conduct and management of conflicts of interest

- Employees, Members, Committee and Sub-committee members of the parties should uphold the utmost standard of business conduct in all their dealings with and pertaining to this section 75 agreement. They should act in good faith and in the interests of the population of Torbay and should follow the Seven Principles of Public Life, set out by the Committee on Standards in Public Life (the Nolan Principles).
- They must comply with their own party's policy on business conduct, including the requirements set out in the policy for managing conflicts of interest, section 8 of the CCG's constitution and with Torbay Council's Constitution.
- Individuals contracted to work on behalf of the parties or otherwise providing services or facilities to the parties will be made aware of their obligation with regard to declaring conflicts or potential conflicts of interest. This requirement will be written into their contract for services.

SCHEDULE 7 - INFORMATION SHARING PROTOCOL

Can be accessed via the following web addresses:

South Devon and Torbay CCG

<http://www.southdevonandtorbayccg.nhs.uk/about-us/foi-ig/Pages/information-governance.aspx>

Torbay Council

<http://www.torbay.gov.uk/accesstoinformation>

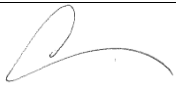
Torbay and South Devon NHS Foundation Trust

<http://www.torbayandsouthdevon.nhs.uk/uploads/data-protection-policy.pdf>

BCF Narrative South Devon and Torbay CCG and Torbay Council:

Signatories

| | |
|--|---|
| Local Authority | Torbay Council |
| Clinical Commissioning Group | NHS South Devon and Torbay Clinical Commissioning Group |
| Boundary Differences | <p>NHS South Devon and Torbay CCG will also contribute to Devon County Council BCF submission.</p> <p>Arrangements have been put in place to ensure clarity of schemes and plans for each BCF submission.</p> |
| Date agreed at Health and Well-Being Board: | |
| Date submitted: | |

| | |
|---|---|
| Signed on behalf of the Clinical Commissioning Group | South Devon and Torbay Clinical Commissioning Group |
| By | Simon Tapley |
| Position | Director of Commissioning |
| Date | 21/03/16 |
| |  |

| | |
|--|-------------------------------|
| Signed on behalf of the Council | Torbay Council |
| By | Caroline Taylor |
| Position | Director of Adult Social Care |
| Date | |
| | |

| | |
|---|--|
| Signed on behalf of the Integrated Care Organisation | Torbay and South Devon NHS Foundation Trust |
| By | Paul Cooper |
| Position | Chief Finance Officer |
| Date | |
| | |

| | |
|---|--|
| Signed on behalf of the Health and Wellbeing Board | Torbay Health and Wellbeing Board |
| By Chair of Health and Wellbeing Board | Derek Mills |
| Date | |
| | |

Engaging with Local Providers

Our Pioneer programme, Integrated Care Organisation business case, Vanguard programme and proposed new model of care have been developed with the active support, involvement and engagement of South Devon Healthcare NHS Foundation Trust, Torbay and Southern Devon Health and Care NHS Trust, Devon Partnership NHS Trust, South Western Ambulance Services NHS Foundation Trust, Virgin Care, Torbay Council, Devon County Council, NHS England, Torbay Community Development Trust, the five General Practice localities and our public.

In 2013/14 we began CCG wide engagement with a range of statutory, private sector, voluntary and community sector organisations as well as the public to help us to shape our new model of care. Further engagements with all sectors will be based on new models of care and payment mechanisms to ensure the right care is delivered at the right time in the right place at the right cost. New models of financing will be achieved with the support of local authority and health partners to bring about investment in the system.

Multi-provider forums are held which are interactive; these disseminate and collect information, challenge and solutions with the market.

Local Agreement on Funding Arrangements

In 15/16 we have a risk share which contains acute, community, placed people and adult social care-our new model of care. Our planning return template shows the funding contributions and how they have been applied. We are working with the ICO and Torbay Council to agree the same risk share for 16/17 subject to affordability.

Our Vision for Health and Care Services

South Devon and Torbay is a geographically diverse area. Its population ranges across the deprivation span and its health and social care system is financially challenged, not least because of its ageing population and the proportion those over 85. These challenges are increased – especially in urgent and emergency care - by the annual additional pressure on services of holidaymakers and tourists.

The area has a respected reputation for partnership working and for innovating to find more effective ways of delivering quality care. Relationships between statutory, independent sector and voluntary sector organisations are well founded and there is a shared ambition to tackle problems. This extends to positive working with provider organisations whose reach is broader than South Devon and Torbay.

The creation of the Integrated Care Organisation in October 2015, Torbay and South Devon NHS Foundation Trust, was strongly supported and encouraged by both the Clinical Commissioning Group and Torbay Council and has resulted in a more effective patient journey for thousands of people.

In Torbay the model for integrated community health and adult social care was developed in 2005, with the creation of Torbay Care Trust. This model has been recognised both nationally and internationally as an excellent model of care, with a single assessment process, single care record, single information technology system and multi-disciplinary frontline teams supported by a single management structure. The role of the care coordinator in these teams, ensuring seamless care for patients, has since been replicated in many other areas.

In 2013 South Devon and Torbay became one of 14 national Pioneer sites for integration. The joint bid from the health and care community set out an ambitious goal of whole-system integration, extending beyond health and social care to encompass acute care, mental health and the voluntary sector and personal support, underpinned by the creation of an Integrated Care Organisation (ICO). The ICO formed in 2015 through the merging of South Devon Healthcare NHS Foundation Trust and Torbay and Southern Devon Care Trust to create a single entity for delivery to become Torbay and South Devon NHS Foundation Trust which further widens the current model of health and social care to include acute health care provision. Our vision for integrated health and care extends beyond the local authority boundary of Torbay into the whole CCG area, into South Devon which is within the scope of Devon County Council. The Better Care Fund sits within this longstanding programme of integration through the creation of the ICO and the development of a new model of care. We widened our scope further in 2015 when our health and care community become one of only eight groups across the country to be named as a Vanguard site for taking a pioneering new approach to urgent care and we have developed proposals to increase access to urgent care services and develop the infrastructure to support patients to choose wisely.

Our Vanguard approach integrates seamlessly with the planning footprint identified in line with NHS England's 16/17 planning guidance and the requirement for a 'Place based', system wide 'Sustainability and Transformation Plan' (STP) responsive to our communities.

- Strategic direction – the creation of the integrated care organization (ICO), with a high percentage of patient flow to one provider, supports the shared vision and outcomes for future health and social care across the existing CCG boundary, underpinned by good stakeholder relationships.
- Major Service reconfiguration – children's community health services, CAMHS transformation and rehabilitation, re-ablement and recovery require a wider network approach across Devon and engagement with key stakeholders is already underway.
- Urgent and Emergency Care – our Vanguard is largely contained within our CCG boundary but we work closely with other commissioning organisations in relation to the wider footprints covered by partner provider services such as 111 and 999.
- Primary Care, including primary care estates planning – the majority of patient flow happens within our CCG boundary, supporting our primary care services development plans and our locality based community service model.

- Integration of community health and social care services –The Better Care Fund as an integral component of our STP
- Mental Health services – achieving the vision for mental health services as set out in the Five Year Forward View will require our working in a wider mental health planning network reaching well outside our CCG boundary across our Devon footprint including addressing low level mental health
- Prevention and self-care – embracing national initiatives will be helped by working with for example our local authority and voluntary sector partners in small communities which can help drive cultural change.
- IT – our NHSE supported digital road map is co-terminus with the CCG and ICO geographical boundary.

Assistive Technologies – using the latest developments to increase independence and safeguards for people with fast response mechanisms and light touch approaches to ensure minimal but timely interventions

The diagram below demonstrates the inter-dependencies driving our STP



The key inter dependency of the successful implementation of the Better Care Fund has been the creation of the Integrated Care Organisation and the implementation of the new model of care reflected within risk share and contractual arrangements agreed between all partners as well as being progressed at a pace to deliver on outcomes.

Whilst the BCF plan in 14/15 focused in detail on four schemes:

- Single point of contact (SPOC)
- Frailty services

- Multiple Long Term Conditions
- Community Care (Locality Teams and Community Hospitals)

There are also a number of other population groups such as carers and children as well as preventative public health interventions and mental health that have detailed programmes of work associated with them which play a significant part in the whole system change across the health and care sector.

All of this is supported by the work of Integrated Personal Commissioning for which we are a pilot area. This is putting even greater control in the hands of the clients and patients. As a joined up system the opportunity is greater for us to be able to support them in identifying, accessing and benefitting from a wider range of options which will increase their wellbeing and support their reduced reliance on the system.

Key Principles

At the core of our vision for integrated health and care are these principles:

- People will direct their own care and support, receiving the care they need in their homes or their local community
- Key services will be available when and where they are needed, seven days a week
- Joined up IT and data sharing across the entire health and care system will enable seamless care
- We will promote self-care, prevention, early help and personalised care
- We will have a flexible and responsive care workforce across the community

Programmes of work across organisations are aligned to help deliver these core aims, and form the basis of this BCF plan are already underway within the Integrated Care Organisation and by our five Locality Commissioning Groups:

- Single Point of Contact (SPOC)
- Community care
- Wellbeing Co-ordination
- Long Term Conditions Management

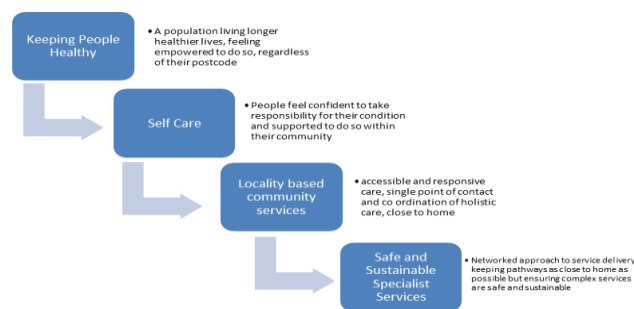
The CCG's five year strategic commissioning plan is based on the Joint Strategic Needs Assessment. Close links between CCG and public health specialists, who are integral to CCG commissioning, ensure the alignment of priorities and focus between health and local authority plans. This includes the Children and Young People's plan and early help strategy, and joint commissioning strategies for dementia, carers, learning disability, mental health and housing-related support.

The **Joint Strategic Needs Assessment (JSNA)** has developed from a reference document into an interactive tool, available to partners to interrogate the data according to service need. The JSNA has highlighted those areas that needed priority attention. For learning disability, suicides, and alcohol, we have segmented and condition-specific in depth profiles at a geographical ward and neighbourhood level. A joint information intelligence virtual team has been established among health, local authority (including education) and police to facilitate information sharing that can then be translated into strategy.

The Better Care Fund lines up with the existing priorities set out in the **Health and Wellbeing strategy** which takes the life course approach and identifies priorities which support a system of self-care for people with long term conditions, and promote both independence and mental health.

We have also defined how we will review our services to understand further the direction for our transformational change. **This will form four phases of care:**

1. Keeping people healthy
2. Self-Care
3. Locality based Community Services
4. Safe and Sustainable specialist service



Case for Change and Evidence Base

As with other areas in the UK, we face a number of health and wellbeing issues in South Devon and Torbay. The statistics show that two out of every three adults are overweight, with one in four being deemed obese. In primary schools one in five children is obese by the time they reach Year 6. We also have an ageing population with one in four adults aged over 65 and this statistic is increasing. Torbay in particular also has a high number of households which fall into the poverty category and there are high rates of alcohol related admissions to hospitals and mortality due to corresponding liver disease.

But far outweighing the long term public health challenges we face, our very immediate challenge is that of financial balance and creating a sustainable financial position to enable the delivery of our Sustainability and Transformation Plan covering an extended footprint. Through the STP we will work with NEW Devon CCG, Torbay Council and Devon County Council to meet the national challenges of:

- Closing the health and wellbeing gap
- Closing the care and quality gap
- Closing the finance and efficiency gap

Our vision is to have excellent, joined up care for all. Torbay already has a model of integrated health and social care teams built around geographical clusters and primary care practices, with a single point of access. These teams provide functions to enable:

- Proactive identification of people at risk and admission to hospital or inappropriate care settings.
- Integrated assessment and personalised support planning for people with long-term conditions and/or complex care needs.
- Urgent reactive care to people in crisis to avoid immediate risk of admission.

We believe that services should be based on populations in local communities and centred on the individual's needs within those communities. Services should be built on people's needs not organisational imperatives; this serves as a mantra for the formation of Local Multi- Agency Teams (LMATs) as centres of wellbeing where our population can receive co-ordinated support in relation to prevention, self-care, social care and medical support from primary and community care. All our partners, including our neighbouring CCG, NEW Devon, are in agreement that we need to retain the locality focus of our integrated, multi provider community to enable us to take on these 'national challenges'.

Delivery of the Torbay Better Care Fund Plan in 2016/17

In 2015/16 we started to develop and test a new model of care in Teignmouth and Dawlish, and in Dartmouth. In these towns, input from the League of Friends, town councils, Patient Participation Groups, the voluntary sector and others has helped to shape an emerging model of care. We have also had meetings with stakeholders in towns in each of our localities to discuss the principles of this new approach.

During 2015/16 we developed our emerging model of care which sees GPs, community health and social care teams and the voluntary sector working together to provide for the vast majority of people's health and wellbeing needs. It is founded on joined-up care across the whole community. We want to be able to provide care as close to home as possible, supporting people to remain independent and in their own homes, reducing reliance on bed-based services, with local communities actively helping to support the wellbeing needs of the local population.

The development process throughout 2015/16 has encompassed the clinical case for change underpinned by a financial evaluation of several options for the most sustainable model which have been developed with stakeholder feedback at every stage.

We recognise that one size will not fit all, that there will be differences in health, demography and geography, as well as variation in the availability of other services such as residential and nursing care. The proposed model of care will reflect these differences while being able to deliver consistent, high-quality care.

The emerging model is evolving in the light of comments received. We will consult formally across our whole area in 2016/17 so that people have the opportunity to have their say on the proposed model of care, reflecting on what it will mean for health and care in their own area.

Figure 1.0 The New Model of Care will deliver:

| Theme | Objective | How will this be achieved? (throughout 2016/17) | Measures of success |
|---|--|---|--|
| <p>Improved patient and carer experience</p> | <p>To ensure that frail elderly patients are supported to live well in the community, managed at the level of care appropriate to their needs, and to reduce reliance on statutory agencies</p> <p>To enable patients and carers to better navigate the health and care system in order that the local health and social care systems work as a whole to respond to and meet the needs of people who use health and care services</p> <p>Single point of access – patients with complex or long-term conditions will be able to access care through one route and telephone number, delivered by local multi-agency teams.</p> | <p>Local Multi Agency Teams – one per locality, seeing community teams co-located and working with primary care, with secondary care outreach services delivered as close to home as possible.</p> <p>Wellbeing co-ordinators, appointed from the voluntary sector under an SLA with the Wellbeing Partnership in Devon and the CVS in Torbay, with honorary contracts with the ICO will help patients and carers navigate the system, ensuring they need tell their story only once.</p> <p>This SPOA is already being successfully piloted in Torquay, and it will further develop in line with the newly-commissioned 111 service.</p> | <p>Increase in number of ASC users who have as much social contact as they would like (national measure)</p> <p>Increase in number of carers who have as much contact as they would like (national measure)</p> <p>70% calls dealt with at first point of contact, 30% passed on correctly</p> |
| <p>Maximised Independence</p> | <p>To enable people to take control of their own health and wellbeing by leveraging the prevention strategy, maximising use of the voluntary and community sector for signposting and support, with a focus on wellbeing and health promotion. This will result in a reduced reliance on statutory services</p> | <p>Wellbeing coordinators will help patients and carers navigate the system, utilising their extensive knowledge of community support.</p> <p>GPs will be funded to provide medical cover to support the LMAT functions,</p> | |

| | | | |
|---|--|---|---|
| | <p>LMATs will enable multiple organisations to work together with local communities, to provide exceptional standards of care and support that will ensure elderly patients are able to remain healthy and receive care in their own home to a far greater extent.</p> | <p>and in particular the intermediate care placements. We will begin conversations with end of life care providers to encourage new ways of working between the LMATs and End of Life Care Providers to ensure seamless pathways of care.</p> <p>District councils will be fully involved, in particular housing and leisure services to allow truly holistic care and support.</p> | |
| <p>Minimised hospital admissions</p> | <p>To build on our proactive risk stratification process - identifying those most in need and ensuring they are able to be appropriately managed in community settings, thereby reducing the number of avoidable admissions to an acute hospital bed.</p> | <p>The LMATs will link with primary care, with shared records supporting our existing MDT proactive case management</p> <p>The Intermediate Care service will merge with the rapid response and crisis response teams, providing one co-ordinated community response team at the heart of the LMAT in every locality. This includes embedded nursing and therapy services.</p> <p>We will contract with the private care home market to maximise intermediate care bed availability, linking closely with both LAs to ensure market stability and resilience.</p> <p>We will work in partnership with care home</p> | <p>Increase in patients supported by intermediate care, either as step up or step down support.</p> <p><45% bed based care provision</p> <p>>50% reduction in community bed days</p> <p>Significant increase in support in South Devon, to bring it in line with numbers supported in Torbay</p> <p>One care home one practice</p> <p>Increase in care home patients with advanced care plans recorded (TEPs)</p> |

| | | | |
|--|--|--|--|
| | | <p>providers and local authority social care to develop new shared models of care and support, including medical reviews, medication reviews and rehabilitation services.</p> <p>Increased skills sets within the workforce to focus on activities to be undertaken versus role based/silo working</p> | |
|--|--|--|--|

Prevention:

In response to some of the challenges we face as a population, the CCG in 2015-16, has, as its primary focus, developed a Joint Prevention Strategy which brings together the work of our two Public Health teams. Working with our partners in Devon we have mapped the level of community resilience to give us a better understanding and view of where our prevention work needs to focus and what our aims are.

We have profiled demand across social care and lifestyle services forming a baseline for both our Self Care Vanguard work in Torbay and South Devon, and the Devon County Council ‘demand management’ programme of which we will be part of. The demand work provides us with a common set of goals against which we will develop our implementation.

Our profile work has included not only the more traditional review of the JSNA but also includes, household profiling, goal setting, motivational interviewing and consumer preferences. This will give us better understanding of the person, circumstances, holistic need and motivation, buying behaviour, their social circle, skills, knowledge etc. which will help us to understand how to frame and motivate individuals using more than just existing market segmentation.

Self-care:

Our self-care work remains a priority area for us. The successful urgent care Vanguard bid provides us with the opportunity to use the learning from our previous self-care work to drive this forward. All contacts with our system will support people to increase their levels of knowledge, skills and confidence in adopting healthy behaviours and lifestyles, managing their own health and health care, resulting in significant increases in upstream prevention; reduced demand on our urgent and emergency care services; ensuring patients are cared for at the most appropriate part of the system; and bringing about a sustained reduction in health inequalities. Health and care professionals will have a high awareness of, and confidence in, self-care, voluntary sector services, local community assets and peer support. We will achieve all of this by:

- Providing open access to a comprehensive and accurate Directory of Services;
- Using techniques such as social marketing to identify and target sections of the population with “call to action to self-care” messages that they will relate to and that will ‘activate’ them to self-care;

- Encourage people to make full use of the multimedia rich online tools, information and advice we will make available or signpost them to, bringing about a 'channel shift' in how people choose to interact with our services towards self-service options;
- Adopting system-wide approaches to patient & clinical activation to self-care; shared decision making; and evaluation; and
- Working with the voluntary sector to create and maintain vibrant social network for health at both local community and system level.

Workforce:

An integrated workforce planning group has been established across the local health and care community and a workforce planning day took place in February 2016. This has been the first step towards creating an integrated workforce plan for South Devon and Torbay. This work will both seek to address current workforce concerns locally as well as constructing a strategic vision and a plan for an integrated workforce. Links have also been made with social care at a regional level to look at opportunities for standardising approaches to workforce development and maximise the interactions by all health and care staff in developing good outcomes for the individual being cared for.

To support the event work is also underway to create a local health community 'workforce infographic' which will provide us with a baseline level of understanding of our current workforce landscape and provide a summary picture of where our individual organisational workforce plans will take us in the future. We also hope to take an innovative approach to our workforce planning offering flexibility across our entire health and care system.

The outputs of the workforce planning group will form part of our STP deliverables with phase leads aligning service objectives to those described as part of the integrated workforce strategy.

Carers:

Torbay operates a whole system approach to Carers services prioritising early identification and support of Carers through a 'universal' offer of support, which provides information and advice, assessment and access to practical and emotional support for all Carers (not subject to eligibility). There are Carers Support Workers at key points in the Carers journey including in all GP surgeries, in the Discharge team at the Acute Hospital and in specialist community teams. Our services for carers aim to reduce hospital admissions and the time those cared for spend in hospital because carers are more involved in decision-making, supported to care during hospital stay and on discharge. We anticipate this will also lead to a reduction in readmissions.

We are in contact with 28% of the population of Carers based on the 2011 Census data. The refreshed Carers Strategy 'Measure Up' 2015-2017 encompasses previously piloted programmes such as the work done pre discharge and follow up 48 hours after discharge from community hospitals to identify early on problems and reassurance to patients and carers; Carer awareness training for community staff to assist in the early identification of Carers; Health and Wellbeing Checks carried out in GP practices by Carers support workers to identify what early support is needed and signposting or systematic referral on for more complex cases; specific focus on vulnerable groups with support worker focus on substance misuse problems and mental health problems.

With the implementation of the Care Act 2014, a pool of 'trusted assessors' in primary care and the voluntary sector were trained to deliver 'light touch' Carers Assessments - the Carers Health and Wellbeing checks. They then work as enablers to help Carers find their own solutions and access community support. Carers Trust Phoenix are the voluntary sector partner who deliver these checks,

and have a good background of community engagement, and linking Carers into mutual support. This approach aims to develop community capacity, self-care and mutual support for carers. As part of the Ageing Better Big Lottery funding, both Carers Trust Phoenix and Mencap have received additional funding to develop projects for older Carers - Circles of Support and Mutual Caring.

Torbay has an interagency strategy for Young Carers under 25 (2013 – 16) with a 3 year Action Plan and a joint agency Steering Group. It is in the process of being refreshed with almost all of the targets having been achieved well ahead of schedule. This Strategy is based on whole family working and there are specific requirements and targets for adult services teams to identify Young carers and address their needs. There is significant attention to raising staff awareness across the health and social care system about the needs of young carers and their needs are promoted across Health and Social Care with the Carers Policy and Action Plan.

Torbay's Carers Services are Care Act compliant, but the biggest challenge is to thoroughly embed the ethos of whole family working and enhanced Carer support throughout adult services including mental health. On-going awareness training and social care audits will continue to ensure standards are met.

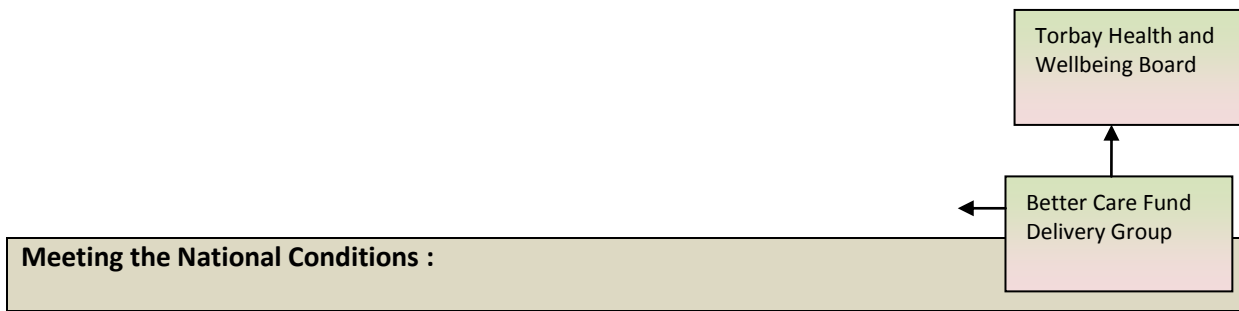
The Care Act also promotes support to Carers who are in employment or wish to return to employment and this will be an area of focus over the coming year. Working together with our partners in Devon, an employment event for Carers is being organised. This will include employment rights for Carers, building confidence and skills promotion of Carers wishing to begin employment and advice about becoming self-employed / running a small business, which often gives flexible working opportunities for Carers. Carers Services will also be ensuring that its services are more accessible to working Carers.

Overarching Governance Arrangements

Governance structures for integration have a firm grounding in the existing health and social care pooled arrangements.

There are already existing structures such as the Risk Share Oversight Group and Contract Review Meeting where agreements have been brokered around risk-sharing, changes to financial flows and other significant 'unblocking' changes to the way in which care is delivered in South Devon and Torbay. Through this collective debate full consideration has been given to the risks as well as the benefits of commissioning from one integrated organisation with all partners in agreement as to supporting the model and in deed the interface that further opportunities present with other providers in the future such as mental health and children social care as well as improved effectiveness and improved efficiency. The Better Care Fund Delivery Group has been established as a means of reporting on risks and progress of those projects specifically related to the BCF.

The Health and Wellbeing Board has a key role in integration and provides the strategic oversight with responsibility for sign off of relevant plans and scrutiny of implementation. The governance arrangements for the BCF are described below:



Maintaining Provision of Social Care Services:

The creation of an Integrated Care Organisation for acute as well as community health and social care services will increase our ability to deliver better care through pooled funding.

The local schemes identified in this plan are supported by integrated delivery and commissioning across health and social care. They are focused on preventing admission to acute and higher levels of care and reducing reliance on statutory services by increasing resilience through building on the assets of communities improving access to early advice and information to support people to manage their own conditions and remain independent for longer. These schemes sit alongside other initiatives promoting and supporting the independence including, our community equipment service, a home improvement agency, use of adaptations and assistive technology and a new care and support 'Living Well @ Home' service.

Additionally, the Community Development Trust has secured £6 million of Big Lottery funding to enable the Ageing Well Initiative which will play a pivotal role in our new model of care.

Torbay compares favourably with other authorities in terms of the rate of people in and entering residential/nursing care (see section below: admissions to residential and care homes).

We will be working with providers to support shifting care into the community and people's homes, by offering a broader range of care options, primarily provided within neighbourhood settings. Part of this work will involve us engaging with existing care home owners and potential investors in the sector to design what residential and nursing homes might look like in the future, to better fulfil the needs of our ageing population. This approach will be facilitated by implementation of the recently approved Torbay Housing Strategy 2015 - 2020.

It is likely there will be a continued reduction in long-term placements in residential care and later admission to long-term nursing care. However, by working in partnership with providers we can help people stay healthy and reduce social isolation and loneliness.

Torbay's figures for self-directed support are also better than the regional and England averages. In 2014/15 the proportion of people using social care who receive self-directed support (adults aged over 18 receiving self-directed support) was 90.1% (compared with a SW average of 79.2% and an England average of 83.7%).

Needs are recognised to incorporate not only the care provided by existing system partners such as domiciliary care agencies and care homes but also housing, support functions. Early identification and addressing low level mental health are keys to the success in reducing and managing system demand on more complex and acute end services.

The integrated nature of the Torbay system enables a whole system approach which provides the ability to view patients and clients across the pathway of their care in total. In line with the Care Act, projects locally work to ensure that the determinants of wellbeing are addressed using national eligibility criteria, to ensure that there is support for people to maintain meaningful relationships and purpose. A system approach to guide-ed and enablement conversations structures the interactions at the multiple touch points for patients across the system.

Torbay has a sound record in reducing the numbers of people going into long term care whilst it is also able to demonstrate the use of the community assets within these homes in contributing to its enviable DToC figures because of the development and use of intermediate care beds in these settings. The use of this approach is to be further expanded through the development of LMATs across the CCG footprint.

The Living Well@Home programme of work, increased skills sets within frontline care delivery staff and increased data gathering and reporting will all contribute to early intervention and prevention. The strategic partnership arrangement with a prime contract for community care enables coordinated connectivity with the projects in Ageing Well programme. It also progresses the community development led by organisations such as the British Red Cross which is accelerating new ways of working to create links within communities and reduce reliance on long term care interventions from both health and social care.

In 15/16 we have a risk share which contains- acute, community, placed people and adult social care. We are working with the ICO and Torbay Council to agree the same risk share for 16/17 subject to affordability.

Delivery of 7 Day Services to Support Discharge:

We consider that seven day services are a key driver of quality and we are committed to providing seven-day health and social care services, with the optimal pathway of care available for the patient regardless of the day of the week to support patients to be safely discharged and to prevent unnecessary admissions at weekends.

We recognise that not all services are necessary to be delivered seven days a week, and in 15/16 the ICO has piloted seven day working within some areas of care to help inform which additional services would be needed both to meet the needs of the population and to facilitate flow through the whole health and care system seven days a week. Early findings have evidenced the value of therapy staff working in community hospitals at weekends, and shift patterns are being examined to see how best to achieve this. These pilots will ensure we will see a continued roll out of six/seven day provision across key services and through on-going evaluation, with fully joined-up services across the health and care system providing continuity of care and support seven days a week.

Through the formation of the Integrated Care Organisation in 15/16 and the development of the new model of care in 16/17 resources will shift from inpatient beds to high quality, value-for-money care provided in people's homes. The broad model of the workforce will be one of joined up professional practice, integrated team working and the flexible delivery of care in the most appropriate settings. We will see a shift in the current workforce configuration to more community-based teams, delivering seven-days-a-week services.

Our new model of care includes working towards fully joined up seven day provision, of which Primary Care is a key element. Key to delivering this will be the creation of federated of General

Practice so that care will be provided to a population rather than to the registered Practice list. Federation will enable practices to work together to provide different care models, including extension of existing services into periods of the week where General Practice is currently restricted or unavailable. As part of this collaborative approach we will optimise the current workforce capacity by exploring technology based solutions that complement traditional face to face consultations, so that not only is access extended in terms of timings but also in terms of styles. To allow federated working and improve quality of patient interactions with other health and social care providers we will extend the ability to share patient records (where consent to do so exists) across providers, thus delivering better informed consultations and improved outcomes.

Data Sharing and the Use of the NHS Number:

All our health and social care services use the NHS number as the primary identifier. The further development of ICO will see the delivery of improved outcomes in an integrated Information Management and Technology (IM&T) infrastructure.

Across the new care model shared records and interoperability of systems are essential at all stages of the pathway to avoid duplication of work, errors and inefficiencies to enable and align to the four phases of care for our STP development. 2015/16 saw the establishment of a working group across NEW Devon SD&T, Kernow and Somerset CCGs to develop the vision of the 'Five Year Forward View' in a consistent way. This will include our submission of the digital roadmap implementation plan in 2016/17 to take us to a paperless state by 2020.

Shared health records that interoperate with other provider systems will improve patient care as they move from one part of the system to another. Clear, consistent information, with the ability to access past medical history, medications and allergies together with the more detailed information in the GP record, will improve clinical decision making. This will result in more personalised, timely care and a reduction in admissions and re-admissions. Real time access to high quality information reduces the risk of clinical decision making. This has the benefit of reducing unnecessary admissions due to the lack of useful clinical information such as blood results, clinic letters and care plans. Technology and on-line services are increasingly being used in all aspects of life. Using the same approaches and giving on-line access to patients for their own health and care records will help them to manage their care, strengthening their ability to self-care and giving them more control. In 2015/16 an 'information sharing toolkit' has been established as a platform to support the Vanguard and LMAT work initially but will have wider benefit. This toolkit has been nationally recognised and is utilised by the Information Governance Alliance.

Enabling patients and health professionals to easily navigate relevant services digitally either on the internet or from a mobile device will allow users a better-informed choice of service and increase the potential for efficient resource usage. It will give them information in 'real time' and would enable them to make choices before having to rely on emergency services.

Through the use of the patient held record, patients and carers will be more engaged in their own care plan, with a record of their own wishes and wellbeing objectives supported by the ability to update their own information when required, ensuring its relevance.

By ensuring systems used within our community and by our neighbours work to the same standards, we will increase choice. Organisations will be able to work with systems that suit them whilst relying on the interoperability standards to enable information to be available as and when necessary to the right people at the point of care.

Integration between the relevant systems will allow professionals to work with the patient to achieve objectives that are important to them and ultimately their plan of care will become more meaningful, impacting more effectively on their quality of life.

As part of the Vanguard workstream in 2016/17 home technologies and signposts to advice and support will become more substantial. Monitoring of outputs from these systems will allow proactive intervention to reduce ill health and potential admissions especially of those at the highest risk.

Joint Assessments and Accountable Lead Professional:

Torbay has a model of integrated health and social care teams built around geographical clusters and primary care practices, with a single point of access. These teams provide functions to enable:

- Proactive identification of people at risk and admission to hospital or inappropriate care settings.
- Integrated assessment and personalised support planning for people with long-term conditions and/or complex care needs.
- Urgent reactive care to people in crisis to avoid immediate risk of admission.

These teams work in partnership with primary care and include representation from the voluntary and community sector.

We have a strong track record of proactively seeking to identify those patients at risk of hospital admission, and working jointly to reduce this risk through an integrated and personal approach to care. We use a risk stratification tool, the Devon Predictive Model, to identify patients at risk of hospital admission in the next 12 months. The top 0.5% of our population are pro-actively case-managed on our monthly community virtual wards. The virtual ward teams use the predictive tool to objectively identify patients who are then pro-actively and holistically case-managed by a multi-disciplinary team, including primary care, community and rehab teams, palliative care, mental health, social care and the voluntary sector. Each patient is allocated a named case-manager who then co-ordinates their care and support. We have built on this highly-successful model to incorporate the features of the Unplanned Admissions Enhanced Service for primary care with 2% of our population then being proactively case-managed.

We will continue to work to integrate mental health with other clinical services so that mental health is a core part of this assessment.

Through the development of the new model of care we are working with the five GP localities to establish ways of working to ensure that medical cover is available to support Local Multi-Agency Teams and community hospitals.

Agreement on the Consequential Impact on Providers

Statutory agencies are not able to deliver our vision for integration alone. To set out the opportunities and to encourage a diverse market we have developed a market position statement for Torbay focusing on adult provision and with the development of the inclusion of children's services to facilitate market innovation and development in line with the Care Act.. The statement provides an analysis of how well current service supply will meet future demand. It provides clear messages to the market on the vision for seven-day integrated care services in Torbay with reduced reliance on long term bed based care. It outlines how provision needs to change to create a diverse

and vibrant market in Torbay, increasing choice and innovation in services, supporting the vision of reablement and early help, and focusing on personal outcomes and choice.

Agreement to Invest in NHS Commissioned Out-of-Hospital Services

In 15/16 we have a risk share which contains- acute, community, placed people and adult social care- our new model of care. We are working with the ICO and Torbay Council to agree the same risk share for 16/17 subject to affordability.

Agreement on Local Action Plan to Reduce Delayed Transfers Of Care

In 15/16 we have a risk share which contains- acute, community, placed people and adult social care- our new model of care. We are working with the ICO and Torbay Council to agree the same risk share for 16/17 subject to affordability. The section below on DTOC provides more detail on performance.

Non-elective Admissions (General and Acute)

Within Torbay, non-elective admission rates of non-elective admission are above national and regional averages.

There has been extensive work between commissioners and providers in the development of the risk share agreement and business case for the ICO which is consistent with this BCF plan. And therefore there has been agreement in terms of modelling the impact of the schemes on non-elective admissions as well as across a number of other areas of activity both across the acute, community and social care providers.

The BCF plan and schemes that are focused on reduction of Non-elective admissions are developed, implemented and monitored via the Systems Resilience Group which include the progress of our urgent and emergency care Vanguard.

Admissions to residential and care homes

The rate of permanent admissions to care homes in older age groups is below regional and national averages and is falling over time. In 2014/15 permanent admissions to residential and nursing care homes, per 100,000 population in Torbay was 606.3 (compared to averages of 678.2 in the SW and 668.8 in England). The forecasted figure for 2015/16 is predicted to fall further to 600.

As part of the new model of care we will be working in partnership with care homes on a range of initiatives. These include:

- Asking care homes to notify the GP when a 999 call has been made, also linking with the ambulance service to try to prevent unnecessary conveyances to hospital as part of their “Right Care, Right Time, Right Place” strategy;
- Changing working arrangement in practices to enable visits to be made earlier in the day, to try to prevent overnight admissions occurring simply because of the time of day; and
- Working towards ‘one care home, one practice’; extending the medication review pilot already underway
- A focus on falls prevention, training provided to care home staff by the Fall Prevention Lead
- The expansion of the use of the care homes to support intermediate and respite care as a feature of the new model of care

In addition to this the CCG, ICO, Torbay Council and Devon County Council are working with care homes to develop a future fees model, which will refocus the health and care system around enabling individuals to achieve their personal outcomes and goals. This includes greater use of outcomes-based contracts to drive greater partnership working between commissioners, the ICO and care homes.

Whilst the care homes fees are a live issue in Torbay as they are across the country, work is in progress to move towards outcomes based working with the homes. The engagement of Torbay homes and willingness to contribute to system improvement has been previously evidenced by their response to a social care CQUIN where such indicators as Essence of Care, nutrition and hydration, safeguarding, and resident feedback/innovation were included.

The success of our neighbouring authority Devon County Council in its work with its care home partners is being learned from, adapted and adopted.

The focus on outcomes based working and new models of care will ensure that the correct funding flows so that the delivery contributes positively to the Sustainability and Transformation Plan. This commitment will enable investment by homes to produce a community asset both physical and workforce that is flexible and fit for future.

Effectiveness of Reablement

In 2014-15, reablement services were effective for 77.2% of older people who received the service in Torbay, compared to 83.0% in the South West, 84.0% in the local authority comparator group, and 82.1% for England. Rates are lower than other areas of Devon.

In 2014-15 3.5% of older people discharged from hospital in Torbay were offered reablement services this was in line with the South West (3.5%), and slightly above the local authority comparator group (3.3%) and England (3.1%) rates. Coverage rates increased on 2014-15 levels.

Reablement service effectiveness at 91 days is currently broadly in line with regional and national rates.

Our new model of care will deliver community-based services as described in figure 1.0 to manage more people in a proactive way to prevent hospital admission, reduce delayed discharges and reduce admissions to long term care.

Delayed Transfers of Care (DTC)

Torbay had an average of 97.0 days of delayed transfers of care 100,000 population aged 18 and over per month compared with 315.4 in the South West, 172.9 in the local authority comparator group and 270.4 in England for the latest available full year (2014/15). The rate increased from 85.6 in 2012/13 to 97.0 in 2014/15. For the period April to November 2015 delayed transfers of care continued to be a challenge to the local health and care system, however whilst performance has declined Torbay is the second lowest authority in the South West and much lower than the regional and England average for delayed discharges. Similarly, for this period Torbay is the best rated in the South West and much lower than regional and England averages for DTC.

Delayed transfers of care are more likely affect groups who are more frequently hospitalised, with higher rates in older age groups, and a greater number of females affected. Persons living alone and those who are socially isolated are more likely to be affected by delayed, as are those with more complex support needs. Our new model of care will deliver community-based services as described in figure 1.0 to manage more people in a proactive way to prevent hospital admission, reduce delayed discharges and reduce admissions to long term care. This will include the adoption of a 'Discharge at home to assess' model of care whereby patients leave hospital as soon as they are medically fit to have their support needs assessed on arrival at home by members of the community intermediate care and social care teams, enabling them to access the right level of home care and support in real time. The model builds on the integration experience in Torbay with 'zone' teams and care provided in Torbay and Southern Devon. The experience of Pioneer enabled us to undertake

small tests of change in the form of a 'hubs' for frailty and children's services which have contributed to the development of the model of care. All GP practices within the CCG are signed up to the proactive care locally enhanced service which means that 5% of the population have a personalised care plan and a named care coordinator.

We provide intermediate care, both home-based and in care homes – and these services will expand as part of our model of care. Through the merging of rapid response and crisis response teams, that provide personal care services for a limited period of time, admissions will be prevented and to prompt discharge will be supported. Social care reablement and intensive home support services, personal care with a reablement focus, for up to six weeks to enable a return to full independence.

The new model of care will offer an enhanced single point of contact primarily developed to reduce reliance on the statutory sector to local MDTs which will be enhanced by support from primary care, the voluntary sector, mental health and hospital consultants to deliver more preventative care and support within the community and improve patient flow.

In 16/17 we will be exploring the opportunities for risk sharing arrangements for the provision of community equipment and minor adaptations which are an integral aspect of delivering effective care in the community – preventing DTOC and supporting reablement.

Our vision for health and care has been informed and shaped by the development of locality plans via engagement with GP localities and their local public which have recommended that system wide resources should be deployed in the best way, including community investment, in order to provide and maximise alternatives to hospital admission through health and social care activities.

We have also developed proposals to address the function of our community hospitals and MIU's as part of the new model of care e.g. for the provision of community services, intermediate care and step up/step down beds in order to provide solutions to our system wide pressures. In the spring of 2016/17 we hope to launch public consultation on our proposals.

| <u>Scheme Name</u> | <u>Scheme Type (Please specify if 'Scheme Type' is 'other')</u> | <u>Area of Spend</u> | <u>Commissioner</u> | <u>Provider</u> | <u>Source of Funding</u> | <u>2016/17 Expenditure (£)</u> | <u>New or Existing Scheme</u> | <u>Total 15-16 Expenditure (£) (if existing scheme)</u> |
|--|---|---|---------------------|---------------------------------|---------------------------------|--------------------------------|-------------------------------|---|
| <u>Integrated Care Organisation</u> | | | | | | | | |
| Single Point of Contact | Other | Single Point of Contact, Frailty Care Model, Multiple LT Cond., Community Care | CCG | NHS Community Provider | CCG Minimum Contribution | £4,988,029 | Existing | £5,216,000 |
| Frailty Care Model | Other | Single Point of Contact, Frailty Care Model, Multiple LT Cond., Community Care | CCG | NHS Community Provider | CCG Minimum Contribution | | | |
| Multiple LT Conditions | Other | Single Point of Contact, Frailty Care Model, Multiple LT Cond., Community Care | CCG | NHS Community Provider | CCG Minimum Contribution | | | |
| Community Care | Other | Single Point of Contact, Frailty Care Model, Multiple LT Cond., Community Care | CCG | NHS Community Provider | CCG Minimum Contribution | | | |
| Reablement | Other | Single Point of Contact, Frailty Care Model, Multiple LT Cond., Community Care | CCG | NHS Community Provider | CCG Minimum Contribution | £1,060,000 | Existing | £1,060,000 |
| Carers | Other | Single Point of Contact, Frailty Care Model, Multiple LT Cond., Community Care | CCG | NHS Community Provider | CCG Minimum Contribution | £459,000 | Existing | £459,000 |
| Care Bill | Other | Care Act 2014 Monies | CCG | Local Authority | CCG Minimum Contribution | £400,000 | Existing | £400,000 |
| Other Healthcare/Reablement | Other | Care Act 2014 Monies | CCG | NHS Community Provider | CCG Minimum Contribution | £422,000 | Existing | £422,000 |
| Section 256 Contribution to ICO (via TBC in 2015-16) | Other | Split in 2016-17 between ICO (£926k) / Social Care ICO (£2050k); Therefore £926k required in addition to fund RSA outside BCF from Torbay Council | CCG / LA | NHS Community Provider | CCG Minimum Contribution | £2,050,000 | Existing | £2,976,000 |
| Section 256 Contribution to ICO (via TBC in 2015-16) | Other | Split in 2016-17 between ICO (£926k) / Social Care ICO (£2050k); Therefore £926k required in addition to fund RSA outside BCF from Torbay Council | CCG / LA | NHS Community Provider | CCG Minimum Contribution | £926,000 | Existing | |
| | | | | | | £10,305,029 | | £10,533,000 |
| <u>Non-ICO</u> | | | | | | | | |
| Disabled Facilities Grant to Districts | Other | DFG / Social Care Capital Grant | | Local Authority Local Authority | Local Authority Social Services | £1,524,090 | Existing | £1,481,000 |
| | | | | | | £11,829,119 | | £12,014,000 |



Meeting: Council

Date: 21 July 2015

Wards Affected: All

Report Title: Adult Social Care – Local Account and Multi-agency Safeguarding Report

Is the decision a key decision? No

When does the decision need to be implemented? Immediately

Executive Lead Contact Details: Councillor Parrott, Executive Lead for Children's and Adults Services, julien.parrott@torbay.gov.uk

Supporting Officer Contact Details: Caroline Taylor, Director of Adult Social Care, (01803) 208949, caroline.taylor@torbay.gov.uk

1. Proposal and Introduction

1.1 The Local Account for Adult Social Care sets out what we have achieved for local people in relation to adult social care and outlines our level of performance for last financial year and our commitment to future service delivery. The Government has asked that Local Accounts are put in place to offer councils the opportunity to share a common approach to the performance of adult social care. It also outlines the details of our multi agency approach to adult safeguarding. This reflects the view of government that adults safeguarding is on a statutory basis in the same manner that children's safeguarding is a statutory responsibility as outlined in the Care Act.

2. Reason for Proposal

2.1 To enable the Local Account to be published in accordance with Government requirements and for council to consider the adult safeguarding outcomes for the Bay.

3. Recommendation(s) / Proposed Decision

3.1 That the Local Account set out in Appendix 1 to the submitted report be approved and that the multi agency safeguarding annual report set out in Appendix 2 to the submitted report be approved.

Appendices

Appendix 1: Local Account

Appendix 2: Multi-agency Safeguarding Annual report

Background Documents

None

Adult Social Care Local Account 2015 - 2016

A local account of how adult social care services in Torbay have been delivered and performed throughout 2015-16, with forward intentions through to 2017-18



**Version Control: v3-1-2 DRAFT FOR
APPROVAL BY TORBAY COUNCIL**

Contents

| | |
|--|----|
| 1. Foreword by Councillor Parrott..... | 1 |
| 2. Foreword by Sir Richard Ibbotson and Mairead McAlinden, Chair and Chief Executive of Torbay and South Devon NHS Foundation Trust..... | 2 |
| Our intentions for adult social care in 2016-17..... | 3 |
| 3. Our performance in 2014-15..... | 7 |
| 3.1 Outcome 1 – Enhancing quality of life for people with care and support needs..... | 9 |
| 3.2 Outcome 2 – Delaying and reducing the need for care and support..... | 12 |
| 3.3 Outcome 3 – Ensuring people have a positive experience of care and support..... | 14 |
| 3.4 Outcome 4 – Safeguarding people whose circumstances make them vulnerable and protecting them from avoidable harm..... | 16 |
| 4. Financial position and use of resources..... | 19 |
| 5. Looking after information..... | 21 |
| 6. Commentary from Healthwatch Torbay..... | 23 |
| 7. Commentary from Experts through Experience..... | 25 |
| 8. Commentary from Overview and Scrutiny..... | 26 |

Foreword by Councillor Julien Parrott, Executive Lead for Adults and Children, Torbay Council



This is a landmark Local Account in the transformation of health and social care support for our residents in Torbay.

The establishment of the Integrated Care Organisation (ICO) known as Torbay and South Devon NHS Foundation Trust, on 1st October 2015 was the cornerstone that makes delivery and embedding of all the policies that we have talked about for several years truly achievable. If the key

to the ICO was, and continues to be, trust and enlightened leadership among partners, those qualities will again be to the fore as we tackle the coming year's agenda.

Work is well underway in localities to support people at home, something we all recognise as the 'new model of care' and is paying dividends in terms of the continued quality of life that we expect to see for our residents. This work includes a need to focus carefully on working with the range of provider markets, including housing providers, in developing options.

Partnerships with the public health and voluntary sectors will result in truly sustainable preventative work and early help including, crucially, combatting loneliness in later life through the Ageing Well project. Somebody said to me recently that the thing about early help is that it is not something that you can turn on and off. I believe that is the real distinction between our current strategies and those of the past. Our work must be truly sustainable; we are in this for the long haul.

Nobody associated with this huge undertaking is in any doubt about the major financial pressures we are working under in this time of austerity. This brings me back to my initial point about trust and enlightened leadership among partners. This year's Annual Account shows a notable beginning. The coming year will find us all facing very tough decisions if we are to see our work through for the good of all our residents. For several years now we have been 'talking the talk' of new models of health and social care. Now is the time we really have to 'walk the walk'.

I commend the Local Account, and thank everyone who works so hard for the health and wellbeing of the Bay's residents

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Julien Parrott', written over a horizontal line.

Councillor Julien Parrott
Executive Lead for adults and children, Torbay Council

Foreword by Sir Richard Ibbotson and Mairead McAlinden, Chair and Chief Executive of Torbay and South Devon Foundation Trust



In October 2015 local social care and health service saw the biggest local shake up to the way services are run in over a decade, when Torbay Hospital merged with community health and social care services. We created one single integrated care organisation to improve the outcomes for our local population.

Our vision is to have a community where we are all supported and empowered to be as well and as independent as possible, able to manage our own health and wellbeing, in our own homes and, when we need care, we will have choice about how our needs are met and only have to tell our story once.



In the forthcoming year, we will work towards finding new ways to meet the growing needs of our local population and achieving our vision. The current financial position, both locally and nationally, means that we will have to do this without spending more money and in addition to finding new ways of working this will mean making difficult choices.

Everything that we do centres around the people we care for and this remains our focus but the way we do things has to change.

A new model of care has been developed in conjunction with the Clinical Commissioning Group and the Council and this will look to develop community services, making them more sustainable for the future and helping to achieve our vision. These changes won't happen overnight and public consultation will take place first to seek your views but if proposals go ahead we could see changes take place later this year to where and how you receive social care and health services.

Being one organisation makes change and improvements easier to implement but we know we cannot work in isolation. We will need work with all our partnership organisations and this will include working closely with voluntary organisations and community groups who will play a fundamental role in supporting people to maintain an active and fulfilling life, retaining their independence for as long as possible. In Torbay this work is being progressed in partnership with the Torbay Community Development Trust and the Ageing Well programme; as a result we expect that colleagues from voluntary organisations will be working as an integral part of the Trust's local teams and services during 2016/17.

We are so lucky to have dedicated and passionate staff in our organisation and across Torbay who are committed what they do. Everyone is focused on ensuring you remain at the heart of what we do and at a period of vast change this is more important than ever. The local account sets out our commitment to social care for the next year and how well we met this last year.

Sir Richard Ibbotson

Chair

Mairead McAlinden

Chief Executive

2. Our intentions for services in in Torbay in the Next Five Years



Social care continues to be on a journey of transforming from the provision of a set of means tested good local services, provided by committed and caring staff to a more personalised set of solutions that are integrated across the NHS, volunteer and community sector provision.

As more of us have a mixture of needs that involve medical care as well as social support that exceeds the separate responsibilities of individual organisations, it is impossible to consider how we meet these challenges in isolation from the NHS, volunteers and our own family and friends.

Two major issues have impacted positively on adult social care in Torbay. The first of those is the Care Act, which is now in implementation and recognises through clear guidance the local authorities' responsibilities for vulnerable people, supported by a coherent set of legislation.

The second element is that the Integrated Care Organisation (ICO) commenced on the 1st of October 2015. This brings together adult social care, acute hospital services and community services into one organisation. This new organisation allows resources to be moved flexibly and dynamically amongst those different elements. This will bring about a further focus on holistic care for individuals with support for people to remain well and independent at home for longer, with better connections to locally based services and community networks. Our commissioning intentions are to commission the ICO for five years in line with the business case, and in April 2017, the first 18 months of that plan should have been delivered.

During 2016-17 we expect the ICO to have delivered our local strategy which stresses supporting people at home. The ICO will have provided multi skilled teams working in Torquay with an emphasis on prevention and delivery of high quality social care. There will also be new arrangements in Brixham and Paignton to support people in that locality with high quality information, care and support.

Financial pressures:

However, despite major positive changes in social care, local government is still faced with significant financial pressures, based on a further reduction in income from central government. This requires some difficult decisions to be made by the Council, as to what to prioritise, and I am pleased that Torbay Council continues to prioritise the support of vulnerable adults. However, there is still a difficulty in resolving future demand pressures for Adult Social Care, despite the allowance of 2 percent precept on council tax, which the Council in its medium term financial plan intends to apply and use.

Support for people with learning disabilities:

The Council as a commissioner with our provider partners have continued on a journey to support people on a more individual basis. This will result in a diverse range of support options being available with new local providers, some in house and it will see some well regarded services being decommissioned. Providing

greater choice for people locally is in line with the national 'Transforming Care' policy and we have taken steps with our partners to ensure that care solutions are available within the local area for people who currently live away from home in care settings.

Mental health services:

Mental health services remain a challenging area nationally and locally and we have worked with Devon County Council on an improvement plan with the provider Devon Partnership Trust. Mental health services remain the underdog of the Health and Care system. During 2016/17 we will continue to work with local and regional partners on integrating mental health services. Our objective is to deliver a service which provides a more seamless approach to all age mental health, addressing issues of transition planning between adult and child mental health services. To achieve this the Council will play a key role in mental health commissioning and service design.

Adults and children's services:

Adults and children's services and integrating their distinct approaches with the focus on family, remains a key ambition. The Council and the Trust are exploring options for integrating children's social care services (which are currently provided by the Council) with the ICO. The intention is to ensure there is joined up thinking on families within localities; positive and well-managed transition planning for those children and families who need adult services continues to be a key focus to improve their experience and health, education and care outcomes. We continue to prioritise early multi-agency work with our most troubled families and adults to prevent problems escalating wherever possible.

Market for care and support:

Local government was allowed by central government settlement to administer a 2 percent precept on council tax in order to support adult social care. Torbay Council took advantage of this opportunity in the knowledge that this will support the living wage, which will impact on the care sector. We will continue to work as a strategic commissioner with the market, in order to innovate and support new and existing provision. Our **Living Well At Home** contract is expected to bring further innovation in care, with a focus on personal goals for independence, not just tasks and new job roles for local people as we support more people in their own homes. The **care home market** has seen a reduction in the number of homes in the Bay, in line with our **market position statement**. As part of a wider strategy on accommodation based care and support we will be working on outcomes based commissioning and potentially a new form of contracting, to ensure specialist innovation and consistency for the business of our care home partners alongside further development of housing with care. This work will form part of our **housing strategy**, to support a variety of specialist accommodation for people with different abilities, and conditions as well as people in their end stage of life.

System Leadership:

This way of working sees the distinction between the Council and the Clinical Commissioning Group (CCG) as commissioners, and the ICO as a prime provider becoming more fluid. Much focus by NHS England and central government has been on place based solutions and system leadership. **Sustainable Transformation Plans** (STP) were required for NHS colleagues by June 2015 and this was submitted on a geographic Devon footprint. We also work on devolution proposals with Devon and Somerset for health and care. There are opportunities for new **Accountable Care Organisations** as well as other emerging contractual partnerships. The problems to be solved are the same no matter what the initiative, i.e. an affordable and dynamic, high quality health and care system for individuals and populations. We will continue to work flexibly and to navigate initiatives which help us achieve the best solutions for Torbay within a wider region.

Workforce

By 2017 workforce will continue to be one of the key system issues. Retaining social workers and ensuring they are valued and supported will be one of our intentions. Creating with providers new job roles for the model of care we commission is also vital. Whatever the outcome of the EU referendum the support for people who work in the care sector from overseas needs to be well managed, and combined with local and national planning on job roles and retention.

The health and care sector remains an important part of Torbay's economy and we will work with partners to develop skills for people who wish to commit to it. As part of the Council's wider role we will work with the health and care sector to develop opportunities as part of our **economic strategy** for the Bay.

Information and advice

Social care is means tested and for many people they will directly find their own support. Many of these people are sometimes called 'self-funders'. For all of us, whether supported by the state or not, we will ensure good quality information and advice is available. Often people find care at a point of crisis, and it is hard for families and individuals to feel they have made the right decision for, and with, their loved one. We will commission, as part of the ICO contract, a range of advice and support, which includes on-line help as well as carers support services and access to Healthwatch and voluntary sector support. This work will be developed with support from the Ageing Well programme which is being co-ordinated by the Torbay Community Development Trust. This programme is bringing welcome investment and expertise to the development of these functions as well as prevention and wellbeing services.

Equipment and Telecare

Under a separate contract the Council with the CCG commissions equipment services. By 2017 there is an opportunity to develop a more seamless approach to ensuring homes are adapted and the right use of technology as well as adaptations and equipment increases opportunities for people to remain in their own homes throughout all stages of their lives and health. The Council will work with partners to

improve solutions by joining up Disabled Facilities Grants (DFGs), home improvements (via the Home Improvement Agency scheme), equipment and telecare support, with the ICO taking a more active role in seeking telecare solutions.

Prevention

We know that many conditions that cause us to need care in later life can be prevented if we take action in middle age (or earlier). This includes dementia as a condition, and prevalence in the population is expected to increase, and this requires significant support, and is difficult for the individual and family to experience. We will work with public health and providers to ensure the local population can take every opportunity to be responsible for their own health, and make lifestyle choices which may prevent need for care and support in later life.

Safeguarding

A key responsibility for local government is adult safeguarding. The Care Act put this role on a statutory basis. The safeguarding board comprises of key partners and has an independent chair in order to challenge and champion safeguarding in the Bay. Part of the commissioning of the ICO would be to check the independence of safeguarding in the provider, acting as the local authority, is maintained; and to ensure all partners continue to play an active role within a community that is aware of what good looks like in care.

Quality and performance

Assurance through local governance processes and close work with the regulator CQC will continue to focus on quality. As well as measuring the national indicators for social care, including quality surveys, we will work with providers and local people to act on any concerns for quality. Health watch and local expert user groups provide additional assurance and can raise concerns, as well as good practice for providers to build on. These will continue to be shared through regular liaison via the multi-provider forum in the Bay.



Caroline Taylor
Director of Adult Social Care Services
Torbay Council

3. Our performance in 2015-16

This section of the Local Account looks at how we have performed and delivered on our responsibilities for adult social care in 2015-16. The information presented here is intended to provide the reader with information about how our local services have performed against national and local performance targets set by the NHS and the Council. We have indicated how well the performance targets have been met by using the following system of red, amber and green ratings.

| | |
|-------|--|
| Green | Exceeded, achieved or within 5 percent of the performance target |
| Amber | Narrowly missed performance target by between 5 percent and 10 percent |
| Red | Performance needs to improve, target missed by 10 percent or more |

Torbay and South Devon NHS Foundation Trust (referred to here as ‘the Trust’ and previously as the ICO) and Torbay Council (referred to here as ‘the Council’) are aware from previous feedback that this information on its own is not always helpful to the reader in determining whether things have improved for themselves, their loved ones or the people they care for. So with this in mind, the commentary that follows also provides examples of how the work this year has made a difference to individuals or groups. These examples are based on real situations but to protect the privacy of the people we work with they are presented here as illustrations of the support which can be provided and drawn from more than one source rather than the specific circumstances of individual people or families.

The performance ratings and examples of the care provided are set out here under the four performance outcomes agreed between the Council and the Trust at the start of the year. These are:

- Outcome 1: Enhancing quality of life for people with care and support needs
- Outcome 2: Delaying and reducing the need for care and support
- Outcome 3: Ensuring people have a positive experience of care and support
- Outcome 4: Safeguarding people whose circumstances make them vulnerable and protecting them from avoidable harm

A description of what you might expect under these headings is also provided so that you can judge whether this is what you told us or experienced. The Trust and the Council are always striving to improve and develop services through lessons learnt and best practice and we have described how we plan to do that in the future. We have also included details of some things you might not be aware of which might help you or someone you know in the future.

As always there is the inevitable focus on the financial position and how we plan to allocate and spend the resources available to us. There will be a review of how we have used the resources available and how we have ensured best value for money at all times. We are also keen here to provide you with an open and transparent review of the risks both organisations are facing in the forthcoming year together with plans to mitigate these risks where possible.

Additionally, we have asked your local Healthwatch in Torbay and members of the Council's Overview and Scrutiny Committee to review the Local Account and ensure we have provided an open and transparent view of the services provided, in line with the views of members and constituents in Torbay. We have also asked our Experts through Experience panel to review the Local Account and have made amendments to the account to improve the information, layout and look of this Local Account as result of their feedback.

We do hope that you will find this Local Account useful and informative and would encourage you to contact us to provide feedback or to ask where you can find out further information which might be of use to you or a loved one.

Outcome 1: Enhancing the quality of life for people with care and support needs

What does this mean for the people of Torbay?

This is about individuals being able to live their lives to the full by maintaining their independence, not feeling isolated or lonely because they were able to receive the right level of high quality support, designed by them. It is also about carers being able to balance their role as a carer as well as maintaining their desired quality of life.

How have we performed?

| Measure | 2015/16 Outturn Provisional | 2015/16 Target | 2014/15 Outturn | 2014/15 Target | 2014/15 England Average | 2014/15 SW Average |
|---|-----------------------------------|-------------------|--------------------|-------------------|-------------------------------|-----------------------|
| The proportion of clients informed about the cost of their care | 93.6% | 70.0% | 90.1% | no tgt | 83.7% | 79.2% |
| The proportion of clients who receive direct payments | 26.0% | 10.0% | 27.8% | no tgt | 26.3% | 24.7% |
| Proportion of adults in contact with secondary mental health services in paid employment | 3.2% | 7.1% | 1.7% | 5.5% | 6.8% | 8.4% |
| Proportion of adults with a learning disability who live in their own home or with their family | 70.3% | 70.0% | 71.0% | 69.0% | 73.3% | 69.5% |
| Proportion of adults in contact with secondary mental health services who live independently, with or without support | 62.1% | 77.0% | 62.9% | 77.0% | 59.7% | 53.8% |
| Proportion of clients receiving an annual review | 78.1% | 76.4% | 76.4% | 80.0% | n/a | n/a |
| Proportion of clients receiving a care support plan | 88.5% | 90.0% | 90.0% | 95.0% | n/a | n/a |
| Proportion of assessments completed within 28 days of referral | 68.9% | 74.1% | 74.1% | 70.0% | n/a | n/a |
| Proportion of clients receiving their care within 28 days of assessment | 95.2% | 90.0% | 94.6% | 85.0% | n/a | n/a |

The table above shows that in the past year we have only 68.9 percent of people referred for an assessment have been seen within 28 days. This is a reduction on last year and reflects the pressure on our frontline teams, in relation to the increasing complexity of work including an increase in whole home safeguarding. This has been compounded by pressures during the winter period.

However the proportion of people who start to receive care within 28 days of their needs being assessed has increased to 95.2 percent and our performance on ensuring that people are kept informed of the cost of their packages of care has risen to 93.6 percent against a target of 70 percent.

Some people also opt to organise their own care and so receive what is known as a 'direct payment', the proportion of people receiving direct payments has fallen slightly to 26 percent which is in line with performance nationally and well above the local target of 10 percent. We expect this to improve in 2016/17 as we are about to introduce a system of pre-payment cards to make it easier for people to manage and pay for their own care.

Performance for adults who require and are supported by mental health services is lower than we would like. The high unemployment rate and seasonal employment patterns within Torbay contributes to this. Improving employment opportunities for people with learning disabilities and mental health needs is a key priority and our multi-agency work and forms part of the action plan agreed between the Council and Devon Partnership Trust who provide these services.

Case Study – learning disabilities

Robert has autism and learning disabilities. His family are local but he had lived in the north east of England, in supported accommodation, with two friends for more than ten years. Following the death of a close family member his relationships with his friends deteriorated as he stopped sleeping in his bed and took to living mainly in the lounge. Relatives stepped in and he returned to live with them locally. However after nine months this arrangement was also becoming difficult and he was referred to our learning disabilities service.

Robert and his family hoped he could live independently but at the point he was referred to the team here this seemed an unrealistic possibility. Robert had only ever lived with his family or in supported accommodation and because of his recent difficulties it seemed likely that he may need to move into residential accommodation.

Initial proposals were for a package of care in excess of £1,700 per week. After extended work with Robert and his family a place was found in a supported housing scheme. Robert has his own flat but there is support available on site and has a morning and evening visit for medication only. He also has support for four hours a day, four days a week to help him prepare meals and manage his housework. He goes out mid-week to play snooker and is able to visit his family at weekends.

This arrangement has been in place for over six months. There have been difficulties along the way but Robert is more settled in himself and is enjoying the level of independence he has. The current cost of his care package is less than £300 per week.

One way in which the Trust works to support people living at home and feeling safe is through the provision of our own dedicated TeleHealth Care service that provides advice, installation, maintenance and monitoring equipment which supports people to remain living at home. The range of equipment spans a basic community alarm and pendant to more sophisticated devices such as smoke detectors that will automatically raise a call to the monitoring centre. Where this is the only way to meet the needs of someone assessed as requiring support under the provisions of the Care Act the cost of these services can be funded through their care and support plan. Other people chose to pay for this support themselves by contracting directly with our service or one of the other similar services available both locally and nationally.

In total around 2,000 people rely on the monitoring service which operates 24 hours a day, 7 days a week and last year we received over 73,000 calls. These calls need a quick response and over 99 percent of calls are answered within 60 seconds. In order to ensure that our service continues to meet the highest standards we routinely survey our customers and in the last 12 months:

- 100 percent of people surveyed described our call handlers as friendly and helpful
- 99 percent of people surveyed described our installer as friendly and helpful

- 99 percent of people surveyed who required urgent help said it was handled efficiently

In addition to the survey statistics we also received several compliments about the service. Below are just a few of our comments:

“The family would like to thank you for the help and support that you gave to our mother in her later years of life. Without your help she would not have been able to stay at home until she died. Help was always close at hand. Thank you for this and know that all the elderly people in our town are supported by a wonderful team.”

“Installer visited today and was a delight, polite, cheerful and efficient. They also put our mind at rest about the keysafe and we are happy with everything.”

“Would not be without it, very assuring.”

Case Study - telehealth

Mrs A lives alone with no relatives nearby, she suffers from Alzheimer’s, heart arrhythmia and COPD and is at risk from falling. Some time ago, she fell and was unable to get to her phone and had to wait several hours for help when her care worker turned up and was able to summon assistance.

We have since provided a community alarm, pendant and keysafe for emergency access purposes, when she next fell she was able to contact the centre immediately via her pendant and we arranged for an ambulance to visit, this was all accomplished within 12 minutes of activation. The ambulance crew were able arrive quickly and to attend to Mrs A, taking the assessed/required action to ensure that all physical issues were addressed in a timely manner with as little distress caused as possible, within the circumstances.

Outcome 2: Delaying and reducing the need for care and support

What does this mean for the people of Torbay?

This is about individuals having the best opportunity possible to manage their own health and care because they have the right support and information. Early diagnosis and intervention means that dependency on intensive services is reduced and when it is required it means that individuals are helped to recover in the right setting which isn't necessarily in a hospital environment.

How have we performed?

| Measure | 2015/16 Outturn Provisional | 2015/16 Target | 2014/15 Outturn | 2014/15 Target | 2014/15 England Average | 2014/15 SW Average |
|---|-----------------------------------|-------------------|--------------------|-------------------|-------------------------------|-----------------------|
| Number of people living permanently in a care home as at 31 March | 635 | 630 | 641 | 644 | n/a | n/a |

During the last four years the number of individuals living permanently in a care home (at the end of the year) has reduced each year and this trend continued in 2015/16, although at a lower rate than we had planned. With an ever growing elderly population this enables those who most need this type of specialist care to receive it, whilst helping others to stay as independent as possible in the comfort of their own home.

We continue to work closely with the care homes within Torbay and rely on the intermediate care support they provide which can often avoid an emergency admission into an acute hospital. Our ability to place people at very short notice into temporary beds is part of our intermediate care service. The integrated nature of these services also helps ensure people have shorter stays in Torbay, Paignton and Brixham hospitals. The average length of stay for people admitted to Torbay Hospital in an emergency is amongst the lowest in the country and the number of people experiencing a delay in their discharge is minimal. This is achieved by having streamlined communication processes between teams to ensure people benefit from the rapid access to the service they need when they return home.

The Trust's reablement service (the Intensive Home Support Service) has been developed to provide an enabling domiciliary care service that works with people going through a change in their health and social care needs. The staff have received further training and are now led by an Occupational Therapist, which means that they are able to approach people with an enabling approach to their care and 'do with' rather than 'do for' the person.

Through the support afforded by the Ageing Well programme, the Trust has also been working with the Torbay Community Development Trust, and other voluntary sector organisations, to develop a more consistent and cohesive range of preventative and wellbeing services.

This Local Account reviews services provided in 2015/16 but these new wellbeing services are not due to be implemented until shortly after this Local Account is published; consequently these services are not fully described or referenced in this Local Account. It is, however, expected that they will be reported and discussed in the Local Accounts for future years.

Case Study: Intermediate Care

Mr B is 76 years old reluctant to accept any help or support at home prior to his input from Intermediate Care. Mr B had experienced at least four significant falls at home, in the four months prior to his hospital admission. He called an ambulance out each time but refused to accept a referral for any follow up input.

He suffered a further fall at home and fractured his hip; after a short stay at Torbay Hospital was transferred to an Intermediate Care bed to recover from his surgery and regain his strength and mobility. He was supported by the multi-disciplinary team whilst in placement and the same team supported him following his return home.

On discharge home he was reluctant to accept help but agreed to short term support from the Crisis Response Team. He received input from the Physiotherapist and support workers who worked with him on a programme of balance and mobility to reduce his risk of further falls and help him to regain his confidence. They also taught him what to do should he have a further fall and discussed ways in which he could make his home environment safer.

The team's Community Care Worker worked with him about his longer term support needs at home; he agreed to some support from Age UK voluntary services, and has been maintained safely at home with their ongoing support. He has not experienced any further falls in the last six months and is planning to start going out to a local café, with the support of the volunteer from Age UK.

Outcome 3: Ensuring people have a positive experience of care and support

What does this mean for the people of Torbay?

This is about individuals and carers being aware of the support that is available to them and when it is accessed, that it is sensitive to their needs and provides them with a positive experience.

How have we performed?

| Measure | 2015/16 Outturn Provisional | 2015/16 Target | 2014/15 Outturn | 2014/15 Target | 2014/15 England Average | 2014/15 SW Average |
|---|-----------------------------------|-------------------|--------------------|-------------------|-------------------------------|-----------------------|
| Overall satisfaction of people who use services with their care and support - from annual user survey | 67.9% | 68.5% | 69.7% | no tgt | 64.7% | 67.4% |
| The proportion of people who use services who find it easy to find information about services - from annual user survey | 81.3% | 77.3% | 77.4% | no tgt | 74.5% | 76.6% |
| Carers receiving needs assessment, review, information, advice, etc. | 43.3% | 40.0% | 41.3% | 35.0% | n/a | n/a |

This year we have had additional Care Act monies to fund additional carers support required as a result of the Care Act which was introduced in April 2015. One aspect of the Care Act was promoting whole family working – looking at all the carers affected by someone’s situation, regardless of what age they are. We therefore funded a part-time worker who was experienced in working with younger people, and based them within the main Torquay team, to promote those workers considering the needs of the younger carers.

Case Study: Young carer

There is a young adult carer (a carer aged between 16 and 25) who is sole carer for her grandfather who has a dementia. His physical health has also been very unstable and he has had a couple of falls in the home. The young adult carer was very distressed about the situation, and it was really affecting her own health and wellbeing, so she spoke to the specialist carers worker. They were able to speak to the social worker who was managing her grandfather’s care. They made an urgent visit together to look at the situation, and consider everyone’s needs. As a result of this, the social worker arranged for the Crisis Team to stay overnight to keep an eye on the grandfather so that the carer could have a good night’s sleep. This may not seem like much, but to the carer it made all the difference between feeling able to continue or not, and just to know that additional support would be available if she needed it again, made her much more confident.

We also fund a local voluntary agency - carers Trust Phoenix to provide health and wellbeing checks for carers, and to provide carers Advocacy – which again was promoted through the Care Act. Here is an example of the work that they have done for a carer who, like many carers, has multiple caring roles.

Case Study: Carers

Mrs A has three children; one has medical problems, another has a young grandchild with a disability and her husband has a degenerative condition and recently required additional treatment. She is a strong brave lady but also has her own health problems. She has used Carers Trust Phoenix on a number of occasions to support her with obtaining statutory service help. They have been able to support her and her family and have checked that she and her family have the correct entitlements for their many disabilities. As a result of the carer's assessment, she was eligible for a one-off payment for £200 to have small breaks with her family. The Carers Trust Phoenix continues to support her on a regular basis and advocate when necessary.

Outcome 4 – Safeguarding people whose circumstances make them vulnerable and protecting them from avoidable harm

What does this mean for the people of Torbay?

The Care Act 2014 put Safeguarding Adults into a statutory framework for the first time from April 2015. This placed a range of responsibilities and duties on the Local Authority which the Trust will deliver on behalf of the Council. This includes requirements in the following areas:

- Duty to carry out enquiries or cause others to do so
- Co-operation with key partner agencies
- Safeguarding Adults Boards
- Safeguarding Adult Reviews
- Information sharing
- Supervision and training for staff

Ultimate accountability sits with the Torbay Safeguarding Adults Board (SAB). This is a well-established group that will provide a sound basis for delivering the new legislative requirements. The Board will incorporate the requirements into its terms of reference and Business Plan for 2016/17, ensuring that all relevant operational and policy changes are in place for April implementation.

In addition the Council has signed up to the national initiative of Making Safeguarding Personal. This is an exciting initiative designed to measure Safeguarding Adult performance by outcomes for the individual, rather than the current reliance on quantitative measurement of timescales for strategy meetings and case conferences. Work will be done through SAB during 2016/17 to implement these new measures in Torbay.

The term '**safeguarding**' is used to mean both specialist services where harm or abuse has or is suspected to have occurred, and other activity designed to promote the wellbeing and safeguard the rights of adults.

In its broadest sense it is everybody's business: the public, volunteers and professionals, working together to ensure everyone is treated with dignity and respect, enable people to have choice and control in their lives and provide compassion in care.

How do we ensure that adults experiencing, or at risk of abuse or neglect are protected?

The Trust's work in this area primarily divides between the community operational teams who respond to safeguarding concerns, causing enquiries to be made by others such as Devon and Cornwall Police, maintaining strong local partnership arrangements, our Business Support and Quality team which works with care homes and domiciliary care providers to promote high quality care and proactive monitoring of quality standards and our Experts through Experience service which undertakes various activities to promote awareness and early interventions.

How did we perform?

| Measure | 2015/16 Outturn Provisional | 2015/16 Target | 2014/15 Outturn | 2014/15 Target | 2014/15 England Average | 2014/15 SW Average |
|---|-----------------------------------|-------------------|--------------------|-------------------|-------------------------------|-----------------------|
| Proportion of safeguarding strategy meetings held within 7 working days | 38.5% | 80.0% | 48.0% | n/a | n/a | n/a |
| Proportion of Safeguarding case conferences held within 30 working days of strategy meeting | 65.3% | 80.0% | 72.0% | n/a | n/a | n/a |
| Proportion of repeat safeguarding referrals in last 12 months | 4.9% | 8.0% | 7.6% | n/a | n/a | n/a |

The figures in the table illustrate that 2015/16 was a challenging year for our safeguarding services. The service has been under pressure from staff shortages and an expanding workload. The workload pressures have come from the demands of whole home investigations and introducing new ways of working to meet the requirements of Making Safeguarding Personal.

Workers continue to report challenges in meeting the targets due to an increased emphasis on the good practice guidance contained in Making Safeguarding Personal. This is because the approaches mandated by this guidance focus on the need to talk with the people involved at an earlier stage, working with that person to identify initial preferred outcomes, getting key people around the table and arranging an initial meeting that best meets the needs of the person involved. This process, while delivering better qualitative outcomes for the people involved, will often conflict with the timescales set out in the existing quantitative indicators. Social Work Leads have discussed this and are currently working with managers and colleagues from the Safeguarding Board to find new ways of working which will address the issues.

Looking forward to 2016/17 a new team member started in April, which will address capacity issues, and contingency arrangements have been agreed with our community based teams to provide cover should unforeseen circumstances arise.

Regular performance analysis from all partner agencies will be reported to the SAB to give a clear picture of performance across the agencies.

Experts through Experience

The independent, and voluntary, Experts through Experience group continue to carry out key pieces of work for the Trust and to focus on safeguarding and quality of service with the public. There are three main areas the group have carried out work in, these being;

- Mystery shopping
- Peer safeguarding evaluations
- Domiciliary care evaluation

Mystery shopping

The Experts mystery shoppers have developed a standardised process when they visit care and nursing homes unannounced. National issues such as Winterbourne view has been taken into account when putting the programme together and home owners/managers are given feedback following visits. The BBC Spotlight programme recently recorded and aired a piece of dialogue from the Experts regarding their mystery shopping programme.

Peer safeguarding evaluation

The face to face peer evaluation, which is carried out by the volunteers of the Experts through Experience group, will inform and assist in developing strategies to promote safeguarding in a personalised way for people in Torbay ensuring they are informed and at the centre of any plans made with them. The Experts have also included the Independent mental capacity advocacy service to ensure people who experienced capacity issues still had a voice to make improvements

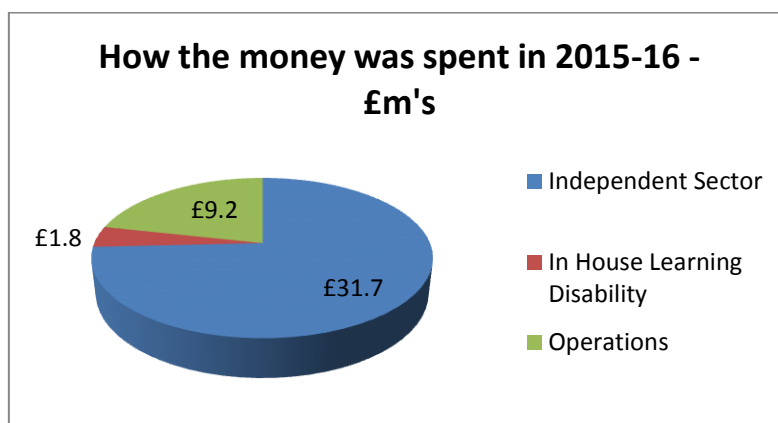
Domiciliary care evaluation

The independent Experts have gathered face to face information from people who use domiciliary care services. The findings from the initial piece of work have been fed back to the provider, commissioners and safeguarding board. The public again have a voice in shaping their services. This is an ongoing piece of work.

The independent, voluntary Experts through Experience also attend various committees and boards for example; The Safeguarding Adult Board, Executive safeguarding Board. We also have regional and local networks and look forward to continuing to work on behalf of the Trust.

4. Financial position and use of resources

This financial review provides an overview of the financial performance of adult social care services in the Torbay area in 2015-16. Over this period the budget for adult social care services in Torbay was £41.5m. Total expenditure against this budget was £42.7m which resulted in a £1.2m overspend. The chart below shows how the £42.7m was spent.



Despite the overspend of £1.2m significant cost improvement savings, of £3.3m, were achieved by the Trust in relation to adult social care services and this was managed without impacting negatively on service delivery. To achieve this savings have been delivered through:

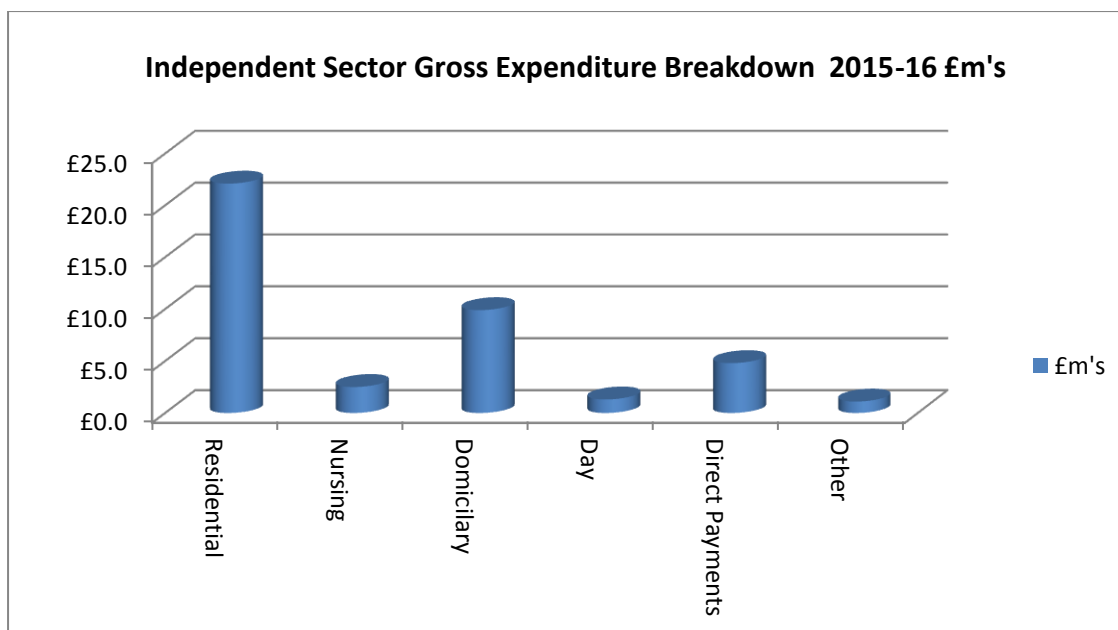
- Working with people to find alternative ways to meet their needs, including finding more effective ways of supporting people needing care at home and enabling people to remain living at home.
- Improvements in contract management to make better use of the resources used to buy care from independent providers.
- Operational efficiencies and vacancy management within our own teams.

Spend analysis 2015-16

Over 70 percent of the total net spend on adult social care services is the purchase of care (including residential, nursing, day and domiciliary) from independent providers. The majority of this spend is with providers within Torbay but some specialist residential care is provided out of area. At any point in time there were on average around 2,200 people receiving a core service.

The net spend figure in the independent sector was £31.7m in 2015-16. However this is the figure after the contributions made by people receiving services were taken into account.

Under national legislation people assessed as needing social care services which are provided or arranged by the Council also receive an individual financial assessment and this can result in a them being asked to contribute towards the cost of their care provision. The income collect from people in Torbay in 2015/16 was £10.1m. The total (gross) expenditure on services was therefore £42.8m. The allocation of this gross expenditure across different types of services is illustrated in the chart on the next page.



The budget for the in-house learning disability services provided directly by the Trust in 2015-16 was £1.8m. This was made up of £0.9m for residential services and £0.9m for the provision of day care.

Operational costs totalled £9.2m in 2015-16. This is the amount necessary to provide care management and social care support across Torbay; it includes the cost of social workers, community care workers, occupational therapists, physiotherapists, finance and benefit assessors and commissioning and support service staff.

The age of the people receiving these ranged from 18 to over 100 years old and services were provided to clients with learning disabilities, dementia, sensory and physical disabilities, vulnerable people and the frail and elderly.

Financial outlook for 2016-17 and beyond

At a national level there are continuing financial pressures across both adult social care and health services. Torbay is not immune to this and like other local authorities Torbay Council has funding constraints which have led to budget reductions in recent years and further reductions will be required for the foreseeable future.

Torbay Council and South Devon and Torbay Clinical Commissioning Group acknowledge the tight financial constraints and jointly believe that Torbay and South Devon NHS Foundation Trust, is best placed to continue to deliver the best possible care and support within these constraints. The Trust will achieve this through managing resources across health and social care to deliver a more efficient and effective profile of expenditure.

This will be dependent on how the overall funding envelope for the Trust can be best utilised to maintain a financially stable and sustainable health & social care system for the long term to improve people's experiences of health and social care. This will be done in consultation with the Council and, where it is necessary to make changes to the way services are delivered, consultation will take place with the people and carers who use those services.

5. Looking after information

The Trust takes the responsibility of safeguarding the information we hold very seriously. All incidences of information or data being mismanaged are classified in terms of severity on a scale of 0-2 based upon the Health and Social Care Information Centre *“Checklist Guidance for Reporting, Managing and Investigating Information Governance and Cyber Security Serious Incidents Requiring Investigation.”*

Risks to information are managed and controlled by applying a robust assessment against the evidence collected as part of the national information governance toolkit return. During the period 1 April 2015 to 31 March 2016 the following breaches of confidentiality or data loss were recorded by the Trust which required further reporting to the Information Commissioner’s Office and other statutory bodies.

| Date of Incident | Nature of Incident | Summary of Incident | Outcome and Recommendations |
|-------------------------|----------------------------------|---|--|
| 23-Apr-15 | Unauthorised Access | Member of staff accessed the record of a patient not involved in their direct medical care. | A full investigation was undertaken and the outcome of which resulted in a final written warning for the employee. |
| 15-Jun-15 | Information disclosed in Error | Patient received the medical records of another patient. | A full investigation was undertaken and a technical solution has been implemented to reduce the risk of an occurrence. |
| 21-Aug-15 | Information disclosed in Error | Patient received the medical records of another patient. | A full investigation was undertaken and it was identified that a change in process was required; This change has been adopted by the department. |
| 17-Sep-15 | Unauthorised Access / Disclosure | A member of staff accidentally sent too much data via an insecure email account to the Devon Local Medical Committee (LMC). Upon receipt the LMC staff member realised there was a backing sheet to the summary information which contained some detailed data. | A full investigation was undertaken and the outcome of which resulted in changes to the way information is provided by the Trusts’ Information Team to internal staff. |

The conclusion of the Information Commissioner’s Office to its investigation of the above incidents was that there was no regulatory action required against the Trust as the incidents did not meet the criteria set out in the ICO’s Data Protection Regulatory Action Policy.

Any other incidents recorded during 2015/16 were assessed as being of low or little significant risk.

In accordance with the 2015/16 Monitor risk assessment framework, the Trust was able to declare level two compliance against the information governance toolkit requirements by 31 March 2016. A new action plan will be created to deliver improvements against the 2016/17 information governance toolkit and will be overseen by the Information Governance Steering Group.

In September 2015 the Information Commissioner's Office was invited to the Trust to carry out one of their regular support audits. Following pre-audit discussions with the Trust, it was agreed that the audit would focus on data protection governance, records management (manual and electronic) and data sharing. The auditors made a number of recommendations and gave the Trust an amber rating primarily around enhancing existing processes to facilitate compliance with the Data Protection Act. A detailed action plan has been created which is being implemented and monitored by the Information Governance Steering Group.

6. Commentary from Healthwatch Torbay

Torbay Adult Social Care has a reputation for innovation in the provision of integrated care services for local people. So the concept of a New Model of Care, combining staying well for as long as possible by being supported at home when our health is not at its best, is not entirely “new” to us. Torbay does have a lot to offer to keep us well as we age, which is why it is attractive for retirement and has high expectations from older people for good quality care. The complexity of the local population's care need is reflected in this Account and indicates that integrated care and innovative ways of working continue to be the future.

So in reality is our care system creaking at the seams to quote the media messages? Healthwatch Torbay is the local independent consumer champion for health and social care. We also have a reputation for innovation being one of the first Healthwatch, nationally, to use a Rate and Review website where the public's experience of health and social care services can be posted online, at any time. Our volunteers are out and about encouraging local people to share their insight and our office in Paignton Library is open for drop-in. In the last year there has been well over a hundred comments specifically about adult social care. Whilst the star rating is consistently high, with the quality of care being appreciated, within that experience there are comments which may indicate that financial and workforce pressures are having a detrimental effect. There are concerns that transfer from a hospital stay to care at home does not always work well. Both lack of carer involvement and the inconsistency of home care provider services has caused unnecessary stress. Healthwatch Torbay is specifically concerned that the process for complaints about social care does not operate at the same quality standard as within the NHS.

We highlight the concerns of local people and work towards building an independent evaluation of the standard of care. In this role, as the Account indicates, Healthwatch Torbay's input is welcomed. Providers appreciate our approach recognising that our intention is to work with them using intelligence from local people to drive up the standards of care. The voice of local people is listened to and acted on.

The Local Account brings forward an area of recurrent concern to local people. That of Mental Health Services. Especially, the initiative to focus on the balance between mental health and physical health but most significantly the need to look at all age mental health services. We have been made aware of disruption in care caused by the transfer from children's services to adult services, so this approach will be well received.

Healthwatch Torbay has consistently promoted the concept of a single point of contact supported by reliable, current advice. Although lists of private care providers are useful, we have been told that nothing is so disheartening as making a phone call to be told that the recommended organisation is so busy it is unlikely to be able to fit in with the needs of the consumer. Or that what is offered is inappropriate, either financially or in scope. That this service will be commissioned through the

Trust contract will facilitate an integrated approach within new models of care. But we also look for continued engagement with the public to ensure that their insight leads to a substantially improved service.

In conclusion, we are pleased to support the presentation of the Local Account and look forward to our continuing work to champion the voice of local people.



7. Commentary from Experts through Experience

Members were unsure who this document is aimed at. The group acknowledged the amount of work and information the document contains but also wonder if this is aimed at the general public would people read all of it due to its length.

Members liked the case studies and illustrations relating to how the impact of the Trusts work translates to service delivery. Particularly if the public and outside organisations want to know how the Trusts work affects daily lives.

Towards the end of the document some members focused on the case studies and illustrations to the detriment of the rest of the dialogue. If the document is aimed at the general public, members offer the idea of the information being summarized in bullet points together with the case studies for future editions.

The members liked the consistent message throughout the document which acknowledged the changes with the ICO but the focus of the Trust remaining on the individual and retaining their independence where possible.

Moving forward the document also noted the value of working with volunteers which the group felt was important as well as the consultations with the public where applicable.

Finally, the group hope the intended service delivery stated in the document, will in the future match the ethos of community care with people being moved swiftly from the hospital with quality and available domiciliary care and residential care, whilst coping with ever decreasing finances.

Other than the small points above we felt the document gave an over view of the Trusts activity and how it relates to individuals as well as a realistic overtone of the current restraints everyone is encountering.

8. Statement from Torbay Council's Overview and Scrutiny Board on the Adult Social Care Local Account 2015/2016

Members of Torbay Council's Overview and Scrutiny Board considered the Adult Social Care Local Account for 2015/2016. The Board welcomes the openness and transparency with which this Local Account has been published. It appreciates the amendments that have been made to the format of the Account to reflect the Board's comments in previous years. However, the comments from the Experts from Experience Group show that there may still be further steps to be taken to ensure that document is accessible to the general public.

It is disappointing to note that, year on year, there is an acknowledgement that mental health services are not meeting the needs of clients. There is little indication as to how and when they are going to improve although the work with Devon County Council and Devon Partnership NHS Trust is welcomed. Despite the current national focus, mental health services remain the Cinderella of the health and social care system and, with the sobering thought that suicide figures are rising in Torbay, there is an urgent need to improve services.

The creation of the integrated care organisation for Torbay and South Devon is welcomed. The Torbay and South Devon NHS Foundation Trust must continue to work together with its partner agencies to build on the successes we have seen over the years brought about by integrating health and social care. To that end it appears to be an oversight that the work of the Torbay Community Development Trust, or the outcomes of their work, is not referenced within the Local Account¹.

Given the reducing availability of resources in the public sector, the Board would seek to ensure that all Trusts and partner organisations continue to work together for the benefit of the whole Torbay community.

Notes:

¹ This feedback from the Overview and Scrutiny Board highlighted an omission in the original draft; voluntary organisations across Torbay provide invaluable input to the way services are developed and delivered across Torbay. Whilst some of this activity was referenced in the draft document the co-coordinating role of the Community Development Trust was not. The Trust and the Council are grateful for this feedback and the final text has been revised to include reference the role played by the Ageing Well Programme and the Community Development Trust.

The Trust also wishes to note that this Local Account has been produced specifically in regard to the adult social care services provided in Torbay and on behalf of Torbay Council. Similar arrangements apply to the engagement and involvement of colleagues from voluntary organisations as part of the Trust's services in South Devon. These services and arrangements are however beyond the scope of this Local Account and therefore are not referenced in this document.

Agenda Item 7

Appendix 2

TSAB ANNUAL REPORT 2015/16

Agency Bullet Points – Poster Side

Torbay & South Devon NHS Foundation Trust

- Torbay and South Devon NHS Foundation Trust was created when TSDHCT and SDHCT came together to improve services for local people in 2015
- 'Living Well At Home' provided by Mears Group PLC now provides care and support to enable people to live independently at home
- A Multi Agency Safeguarding Hub is now in place, co-locating safeguarding for both adults and children

Devon & Cornwall Police

- Increased resources in our Sexual Offences & Domestic Abuse Investigation Teams (SODAIT's) & improved coordination between investigators and safeguarding officers to provide better support to victims of domestic abuse & sexual violence.
- Training & awareness to improve safeguarding and investigation for those victims experiencing modern day slavery, human trafficking and radicalisation.
- Following a pilot to introduce a central safeguarding team, this has now been embedded in Torbay with additional resources and revised working practices to provide an improved partnership response to safeguard vulnerable people.

Torbay Clinical Commissioning Group CCG

- Assurance: The joint South Devon and Torbay CCG safeguarding adults and safeguarding children team continues to develop areas of current and new areas of joint working. A key focus is further development of the Integrated Action plan to give further assurance to the CCG and the SABs.
- Leadership: SDT CCG now have a designated nurse for safeguarding adults. Further key pieces of work specifically affecting healthcare: Integration of incident reporting process with S42 enquiries and Deprivation of Liberty Safeguards for those receiving health funded care in their own home. Quarterly GP master classes. Safeguarding Adult Network for healthcare providers.
- Partnership: Is a key responsibility for the SDT CCG and our partnership working is extensive as we work across and with agencies for the two Safeguarding Adult Boards.

Torbay Council

- A new approach to commissioning domestic abuse services with all partner organisations addressing the causes, changing behaviour and keeping people safe.
- Development of an outcomes based commissioning framework for care homes.
- Delivering improvements to mental health support with partners including, emotional wellbeing, self-harm and suicide.
- Implementing a homelessness strategy including, hospital discharge support and services for rough sleepers.

Devon Partnership NHS Trust

- Established a 'virtual' safeguarding unit, removing specific adult and children roles, with agreed roles and responsibilities.

- A 'virtual' safeguarding unit to provide a 'Single Point of Contact' to manage and administer safeguarding activity, which will improve performance data.
- The Trust to bid for continued funding from Devon County Council to extend the contract for adult mental health family practitioners and maintain involvement in the 'Troubled Families' agenda via the Targeted Family Support Executive Board.
- Produced a Domestic Violence statement/vision for people who use our services.

Care Homes

- Torbay Quality Care Forum represents care homes and is represented on the Board.
- Worked with Healthwatch and Experts by Experience to gain feedback into the care home environment.
- Sharing best practice with care homes and ensuring their view is heard.

Healthwatch

- Empower local people to understand their own interests and act on them.
- Encourage people to speak out when they or others are treated disrespectfully.
- Give people information and signpost on how to report issues and concerns about service providers to relevant bodies.
- Hold to account commissioners to investigate poor quality services at an early stage when evidence is provided.
- Develop a strong Enter and View Team of authorised lay personnel to visit and engage with our most vulnerable in our community who receive services.

Devon and Somerset Fire and Rescue Service

- Refined our referral processes in order to quickly identify and protect vulnerable individuals.
- Improved our links with partner agencies to enhance outcomes for individuals and families.
- Continued to raise the status of safeguarding within the Fire Service through the re-alignment of the Safeguarding Lead role.

Write up for other side of leaflet

Front Page

Annual report 2015/16

TSAB Chair's introduction – Julie Foster

I am very pleased to be writing this introduction to the Annual Report this year, having been appointed as the Independent Chair of the Torbay Safeguarding Adults Board in April 2016. We were very sorry to say goodbye to the previous post holder, Bob Spencer, who has worked hard on behalf of the Board for several years and who has developed the partnership between local organisations. He has left us with stable foundations on which to build our plans to safeguard all adults at risk in Torbay.

The Care Act 2014 came into force on 1 April 2015, putting the safeguarding of adults at risk on the same statutory basis as safeguarding children. This has required the Board to review its systems and processes to ensure that we comply with the new law and to seek assurance that all staff are aware of the changes. To focus on this, the Board has held a series of workshop style meetings over the last year to develop action plans to address some of the key issues. This has included the transition from child to adult services for vulnerable individuals and how best to commission services to meet the needs of people living in their own homes. The results of some of these discussions are in this report.

We are proud of the work of the partner organisations which make up the Board, especially our front line staff who work hard in difficult circumstances. However, there is evidence from recent investigations and reviews that some adults continue to suffer abuse and neglect in Torbay. People who deserve the highest standards of protection and care are let down on a daily basis. This is not acceptable and the Board must continue to drive forward a culture where abuse is prevented.

Torbay Safeguarding Adults Board

The Board meets quarterly to oversee and develop services to protect adults at risk of abuse or neglect in Torbay. Most of the detailed work is done in sub committees which work across the whole of Devon, reporting to the Executive Group.

- In 2015/16 there were 547 alerts raised of which 228 (42%) were referred on for further investigation.
- In 2014/15 there were 514 alerts raised of which 275 (54%) were referred on for further investigation.
- Compared to 2014/15, the number of alerts in 2015/16 increased but the number and proportion referred on for further investigation decreased. This may signify improved public awareness of safeguarding adults.

Key Achievements in 2015/16

- Production of a multi –agency vulnerability Tool
- The co-location of the Children and Adults safeguarding points of contact via the Multi-Agency Safeguarding Hub
- Adopted the ADASS Self-Assessment tool for Learning and Improvement

Keeping Vulnerable People Safe Sub-Group

The terms of reference of the subgroup have been reviewed and streamlined. The purpose of the group has been redirected to facilitate multi-agency co-ordination and co-operation through the provision of oversight and support to Task and Finish Groups developed to achieve specific pieces of work to establish systems to ensure that vulnerable people receive effective and personalised care. One multi-agency task and finish group has developed a multi-agency toolkit for assessing those adults at risk of self-neglect. Another multiagency sub-group will be reviewing information available for the public in Torbay on how to keep safe in their own home in order to identify gaps in that information.

Safeguarding Adult Review Group

The Care Act 2014 introduced requirements for Safeguarding Adult Reviews (SAR) to be held whenever an adult dies as a result of, or has experienced, serious abuse or neglect and where there is concern that partner agencies could have worked together more effectively to protect them. Boards are also able to arrange a review in any other situations involving adults in its area with needs for care and support. The aim of reviews is to promote learning and prevention of future occurrences.

The sub group received 6 referrals for consideration of safeguarding adult review. Two were incorporated into a wider thematic review, one review has been recommended to the Board, one was not considered to meet criteria and two are awaiting further information before a final decision is made. In addition one review commissioned in the previous period is now in final draft and awaiting Board approval.

The group will take responsibility to ensure that actions plans from reviews are completed within agreed timescales.

Joint Learning and Improvement Sub-Group

The primary focus of the joint Sub-group has been further development of ADASS approved self-assessment tool to incorporate key areas relating to gaining assurance regarding training. The tool was completed by all statutory agencies who are members of both SABS, and some non-member organisations. All contributions were reviewed during a multi-agency peer review process and a range of common themes and issues were identified. The next step will be to develop recommendations and address these issues during the forthcoming year. It is anticipated this will be in conjunction with a change in focus for the subgroup, as the training strategy has been superseded by the publication of the NHS Safeguarding Adults: Roles and competences for health care staff – Intercollegiate document earlier this year and the anticipated update of the ADASS endorsed National Competency framework for Safeguarding adults.

Joint Operational Sub-Group

The primary focus is to share and develop consistency of practice across Torbay and Devon. The terms of reference and membership of this group are currently under review to ensure it meets both Torbay and Devon Boards aims. Prior to this, the group received practice information on a number of themes such as modern slavery, CQC inspection regimes, self-neglect , police reporting systems and health roles in safeguarding adult enquiries, service user feedback.

Experts by Experience Sub-Group

Mystery Shopping

The independent voluntary Experts continue to carry out their mystery shopping programme with unannounced visits into care and nursing homes and feedback to home owners/managers. The BBC Spotlight programme acknowledged the mystery shopping programme with dialogue from the Experts which was aired earlier this year.

Safeguarding Evaluation

The face to face peer evaluations continue to inform, develop and support personalised safeguarding. The Experts have also included the Independent mental capacity advocacy service to ensure people who experienced capacity issues still had a voice to make improvements to the service.

Domiciliary Care

The independent Experts have gathered face to face information from people who use domiciliary care services. The findings from the initial piece of work have been fed back to the provider, commissioners and safeguarding board. The public again have a voice in shaping their services. This is an ongoing piece of work.

Strategic Plan 2014/15

Our plan set out the following four priority areas:

1. Young People in Transition – *we now have staff who lead on transition and supporting people into adult services.*
2. Keeping People Safe in Their Own Homes, *The Orb is a new information service for people to access services, including those to keep them safe.*
3. Keeping Vulnerable People Safe, *the board has overseen the publication of a new screening toolkit for all partners*
4. Raising Awareness, *a MCA awareness event was hosted by Devon and Torbay. It shared good practice and hosted high profile national speakers.*

Last year The Board decided to devote each of its quarterly meetings to a particular theme and priority area. We invited a range of people from local organisations to share their knowledge and expertise to identify issues and gaps in services or practice. These issues were turned into an Action Plan which was monitored by the Executive Group.

Strategic Plan 2015/16

The Strategic Plan for 2016/17 is available on our website:

<http://www.torbayandsouthdevon.nhs.uk/services/safeguarding-adults/safeguarding-adults-board/>

The key themes we have picked for this year are:

1. Commissioning process and integrated care
2. Supporting staff across the partnership including the voluntary sector
3. Wider think family including carers
4. Emerging themes nationally
5. Celebrating and building on good practice

Quotes for leaflet

“Maybe something that I have said here will make somebody else breeze through a situation”

Local resident supported by safeguarding

“Well last year was the worst year of my entire life and without that safeguarding thing I hate to think what would have happened”

Local resident supported by safeguarding

“Shopkeepers look out for me, so I’m safe that way as well”

Local resident supported by safeguarding

Agenda Item 8



Meeting: **Council**

Date: **21 July 2016**

Wards Affected: **All Wards**

Report Title: **Provisional Outturn 2015/16 – Subject to External Audit**

Is the decision a key decision? **No**

When does the decision need to be implemented? **n/a**

Executive Lead Contact Details: **Mayor Oliver**, mayor@torbay.gov.uk

Supporting Officer Contact Details: **Martin Phillips, Chief Financial Officer**,
Martin.phillips@torbay.gov.uk

1. Purpose and Introduction

- 1.1. The revenue outturn report provides a summary of the Council's revenue income and expenditure for the financial year 2015/16 and makes recommendations with respect to any uncommitted resources and funding of any overspends.
- 1.2 A separate report will be presented to the Overview and Scrutiny Board and Council of the final capital outturn position.
- 1.3 For 2015/16 the Council's revenue budget had an overspend of £1.6m which will be funded, as planned, from an allocation of funds within the Council's approved 2016/17 budget.

2. Proposed Decision

- 2.1 That it be noted that, as per the 2016/17 budget, the 2015/16 overspend of £1.6m will be temporarily funded from earmarked reserves, to be repaid in 2016/17 from an approved budget of £2.5m with the balance of the 2016/2017 being held as a contingency for social care in 2016/17.

3. Reason for Decision

- 3.1 The Council's accounts must be finalised and signed by the Chief Finance Officer before the end of June each year in accordance with statute. The 2015/16 accounts are available from the Council website:

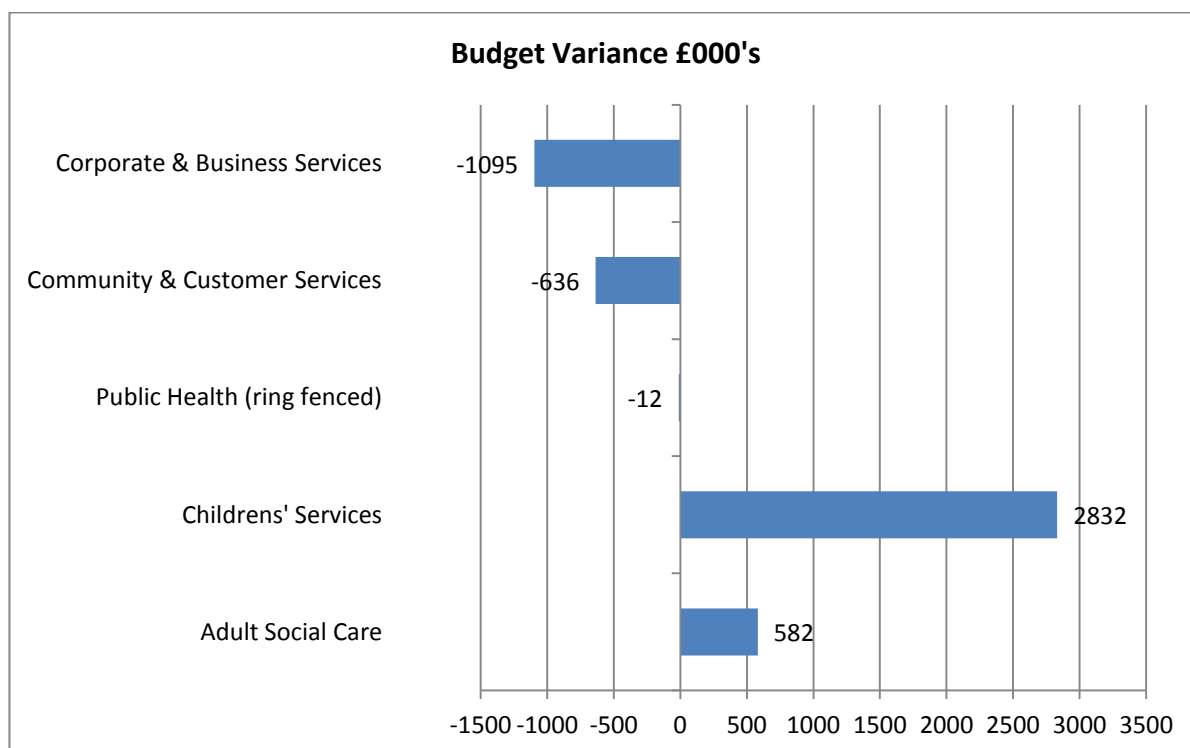
<http://www.torbay.gov.uk/index/yourcouncil/financialservices/statementofaccounts.htm>

The presentation of the financial outturn report concludes the regular reporting to Council on its 2015/16 revenue income and expenditure and makes recommendations to Members with respect to any uncommitted budgets there may be available at year end.

Supporting Information

4. Position

4.1 The Council's revenue outturn for 2015/16 was an overspend of £1.6m or 1.4%, on a net budget of £110.9m, an improvement from the quarter three reported position. A summary of outturn compared to budget for each Executive Head area after carry forwards is as follows:



4.2 As previously reported the significant variances in year was within social care both childrens and adults services. The overspend on childrens was, after the application of £2.3m of (repayable) reserves, £2.8m, the overspend on adult social care was £0.6m.

4.3 This overspend in social care was partly offset by a net underspend and/or additional income across other Council services.

4.4 The outturn position indicated in this report is the final position subject to the Council's external auditors, Grant Thornton, completing their annual audit of the accounts in June and July 2016. As part of any audit review, there is the possibility that changes may be made to the overall outturn position for the Council. However, should any variations to the figures be necessary these are not expected to be materially significant.

4.5 Net Revenue Expenditure

4.6 Net revenue expenditure after transfers to/from reserves was £112.7m. A summary of expenditure compared to outturn position for each service area is as follows:

| Service | 2015/16 Budget- revised | | | Forecast Full Year Variance as at Qtr 4 | Direction of Travel (Qtr 4 to Qtr 3) |
|---|-------------------------|-----------------|----------------|---|--------------------------------------|
| | Expenditure £000s | Income £000's | Net £000's | £000's | |
| Adult Social Care | 42,598 | -802 | 41,796 | 582 | G |
| Children's Services | 83,496 | -54,751 | 28,745 | 2,832 | G |
| Public Health | 9,751 | -9,664 | 87 | -12 | G |
| Joint Commissioning | 135,845 | -65,217 | 70,628 | 3,402 | G |
| Community Services | 32,262 | -7,193 | 25,069 | -260 | G |
| Customer Services | 73,922 | -69,567 | 4,355 | -376 | G |
| AD Community & Customer Services | 106,184 | -76,760 | 29,424 | -636 | G |
| Commercial Services | 6,269 | -2,011 | 4,258 | -366 | G |
| Finance | 21,152 | -15,352 | 5,800 | -408 | R |
| Business Services | 5,972 | -10,117 | -4,145 | -256 | G |
| Regeneration & assets | 7,016 | -2,420 | 4,596 | -247 | G |
| Spatial Planning | 1,184 | -825 | 359 | 182 | R |
| AD Corporate & Business Services | 41,593 | -30,725 | 10,868 | -1,095 | G |
| Total Expenditure | 283,622 | -172,702 | 110,920 | 1,671 | |
| Sources of Funding | - | -110,920 | -110,920 | -99 | R |
| Net Expenditure | 283,622 | -283,622 | 0 | 1,572 | G |

4.7 A brief summary of the main variances and the principal reasons for any underspends or overspends within each directorate are summarised below:

| Service | Variance to Budget £m | Main Variances in 2015/16 |
|--------------------|-----------------------|---|
| Adult Social Care | 0.6 | Primarily additional spend on the Joint Equipment Store and higher client numbers than planned in adult social care. |
| Childrens Services | 2.8 | The overspend is primarily due to budget pressures within Safeguarding and Wellbeing due to the number, length of placements and cost of independent sector placements (ISP), residential placements and high staffing costs due to the ongoing use of agency social workers within the Safeguarding and Wellbeing service. |

| | | |
|---------------------------------------|------------|--|
| Public Health | 0 | Ring fenced budget |
| Community Services | (0.2) | Primarily an underspend on the Waste function based on actual performance of the new Energy From Waste Facility in Plymouth which has been operation since April 2015. Elsewhere in the service overspends on CCTV, Licensing, Housing Options, Torre Abbey, theatres and sport were offset by senior management salary savings, additional income, other vacancy management and a moratorium on spend. |
| Customer Services | (0.4) | A combination of lower than planned salary costs, higher than estimated DWP Administration Grant and recovery of council tax benefit overpayments from previous years. In this service the 2015/16 underspend on the Crisis Fund of £0.1m has been transferred to the Crisis Fund Reserve to support future year expenditure. |
| Commercial Services | (0.4) | A combination of a one off grant in relation to Land Charges income, higher than previously forecast income levels across the service and lower than planned salary costs. |
| Finance (& Corporate) | (0.4) | Previously reported saving on “corporate” pension payments, and both savings and increased income in treasury management activities pension and treasury. Within financial services there was a lower spend than forecast from both income and salary savings. |
| Business Services | (0.3) | Primarily a better than forecast level of car parking income. |
| Economic Development and Assets (TDA) | (0.2) | A combination of the impact of backdated rent reviews, lower than forecast utility costs and an underspend on the centralised repair & maintenance budget. |
| Spatial Planning | 0.2 | Lower than forecast level of planning application fee income. |
| Sources of Finance | (0.1) | Additional Education Support Grant linked to timing of Academy school transfers |
| Total | 1.6 | |

4.8 Schools

4.9 A £130k underspend has been declared for Schools Block Activities (DSG), this position will be reported and discussed with the Schools Forum. Members are reminded that the Dedicated Schools Grant can only be used for schools related activities.

4.10 Schools will be carrying forward balances of £2.4m (£2.9m 14/15) of their delegated funds from 2015/16 to 2016/17 – these resources are earmarked for schools related expenditure. The balance on this reserve will continue to reduce as schools continue to convert to Academies.

4.11 Public Health

4.12 A balanced budget position has been declared for Public Health services, which are funded from a ring fenced grant, after drawing on reserves of £0.1m. This position will be reported to the Public Health England. Public Health will be carrying forward balances in total of £1.2m from 2015/16 to 2016/17. These resources are earmarked for public health related expenditure.

4.13 Exit Packages

4.14 In 2015/16 the Council incurred £0.4m of costs associated with exit packages for staff, mostly linked to the ongoing Council budget reductions.

4.15 Judicial Review Care Homes

4.16 In 2015/16 the Council made a £2.2m payment to fund Care Homes Fees as a result of the judicial review on the two issues the Council has conceded on. The Council's appeal on a final issue is due to be heard in the autumn of 2016.

4.17 Significant Contingent Liabilities

4.18 During 2015/16 the legal proceedings have been undertaken against the Council in relation to the Council's development agreement with a developer in relation to Oldway Mansion. The legal proceedings are continuing.

4.19 Integrated Care Organisation

4.20 Due to the overall funding financial position of both the CCG and ICO there has been a protracted delay in agreeing the financial contribution of the two commissioning partners to the ICO Risk Share Agreement for 2016/17. This will result in additional costs to the Council in 2016/17. To mitigate this risk the balance of the £2.5m within the 2015/17 budget, to fund the 2015/16 total overspend of £1.6m, will be earmarked for this issue.

4.21 Reserves

As an earmarked reserve will be used to temporarily fund the 2015/16 overspend there is no movement in the Council's general fund reserve. The balance remains at £4.4m, a level equal to 4% of the Council's 2016/17 net revenue budget. The identified target level in the 2016/17 Review of Reserves report was 4.2%.

4.22 A review of all Council reserves is completed on an annual basis as part of the budget setting process for the forthcoming financial year. Subject to any adjustments post external audit a summary of Council reserves as at 31st March 2016 were as follows:

| Reserve | 31/3/15 | 31/3/16 | Notes: |
|----------------------|----------------|----------------|--|
| General Fund Reserve | 4.4 | 4.4 | Equal to 4% of 2016/17 net budget |
| CSR Reserve | 3.1 | 3.7 | Use in year to fund exit packages and 2015/16 transitional support for some services. Review of Reserves 2016/17 |

| | | | |
|-----------------------|-------------|-------------|---|
| | | | transferred funds to this reserve. |
| Schools Reserve | 2.9 | 2.4 | Ring Fenced for school use |
| Earmarked Reserves | 24.9 | 19.2 | Includes use of £2.3m for childrens services and £1.7m for 15/16 overspend. |
| Total Reserves | 35.3 | 29.7 | |

- 4.23 During 2015/16, as planned, £2.3 million was applied to mitigate the Childrens Services overspend from reserves. (A further £1.1m is planned to be used for 2016/17). In addition, in 2014/15, childrens services used £1.2m from the PFI reserve. This reserve will need to be repaid by children's services in future years as the reserve is required to fund future PFI contract costs along with future repayment of the £3.4m of reserves identified in the Childrens Services cost recovery plan agreed by Council in October 2014.
- 4.24 As noted in the summary to this report the general fund reserve is at £4.4m a level equal to 4% of the 2016/17 net revenue budget. This is close to the target level of 4.2% which reflects the level of financial risks facing the Council.
- 4.25 The CSR reserve, a reserve set up a few years ago to support the Council through the period of funding reductions is £3.7m as at year end. The reserve was primarily used in year to fund £0.3m of transitional revenue funding support for services and to part fund backdated care home payments made in 2015/16 following the judicial review and legal judgement. In 2016/17 the reserve may need to be used to fund any further costs of the judicial review after the Council appeal is heard in autumn 2016. The balance of the reserve was increased as a result of the 2016/17 Review of Reserves.
- 4.26 Financial Risks as at 31/3/16
- 4.27 There are a number of financial risks facing the Council; the key risks are identified below.

| Risk | Impact | Mitigation |
|--|--------|---|
| Achievement of £12m of approved savings for 2015/16 | High | 15/16 Budget monitoring and "saving tracker" monitored by senior staff. |
| Potential impact and costs of judicial review for care home fees | High | Balance of CSR reserve and 2015/16 social care contingency |
| Achievement of Childrens Services cost reduction plan & repayment of reserves. | High | Regular monitoring of performance |
| Identification and achievement of £19m of savings for 2017/18 to 2019/20 | High | Issue identified in Medium Term Resource Plan and 2017/18 budget timetable. In September 2016 an Efficiency Plan is due to be approved by Council linked to the Council accepting a four year funding settlement for Revenue Support Grant. |

| | | |
|---|------|--|
| Additional demand for services particularly in both adults and childrens social care | High | 16/17 Budget monitoring and use of service performance data. |
| Agreement of Annual Strategic Agreement and financial contributions with ICO partners | High | Creation of a contingency for adult social care in 2016/17 |
| Volatility of NNDR Income | High | Provision for NNDR appeals and use of NNDR reserve to smooth variations between years. |

4.28 Revenue Grant and S106 Carry Forwards

4.29 Where the Council receives grant funding from central government or other funding sources, such as S106 developer contributions, which have not been spent as at year end, these are carried forward into an earmarked reserve or as a "receipt in advance". These are held on the Council's balance sheet at year end and will be brought forward into 2016/17.

4.30 Collection Fund

4.31 As a billing authority the Council is responsible for collection of, and subsequent distribution of, Council tax and Business Rates (NNDR) in the Torbay area.

4.32 There was an in year surplus of £0.5m on the Council Tax part of the Collection fund in excess of the 2016/17 budget estimate of the surplus. The Council's 84% share of this surplus will be used to support the 2017/18 budget.

4.33 There was an in year deficit of £0.5m on the NNDR part of the collection fund compared to the 2016/17 budget estimate of the position. The Council's 49% share of this deficit will be funded from the 2017/18 budget. The financial impact of the position on NNDR and the Council's share of NNDR under the Business Rate retention scheme is particularly volatile. This arises from central government changes to NNDR, the Council's membership of a Devon Wide NNDR "pool" and changes in actual NNDR collection including the impact of backdated NNDR appeals. The final NNDR position for 2015/16 including the Devon wide pool will not be finalised until September 2016, therefore the Council's revenue outturn for NNDR shows a balanced position with any variance transferred to the NNDR reserve until the 2015/16 position is finalised.

4.34 Statement of Accounts

4.35 This report deals with the Council's management accounts for 2015/16. The Council's statutory Statement of Accounts for 2015/16 was a public document in June, (available on the Council's website), and will be presented to Audit Committee for Approval in July 2016 along with the external auditors report on those accounts. The Statement of Accounts is a more detailed document, produced in line with accounting guidance and will contain more detail on the Council's 2015/16 financial position. The accounts are subject to an extensive external audit.

4.36 Capital Outturn and Treasury Management Outturn

4.37 The Council's capital outturn for 2015/16 will be presented to OSB and then Council as a "sister" report to the revenue outturn report.

4.38 The Council's Treasury Management outturn report on the Council's borrowing and investment activity in 2015/16 including the prudential indicators for capital expenditure and its financing will be presented to Audit Committee and Council.

4.39 Subsidiaries and Associates

4.40 The Council has 100% ownership of three companies and a shareholding in three others. The financial performance (based on draft accounts) of these companies as at 31/3/16 is as follows.

| Company | Council share | Surplus/(Deficit) for year | Net Equity - Surplus/(Deficit) |
|--|----------------------|-----------------------------------|---------------------------------------|
| | % | £m | £m |
| Torbay Development Agency (TDA) | 100 | 1.2 | 2.3 |
| English Riviera Tourism Company (ERTC) | 100 | 0.1 | (0.2) |
| Oldway Mansion Management Company | 100 | 0 | 0 |
| <i>TOR2 – (year end June 2015)</i> | <i>19.99</i> | <i>0.5</i> | <i>(1.0)</i> |
| Career's South West (pre IAS19) | 25 | 0.1 | 1.6 |

4.43 All companies with defined benefit pension schemes had a gain in year with an increased net equity due to changes in the discount rate used by the actuary in calculating the overall pension liability.

4.44 In 2015/16 The Torbay Public Services Trust was set up as a Company Limited by Guarantee with Torbay Council one of six owners. The company did not trade in 2015/16.

4.45 Debtors

4.46 The key issues with respect to debtors are:

| | 2014/15 in year collection rate % | 2015/16 in year collection rate % | 2015/16 Income Collected £m | Arrears/Due as at 31/3/16 £m | Write offs in 2015/16 £m |
|----------------|--|--|------------------------------------|-------------------------------------|---------------------------------|
| Council Tax | 95.5 | 95.7 | 67.3 | 6.1 * | 0.5 |
| NNDR | 95.6 | 95.7 | 36.6 | 1.9 * | 0.5 |
| Sundry Debtors | n/a | n/a | n/a | 5.5 | 0.2 |

Note * - total due not Torbay share.

4.47 Write offs above £5,000 have been circulated to Members of the Overview and Scrutiny Board and are available to all other Members upon request on a confidential basis.

5. Risks

5.1 There is a risk that the Council will have insufficient reserves to meet any unforeseen events. The maintenance of the general fund balances of £4.4m and the Comprehensive Spending Review Reserve at a minimum balance of £1m will assist in ensuring the Council's reserves are sufficient to assist with its medium term financial planning and manage unforeseen events.



Meeting: Council

Date: 21 July 2016

Wards Affected: All Wards

Report Title: Capital Plan Update - (Outturn 2015/16) – Subject to Audit

Executive Lead Contact Details: Mayor Oliver, mayor@torbay.gov.uk

Supporting Officer Contact Details: Martin Phillips, martin.phillips@torbay.gov.uk

1 Purpose

- 1.1 The Council's capital investment plan with its investment in new and existing assets is a key part of delivering the Council's outcomes. This is the final Capital Monitoring report for 2015/16 under the Council's budget monitoring procedures. It provides high-level information on capital expenditure and income for the year (subject to Audit), compared with the latest budget position as at quarter three reported in February 2016.
- 1.2 The Council's capital expenditure in 2015/16 was £22.6m with £2.6m of funding re profiled to be spent in future financial years.

2 Proposed Decision

- 2.1 That the outturn position for the Council's Capital expenditure and income for 2015/16 be noted.
- 2.2 That the action taken by the Chief Finance Officer, under the Officer Scheme of Delegation, to carry forward the unspent budgets for expenditure or work in progress (together with their funding) from 2015/16 to 2016/17 be noted.
- 2.3 That the funding of the capital investment plan for 2015/16 as outlined in paragraph 7.1 be noted.

3 Reasons for Decision

- 3.1 Quarterly reporting to both the Overview and Scrutiny Board and to Council is part of the Council's financial management process.

4 Summary

- 4.1 Members of the Overview and Scrutiny Board and Council have received regular budget monitoring reports on the Council's Capital Investment Plan throughout the year. This report is the monitoring report for the fourth quarter 2015/16 which is also the financial year end. Variations reported are those arising in this quarter and any other changes reported will be reflected in the 2016/17 Quarter One Capital Plan update to OSB and Council in September 2016.
- 4.2 Outturn expenditure for the year was £22.6 million compared with the budgeted spend in the last monitoring position of £28.6 million. In percentage terms, spend was 79% (89% 14/15) of the latest forecast, including £3.1m less expenditure than estimated on South Devon Highway being the main factor.

5 Supporting Information

- 5.1 The original capital budget for 2015/16 reported to Council in February 2015 was £29.8 million. That was subsequently revised during 2015/16 for re profiling of expenditure from 2014/15, new schemes and re profiling expenditure to future years. All changes with reasons have been included in previous monitoring reports. Actual spend during 2015/16 was £22.6m, which is detailed in Appendix 1.
- 5.2 Capital budgets of £6.4m will be carried forward to 2016/17 to enable schemes not completed or progressed in 2015/16 to be continued in the current year along with the funding sources for the scheme.
- 5.3 The Council set its Prudential Indicators for 2015/16 and monitoring arrangements for "affordable borrowing" in February 2015. The detailed Outturn Indicators are presented as part of the Treasury Management Outturn Report to be presented to Council in July.
- 5.4 The expenditure predictions as at January 2016 were presented as part of the Capital Investment Plan Update to Council in February 2016. That Report noted anticipated expenditure of £28.6 million in 2015/16. This has since been revised to a budgeted total of £28.9m with £0.3m of schools schemes re profiled to 2015/16 from future years.
- 5.5 Appendix 1 provides a schedule of the outturn for spending and funding in 2015/16.

Column (1) shows the revised budget for the year.

Column (2) shows the actual payments during the year.

Column (3) shows the variance between outturn and revised budget.

Column (4) shows the net budget to be carried forward to 2016/17.

- 5.6 In order to meet the timetable for the statutory closure of accounts it is inevitable that assumptions are made with regard to the final outturn figures which will be part of the audit of the Council's accounts. Any material changes will be reported to a future meeting.

6 Expenditure Outturn & Performance

6.1 The actual service expenditure in 2015/16 was £22.6 million. The outturn for individual projects is provided in Appendix 1. A summary at service level is in the table below –

| | Latest Budget £m | Outturn £m | Spent % | Variation £m |
|--------------------------------|-----------------------------|-----------------------|--------------------|-------------------------|
| Adult Services | 0.5 | 0 | 0 | (0.5) |
| Childrens Services | 5.7 | 5.1 | 90 | (0.6) |
| Community & Customer Services | 19.0 | 14.5 | 76 | (4.5) |
| Corporate & Business Services. | 3.7 | 3.0 | 81 | (0.7) |
| TOTALS | 28.9 | 22.6 | 78 | (6.3) |

6.2 In overall terms there was net variation in the Plan spend of £6.3 million, which is 22% of the revised budget. A summary of the significant re profiling and reasons is included below.

6.3 The re profiling of budget within the net £6.4 m of variations identified in Appendix 1 to be carried forward to 2015/16 is summarised by scheme (in excess of £0.250m) in the table below:

| Scheme | Re Profiling £m | Reason |
|--|----------------------------|--|
| Affordable Housing – Hayes Road scheme | (0.3) | Project funding not required in 15/16 |
| Secondary School Places | (0.4) | Some expenditure delayed for school holidays |
| Disabled Facilities Grants Reserve | (0.4) | Previous unused allocation not yet reallocated |
| South Devon Highway | (3.1) | Torbay share of contribution to scheme delayed |
| Transport - Torquay Gateway | 0.3 | Elements of Scheme progressed more quickly |
| Transport – Western Corridor | (0.3) | Some delay from public utilities requirements |
| Oldway Estate | (0.4) | Drawdown of lease not actioned in 15/16 |

6.4 The Capital Investment Plan spans 4 financial years and includes development projects where spending is expected to run for a number of years. It is normal that annual budgets need to be re-phased between years as schemes develop through feasibility, design and construction stages. On occasion consultation with end-users, affordability of design and negotiation with external funders can significantly delay anticipated start dates.

6.5 During the year, budgets were regularly re-scheduled between the four years of the plan and the reasons were reported to Council.

6.6 On a number of schemes, even though works had not been undertaken by the year end a number of contractual commitments have been entered into, to

progress the scheme.

- 6.7 Where project costs have exceeded budget, and funds could not be brought forward from future year's budgets, services were asked to identify additional sources of funding. No scheme has been carried forward to 2016/17 which will be a call on (new) funding allocated in for future years.
- 6.8 The Chief Finance Officer is authorised under the Officer Scheme of Delegation to approve re-phasing of expenditure between years provided the impact does not exceed the overall level of the approved programme and the available funding resources. Under this delegation, net budget of £6.4 million has been carried forward into 2016/17 to fund commitments on works in progress and to enable approved schemes to be completed. Conversely budgets for 2016/17 have been reduced on those projects which have spent in advance (within the overall capital budget for the project). A revised Capital Investment Plan, incorporating the budgets carried forward and any schemes that are now significantly changed will be presented with the first Capital Investment Plan update in 2016/17.
- 6.9 In addition to the re profiling of expenditure to future years the corresponding budgets for the funding of these schemes are also carried forward. Where funding has been received but not applied, this funding is reflected on the Council's balance sheet as usable reserves.

Individual Project Monitoring - Main Variations & Management Action

- 6.10 Appendix 1 shows the expenditure in 2015/16 on each individual project. A number of projects have been completed during the year and are now delivering improved services to users. A summary of schemes in the year is outlined below.
- 6.11 **Adult Services**
- 6.12 During 2015/16 there was no expenditure on Adult Social Care and Housing Strategy services. This resulted from a combination of factors whereby available budgets were not required usually because schemes did not progress as anticipated.
- 6.13 In 2015/16 the Council received £0.461m Adult Social Care Grant which forms part of the Better Care Fund. However since there was little demand for the capital resources from Adults Social Care the capital grant was swapped within the Council's Capital Plan to provide revenue resources to support the revenue demands of Adult Social Care whilst the capital grant was used to support capital demands in other service areas.
- 6.14 For 2016/17 there is no Government allocation for Adult Social Care capital grant, however the Council's Better Care Fund Capital allocation remains at a level similar to 2015/16 as the Disabled Facilities Grant allocation has increased to compensate (also see para 6.20 below).

6.15 Childrens Services

- 6.16 During 2015/16 a total of £5.1m of resources allocated to Childrens Services was spent mostly on school enhancement primarily for additional pupil places (basic need) including £2.4m at Whiterock Primary school, £0.6m on capital repairs particularly at Furzeham Primary school and £0.5m on an expansion programme at Ellacombe Primary.
- 6.17 Children's Services also acquired the former Brookfield House Flats site which will be used to provide improved access to the Torbay School site and provide an additional multi-use games area. There was some related expenditure during the year on potential relocation sites and some rephasing of budgets between years and reallocations between schemes.

6.18 Community and Customer Services

- 6.19 During 2015/16 a total of £14.5m of resources allocated to Community and Customer Services were spent on a range of projects. These included £8.6m contribution to South Devon Highway, £4.6m on other transport related schemes and £0.9m on Disabled Facilities Grants.
- 6.20 In April 2015 the Council received its 2015/16 allocation of Disabled Facilities Grant (DFG) of £1.020m which although paid direct to the Council by the Department of Communities and Local Government has been "passported" to the Council from the Better Care Fund. Although an un-ringfenced grant the Council approved this allocation for Disabled Facilities Grants in 2015/16.
- 6.21 Following the successful opening of the South Devon Highway, a number of related Transport schemes to improve the infrastructure and access within the Bay, supported by the Local Enterprise Partnership incurred significant expenditure in 2015/16. These will continue over the next couple of years to ensure the benefits of improved transport links to the area are maximised.

6.22 Corporate and Business Services

- 6.23 During 2015/16 a total of £3.0m of resources allocated to Corporate and Business Services was spent on the Office Rationalisation Project (£0.2m in year), improvements to Beach Hut provision at various locations (£0.4m in year) and various coastal and flood protection projects (£0.6m). The Council also provided a financial loan (for a capital purpose) and a capital grant to TDA to enable regeneration and employment projects (£1.3m). Work also commenced to replace Princess Pier decking (£0.2m).

6.24 Contingency

The Council approved a capital contingency of £0.6 million. This contingency is still in place to provide for unforeseen emergencies or shortfall in projected income over the 4-year Plan period and represents approximately 0.8% of the total Capital Investment Plan.

7. Receipts & Funding

7.1 Resources used in the year to fund the actual spending, compared to the anticipated use of resources, are as follows –

| | Revised Budget | Outturn | Variation |
|------------------------------------|-------------------|-------------|--------------|
| | £m | £m | £m |
| Unsupported (Prudential) Borrowing | 12.9 | 7.8 | (5.1) |
| Grants | 13.7 | 10.6 | (3.1) |
| Other Contributions | 0.4 | 0.2 | (0.2) |
| Revenue & Reserves | 1.0 | 1.4 | 0.4 |
| Capital Receipts | 0.9 | 2.6 | 1.7 |
| Total Funding | 28.9 | 22.6 | (6.3) |

Grants

7.2 Capital Grants continue to be the major funding stream 47% (64% in 14/15) for the Council to progress its investment plans. An element of these grants result from “bids” to other public sector bodies. With ongoing reductions on public sector expenditure, this funding stream is significantly reducing for future capital projects. The Council used £10.6m in 2015/16 (£13.0 m in 2014/15) to support its capital expenditure. As at 31 March 2016 the value of grants received but not yet applied was £4.0 million (down from £5.0.m in 2014/15 and £10.2m 2013/14). This sum is reflected in the Council’s balance sheet.

7.3 In April 2016 the Council received its 2016/17 capital allocation of the Better Care Fund. Within this the 2016/17 DFG allocation is £1.524m, which is higher than last year’s allocation (£1.020m) but now includes the value of Adult Social Care capital grant.

7.4 Since the last Capital Plan Monitoring report, Department of Education issued the following allocations for schools.

| | |
|----------------------------------|---------|
| 2016/17 Devolved Formula Capital | £0.091m |
| 2016/17 Condition Funding | £0.448m |

7.5 The Devolved Formula Capital grant is ring fenced for schools and will be included in the next Capital Investment Plan Update. The £0.448m 2016/17 Condition funding will need to be allocated by Council. This is an un-ringfenced grant.

7.6 The 2016/17 Basic Need allocation has previously been notified and is already allocated to Childrens Services for their ongoing school expansion programmes.

7.7 The Department for Transport has recently confirmed that Torbay will receive an additional £0.082m from its Highways Maintenance Incentive Fund following a successful submission from the Council, along with £0.071m from its Pothole Action Fund 2016/17 to address deteriorating road surfaces. These grants will need to be allocated by the Council.

- 7.8 The Council has also secured £1.279m from the Environment Agency to deal with cliff erosion at Hollicombe which threatens the nearby railway line. This scheme will be added to the Capital Plan in the next monitoring report. The £1.5 million scheme requires additional funds from the Council and other partners (e.g. Network Rail / SW Water).
- 7.9 Linked to the approved capital matrix, options for the use of these grants, if unring fenced, will be presented to Council for approval during 2016/17.

Borrowing & Long Term Liabilities.

- 7.10 Borrowing was kept within Affordable Borrowing limits and the effect on the Revenue budget was within budget (see Prudential Indicators in Treasury Management Outturn 2015/16 Report).
- 7.11 In 2015/16, unsupported (Prudential) borrowing of £7.8 million was utilised to fund (or part fund) expenditure on the following major projects:
- South Devon Highway
 - Office Rationalisation
 - Beach Huts
 - Torbay Development Agency Loan
 - Street Lighting
- 7.12 If no additional capital contributions to the South Devon Highway are received then the level of prudential borrowing required will remain at up to £20m. This cost will impact on the Council's revenue budget in 2016/17 following the opening of the road. The repayment of £20m over 25 years will be an annual cost to the service of £1.3 million.
- 7.13 Repayment of the prudential borrowing by services varies between projects and reflects the anticipated use of the asset or a suitably shorter period over which the service feels is appropriate, however prudential borrowing is never taken over a period which is greater than the anticipated life of the asset.
- 7.14 The Council sets aside an amount in its revenue budget (known as minimum revenue provision) for the repayment of the borrowing on its maturity including a sum for the value of the debt inherited from Devon County Council in 1998. In 2015/16 it set aside £4.3m in respect of capital expenditure by the Council and in relation to the PFI scheme for The Spires and Homelands Schools and the new PFI Energy From Waste facility in Plymouth. This ensures that in the long term all borrowing and long term liabilities will be repaid.
- 7.15 In relation to the PFI Energy From Waste facility in Plymouth. In 2015/16 the Council has reflected its 17% share of the value of the asset, £33m, on its balance sheet offset by recognition of liabilities to that value. The liabilities comprise a £12m liability for the Council to fund its share of the financing of the asset and a £21m liability for the deferred income due from third party sales at the facility that will be used over the life of the contract to finance the asset.
- 7.16 Borrowing is related to the funding of non current (fixed) assets. The costs of these assets tend to be spread over the long term which is line with the long term

use of these assets. The value of Council long term assets as at 31/3/16 was over £350 million. It should be noted that as schools convert to Academy status the value of the asset is removed from the Council's balance sheet however the Council remains liable for any borrowing or long term liabilities in relation to these schools up to the date of transfer. In 2015/16 the value of schools that converted to Academy status removed from the Council's balance sheet was over £14 million. More schools are expected to convert during 2016/17.

Capital Receipts –

7.17 Capital receipts in the year were £0.6 million. Receipts included the following:

- £0.4m Right to Buy Housing “clawback”
- £0.2m Land sales including sites at Teignmouth Road, Glebeland Way, and Waterside Road

In the year £2.7m of capital receipts were applied to fund capital expenditure. The Capital Receipts reserve had a balance of £1.4m at year end.

7.18 The approved Plan relies upon the generation of a total of £3.0 million capital receipts from asset sales of which £1.4m was held at 31 March 2016, leaving a target of £1.6m still to be achieved over the life of the plan. This target is expected to be achieved provided that -

- approved disposals currently “in the pipeline” are completed,
- the Council continues with its disposal policy for surplus and underused assets and,
- no more new (or amended) schemes are brought forward that rely on the use of capital receipts for funding.

7.19 In accordance with the Council's approved capital strategy, the £0.4m of “right to buy” receipts received in 2015/16 will be allocated to housing schemes.

Capital Contributions – S106 & Community Infrastructure Levy

7.20 Following changes to Government guidelines on the collection and use of Section106 (Planning Gain) contributions, there has been a marked decline in this source of funding for capital projects. Furthermore, the South Devon Highway business case estimated external contributions including S106 payments of £2.1m to help fund the scheme (only £0.1m received to date and now a small, limited number of contributions can be applied).

7.21 The intention is that capital contributions are applied to support schemes already approved as part of Capital Investment Plan and not allocated to new schemes unless the agreement with the developer is specific to a particular scheme outside the Capital Investment Plan.

7.22 Income from Section106 capital contributions in 2015/16 was less than £0.02m, some of which are for specific schemes.

7.23 Following the adoption of the Local Plan in 2015/16, Council recently approved a Community Infrastructure Levy (CIL) scheme which it is hoped will generate further capital contributions to support infrastructure projects, in particular the funding shortfall on South Devon Highway. It should be noted that 15% of the proceeds of CIL are to be used in the area of the development. This percentage rises to 25% in areas where 'Neighbourhood Plans' have been adopted.

CAPITAL INVESTMENT PLAN - QUARTER 4 2015/16 - EXPENDITURE

| | Latest Est Scheme Cost | Actuals & Commitments 2015/16 Qtr 3 | Previous 2015/16 (@ Q2 15/16) | 2015/16 Q3 Adjustments | 2015/16 Q4 Adjustments | New Schemes 2015/16 | (1) Total 2015/16 Revised | (2) Total 2015/16 Outturn | (3) Total 2015/16 Variance | (4) Reprofile to 2016/17 |
|--|------------------------------|---|-------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------------------|
| PE = <i>Approved Prudential Borrowing schemes</i> | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| ADULT SERVICES | | | | | | | | | | |
| Adult Care | | | | | | | | | | |
| Autism Innovation - IT Enhancements | 0 | 0 | 19 | (19) | | | 0 | 0 | 0 | 0 |
| Mental Health Care Initiatives | 711 | | 7 | | | | 7 | 0 | 7 | 7 |
| Housing Strategy | | | | | | | | | | |
| Affordable Housing | 49 | | 49 | | | | 49 | 0 | 49 | 49 |
| Sanctuary HA - Hayes Road Pgn | 500 | | 250 | | | | 250 | 0 | 250 | 250 |
| Spectrum HA - Castle Lane Tqy | 200 | | 200 | | | | 200 | 0 | 200 | 200 |
| | 1,460 | 0 | 525 | (19) | | 0 | 506 | 0 | 506 | 506 |
| CHILDRENS SERVICES | | | | | | | | | | |
| 2 Year Olds Provision | 103 | 58 | 193 | (80) | | | 113 | 70 | 43 | 43 |
| Asbestos Removal | 80 | | 7 | | | | 7 | 0 | 7 | 7 |
| Barton Primary Cap Project | 4,367 | 38 | 36 | | 5 | | 41 | 38 | 3 | 3 |
| Brookfield House Site | (115) | 45 | 650 | (300) | | | 350 | 465 | (115) | (115) |
| Capital Repairs & Maintenance 2012/13 | 358 | 109 | 138 | | 4 | | 142 | 111 | 31 | 31 |
| Capital Repairs & Maintenance 2014/15 (incl. Furzeham) | 166 | 507 | 620 | 150 | | | 770 | 636 | 134 | 134 |
| Capital Repairs & Maintenance 2015/16 | 15 | 14 | 256 | (220) | | | 36 | 21 | 15 | 15 |
| Childrens Centres | 232 | | 2 | | | | 2 | 0 | 2 | 2 |
| Cockington Primary expansion | 3,086 | 82 | 356 | | (230) | | 126 | 57 | 69 | 69 |
| Devolved Formula Capital | | 86 | 260 | (100) | (4) | | 156 | 97 | 59 | 59 |
| Education Review Projects | | 82 | 298 | (150) | (5) | | 143 | 95 | 48 | 48 |
| Ellacombe Primary expansion | 31 | 142 | 464 | | | | 464 | 451 | 13 | 13 |
| EOTAS Halswell House | 49 | | 1 | | | | 1 | 0 | 1 | 1 |
| Key Stage 1 Free School Meals | 111 | 11 | 12 | | | | 12 | 11 | 1 | 1 |
| New Paignton Primary school | (2) | | 0 | | 0 | | 0 | 2 | (2) | (2) |

CAPITAL INVESTMENT PLAN - QUARTER 4 2015/16 - EXPENDITURE

| | Latest Est Scheme Cost | Actuals & Commitments 2015/16 Qtr 3 | Previous 2015/16 (@ Q2 15/16) | 2015/16 Q3 Adjustments | 2015/16 Q4 Adjustments | New Schemes 2015/16 | (1) Total 2015/16 Revised | (2) Total 2015/16 Outturn | (3) Total 2015/16 Variance | (4) Reprofile to 2016/17 |
|--|------------------------------|---|-------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------------------|
| Roselands Primary expansion | 652 | 12 | 47 | | (34) | | 13 | 14 | (1) | (1) |
| Schools Capital from Revenue | | | | | | | | 55 | (55) | 0 |
| Secondary School places | 364 | 37 | 300 | | 250 | | 550 | 186 | 364 | 364 |
| St Margaret Clitherow Primary expansion | 329 | 293 | 294 | | | | 294 | 294 | 0 | 0 |
| Torbay School Hillside | 83 | 1 | 21 | | | | 21 | 37 | (16) | (16) |
| Torre CoE Primary expansion | 1,251 | 43 | 54 | | | | 54 | 48 | 6 | 6 |
| Warberry CoE Primary expansion | 1,161 | | 74 | | (74) | | 0 | 0 | 0 | 0 |
| Whiterock Primary expansion | 1,124 | 2,050 | 2,040 | | 338 | | 2,378 | 2,414 | (36) | (36) |
| Youth Modular Projects | 375 | 14 | 51 | (20) | | | 31 | 14 | 17 | 17 |
| | 27,104 | 3,624 | 6,174 | (720) | 250 | 0 | 5,704 | 5,116 | 588 | 643 |
| COMMUNITY AND CUSTOMER SERVICES | | | | | | | | | | |
| Barton Infrastructure | 128 | | 9 | | | | 9 | 0 | 9 | 0 |
| DfT Better Bus Areas | 500 | (62) | 161 | | | | 161 | (38) | 199 | 199 |
| DfT Local Sustainable Transport Fund (Ferry/Cycle) | 1,619 | 22 | 26 | | | | 26 | 23 | 3 | 3 |
| Disabled Facilities Grants | | 519 | 1,020 | 2 | | | 1,022 | 949 | 73 | 73 |
| Disabled Facilities Grants Reserve - Potential reallocation (e.g. to Infrastructure) | | | 398 | | | | 398 | 0 | 398 | 398 |
| Empty Homes Scheme | 211 | 39 | 250 | | | | 250 | 39 | 211 | 211 |
| NGP - Strategic Cycleway | 477 | | 45 | | | | 45 | 0 | 45 | 45 |
| NGP - Windy Corner Junction | 11 | | 1 | | | | 1 | 0 | 1 | 1 |
| Paignton Picture House | 0 | 50 | 50 | | | | 50 | 50 | 0 | 0 |
| Private Sector Renewal | | | 113 | | | | 113 | 0 | 113 | 113 |
| Public Toilets - Utilities saving measures | 89 | 5 | 11 | | | | 11 | 5 | 6 | 0 |
| PE South Devon Highway - Council contribution | 7,225 | 8,738 | 11,739 | | | | 11,739 | 8,592 | 3,147 | 3,147 |
| St Michael's Chapel, Torre | 24 | 82 | 71 | | | | 71 | 71 | 0 | 0 |
| PE Street Lighting - Energy reduction | 489 | 30 | 46 | | | | 46 | 26 | 20 | 20 |
| TCCT - Grant re Green Heart Project | 0 | 100 | 100 | | | | 100 | 100 | 0 | 0 |
| Torbay Enterprise Project | 701 | 22 | 52 | | | | 52 | 49 | 3 | 3 |
| Torbay Leisure Centre - structural repairs | 529 | 25 | 26 | | | | 26 | 16 | 10 | 10 |

CAPITAL INVESTMENT PLAN - QUARTER 4 2015/16 - EXPENDITURE

| | Latest Est Scheme Cost | Actuals & Commitments 2015/16 Qtr 3 | Previous 2015/16 (@ Q2 15/16) | 2015/16 Q3 Adjustments | 2015/16 Q4 Adjustments | New Schemes 2015/16 | (1) Total 2015/16 Revised | (2) Total 2015/16 Outturn | (3) Total 2015/16 Variance | (4) Reprofile to 2016/17 |
|---|------------------------|-------------------------------------|-------------------------------|------------------------|------------------------|---------------------|---------------------------|---------------------------|----------------------------|--------------------------|
| PE Torre Abbey Pathway | 47 | 2 | 2 | | | | 2 | 2 | 0 | 0 |
| Torre Abbey Renovation - Phase 2 | 4,998 | 8 | 74 | (74) | | | 0 | (3) | 3 | 3 |
| Transport - Edginswell Station | 144 | 297 | 209 | 115 | | | 324 | 345 | (21) | (21) |
| Transport Integrated Transport Schemes | | 599 | 670 | 0 | | | 670 | 569 | 101 | 101 |
| Transport Structural Maintenance | | 600 | 1,582 | | 124 | | 1,706 | 1,792 | (86) | (86) |
| Transport - Torquay Gateway Road Improvements | (229) | 83 | 325 | | | | 325 | 579 | (254) | (254) |
| Transport - Torquay Town Centre Access | 305 | 29 | 385 | | | | 385 | 144 | 241 | 241 |
| Transport - Tweenaway Cross junction | | | | | | | | 42 | (42) | 0 |
| Transport - Western Corridor | 739 | 799 | 2,300 | (800) | | | 1,500 | 1,166 | 334 | 334 |
| | 18,007 | 11,987 | 19,665 | (757) | 124 | 0 | 19,032 | 14,518 | 4,514 | 4,541 |
| CORPORATE AND BUSINESS SERVICES (INCL. CONTINGENCY) | | | | | | | | | | |
| Corporate Services | | | | | | | | | | |
| PE Corporate IT Developments | 0 | | | | | | 0 | 2 | (2) | 0 |
| Enhancement of Development sites | 70 | 19 | 30 | | | | 30 | 18 | 12 | 12 |
| PE Office Rationalisation Project Ph 3 - Project Remainder | 8,515 | 222 | 220 | | | | 220 | 222 | (2) | 0 |
| Oldway Estate works | 400 | | 400 | | | | 400 | | 400 | 400 |
| Payroll Project | 308 | 53 | 87 | | | | 87 | 62 | 25 | 25 |
| Riviera Centre renewal | 1,099 | 38 | 41 | | | | 41 | 32 | 9 | 0 |
| Business Services | | | | | | | | | | |
| PE Beach Hut Acquisition/Renewal (Broadsands, Meadfoot) | 2,207 | 396 | 384 | | | | 384 | 416 | (32) | 0 |
| Brixham Harbour - Victoria Breakwater | 42 | | 4 | (2) | | | 2 | 0 | 2 | 2 |
| PE Council Fleet Vehicles | 301 | 11 | 162 | (140) | | | 22 | 21 | 1 | 1 |
| Flood Defence schemes (with Env Agency) | 477 | 153 | 166 | | | | 166 | 157 | 9 | 9 |
| Haldon Pier - Structural repair Phase I&2 | 2,599 | 245 | 535 | | | | 535 | 474 | 61 | 61 |
| Meadfoot Sea Wall structural repair | 262 | 5 | 4 | | 2 | | 6 | 6 | 0 | 0 |
| PE NGP - Torbay Innovation Centre Ph 3 (EPIC) | 163 | | 100 | | | | 100 | 6 | 94 | 94 |

CAPITAL INVESTMENT PLAN - QUARTER 4 2015/16 - EXPENDITURE

| | Latest Est Scheme Cost | Actuals & Commitments 2015/16 Qtr 3 | Previous 2015/16 (@ Q2 15/16) | 2015/16 Q3 Adjustments | 2015/16 Q4 Adjustments | New Schemes 2015/16 | (1) Total 2015/16 Revised | (2) Total 2015/16 Outturn | (3) Total 2015/16 Variance | (4) Reprofile to 2016/17 |
|--|------------------------------|---|-------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------------|---------------------------------|----------------------------------|--------------------------------|
| Oddicombe Beach Chalets | 158 | 34 | 36 | | | | 36 | 35 | 1 | 1 |
| Old Toll House, Torquay | 79 | | 75 | | | | 75 | 0 | 75 | 75 |
| PB On Street Parking meters | 857 | | 1 | | | | 1 | 0 | 1 | 1 |
| Princess Pier Decking | 19 | | 254 | | | | 254 | 235 | 19 | 19 |
| Riviera Renaissance (Coastal Communities Fund) | 648 | 1 | 1 | | | | 1 | 1 | 0 | 0 |
| Sea Change - Cockington Court | 3,282 | 3 | 3 | | | | 3 | 3 | 0 | 0 |
| Small Ports Recovery Fund - Winter 13/14 | 295 | | 4 | | | | 4 | 0 | 4 | 4 |
| PB TEDC Capital Loans | (43) | 978 | 1,285 | | | | 1,285 | 1,328 | (43) | (43) |
| Torquay Harbour - Inner Harbour Pontoons | 48 | (5) | | | | 48 | 48 | (5) | 53 | 48 |
| | 21,786 | 2,153 | 3,792 | (140) | 0 | 48 | 3,700 | 3,013 | 687 | 709 |
| TOTALS | 68,357 | 17,764 | 30,156 | (1,636) | 374 | 48 | 28,942 | 22,647 | 6,295 | 6,399 |
| CAPITAL INVESTMENT PLAN - QUARTER 4 2015/16 - FUNDING | | | | | | | | | | |
| Unsupported Borrowing | | | 13,008 | (140) | | | 12,868 | 7,752 | 5,116 | |
| Grants | | | 14,501 | (1,066) | 250 | | 13,685 | 10,567 | 3,118 | |
| Contributions | | | 330 | 43 | | | 373 | 182 | 191 | |
| Reserves | | | 142 | (64) | | 48 | 126 | 571 | (445) | |
| Revenue | | | 818 | | 124 | | 942 | 907 | 35 | |
| Capital Receipts | | | 1,357 | (409) | | | 948 | 2,668 | (1,720) | |
| Total | | | 30,156 | (1,636) | 374 | 48 | 28,942 | 22,647 | 6,295 | |

Agenda Item 10



Meeting: Council

Date: 21 July 2016

Wards Affected: All Wards in Torbay

Report Title: Treasury Management Outturn 2015/16

Is the decision a key decision? No

When does the decision need to be implemented? ASAP

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1. Proposal and Introduction

- 1.1 This report informs Members of the performance of the Treasury Management function in supporting the provision of Council services in 2015/16 through management of cash flow, debt and investment operations and the effective control of the associated risks.
- 1.2 The headline points of the report are:
 - No opportunities in the year to early repay existing borrowing
 - No new borrowing taken to fund the Capital Investment Plan with capital expenditure of £7.7million funded in-year from internal resources
 - Annual investment rate achieved exceeded the market and peer benchmark levels
 - Treasury Management activities were slightly overspent against the approved budget target

2. Reason for Proposal

- 2.1 The Council is required through regulations issued under the Local Government Act 2003 to produce an annual outturn report reviewing treasury management activities and the actual prudential and treasury indicators for 2015/16.

forward thinking, people orientated, adaptable - always with integrity.

- 3.2 This report also meets the requirements of the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 3. Recommendation(s) / Proposed Decision**
- 3.1 That the Treasury Management decisions made during 2015/16, as detailed in the submitted report be noted; and**
- 3.2 That the performance against the approved Prudential and Treasury Indicators as set out in Appendix 1 to the submitted report be noted.**
- 4. Background Information**
- 4.1 Treasury management is defined by the Code of practice as:
- “The management of the authority’s investments and cash flows, it’s banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.*
- 4.2 During 2015/16 the minimum reporting requirements were that full Council should receive the following reports:
- An annual treasury strategy in advance of the year (Council 5th February 2015)
 - A mid-year review report (Council 22nd October 2015)
 - An annual report following the year describing the activity compared to the strategy (this report)
- 4.3 The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the policies previously approved by Members.
- 4.4 The Council confirms that it has complied with the requirement under the Code to give prior scrutiny to the above strategy and mid-year treasury management reports by the Audit Committee before they were reported to full Council. In view of tight reporting deadlines and to avoid delay in reporting the Chair of Audit Committee has given approval for this outturn statement to be presented direct to full Council. The nature of the report does not require decision.
- 4.5 Member training on treasury management issues was undertaken during the year on 15th July 2015 in order to support members’ scrutiny role.
- 4.6 Treasury Management strategies were planned and implemented in conjunction with the Council’s appointed advisors, Capita Asset Services although the Council officers were the final arbiters of the recommended approach.

4.6 This report covers:

- The Economy and Interest rates
- Treasury Position at year end;
- The Strategy for 2015/16;
- Borrowing Outturn for 2015/16;
- Investment Outturn for 2015/16;
- Revenue Budget Performance;
- Reporting Arrangements and Management Evaluation
- Prudential and Treasury Indicators (Appendix1)

5. The Economy and Interest Rates

5.1 A commentary provided by Capita Asset Services is presented at Appendix 2 to the report.

6. Overall Treasury Position as at 31 March 2016

6.1 At the beginning and the end of 2015/16 the Council's treasury position was as follows:

| TABLE 1 | 31 March 2015 Principal | Rate/Return | Average Life yrs | 31 March 2016 Principal | Rate/Return | Average Life yrs |
|-----------------------------|-------------------------|--------------|-------------------|-------------------------|--------------|-------------------|
| Borrowing | £138.1m | 4.39% | 27.5 years | £138.1m | 4.39% | 26.5 years |
| Other long term liabilities | £8.4m | 5.26% | 12.5 years | £20.2m | 5.26% | 11.5 years |
| Total debt | £146.5m | 4.44% | 26.7 years | £158.3m | 4.44% | 25.7 years |
| CFR | £135.3m | | | £151.1m | | |
| Over borrowing | £11.2m | | | £7.2m | | |
| Total investments | £69.7m | 0.88% | | £54.6m | 0.91% | |
| Net debt | £76.8m | 3.29% | | £103.7m | 3.48% | |

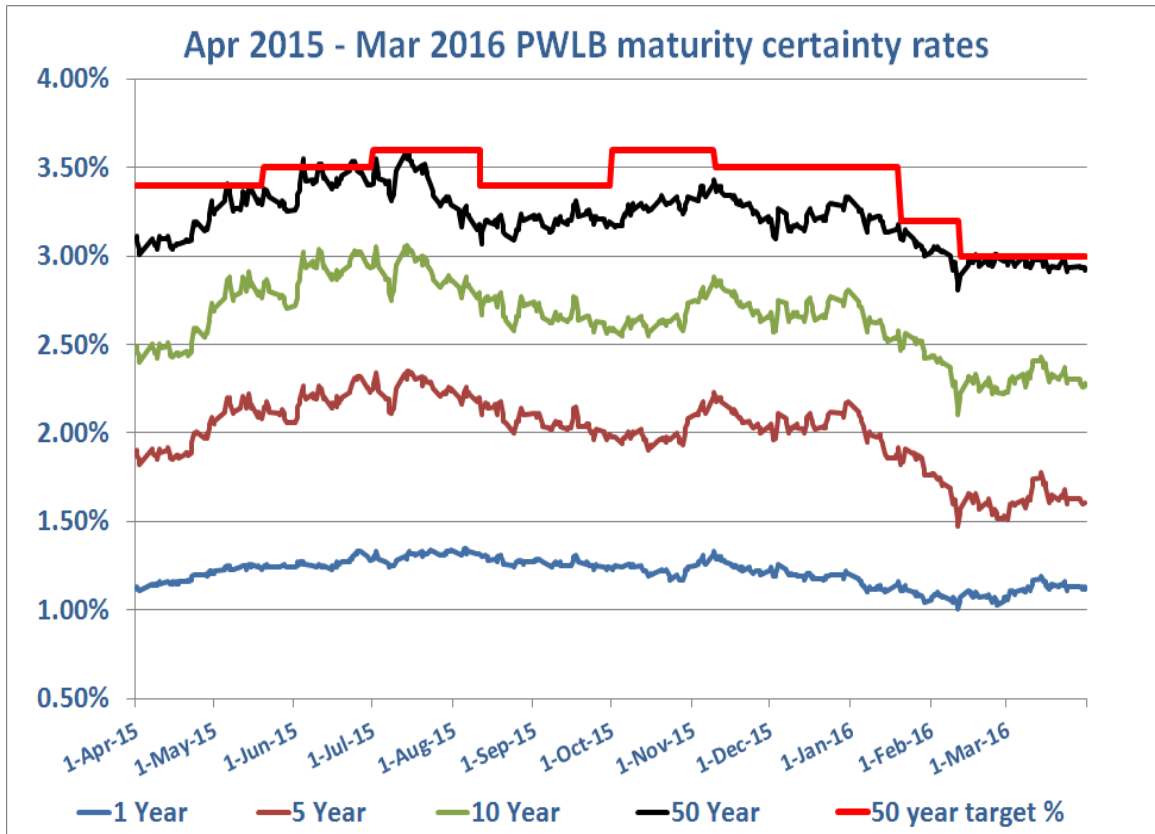
7. The Strategy for 2015/16

7.1 The primary aim of the 2015/16 Strategy was to seek opportunities for the early repayment of borrowing and utilise internal cash resources to fund capital expenditure in the short term

7.2 In view of the forecast for low interest rates an element of core investment balances were to be exposed to deposits of one year or longer duration (subject to rate levels and suitable counterparty availability) to lock into higher yield levels. A proportion of in-house managed funds were to be held in short-term variable rate instruments to enact strategy transactions and to mitigate a rise in investment rates.

8. Borrowing Outturn 2015/16

8.1 The graph below shows how PWLB certainty rates (new loan rates) have fallen to historically very low levels during the year.



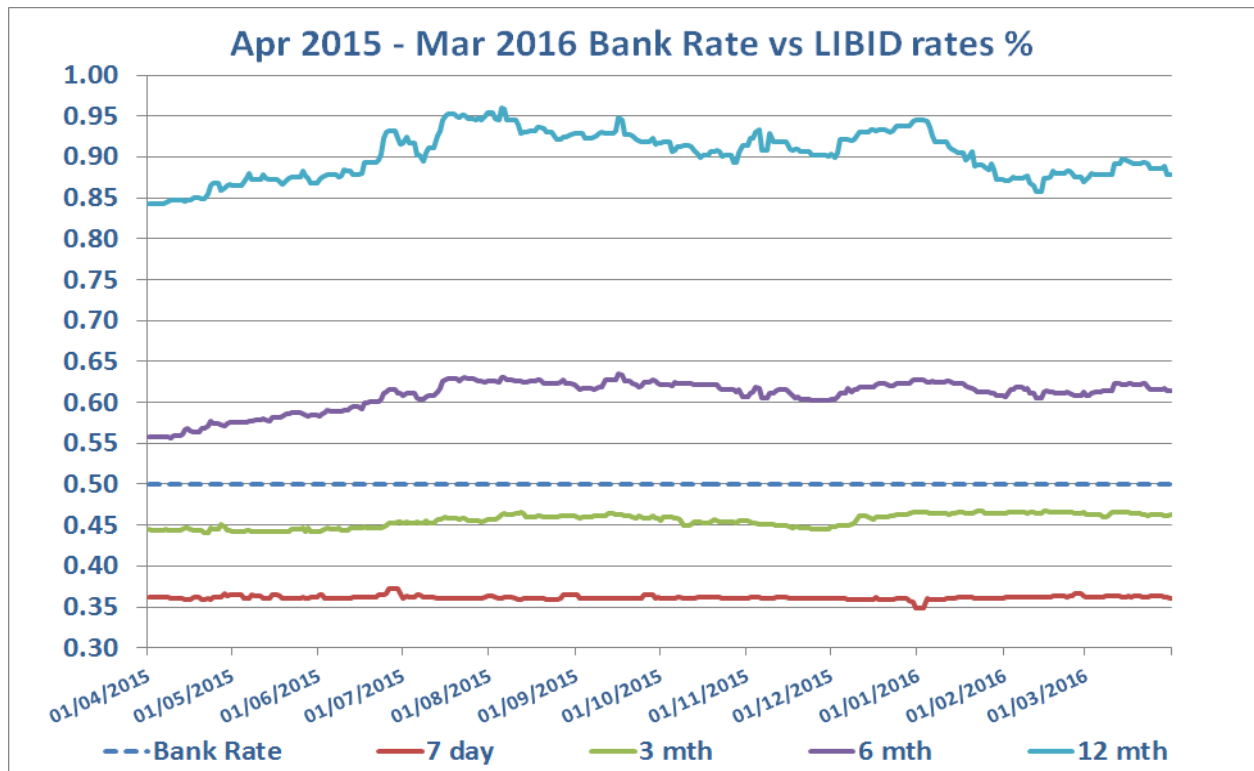
8.2 The rates for early repayment of loans, as relating to the strategy, is a margin lower than these levels and in this climate gave no economic opportunity to repay loans during the year.

8.3 No new borrowing was taken for approved capital schemes with £7.7million of capital expenditure funded in year from internal resources

8.4 The borrowing portfolio (excluding other long term liabilities) remains at £138.1million and the average rate of interest paid on all loans in 2015/16 was 4.39%.

9. Investment Outturn 2015/16

9.1 The movement in key market investment rates during 2015/16 are illustrated in the table below.



9.2 Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for seven years. Market expectations as to the timing of the start of monetary tightening started the year at quarter 1 2016 but then moved back to around quarter 2 2018 by the end of the year. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme and due to the continuing weak expectations as to when Bank Rate would start rising.

9.3 In line with the approved strategy £7million was deposited with local authorities over three years to lock into higher rates over the longer term. This supplemented existing longer term deals made in expectation of no rise in Bank Rate in the medium term.

9.4 During the year Officers evaluated the potential use of higher risk investments to gain yield in the current restrictive climate. Following recommendations to Council the use of the Funding Circle (peer-to-peer) facility was approved on an experimental basis. The performance of the Funding Circle holding at 31st March 2016 is summarised below:

| | |
|---|-----------------|
| Total Invested | £130,000 |
| No. of loan parts | 283 |
| Gross yield | 7.9% |
| Return net of fees | 7.2% |
| Proportion of secured/unsecured loans (by loan principal) | |
| - Secured | 36% |
| - Unsecured | 64% |
| Proportion of loans by credit rating (by loan principal) | |
| - A+ | 70.3% |
| - A | 20.9% |
| - B | 8.8% |

9.5 **Externally Managed Investments** – Aberdeen Asset Management manages a proportion of the Council's to add value by way of market knowledge and exposure to a greater diversity of investments and counterparties. The total holding in the external fund was reduced during the year from £30million to £18million to meet capital expenditure funding requirements.

9.6 **Performance Analysis** - Detailed below is the result of the investment strategy undertaken by the Council. Despite the continuing difficult operating environment the Council's investment returns remain well in excess of the benchmark.

| | Average Investment Principal | Rate of Return (gross of fees) | Rate of Return (net of fees) | Capita Benchmarking Club | | CIPFA Benchmarking Club (Draft) | Market Benchmark/ Target Return |
|---------------------------|------------------------------|--------------------------------|------------------------------|--------------------------|-------------------|---------------------------------|---------------------------------|
| | | | | Peer LA Comparison | English Unitaries | | |
| Internally Managed | £50million | 0.99% | | 0.77% | 0.86% | 0.73% | 0.36% |
| Externally Managed | £28million | 0.76% | 0.61% | | | 2.41%* | 0.36% |

*Includes property funds

9.7 In interest terms, the in-house treasury function contributed an additional £315,000 to the General Fund over and above what would have been attained from the benchmark return. Aberdeen's net return achieved an additional £70,000 over their target return level of 10% above benchmark.

10 Revenue Budget Performance

10.1 The effect of the decisions outlined in this report on the approved revenue budget is outlined in the table below.

| | Revised Budget 2015/16 | Actual 2015/16 | Variation |
|---------------------------------|------------------------|----------------|------------|
| | £M | £M | £M |
| Investment Income | (0.6) | (0.6) | 0.0 |
| Interest Paid on Borrowing | 6.1 | 6.1 | 0.0 |
| Net Position (Interest) | 5.5 | 5.5 | 0.0 |
| | | | |
| Minimum Revenue Provision (MRP) | 4.2 | 4.2 | 0.0 |
| MRP re: PFI | 0.5 | 0.7 | 0.2 |
| PFI Grant re: MRP | (0.5) | (0.5) | 0.0 |
| Net Position (Other) | 4.2 | 4.4 | 0.0 |
| | | | |
| Net Position Overall | 9.7 | 9.9 | 0.2 |

10.2 The position was regularly reported to OSB and Council throughout the year as part of the budget monitoring reports to Members

11 Reporting Arrangements and Management Evaluation

13.1 The management and evaluation arrangements identified in the annual strategy and followed for 2015/16 were as follows:

- Monthly monitoring report to Executive Lead for Finance, Chief Finance Officer and Group Leaders
- Regular meeting of the Treasury Manager and Chief Accountant to review previous months performance and plan following months activities
- Regular meetings with the Council's treasury advisors
- Regular meetings with the Council's appointed Fund Manager
- Membership and participation in Capita Treasury Services Investment Benchmarking Club

Appendices

Appendix 1: Prudential and Treasury Indicators 2015/16

Appendix 2: The Economy and Interest Rates

Appendix 3: Counterparties with which funds have been deposited in 2015/16

Background Documents

None

Appendix 1

Prudential and Treasury Indicators 2015/16

Capital Expenditure and Financing 2015/16

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need (though the timing of borrowing may be delayed through the application of cash balances held by the Council).

The actual capital expenditure forms one of the required prudential indicators and is shown in the table below.

| | 2014/15 Actual £m | 2015/16 Revised Budget £m | 2015/16 Actual £m |
|---------------------------|-------------------------|------------------------------------|-------------------------|
| Total capital expenditure | 20 | 30 | 35* |

* The Actual for 2015/16 recognises £12m of Energy from Waste assets.

Capital Financing Requirement

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's net debt position. The CFR results from the capital activity of the Council and what resources have been used to pay for the capital spend. It represents the 2015/16 unfinanced capital expenditure and prior years' net or unfinanced capital expenditure which has not yet been financed by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWL] or the money markets), or utilising temporary cash resources within the Council.

Reducing the CFR – the Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively the reserving of funds for repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. The Council's 2015/16 MRP Policy (as required by CLG Guidance)

was approved as part of the Treasury Management Strategy Report for 2015/16 on 5th February 2015.

The total CFR can also be reduced by:

- the application of additional capital financing resources (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

The Council's CFR for the year represents a key prudential indicator analysed below. This includes PFI schemes on the balance sheet, which increase the Council's long term liabilities. No borrowing is actually required against these schemes as a borrowing facility is included in the contract (if applicable).

| CFR (£m) | 31 March 2015 Actual | 31 March 2016 Revised Indicator | 31 March 2016 Actual |
|-----------------|----------------------|---------------------------------|----------------------|
| CFR at Year End | 135.3 | 138.0 | 151.1 |

The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit presented at Appendix 1 to this report.

Net borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. Net borrowing should not therefore, except in the short term, have exceeded the CFR for 2015/16 plus the expected changes to the CFR over 2016/17 and 2017/18. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The table below highlights the Council's net borrowing position against the CFR. The Council has complied with this prudential indicator.

| CFR (£m) | 31 March 2015 Actual | 31 March 2016 Actual |
|---|----------------------|----------------------|
| Opening balance | 135.0 | 135.3 |
| Capital expenditure in year funded from borrowing | 4.9 | 7.7 |
| EFW PFI Liability | 0 | 12.4 |
| Minimum Revenue Provision | (4.6) | (4.3) |
| CFR at Year End | 135.3 | 151.1 |
| Net borrowing position | 76.8 | 103.7 |

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2015/16 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached. Borrowing levels were maintained well below the operational boundary throughout the year.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term liabilities net of investment income) against the net revenue stream.

| | 2015/16 |
|---|---------|
| Authorised limit* | £207m |
| Maximum gross borrowing position | £158m |
| Operational boundary | £188m |
| Average gross borrowing position | £152m |
| Financing costs as a proportion of net revenue stream | 9.2% |

Treasury Indicators:

Maturity Structure of the fixed rate borrowing portfolio - This indicator assists Authorities avoid large concentrations of fixed rate debt that has the same maturity structure and would therefore need to be replaced at the same time.

| | 31 March 2016 Actual | 31 March 2016 Proportion | 2015/16 Original Limits Upper- Lower |
|----------------|-------------------------|-----------------------------|---|
| Up to 10 years | £24M | 17% | 5% - 50% |
| 10 to 20 years | £21M | 16% | 5% - 50% |
| 20 to 30 years | £38M | 28% | 10% - 60% |
| 30 to 40 years | £37M | 26% | 10% - 50% |
| Over 40 years | £18M | 13% | 0% - 50% |

Principal sums invested for over 364 days - The purpose of this indicator is to contain the Council's exposure to the possibility of losses that might arise as a result of it having to seek early repayment or redemption of principal sums invested. The figures presented allow for the proportion of the externally managed fund invested over 1 year. In practice this sum can be realised at short notice but is included within this Indicator as there would be a risk of negative impact on the fund yield.

| | 2014/15 Actual | 2015/16 Limit | 2015/16 Actual |
|--------------------------------|-------------------|------------------|-------------------|
| Investments of 1 year and over | £15M | £51m | £22m |

Exposure to Fixed and Variable Rates - The Prudential Code requires the Council to set upper limits on its exposure to the effects of changes on interest rates. The exposure to fixed and variable rates was as follows:

| | 31 March 2015 Actual % | 2015/16 Upper Limits % | 31 March 2016 Actual % |
|-----------------------------------|---------------------------------|------------------------------|---------------------------------|
| Limits on fixed interest rates: | | | |
| • Debt only | 100 | 100 | 100 |
| • Investments only | 52 | 80 | 52 |
| Limits on variable interest rates | | | |
| • Debt only | 0 | 20 | 0 |
| • Investments only | 47 | 60 | 47 |

Appendix 2

The Economy and Interest Rates

By Capita Asset Services April 2016

Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1 2016. However, by the end of the year, market expectations had moved back radically to quarter 2 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.

These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in 2015/16 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.

The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.

The ECB commenced a full blown quantitative easing programme of purchases of Eurozone government and other bonds starting in March at €60bn per month. This put downward pressure on Eurozone bond yields. There was a further increase in this programme of QE in December 2015.

As for America, the economy has continued to grow healthily on the back of resilient consumer demand. The first increase in the central rate occurred in December 2015 since when there has been a return to caution as to the speed of further increases due to concerns around the risks to world growth.

The UK elected a majority Conservative Government in May 2015, removing one potential concern but introducing another due to the promise of a referendum on the UK remaining part of the EU. The government maintained its tight fiscal policy stance but the more recent downturn in expectations for economic growth has made it more difficult to return the public sector net borrowing to a balanced annual position within the period of this parliament.

Appendix 3

Counterparties with which funds were deposited (April 2015 – March 2016)

Banks and Building Societies

Bank of Scotland
Barclays Bank
Goldman Sachs International Bank
Lloyds Bank
Nationwide Building Society
Royal Bank of Scotland/National Westminster
Santander UK
Svenska Handelsbanken

Local Authorities

Greater London Authority
Lancashire County Council
Nottinghamshire Police and Crime Commissioner

Other Approved Institutions

Public Sector Deposit Fund
Goldman Sachs Sterling Fund
Aberdeen Asset Management
Funding Circle



Meeting: Council

Date: 11 May 2016

Wards Affected: All Wards

Report Title: Equality Objectives 2016 – 2020

Is the decision a key decision? Yes – Policy Framework

When does the decision need to be implemented? May 2016

Executive Lead Contact Details: Cllr Derek Mills, Deputy Mayor and Executive Lead for Corporate Services

Supporting Officer Contact Details: Anne-Marie Bond, Assistant Director Corporate and Business Services, 01803 207160, Anne-marie.bond@torbay.gov.uk

1. Proposal and Introduction

1.1 The Public Sector Equality Duty which came into force in April 2011 places a requirement on all public bodies to publish one or more objective(s) that they think they should achieve in order to meet the General Duty. The General Duty requires us to:

- **Eliminate unlawful discrimination**, harassment, victimisation and other conduct prohibited by the Act
- **Advance equality of opportunity** between people who share a protected characteristic and people who do not share, and
- **Foster good relations** between people who share a protected characteristic and people who do not share it.

1.2 We are required to publish our objectives every four years.

1.3 The Equality Objectives have been subject to a six week consultation period.

2. Reason for Proposal

2.1 Torbay Council published Equality Objectives in 2011 and is now required to review these and publish an updated set.

3. Recommendation(s) / Proposed Decision

3.1 That the Equality Objectives 2016 to 2020 as set out at Appendix 2 to the submitted report be approved.

Appendices

Appendix 1: Supporting Information and Impact Assessment

Appendix 2: Equality Objectives 2016 – 2020

Supporting Information and Impact Assessment

| | |
|--------------------------------|---------------------------------|
| Service / Policy: | Equality Objectives 2016 – 2020 |
| Executive Lead: | Cllr Derek Mills |
| Director / Assistant Director: | Anne-Marie Bond |

| | | | | | |
|----------|---|-------|------------|---------|---------|
| Version: | 2 | Date: | April 2016 | Author: | Jo Beer |
|----------|---|-------|------------|---------|---------|

| Section 1: Background Information | |
|--|--|
| 1. | <p>What is the proposal / issue?</p> <p>The Council has a duty to publish Equality Objectives demonstrating what we need to achieve to meet the Public Sector Equality Duty (PSED).</p> |
| 2. | <p>What is the current situation?</p> <p>The PSED which came into force in April 2011 requires all public bodies to publish one or more objective(s) that they think they should achieve in order to meet the General Duty. The General Duty requires us to:</p> <ul style="list-style-type: none"> • Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act • Advance equality of opportunity between people who share a protected characteristic and people who do not share, and • Foster good relations between people who share a protected characteristic and people who do not share it. <p>We are required to publish our objectives every four years.</p> |
| 3. | <p>What options have been considered?</p> <p>Objectives were published in 2011 and have now been reviewed and updated taking into account our Corporate Plan and other plans and policies.</p> |
| 4. | <p>How does this proposal support the ambitions and principles of the Corporate Plan 2015-19?</p> <p>The Equality Objectives will support the delivery of the Corporate Plan and the associated delivery plans.</p> |

| | |
|----|--|
| 5. | <p>Who will be affected by this proposal and who do you need to consult with?</p> <ul style="list-style-type: none"> • All communities across Torbay • Staff • Partners • Key stakeholder groups. |
| 6. | <p>How will you propose to consult?</p> <p>The draft objectives were published online for a six week consultation period until 21st April.</p> |

| Section 2: Implications and Impact Assessment | |
|--|---|
| 7. | <p>What are the financial and legal implications?</p> <p>None</p> |
| 8. | <p>What are the risks?</p> <p>Failure to comply with the Public Sector Equality Duty Failure to support our communities and staff appropriately and meet their needs.</p> |
| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>Not Applicable</p> |
| 10. | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>We have considered and reviewed Equality objectives from other local authorities. We have considered the ambitions and aims of our Corporate Plan and other plans and policies, ensuring there is a link to our objectives. We have taken into account the findings from our Joint Strategic Needs Assessment which clearly sets out the inequalities faced by some communities.</p> |

| | |
|------------|---|
| 11. | What are key findings from the consultation you have carried out? Feedback from the consultation focused on the need to ensure that contractors / organisations providing services on our behalf also adhere to the same standards and objectives. |
| 12. | Amendments to Proposal / Mitigating Actions No amendments made to the proposal or recommendation. The Equality Objectives have been updated to reflect that we expect the same standards from our contractors / organisations providing council services. |

Equality Impacts

| | | | | |
|----|---|--|--------------------------------------|----------------|
| 13 | Identify the potential positive and negative impacts on specific groups | | | |
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | <p>That services will be flexible to ensure all people are able to access council services and they are free from discrimination.</p> <p>Through requiring impact assessments to be completed, the needs of our communities will be taken into account in decision making.</p> | | |
| | People with caring Responsibilities | | | |
| | People with a disability | | | |
| | Women or men | | | |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | | | |
| | Religion or belief (including lack of belief) | | | |
| | People who are lesbian, gay or bisexual | | | |
| | People who are transgendered | | | |
| | People who are in a marriage or civil partnership | | | |
| | Women who are pregnant / on maternity leave | | | |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | | | |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | | | |

| | | |
|----|---|------|
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | None |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | None |

March 2016

Equality Objectives

2016 – 2020 Supporting the Equality Duty

1 Contents

| | | |
|---|--------------------|---|
| 2 | Introduction | 3 |
| 3 | Objectives | 4 |
| 4 | Feedback | 5 |

2 Introduction

The Public Sector Equality Duty which came into force in April 2011 requires all public bodies to publish one or more objective(s) that they think they should achieve in order to meet the General Duty. The General Duty requires us to:

- Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share, and
- Foster good relations between people who share a protected characteristic and people who do not share it.

We are required to publish our objectives every four years.

In developing our objectives we have considered our current Corporate Plan, our Core Values and our draft Communication, Consultation and Engagement Strategy as well as other existing policies. These objectives are built around existing key outcomes and activities identified in these plans and policies.

The Council expects that organisations delivering services on our behalf will adhere to the same equality standards and objectives.

The Council will produce an annual report demonstrating how we are meeting these objectives, this will be published in January every year.

3 Objectives

Objective 1

Ensure that all people are treated fairly when accessing Council services.

Through Torbay Council's staff Core Values we are committed to being forward thinking, people orientated and adaptable – always with integrity. Equality of opportunity requires us to ensure our services are flexible enough to meet the diverse needs of our communities and to make reasonable adjustments to give everyone the access they need.

- We will continue to ensure that our services are accessible and free from discrimination.
- We will treat everyone with respect.
- We will encourage customer feedback and ensure that everyone has the opportunity to do so.

Objective 2

Ensuring that the diverse needs of our communities are taken into account in decision making.

Through our Communication, Consultation and Engagement Strategy, Torbay Council is committed to delivering open and effective communication, consultation and engagement and ensuring that the feedback is conscientiously taken into account in final decision making.

- Communication, consultation and engagement will be targeted to ensure that where proposals may affect specific communities; these communities are given the opportunity to have their say.
- Impact Assessments will continue to be undertaken in relation to service change and will be used to fully consider the potential impact of proposed decisions on the community.

Objective 3

Reducing inequalities across Torbay.

Delivering on our Corporate Plan ambitions to achieve a prosperous and healthy Torbay by addressing the significant challenges and inequalities faced by our communities.

- Work with our partners to ensure our communities are supported across the life course.
- Ensuring that all children are given the best start in life and families are supported.
- Addressing and tackling lifestyles and economic issues which lead to inequality and poor health.
- Ensuring that older people age well and are physically, mentally and socially active.

Objective 4

Supporting the diverse needs of our workforce.

Our staff are one of our biggest assets and our employees come from a wide range of backgrounds with a variety of skills and knowledge. We are committed to supporting our staff and enabling them to provide the best possible service to our customers.

- Through our Core Values we will always be approachable, calm and respectful
- Create an environment where we act professionally and treat everyone with respect
- Ensuring that policies and initiatives are in place so our staff can feel safe at work and carry out their duties without feeling bullied or discriminated against.

4 Feedback

Torbay Council welcomes your comments and suggestions on our Equality Objectives and will use any feedback we receive to help further develop these objectives.

Please email equality@torbay.gov.uk or contact us by mail or telephone.

Torbay Council

Corporate Support

Room 137

Town Hall

Torquay

TQ1 3DR

Telephone: 01803 207227



Meeting: Council

Date: 11 May 2016

Wards Affected: All Wards

Report Title: Communication, Consultation and Engagement 2016 – 2020

Is the decision a key decision? Yes – Policy Framework

When does the decision need to be implemented? May 2016

Executive Lead Contact Details: Cllr Derek Mills, Deputy Mayor and Executive Lead for Corporate Services, Derek.Mills@torbay.gov.uk

Supporting Officer Contact Details: Anne-Marie Bond, Assistant Director Corporate and Business Services, 01803 207160, Anne-marie.bond@torbay.gov.uk

1. Proposal and Introduction

- 1.1 The Council's existing Communication, Consultation and Engagement Strategy is out of date and has been reviewed and updated. Given the level of change to Council services, it is crucial the council sets out a set of principles within which it will carry out all engagement activity.
- 1.2 Setting out a clear strategy and principles within which we will communicate, consult and engage means that the Council approach to this activity should be more consistent and our communities know what they can expect from the Council.
- 1.3 The draft strategy has been subject to a six week consultation and was considered by the Council's Overview and Scrutiny Board. The Board's report to the Mayor is available on the Council's website at www.torbay.gov.uk/scrutiny. In accordance with Standing Order F4.4, the feedback and recommendations of the Board have been taken into account by the Mayor and an action plan has been developed to support the strategy which includes the points raised by the Board.
- 1.4 All consultation responses have been considered and the strategy has been amended in places to reflect the feedback received.

2. Reason for Proposal

- 2.1 Torbay Council's Communication, Consultation and Engagement Strategy is now out of date and needs to be updated.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Communication, Consultation and Engagement Strategy 2016 – 2020 set out in Appendix 2 to the submitted be approved.
- 3.2 That a Communication, Consultation and Engagement Working Party be established comprising five Members politically balanced with the following terms of reference:
 - To develop the approach for improving Members and officers working together to ensure that Members are aware of all engagement activity;
 - To develop approaches to ensure Members are equipped to promote and be involved in engagement activity; and
 - To develop a set of key performance indicators against which this strategy and the action plan can be measured.

Appendices

Appendix 1: Supporting Information and Impact Assessment

Appendix 2: Communication, Consultation and Engagement Strategy 2016 - 2020

Supporting Information and Impact Assessment

| | |
|--------------------------------|---|
| Service / Policy: | Communication, Consultation and Engagement Strategy 2016 - 2020 |
| Executive Lead: | Cllr Derek Mills |
| Director / Assistant Director: | Anne-Marie Bond |

| | | | | | |
|----------|---|-------|------------|---------|---------|
| Version: | 2 | Date: | April 2016 | Author: | Jo Beer |
|----------|---|-------|------------|---------|---------|

| Section 1: Background Information | |
|--|--|
| 1. | <p>What is the proposal / issue?</p> <p>To agree the Communication, Consultation and Engagement Strategy 2016 – 2020.</p> |
| 2. | <p>What is the current situation?</p> <p>The Council’s existing Communication, Consultation and Engagement Strategy is out of date and needs to be reviewed and updated. Given the level of change to Council services, it is crucial the council sets out a set of principles within which it will carry out all engagement activity.</p> |
| 3. | <p>What options have been considered?</p> <p>The previous strategy has been reviewed and this updated strategy takes into account recent case law and changes to national guidance.</p> |
| 4. | <p>How does this proposal support the ambitions and principles of the Corporate Plan 2015-19?</p> <p>This strategy sets out a set of principles within which we will effectively engage with our communities to assist the Council in identifying any changes which may be required to local services to help us deliver on our Corporate Plan ambitions of a Prosperous and Healthy Torbay.</p> <p>Through this strategy we will use our resources in the most effective way to engage with our communities and join up with our partners, where appropriate to achieve value for money.</p> |
| 5. | <p>Who will be affected by this proposal and who do you need to consult with?</p> <ul style="list-style-type: none"> • Local people – both generally and as users of specific services. • Partner organisations within the public, private, community and voluntary sectors. |

| | |
|----|--|
| | <ul style="list-style-type: none"> • Employees. • Tourists and visitors. • National opinion formers including MPs, ministers and organisations such as the Local Government Association. • Media organisations, including local, regional, national, digital and specialist. |
| 6. | <p>How will you propose to consult?</p> <p>The draft strategy was published for a six week consultation period. The Council's Overview and Scrutiny Board considered the draft strategy at a meeting held on 13th April.</p> |

| Section 2: Implications and Impact Assessment | |
|--|--|
| 7. | <p>What are the financial and legal implications?</p> <p>None</p> |
| 8. | <p>What are the risks?</p> <p>There are no risks associated with this proposal, however, in the absence of a strategy, there is the potential risk that communication, consultation and engagement activity across the Council will be inconsistent.</p> <p>Having a clear set of principles within which we will carry out all engagement activity means that our communities will know what they can expect from the Council.</p> |
| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>Not applicable</p> |
| 10. | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>We have considered the ambitions and aims of our Corporate Plan and other plans and policies, ensuring there is a link to our objectives.</p> |
| 11. | <p>What are key findings from the consultation you have carried out?</p> <p>There was support for the need to have a strategy which sets out clear principles for how we will consult. There was feedback regarding some of the wording. The draft strategy was considered by the Overview and Scrutiny Board who</p> |

| | |
|-------------------|---|
| | <p>also gave their feedback on the strategy. Their response included:</p> <ol style="list-style-type: none"> 1. There is currently a lack of capacity within Corporate Services to effectively deliver the proposed strategy and this has potentially serious implications for the reputation of the Council and puts the authority at the risk of legal challenge. 2. The Council should look to work with partner organisations to establish a protocol for joint communications and, where appropriate, consultation. 3. In order to better inform and engage with its residents, the Council should invest in its website and assess the costs of including additional communication material with items that are currently posted to households such as Council Tax bills. 4. The Strategy should include an aim or objective of seeking to engage with and empower the public and stakeholders in order to bring about positive change for the good of the community. 5. The Strategy should make clear that any consultation undertaken by the Council should be agreed by the Corporate Support team in order that the risk of potential legal challenge can be mitigated. 6. The Strategy should address how the Council, and Councillors in particular, can manage the public's expectations in terms of consultation and engagement. 7. Consideration should be given to have a limited number of key performance indicators to measure how engaged the public believe they are in the Council's business. 8. There should be a Customer Service Training Programme for all public facing officers. 9. The feasibility of having an online e-Viewpoint Panel through a dedicated website and via social media should be explored. 10. The Strategy should include an action plan so that its effectiveness can be monitored. |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>The wording of the strategy has been amended in places following consultation feedback.</p> <p>Based on the feedback of the Overview and Scrutiny Board an action plan has been included as part of the strategy which includes the points raised by the Board.</p> |

Equality Impacts

| | | | | |
|----|---|--|---|-----------------------|
| 13 | Identify the potential positive and negative impacts on specific groups | | | |
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | There is no differential impact of this strategy | | |
| | People with caring Responsibilities | There is no differential impact of this strategy | | |
| | People with a disability | There is no differential impact of this strategy | | |
| | Women or men | There is no differential impact of this strategy | | |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | There is no differential impact of this strategy | | |
| | Religion or belief (including lack of belief) | There is no differential impact of this strategy | | |
| | People who are lesbian, gay or bisexual | There is no differential impact of this strategy | | |
| | People who are transgendered | There is no differential impact of this strategy | | |
| | People who are in a marriage or civil partnership | There is no differential impact of this strategy | | |
| | Women who are pregnant / on maternity leave | There is no differential impact of this strategy | | |
| | Socio-economic impacts (Including impact on child | There is no differential impact of this strategy | | |

| | | |
|----|---|--|
| | poverty issues and deprivation) | |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | There is no differential impact of this strategy |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | None identified |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | None identified |

March 2016

Draft Communication, Consultation and Engagement Strategy

2016 - 2020

1 Contents

| | | |
|-----|--|----|
| 2 | Introduction | 3 |
| 3 | Our stakeholders | 3 |
| 4 | Aims and Objectives..... | 4 |
| 4.1 | Aim | 4 |
| 4.2 | Objectives | 4 |
| 5 | Definitions of Communication, Consultation and Engagement..... | 5 |
| 6 | Our duties..... | 6 |
| 7 | Principles for communication, consultation and engagement..... | 7 |
| 8 | Action Plan | 9 |
| 9 | Feedback | 10 |

2 Introduction

Torbay Council is committed to delivering open and effective communication, consultation and engagement. They are fundamental to ensuring our success and underpin the work of the entire council.

Regular and reliable information gives residents and other stakeholders an opportunity to play an active role by influencing decisions, shaping the future of services and helps them to understand the decisions that are taken. It supports the work of councillors, strengthens staff understanding about what is required of them and promotes stronger working relationships with our partners. All of this plays a central role in achieving our Corporate Plan ambition for a prosperous and healthy Torbay.

Torbay Council is committed to using reducing resources to best effect, reducing demand through prevention and innovation and taking a joined up and integrated approach. We need to continue to ensure that our communities and stakeholders are involved in the decision making process and are given the opportunity to help find solutions through high quality consultation and engagement. It is also crucial that we communicate the challenges, decisions and future changes in the most effective, inclusive and timely ways possible.

This strategy will guide how we will communicate, consult and engage with all our stakeholders over the next four years.

3 Our stakeholders

Torbay Council has to communicate, consult and engage with a wide range of stakeholders:

- Local people – both generally and as users of specific services.
- Partner organisations within the public, private, community and voluntary sectors, including Community Partnerships and the Community Development Trust as a conduit to access the wider community.
- Employees.
- Tourists and visitors.
- National opinion formers including MPs, MEPs, ministers and organisations such as the Local Government Association and central government departments.
- Media organisations, including local, regional, national, digital and specialist.

4 Aims and Objectives

4.1 Aim

Torbay Council is committed to ensuring open and effective communication, consultation and engagement. We want to ensure that people are given the opportunity to play an active role by influencing decisions and shaping the future of services which may affect them.

The aim of this Communication, Consultation and Engagement Strategy is to set out the principles within which Torbay Council will communicate and involve local people across Torbay. This strategy sets out to engage and empower our communities and stakeholders in order to bring about positive change for the good of the whole community.

In engaging with our residents and all stakeholders, we hope to give people a better sense of ownership of the services and activities available to them. Through effective engagement with our communities we also aim to identify any changes which may be required to local services and deliver on our Corporate Plan ambitions of a prosperous and healthy Torbay.

4.2 Objectives

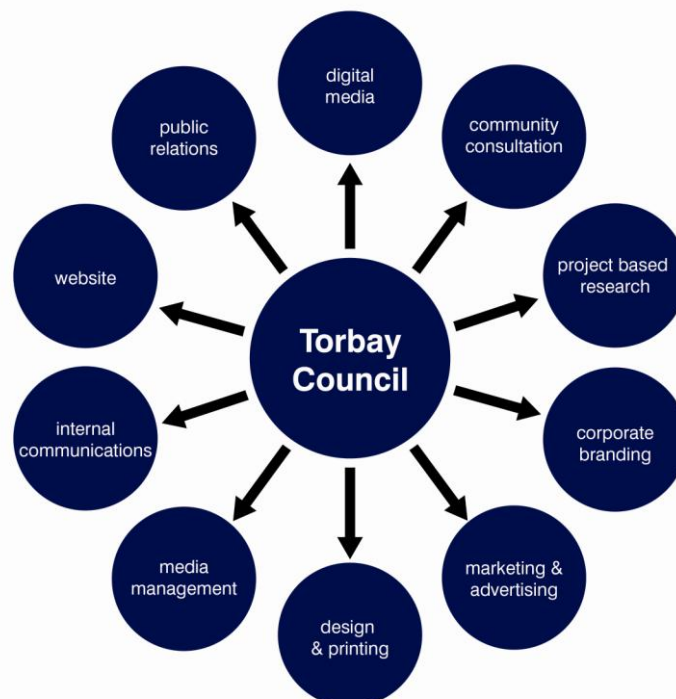
In order to meet these aims we will deliver the following objectives:

- Be open and transparent when communicating with all stakeholders.
- Ensure all communication is two way – listen to stakeholders and communicate back the actions we have taken.
- Use a range of communication methods and channels to provide our stakeholders with information about council activities in order to signpost residents and other stakeholders to the right services and, where appropriate, help them to resolve their own issues to reduce demand on council services.
- Engage and communicate with our communities and stakeholders in a timely way so they are informed and are able to have their say on local decision making issues.
- Be realistic about our limitations and the need for the council to use reducing resources to best effect.
- Use an integrated and joined up approach, both within the council and with our partners, to achieve value for money, to avoid consultation fatigue and to ensure messages are consistent.
- Provide good internal communication, consultation and engagement to improve employee morale, increase performance and to enable staff to understand and demonstrate the council's core values.

5 Definitions of Communication, Consultation and Engagement

Communication, is generally defined as ‘the imparting or exchanging of information by speaking, writing or using some other medium’ and the ‘successful conveying or sharing of ideas and feelings’.

Torbay Council uses different methods of communication based on target audiences – both internal and external.



Consultation is defined as the process of ‘dialogue between individuals or groups, based upon a genuine exchange of views, with the objective of influencing decisions, policies or programmes of action’. It can involve:

- Passing information and receiving comments.
- Seeking opinions on options before a decision is reached.
- Seeking to involve local people, communities, businesses, voluntary sector organisations and other organisations in important decisions which have an impact on them.
- Listening and learning from local people, communities and other stakeholders.

Engagement can generally be described as ‘developing and sustaining a relationship between public bodies and community groups to help them both understand and act on the needs or issues that the community and work towards a common vision’. Communities, in this sense, can mean groups of people with similar needs or aspirations such as the users of a particular service.

6 Our duties

The duty to inform, consult or involve is set out within the Local Government Act 1999 and Local Government and Public Involvement in Health Act 2007.

In exercising the general duty under the Local Government Act 1998, local authorities must 'make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness'

In deciding how to fulfil the general duty the local authority must have 'due regard' for any guidance issued by the Secretary of State and should consult with the following:

- Any person or representatives who are liable to pay any tax, precept or levy in respect of the authority.
- Any person or representatives who are liable to pay non-domestic rates in respect of any area within which the authority carries out functions.
- Any person or representatives who use or are likely to use services provided by the authority.
- Any person or representatives appearing to the authority to have any interest in any area within which the authority carries out functions.

The Government's **Code of Recommended Practice on Local Authority Publicity** provides guidance on the content, style, distribution and cost of local authority publicity.

It states that publicity by local authorities should be based on the following seven principles:

- Lawful - comply with the Advertising Standards Authority's Advertising Codes.
- Cost effective - value for money.
- Objective - politically impartial.
- Even-handed - can address matters of political controversy in a fair manner, but the publicity should not affect support for a single councillor or group.
- Appropriate - refrain from retaining the services of lobbyists. The frequency of council newsletters should be no more than quarterly.
- Have regard to equality and diversity - publicity to positively influence public behaviour and attitudes in relation to issues such as safety and health can be used.
- Issued with care during periods of heightened sensitivity - e.g. elections and referendums.

7 Principles for communication, consultation and engagement

To ensure Torbay Council meets its duties as well as the aims and objectives within this policy, all communication, consultation and engagement activity will be developed in line with the following guiding principles:

All consultation activity must be agreed by the Corporate Support Team prior to publication to ensure that the consultation meets these principles.

Clear and concise: We will use plain English and avoid jargon and acronyms in all our communications to ensure messages and purposes are clear, understandable and accessible. When consulting we will only ask questions which are necessary and easy to understand.

Purpose: All our activity will have a clear and defined purpose, linked to our Corporate Plan. We will only consult or carry out marketing and public relations activity if there is an identified objective. Consultation and engagement will be used to influence local decision making.

Timely: All communication, consultation and engagement activity will, when possible, be planned in advance so consistent messages can be used at the right time, in the right way with the right people. We will openly inform, engage, discuss and consult with stakeholders at the earliest possible opportunity, ideally when proposals are being developed or when information is confirmed and becomes available. Due consideration will be given on the lead up to any elections or referendums to whether it is appropriate to launch new campaigns and consultation or engagement activity.

Proportionate timescales: The length of time for consultation and engagement activity will be judged against the nature and impact of the proposal / issue being consulted upon. We will ensure that sufficient time is given for respondents to consider any information provided and that there is sufficient time for them to provide an informed response.

Targeted: We will ensure that all our communications and consultations are targeted at the right stakeholder groups so they are effective and use resources in the best possible way. Where proposals, events or services affect specific individuals or groups, these stakeholders will be made aware of the activity so they can find out more, have their say or become involved. Consultation activity, in particular, will be tailored to meet the needs and preferences of different groups of people across Torbay, ensuring accessibility for all.

Relevant information: We will provide enough information, or signpost stakeholders to where they can obtain more information, to ensure that informed choices can be made. This could include how to access a particular service or how to resolve an issue. It could also relate to specific proposals and include information about how the options have been considered and details of any assessments of costs, benefits and impacts which have been carried out.

Feedback: We will ensure that any internal or external feedback will be conscientiously taken into account and will be considered in any final decision making. With regard to consultations, the results will be used to inform the development of relevant impact assessments. We will publish the results of consultation and engagement activity within eight weeks of the activity, stating how many responses were received and how they have been used in formulating the recommendation.

Forward thinking: We will actively explore and assess how we can best use new technology and other new communication channels to reach and engage as many people as possible.

Corporate identity and style guidelines: All communications involving the council will meet our corporate identity guidelines. This is to protect the brand identity, to maintain the council's professional image and to ensure all council activity is consistent and accountable. This includes use of the Torbay Council logo, images and our house presentation style.

Partnership agreements: As we embrace a stronger integrated and joined up approach it is important that all partners agree in advance how any partnership activity will be carried out and communicated. This is to ensure there are consistent messages and that all communication and engagement protocols and corporate identity guidelines are met.

Responsibility: We acknowledge that communication is a two way process and is the responsibility of everyone. Council employees, elected members and all stakeholders have a role to play in open, timely and effective communication, consultation and engagement with each other.

Monitoring and evaluation: Given the important emphasis on using our resources to best effect, the way in which we communicate, consult and engage should be inclusive and effective. Monitoring and evaluating activity, where possible, will identify if we have met defined goals, areas that need exploring further and activity which can be improved.

8 Action Plan

| | Action | Responsible Lead | Indicative Timescale | Progress |
|----|--|--|----------------------|----------|
| 1. | As outlined within the LGA Corporate Peer Challenge Action Plan - develop and agree a joint protocol for communication, consultation and engagement activity across the Strategic Partnership Forum. | Assistant Director Corporate and Business Services | November 2016 | |
| 2. | Review how communication, consultation and engagement activity is delivered across the council, to consider if the existing structure and resources will support the council in delivering the aims and objectives of this strategy. | Assistant Director Corporate and Business Services | September 2016 | |
| 3. | Review the ways in which we currently communicate and engage with our residents and partners to ensure we are making the best use of digital means including our own website and social media. | Communications Manager | December 2016 | |
| 4. | Identify mechanisms to ensure elected members are informed about communication, consultation and engagement activity across Torbay. Ensuring they are equipped to engage with their communities and encourage their feedback. | Communications Manager / PPR Manager | October 2016 | |
| 5. | Identify a mechanism through which elected members can feedback to the council issues / matters of concern for their communities ensuring this can be tracked centrally and monitored. | PPR Manager | October 2016 | |
| 6. | Review the current use and future feasibility of the Council's Viewpoint Panel. | PPR Manager | October 2016 | |
| 7. | Review the existing policy regarding the communication standards the Council expects from staff when dealing with customers. | Senior Leadership Team | December 2016 | |
| 8. | Review current training programme for all front facing staff. | Senior Leadership Team | March 2017 | |

9 Feedback

Torbay Council welcomes your comments and suggestions on our Communication, Consultation and Engagement Strategy, and will use any feedback we receive to help further develop this strategy.

Please emails consultation@torbay.gov.uk or contact us by mail or telephone:

Torbay Council
Corporate Support
Town Hall
Torquay
TQ1 3DR

Telephone: 01803 207227

Agenda Item 13



Meeting: Council

Date: 21 July 2016

Wards Affected: All Wards

Report Title: Local Government Boundary Review

Is the decision a key decision? No

When does the decision need to be implemented? As soon as possible

Executive Lead Contact Details: Councillor Mills, Deputy Mayor and Executive Lead for Health and Wellbeing and Corporate Services, derek.mills@torbay.gov.uk

Supporting Officer Contact Details: Anne-Marie Bond, Assistant Director of Corporate and Business Services, (01803) 207160, anne-marie.bond@torbay.gov.uk

1. Proposal and Introduction

- 1.1 At the Council meeting held on 10 December 2015 Members requested the Assistant Director of Corporate and Business Services present a report following the Governance Referendum, containing statistical and benchmarking information to be presented to the Overview and Scrutiny Board for it to make a recommendation to the Council on whether a review of Boundaries and/or the number of Councillors is required at this time. This report sets out the requested information and recommendation of the Overview and Scrutiny Board.

2. Reason for Proposal

- 2.1 To enable the Council to proceed with a review of its Ward Boundaries to examine the inequality of the number of electors per Councillor.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Assistant Director of Corporate and Business Services be instructed to formally write to the Local Government Boundary Commission for England on behalf of the Council requesting a review of the Council Ward Boundaries to be carried out from April 2017 with a view to any changes being implemented from May 2019 when the next Local Government Elections are scheduled.

Appendices

Appendix 1: Supporting Information and Impact Assessment

forward thinking, people orientated, adaptable - always with integrity.

Supporting Information and Impact Assessment

| | |
|--------------------------------|---|
| Service / Policy: | Boundary Review |
| Executive Lead: | Councillor Mills |
| Director / Assistant Director: | Assistant Director of Corporate and Business Services |

| | | | | | |
|----------|---|-------|-------------|---------|-----------------|
| Version: | 3 | Date: | 7 July 2016 | Author: | Anne-Marie Bond |
|----------|---|-------|-------------|---------|-----------------|

Section 1: Background Information

| | |
|-----------|---|
| 1. | <p>What is the proposal / issue?</p> <p>At the Council meeting held on 10 December 2015 Members considered a motion on a electoral review of the number of Councillors for Torbay Council. The extract of the Minute is set out below:</p> <p>“Members considered a motion in relation to a proposed electoral review on the number of Councillors for Torbay Council, notice of which was given in accordance with Standing Order A14.</p> <p>It was proposed by Councillor (S) Darling and seconded by Councillor Carter:</p> <p style="padding-left: 40px;">The Council notes that the last Electoral Review for Torbay Council was carried out in 2001. Since that time there has been:</p> <ul style="list-style-type: none"> • a continuous reduction in the number of staff resulting in a reduction from 1455 full time equivalent staff in March 2010 to 890 full time equivalent staff in October 2015; • a number of significant changes in the way the Council operates, in particular the establishment of the: <ul style="list-style-type: none"> • Integrated Care Organisation (ICO) for adult social care and health and • proposed transfer of Children’s Services into the ICO • the development of the Torbay Development Agency and continuation of Torbay Coast and Countryside Trust • commissioning of services such as the contract with TOR2; and • the growth of academy schools in Torbay which have left only a residual Local Education Authority function. <p>The change to the way the Council now operates means that there is reduced engagement for Councillors as many of the operational decisions are made outside of the Council chamber.</p> <p>Therefore, this Council resolves:</p> <p>that the Assistant Director of Corporate and Business Services be requested to develop a business case for submission to the Local Government Boundary Commission for England requesting an electoral</p> |
|-----------|---|

review to reduce the number of Councillors in Torbay to come into effect from May 2019.

An amendment was proposed by Councillor Tyerman and seconded by Councillor Bent:

Therefore, this Council resolves:

- (i) that, following the referendum next May which will establish the preferred form of Governance for Torbay to take effect from 2019, the Assistant Director of Corporate and Business Services be requested to prepare a report identifying:
 - (a) the respective populations and number of Councillors in other small unitary Councils using a similar form of governance;
 - (b) detail of the number of voters per Councillor in each ward in Torbay together with a forecast of how that might change through housing development by May 2019; and
 - (c) which functions of the Council have been externalised since the formation of Torbay Unitary Authority, resulting in a significant reduction of senior officers from 28 to 9, for example growth of academy schools and Integrated Care Organisation; and
- (ii) that such report should be presented to the Overview and Scrutiny Board by July 2016 such that they can make recommendations to Council on whether a review of Boundaries and/or the number of Councillors is required at this time.

On being put to the vote, the amendment was declared carried (unanimous).

The substantive motion (the original motion with the new resolution) was then before Members for consideration.

On being put to the vote, the substantive motion was declared carried (unanimous).”

The Overview and Scrutiny Board considered a report on the review of the number of Councillors at its meeting held on 6 July and their recommendation is set out in paragraph 3.

Feedback from Local Government Boundary Commission for England

Torbay Council is on the Boundary Commission's radar for review in the 2017/18 financial year due to variances in the number of electors in each ward for each Councillor.

If the Council makes a formal request to the Boundary Commission for a boundary review, the review could formally start from April 2017 with six months to decide the correct number of councillors and ward boundaries which would then go out to public consultation and could be concluded within 12 months and enable the

| | |
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| | <p>Council to implement the changes for 2019.</p> <p>The Council would need to formally write to the Boundary Commission and give reasons why it would like to look at changes to ward boundaries e.g. to correct variances between the number of electors per Councillor in Shipway with the Willows and Blatchcome Wards due to large scale housing development and to ensure the ratio of electors for two and three Councillor wards is evenly split.</p> <p>If the Council does not make a formal request for a boundary review then the Boundary Commission will decide on the timescale which could start any time during the 2017/2018 financial year and will take approximately 12 months to complete.</p> |
| <p>2.</p> | <p>What is the current situation?</p> <p>The Council currently comprises an Elected Mayor plus 36 Councillors who meet together as the Council to make decisions on the Council's key policy documents and set the budget. The Council last undertook a review of its Boundaries and number of Councillors in 2001.</p> <p>On 5 May 2016 the electorate voted to change the system of governance from an Elected Mayor and Cabinet to a Leader and Cabinet. These changes will come into effect from May 2019.</p> <p>Whilst the following services have been commissioned, the Council is still responsible for service delivery and therefore Councillors are still involved in dealing with issues relating to these services:</p> <ul style="list-style-type: none"> • TOR2 (maintenance of highways, grounds, parks, car parks, buildings, Council's fleet, management of household waste & recycling centre and waste transfer stations, out of hours call centre support, street and beach cleansing, waste & recycling collections); • Integrated Care Organisation (adult social care and health); • Countryside Management (Torbay Coast and Countryside Trust); • Devon Audit Partnership; • Torbay Development Agency (affordable housing & planning, asset management, business services, economy, investment & enterprise, facilities management, project management, property services, South West business centres); • English Riviera Tourism Company (destination management organisation, visitor information points); • Oldway Mansion Management Company Ltd (management of Oldway estate); • Careers South West Ltd (careers advice, information & guidance, support services for young people); and • The PLUSS organisation Ltd (employment services, support for enterprises). <p>A number of schools have become academies and the Local Authority is now only responsible for 2 voluntary controlled, 4 community and 2 special schools (e.g. 8 schools) with the remaining 34 schools being responsible for their own governance and admission arrangements.</p> |

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| <p>3.</p> | <p>What options have been considered?</p> <p>The Overview and Scrutiny Board considered a report on ‘Electoral Review to Reduce the Number of Councillors in Torbay’ at its meeting held on 6 July 2016.</p> <p>Extract from Overview and Scrutiny Board Minute:</p> <p>“Following a request made at the meeting of the Council held on 10 December 2015, a report containing statistical and benchmarking information was considered in order for the Board to determine whether it should recommend that a review of the current ward boundaries and/or number of councillors should be undertaken.</p> <p>It was reported that, since the report had been prepared, further discussions had been held with the Boundary Commission. Given the number of new residential developments which had recently been completed in Torbay, the Commission would be adding a review of Torbay’s boundaries into its work programme for 2017/2018. The Board was advised that, if the Council requested that a review be undertaken, the Council would have more control over when the work would start meaning that the associated workload could be programmed accordingly.</p> <p>Resolved: that the Board recommend to the Council that it requests the Local Government Boundary Commission for England to undertake a review of the ward boundaries in Torbay but, at this stage, the Board do not believe there is a need to review the overall number of councillors.”</p> |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p><i>Principles:</i></p> <ul style="list-style-type: none"> • <i>Use reducing resources to best effect</i> |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>If the Council decides to undertake a formal review of boundaries and/or the number of Councillors detailed proposals will be developed and will be the subject to public consultation. Councillors will also be consulted and will be able to put forward suggestions for changes to their wards.</p> <p>There is a set process for review which will be carried out in accordance with the requirements of the Local Government Boundary Commission for England.</p> |
| <p>6.</p> | <p>How will you propose to consult?</p> <p>If the Council decides to undertake a formal review of boundaries and/or the number of Councillors, a detailed consultation programme will be developed.</p> |

Section 2: Implications and Impact Assessment

| | |
|-----------|---|
| 7. | <p>What are the financial and legal implications?</p> <p>Technical work on a formal review and consultation will be carried out by Council officers from the Governance Support and Corporate Support Teams. The last review was undertaken in 2001 with a review team of two fte officers plus some legal and electoral support. This will add further pressures to limited resources within these teams, however, it preferred that the Council requests a formal Boundary Review so that it can influence the timing of the review, rather than waiting for the Boundary Commission to schedule the review (which could be any time in 2017/2018 financial year).</p> <p>The Boundary Commission normally recommends a minimum of 30 Councillors. If the Council decides to reduce the number of Councillors from 36 to 30 it could save the Council approximately £60,000 per year each year in Members' allowances and support costs.</p> |
| 8. | <p>What are the risks?</p> <p>There is a risk that non-statutory work will have to be put on hold and Members' support will be reduced to ensure that the Governance Support Team meets its statutory requirements as it undertakes a formal review. There are currently no planned elections in 2017 and this will help to alleviate the pressure on the Team, although an election could be called at any time.</p> <p>The Council currently has 74 seats on Committees, with up to 9 Councillors able to serve on the Cabinet being precluded from sitting on the Audit Committee and Overview and Scrutiny Board. Any reduction in the number of Councillors will impact on the number of Committees that each Councillor will be required to serve on, therefore increasing the number of meetings each Councillor will need to attend. Any boundary review would look at the Governance arrangements and take this into account when recommending the required number of Councillors for Torbay.</p> <p>Detailed consultation and analysis which will be carried out as part of a boundary review could result in the Boundary Commission recommending an increase or decrease in the number of Councillors depending on the evidence submitted.</p> <p>The Boundary Commission is keen to ensure that there are equal numbers of electors per Councillor and that communities are kept within the same ward. This may result in people changing the ward they are currently in which some people may not be happy with. The Council will need to ensure appropriate engagement and communication on the reasons for any changes to mitigate any negative publicity.</p> |
| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>N/A</p> |

10.

What evidence / data / research have you gathered in relation to this proposal?

There has been a continuous reduction in the number of staffing resources in the Council resulting in a reduction from 1455 full time equivalent staff in March 2010 to 890 full time equivalent staff in October 2015.

Benchmarking has been carried out to compare the population of other authorities with the number of each Councillors per ward and this is set out at Appendix 2 (using local authority population profiles).

It is important that any consideration of this issue, also takes into account future population growth. Policy SS13 of the Torbay Local Plan states:

“Five year housing land supply

The Council will maintain a rolling 5 year supply of specific deliverable sites sufficient to meet a housing trajectory of 8,900 dwellings over the Plan period 2012-30, including an allowance for windfall sites.

The trajectory is:

400 dwellings per year for the period 2012/13 – 2016/17

495 dwellings per year for the period 2017/18 – 2021/22

555 dwellings per year for the period 2022/23- 2029-30”

It is also important that any consideration of this issue recognises that modern communication methods means that face to face communication is not always used. The review into the rationalisation of the Council’s connections service has demonstrated that there has been a shift in the way that members of the public communicate with the Council and obtain information about services. This is demonstrated by the reduction in footfall as shown in the table below.

| Method of contact | Period | Number |
|---|--|------------------|
| Total footfall within the Connections offices | April 2010 to Mar 2011 | 101,387 visitors |
| | April 2011 to Mar 2012 | 94,465 visitors |
| | April 2012 to Mar 2013 | 81,994 visitors |
| | April 2013 to Mar 2014 | 71,578 visitors |
| | April 2014 to Mar 2015 | 66,896 visitors |
| | April 2015 to Feb 2016 (Excluding the trial 5 October - 2 November) | 31,911 visitors |

More people are making use of technology to find information about Council services via the Council’s website and using electronic communications via e-forms and e-mails to report problems and interact with Council officers and Councillors.

Social media has changed the way residents interact with organisations affecting their lives. Research from Ofcom and Comms2point0 shows 80% of adults have a smart phone and 54% of adults are using social media (those with an opinion – good or bad – are likely to register it on social media).

Social media is a quick and easy way to keep large numbers of people informed and engaged at the same time.

An article on the Local Government Association from Councillor David Harrington states:

"Around 25 per cent of followers on Twitter are local and the rest are from further afield. Members need quick ways of engaging and this is one.

It's useful for breaking down barriers between me as a councillor and residents. I've no qualms about talking about Spotify and it's a standing joke that I'm addicted to Diet Coke. I've no qualms in mentioning that.

As a rule, I won't tweet on a Friday or a Saturday night about politics. People can get a little bit too excited if they've had a few drinks. I have a high tolerance level and I've only ever blocked around a dozen or so people in the seven years I've been using Twitter.

I won't talk about personal things and the details of case work on social media and if people do then I'll quickly ask them to direct message me or call me.

As holder of the finance portfolio, I've found that using social media is useful in the run-up to the budget and afterwards as you can explain the decisions that we've taken.

I'll also use Skype for surgeries. A lot of people in my ward are used to using this as there are a large number of people involved in the oil and gas industries so they are used to using it.

If I was still in my original ward which is largely an older population than my current ward, I would not be holding Skype Ward Surgeries as frequently as I do today. Whilst those residents are digitally connected, they preferred face to face engagement. The demographics are much different in my current ward."

Table Showing Number of Electors and Councillors Per Ward on Electoral Register July 2016

| Wards | Electors | Average No of electors per Cllr | Number of Cllrs |
|----------------------------|----------------|---------------------------------|-----------------|
| Berry Head with Furzeham | 7,770 | 2,590 | 3 |
| Blatchcombe | 8,353 | 2,784 | 3 |
| Churston with Galmpton | 5,721 | 2,861 | 2 |
| Clifton with Maidenway | 5,657 | 2,829 | 2 |
| Cockington-with-Chelston | 8,595 | 2,865 | 3 |
| Ellacombe | 5,272 | 2,636 | 2 |
| Goodrington with Roselands | 5,897 | 2,949 | 2 |
| Preston | 8,383 | 2,794 | 3 |
| Roundham with Hyde | 5,975 | 2,988 | 2 |
| Shiphay with the Willows | 7,526 | 3,763 | 2 |
| St Marychurch | 8,824 | 2,941 | 3 |
| St Marys with Summercombe | 5,879 | 2,940 | 2 |
| Tormohun | 8,513 | 2,838 | 3 |
| Watcombe | 5,281 | 2,641 | 2 |
| Wellswood | 6,742 | 3,371 | 2 |
| Total | 104,388 | | 36 |

| | |
|-------------------|--|
| <p>11.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>Most of the authorities surveyed have 2 or 3 Councillors per ward which is comparable to Torbay. Compared to many of the local authorities surveyed Torbay has a lower number of Councillors. The Local Government Boundary Commission for England recommends a minimum of 30 Councillors for an authority unless there is a very good reason for having less.</p> <p>With operating a Leader and Cabinet model of governance from May 2019 up to 9 Councillors can be appointed as Executive Members therefore leaving a reduced number of Councillors available to carry out the Overview and Scrutiny function and serve on the various committees such as Development Management Committee, Harbour Committee, Audit Committee etc. Members of the Executive are not permitted to serve on Overview and Scrutiny bodies or the Audit Committee.</p> <p>Members need to take into account the proposed increase of housing supply of 8,900 dwellings up to 2030 and the additional residents there will be over this time and the impact this will have on the work load of the Councillors.</p> <p>There are some inequalities in respect of the ratio of electors per Councillor in some wards which the Boundary Commission acknowledge and will seek to address.</p> |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>This will be addressed following any consultation carried out if the Council agrees to conduct a formal review of its boundaries and/or the number of Councillors.</p> |

Equality Impacts

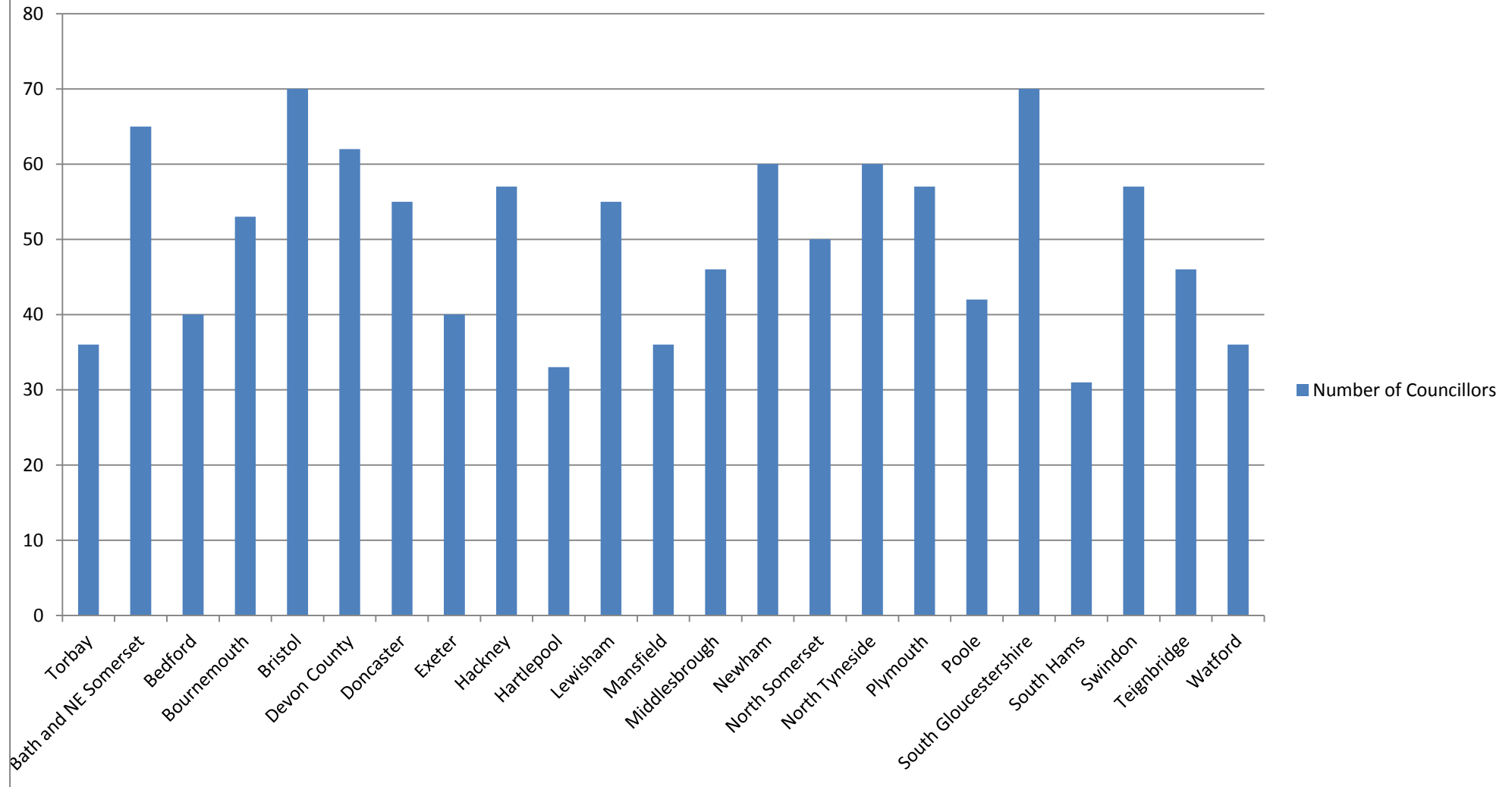
| | | | | |
|----|---|------------------------|---|----------------------------------|
| 13 | Identify the potential positive and negative impacts on specific groups | | | |
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | | | There is no differential impact. |
| | People with caring Responsibilities | | | There is no differential impact. |
| | People with a disability | | | There is no differential impact. |
| | Women or men | | | There is no differential impact. |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | | | There is no differential impact. |
| | Religion or belief (including lack of belief) | | | There is no differential impact. |
| | People who are lesbian, gay or bisexual | | | There is no differential impact. |
| | People who are transgendered | | | There is no differential impact. |
| | People who are in a marriage or civil partnership | | | There is no differential impact. |
| | Women who are pregnant / on maternity leave | | | There is no differential impact. |

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| | | | |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | | There is no differential impact. |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | | There is no differential impact. |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | None | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | None | |

Benchmarking Information for Boundary Review for the Number of Councillors in Torbay

| Council | Type of Authority (Unitary/District/County) | Population | Total Number of Councillors | Number of Councillors Per Ward | Average Number of Electors Per Councillor | Number of Wards |
|-----------------------|--|-------------------|--|---|--|----------------------------|
| Torbay | Unitary Mayoral | 130,959 | 36 | 2 or 3 | 3,638 | 15 |
| Bath and NE Somerset | Unitary | 176,016 | 65 | 1, 2 or 3 | 2,708 | 37 |
| Bedford | Unitary Mayoral | 157,479 | 40 | 1 or 2 | 3,937 | 27 |
| Bournemouth | Unitary | 183,491 | 53 | 3 | 3,462 | 18 |
| Bristol | Unitary Mayoral | 428,234 | 70 | 2 | 6,118 | 35 |
| Devon County | County | 748,357 | 62 | 1 | 12,070 | 62 |
| Doncaster | District Mayoral | 302,402 | 55 | 2 or 3 | 5,498 | 21 |
| Exeter | Unitary | 117,773 | 40 | 2 or 3 | 2,944 | 18 |
| Hackney | London Borough Mayoral | 246,270 | 57 | 2 or 3 | 4,321 | 21 |
| Hartlepool | Unitary | 92,028 | 33 | 3 | 2,789 | 11 |
| Lewisham | London Borough Mayoral | 275,885 | 55 | 3 | 5,016 | 18 |
| Mansfield | District Mayoral | 104,466 | 36 | 1 | 2,902 | 36 |
| Middlesbrough | Unitary Mayoral | 138,412 | 46 | 1, 2 or 3 | 3,009 | 20 |
| Newham | London Borough Mayoral | 307,984 | 60 | 3 | 5,133 | 20 |
| North Somerset | North Somerset | 202,566 | 50 | 1 or 2 | 4,051 | 35 |
| North Tyneside | District Mayoral | 200,801 | 60 | 3 | 3,347 | 20 |
| Plymouth | Unitary | 256,384 | 57 | 2 or 3 | 4,498 | 20 |
| Poole | Unitary | 147,645 | 42 | 2 or 3 | 3,515 | 16 |
| South Gloucestershire | Unitary | 262,767 | 70 | 1, 2 or 3 | 3,754 | 35 |
| South Hams | District | 83,140 | 31 | 1, 2 or 3 | 2,682 | 20 |
| Swindon | Unitary | 209,156 | 57 | 1, 2 or 3 | 3,669 | 20 |
| Teignbridge | District | 124,220 | 46 | 1, 2 or 3 | 2,700 | 25 |
| Watford | Borough Mayoral | 90,301 | 36 | 3 | 2,508 | 12 |

A Chart to show the number of Councillors in each authority



Public Questions

| | |
|--|---|
| <p>Question 1 from David Ward to the Executive Lead for Tourism, Culture and Harbours (Councillor Amil)</p> | <p>Would it be possible to re open Redgate beach and re-install a form of a walk way and indeed open up offers to the public to take on leases as in café and boat operator's.</p> <p>To my knowledge there has been no recent rock falls whilst the beach has been closed off, which can be covered with simple signage about rock falls as a disclaimer, as to Oddicombe beach which is still very open to the public just along the coast line with rock falls happening most years.</p> |
| <p>Question 2 from David Ward to the Mayor and Executive Lead for Finance and Regeneration (Mayor Oliver)</p> | <p>In the proposed disposal of 4 sites in and around the bay, the Cary Park site is of a open space with no such building to convert and is with a proposed open green space.</p> <p>What are the proposed guide lines for the design of any such building, will there be any safety net should the lease operator for go on their lease (which has happened in the past in the bay ie Coral Island, High Flyer Balloon).</p> <p>What actions will be imposed on to deter anti social behavior, ie night security lighting.</p> <p>Will this proposed plan in operation all year round and have a full use of a maintained toilet facility.</p> <p>Will the site be returned back to a open green space if all else fails un-like the old toilet site in Reddenhill Rd.</p> |

Agenda Item 19

Meeting of the Council

Thursday, 21 July 2016

Questions Under Standing Order A13

| | |
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| Question (1) by Councillor Darling (S) to the Executive Lead for Health and Wellbeing and Corporate Services (Councillor Mills) | Can you please explain why the local authority tracks all MP complaints but fails to do the same for Councillors, who are accountable to the public for the management of Torbay Council? |
| Question (2) by Councillor Lewis to the Executive Lead for Adults and Children (Councillor Parrott) | <p>At the budget Priority and Resources Board meeting you stated that you had full confidence that the Children's Services budget was deliverable and that you would resign your portfolio if Children's Services were showing an overspend in the first quarter. This was following reservations by the Board that the budget was not robust.</p> <p>Can you please confirm that the Children's Services budget will not show an overspend for the financial year by the end of the first quarter, and that you will be able to remain as portfolio holder for Children's Services.</p> |
| Question (3) by Councillor Doggett to the Executive Lead for Tourism, Culture and Harbours (Councillor Amil) | Are you in a position to advise the Council whether the Torbay Air show made a profit or loss? |
| Question (4) by Councillor Stringer to the Executive Lead for Community Services (Councillor Excell) | Four years ago Babbacombe Corinthians Football Club were stopped from playing on Stoodly Knowle playing fields due to holes opening up on the pitches. Members of the club were advised that the Council had decided not to take legal action against a utility company due to cost. Can you please advise why the Council chose not to take legal action on this matter? |
| Question (5) by Councillor Morey to the Mayor (Mayor Oliver) | <p>As a result of last month's referendum on leaving the European Union, David Cameron who was one of the leaders of the Remain campaign has done what many claim to be the honourable thing and has decided to step down from his position as Prime Minister to reflect the result of that Referendum.</p> <p>After the Scottish Independence Referendum, Alex Salmon who led the Independence campaign, also did the honourable thing and stepped down as Leader when the majority of the public voted against his wishes.</p> <p>Torbay held its own referendum in May in which a large majority residents stated that they no longer want a Mayoral System in Torbay and voted for a</p> |

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| | <p>return to a Leader and Cabinet System.</p> <p>Will the Mayor now follow the example of the two previously mentioned leaders and do the honourable thing and concede authority to Council at the earliest opportunity to reflect the democratic wishes of the residents of Torbay.</p> |
| <p>Question (6) by Councillor Darling (M) to the Executive Lead for Community Services (Councillor Excell)</p> | <p>The reversal of traffic in Torre commenced on the 11th April, 2016. Can you please explain why the bus stop to replace the two bus stops decommissioned by the re-routing of the number 12 route is still under construction?</p> |

Second Round

| | |
|--|---|
| <p>Question (1) by Councillor Darling (S) to the Executive Lead for Community Services (Councillor Excell)</p> | <p>What prioritisation is the Council giving to the development of a peninsular league standard pitch in either Torquay or Paignton?</p> |
| <p>Question (2) by Councillor Doggett to the Executive Lead for Tourism, Culture and Harbours (Councillor Amil)</p> | <p>What consideration was given to the risk of financial loss and reporting method of such loss, when the business plan for the Torbay Air Show was being developed?</p> |
| <p>Question (3) by Councillor Stringer to the Executive Lead for Community Services (Councillor Excell)</p> | <p>Babbacombe Corinthians Football Club have previously been advised the Steps Cross playing field could be flattened to make it more playable. When are any such works planned?</p> |
| <p>Questions (4) by Councillor Darling (M) to the Executive Lead for Community Services (Councillor Excell)</p> | <p>Following the decision of the British people to leave the EU there has been an increase in racial incidents in Torbay. Why has Torbay Council failed to visibly stand up against this intolerance?</p> |

Third round

| | |
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| <p>Question (1) by Councillor Darling (S) to the Council's</p> | <p>On 11 May 2016 I emailed the following question to you:</p> |
|---|--|

| | |
|--|--|
| <p>Representative on the Devon and Cornwall Police and Crime Panel (Councillor Excell)</p> | <p><i>“Dear Robert</i></p> <p><i>Can you please respond to the following question?</i></p> <p><i>As Torbay Councils representative on the Devon and Cornwall Police and Crime Panel, do you think it is right that Alison Hernandez remains in post whilst being investigated by the police for criminal offences, while a serving officer in the police would be suspended during such an investigation?”</i></p> <p>At the time of issuing this further question (1 July 2016) a response from you remains outstanding, I would welcome your comments on the substantive matter?</p> |
| <p>Question (2) by Councillor Stringer to the Executive Lead for Community Services (Councillor Excell)</p> | <p>The Transport Working Party agreed to the implementation of a 20 MPH traffic Zone outside Barton Hill Academy in 10 July 2014. When will this be implemented?</p> |

Notice of Motion – Council 21 July 2016

Residents of Torbay are proud to live in a diverse and tolerant society, racism, xenophobia, and hate crimes have no place in our Country. Torbay Council condemns such actions unequivocally, and will not allow hate to become acceptable, and will reassure all people living in Torbay that they are valued members of our Community.

This Council resolves to publically condemn any such attacks and make it clear what steps it will undertake to tackle this behaviour. Torbay Council should also remind all Staff and Partners of our opposition to racism, xenophobia and hate.

Proposed By Councillor Doggett
Seconded By Councillor Robson

Agenda Item 21



Meeting: Full Council

Date: 21st July 2016

Wards Affected: All Wards

Report Title: Amendments to the Corporate Asset Management Plan

Is the decision a key decision – Yes

When does the decision need to be implemented?

Executive Lead Contact Details: Mayor (Mayor Gordon Oliver) Executive Lead for Finance and Regeneration, 01803 207001

Supporting Officer Contact Details: Kevin Mowat, Executive Head of Business Services, 01803 208428, kevin.mowat@torbay.gov.uk

1. Proposal and Introduction

- 1.1 On 25th February 2016 the Council approved the Corporate Asset Management Plan for 2015 ~ 2019. In section 6.11 the Plan states that the Council holds a variety of Tenanted Non-Residential Properties (TNRP) on which it has granted either leases or licences to third parties. These assets range from golf clubs, offices, restaurants, industrial & leisure sites, to leases to sports clubs and other voluntary sector groups. One of the issues that the Corporate Asset Management Plan goes on to identify, is the need for the Council *'To review the accounting procedures to ensure that market rent is charged on all assets – even if then an equivalent grant is given to the organisation leasing the asset'*.
- 1.2 The issue around accounting procedures has now been largely resolved but one of the **'Asset Management Principles'** identified within the Corporate Asset Management Plan is **'To release value and minimise cost'**. The Plan is clear that due to the financial challenges facing the Authority, one of the measures to achieve this is to *'Ensure any grant from the Council to assist with a tenant's rent will be reviewed annually'*, unless there is specific approval at Full Council to the contrary.
- 1.3 It is important that the Council has clear processes and procedures in place to determine applications for grants to offset market rents. Officers have therefore taken the opportunity to review, amend and consolidate the processes and procedures in place to determine applications for grants in lieu of or to offset market

forward thinking, people orientated, adaptable - always with integrity.

rents. The revised processes and procedures for determining applications for grants to offset market rent should be adopted as an Appendix to the Council's Corporate Asset Management Plan 2015 ~ 2019. It is expected that this will provide a more consistent and transparent approach, for all concerned, which will help meet the requirements of the Corporate Asset Management Plan and manage the expectations of those applying for grants.

- 1.4 It is not always practicable to review grants on an annual basis and this also causes uncertainty for the sports clubs and other organisations. Therefore, it is proposed that the existing Corporate Asset Management Plan 2015 ~ 2019 should be amended to ensure that any grant from the Council to assist with a tenant's rent will be time bound and will not extend beyond the next scheduled rent review.
- 1.5 In July 2011, a paper was submitted to Full Council that recommended the Mayor authorise the then Executive Head of Commercial Services, in consultation with the Chief Executive of the Torbay Development Agency (TDA), to grant leases for up to 40 years to sports clubs on acceptable terms with each case being considered on its merits. It was envisaged that the granting of leases of up to 40 years, to the Bay's sports clubs, would give them a better chance of applying for and receiving grants to improve facilities.
- 1.6 Since this time a number of sports clubs within Torbay have agreed a 40 year sport lease with Torbay Council. Appendix 4 provides details of sports clubs that already have leases or are in discussions with the Council. Some of these already pay a market rent.
- 1.7 Despite a significant amount of effort and resource from Council and TDA officers, there are an additional number of sports clubs/organisations where agreements have not been reached. There have been a variety of reasons why the Council has failed to reach agreement on the outstanding sports leases. As an example, changing priorities within the sports clubs, failure to reach agreement on proposed lease terms, lack of understanding on proposed lease terms and the failure of sports clubs to be legally represented are to name a few. A change of Council officers and policy direction has also contributed to the prolonged negotiations.
- 1.8 The drawn out process of trying to reach agreement over several years has been a significant drain on Council and TDA resources. During the year 2015/16, the TDA Estates Team spent over 400 recorded hours working on sports leases.
- 1.9 It is clearly stated in the latest Corporate Asset Management Plan that "*Due to the financial challenges facing the Authority and the possible future reductions in Revenue Support Grants, unless there is specific approval at Full Council to the contrary, the Council will always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest*". It is therefore apparent that Officer time might be better spent maximising returns to the Council.

- 1.10 Officers have therefore taken the opportunity to review and amend the whole process surrounding the granting of sports leases and it is proposed that an 'overarching strategy' for the granting of sports leases should be adopted as an Appendix to the Council's Corporate Asset Management Plan 2015 ~ 2019. It is expected that this strategy will provide a speedier, more consistent and transparent approach, for all concerned, which will help reduce delays and manage expectations.
- 1.11 The estimated 'market rent' assesses the lease value against other similar leases (i.e. sports leases) across the South Devon area. It is an amount payable between two unconnected parties to rent a property or land, who are under no compulsion to do so, on appropriate terms, The 'market rent' will take into account a number of factors including :-
- The duration of the lease
 - Whether the tenant has security of tenure
 - The frequency of rent reviews
 - Whether the landlord or the tenant has the liability for the cost of maintenance
 - What income generating facilities are at the disposal of the tenant ? i.e. is there a club house & bar, private car parking, etc.
 - Is it a ground rent only or are buildings included
 - Are there any restrictive covenants or a strict user clause i.e. sports use only

A combination of the above factors can either increase or lower the valuation and so it must not be assumed that a 'market rent' is necessarily a high rent. In the case of sports clubs the 'market rent' should not be compared with the commercial rent a business might pay in the high street.

- 1.12 Quite often a sports club will only require a ground lease and this is likely to attract a relatively low market rent. Over the period of a long lease the sports club may well add some buildings, such as a new club house, however, at the time of a scheduled rent review, any tenant improvements must be disregarded when assessing a revised 'market rent'.

2. Reason for Proposal

- 2.1 The adoption of two new Appendices to add to the existing Corporate Asset Management Plan 2015 ~ 2019 will amend a key policy framework document and allow for clear and published processes to exist in relation to the award of grants in lieu of rent as well as the Council's approach to long leases for sports clubs. It is expected that the amendments will introduce more certainty, consistency and transparency for all concerned.
- 2.2 By offering long leases to local sports clubs the Council can provide the clubs with the confidence that comes with security of tenure. This new found confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local

clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. Not all clubs are optimising the opportunities that are available and there is an opportunity cost.

3. Recommendation(s) / Proposed Decision

- 3.1 That, a new Appendix AM-G ~ 'Procedure for determining applications for grants to offset market rent (grants in lieu of rent)', be added to the existing Corporate Asset Management Plan 2015 ~ 2019.
- 3.2 That, Appendix AM-H ~ 'Granting of sports leases – An overarching strategy', be added to the existing Corporate Asset Management Plan 2015 ~ 2019.
- 3.3 That, the existing Corporate Asset Management Plan 2015 ~ 2019 be amended to ensure that any grant from the Council to assist with a tenant's rent will be time bound and will not extend beyond the next scheduled rent review unless there is specific approval at Full Council to the contrary.

Appendices

Appendix 1: Supporting Information and Impact Assessment

Appendix 2 Appendix AM-G ~ Procedure for determining applications for grants to offset market rent (grants in lieu of rent)

Appendix 3 Appendix AM-H ~ Granting of sports leases – An overarching strategy

Appendix 4: List of Sports Leases Granted

Background Documents

Corporate Asset Management Plan – February 2016

<http://www.torbay.gov.uk/DemocraticServices/documents/s27873/Appendix%20%20-%20Corporate%20Asset%20Management%20Plan%20Final%20Version.pdf>

Review of the provision of grants in lieu of rent – Report to the Overview & Scrutiny Board (March 2004)

Expression of Interest for a Community Asset Transfer - prepared by Sport Torbay Limited, August 2015

Torbay Sports Facilities Strategy – April 2014

Torbay Playing Pitch Strategy – April 2014

Agenda Item 21

Appendix 1

Appendix 1

Supporting Information and Impact Assessment

| | |
|--------------------------------|---|
| Service / Policy: | Corporate Asset Management Plan |
| Executive Lead: | Mayor Gordon Oliver, Executive Lead for Finance and Regeneration |
| Director / Assistant Director: | Anne-Marie Bond, Assistant Director – Corporate & Business Services |

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|----------|---|-------|----------|---------|-------------|
| Version: | 2 | Date: | 08/07/16 | Author: | Kevin Mowat |
|----------|---|-------|----------|---------|-------------|

Key Milestones / Project Timeline

Outline key milestones which need to be met in the timeline below, include dates of any meetings (PDG / Council) and when the consultation activity will open and close.

Section 1: Background Information

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|-----------|---|
| <p>1.</p> | <p>What is the proposal / issue?</p> <p>On 25th February 2016 the Council approved the Corporate Asset Management Plan for 2015 ~ 2019. In section 6.11 the Plan states that the Council holds a variety of Tenanted Non-Residential Properties (TNRP) on which it has granted either leases or licences to third parties. These assets range from golf clubs, offices, restaurants, industrial & leisure sites, to leases to sports clubs and other voluntary sector groups. One of the issues that the Corporate Asset Management Plan goes on to identify, is the need for the Council <i>‘To review the accounting procedures to ensure that market rent is charged on all assets – even if then an equivalent grant is given to the organisation leasing the asset’</i>.</p> <p>The issue around accounting procedures has now been largely resolved but one of the ‘Asset Management Principles’ identified within the Corporate Asset Management Plan is ‘To release value and minimise cost’. The Plan is clear that due to the financial challenges facing the Authority, one of the measures to achieve this is to <i>‘Ensure any grant from the Council to assist with a tenant’s rent will be reviewed annually’</i>, unless there is specific approval at Full Council to the contrary.</p> <p>It is important that the Council has clear processes and procedures in place to determine applications for grants to offset market rents. Officers have therefore taken the opportunity to review, amend and consolidate the processes and procedures in place to determine applications for grants in lieu of or to offset market rents. The revised processes and procedures for determining applications for grants to offset market rent should be adopted as an Appendix to the Council’s Corporate Asset Management Plan 2015 ~ 2019. It is expected that this will provide a more consistent and transparent approach, for all concerned, which will help meet the requirements of the Corporate Asset Management Plan and manage the expectations of those applying for grants.</p> <p>One of the recommended amendments is that grants to tenants are not reviewed annually but any grant will be time bound and will not extend beyond the next scheduled rent review. This should provide tenants with a degree of certainty.</p> |
| <p>2.</p> | <p>What is the current situation?</p> <p>In July 2011, a paper was submitted to Full Council that recommended the Mayor authorise the then Executive Head of Commercial Services, in consultation with the Chief Executive of the Torbay Development Agency (TDA), to grant leases for up to 40 years to sports clubs on acceptable terms with each case being considered on its merits. It was envisaged that the granting of 40 year leases to the Bay’s sports clubs would give them a better chance of applying for and receiving grants to improve facilities.</p> <p>Despite the benefits of securing additional funding through the granting of extended leases, the Council has only reached agreement on four leases for</p> |

sports clubs. Notwithstanding a significant amount of effort and resource from Council and TDA officers, there are an additional number of sports clubs where agreements have not yet been reached. There have been a variety of reasons why the Council has failed to reach agreement on the outstanding sports leases. As an example, changing priorities within the sports clubs, failure to reach agreement on proposed lease terms, lack of understanding on proposed lease terms and the failure of sports clubs to be legally represented are to name a few.

The drawn out process of trying to reach agreement over several years has been a significant drain on the Council and TDA resources. During the year 2015/16, the TDA Estates Team spent over 400 recorded hours working on sports leases.

It is clearly stated in the latest Corporate Asset Management Plan that “*Due to the financial challenges facing the Authority and the possible future reductions in Revenue Support Grants, unless there is specific approval at Full Council to the contrary, the Council will always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest*”. It is therefore apparent that Officer time might be better spent maximising returns to the Council.

The estimated market rent assesses the lease value against other similar leases (i.e. sports leases) across the South Devon area. An estimated market rent will take into account whether the landlord or tenant has the liability for the cost of maintenance and what income generating facilities are at the disposal of the tenant. i.e. a club house & bar, private car parking, etc. The estimated market rent would also reflect the restrictive nature (sports use only user clause) of the lease and the level of the security of tenure.

A combination of the above factors can either increase or lower the valuation and so it must not be assumed that a ‘market rent’ is necessarily a high rent. In the case of sports clubs the ‘market rent’ should not be compared with the commercial rent a business might pay in the high street.

Clearly there is still a need to try and conclude the outstanding sports leases for the benefit of all concerned. Officers have therefore taken the opportunity to review and amend the whole process surrounding the granting of sports leases and it is proposed that an ‘overarching strategy’ for the granting of sports leases should be adopted as an Appendix to the Council’s Corporate Asset Management Plan 2015 ~ 2019. It is expected that this strategy will provide a speedier, more consistent and transparent approach, for all concerned, which will help reduce delays and manage expectations.

It is the intention that all future sports leases will adhere to the key terms of this overarching strategy.

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| <p>3.</p> | <p>What options have been considered?</p> <p>The following options have been considered:</p> <ol style="list-style-type: none"> 1. Continue to consider requests for grants to offset market rents without any clear processes or procedures. This would clearly be contrary to the expectations set out in the Corporate Asset Management Plan 2015 ~ 2019. 2. Continue with ongoing negotiations with sports clubs based on discussions and negotiations to date. It is clear from the limited progress and protracted negotiations there is little likelihood of many of the outstanding sports leases reaching completion in the near future. Further significant effort would be required to conclude the outstanding matters. 3. Propose a new overarching strategy that outlines the Council's approach to granting leases to sports clubs. This option may well result in the rewinding of discussions back to a starting point in some cases and this could cause some reputational damage to the Council. However, proposing a predetermined set of key terms where little additional negotiation is required or necessary should ultimately result in discussions reaching a satisfactory conclusion in a more timely fashion. 4. Revert back to the Council considering requests for sports leases on a case by case basis. This option would allow the Council to have regard to the aspirations of the clubs and also consider the Council's long term views for the leased area. However, it is likely this would ultimately result in further delays as detailed negotiations would need to be undertaken with each sports club in isolation. |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>This decision to grant sports leases is not a specific corporate priority. However, it does support the Corporate Plan ambitions of being a Healthy Torbay in promoting a healthy lifestyle and ensuring Torbay remains an attractive and safe place to live. It also supports and adds to the existing principles set out in the approved Corporate Asset Management Plan.</p> <p>By offering long leases to local sports clubs the Council can provide the clubs with the confidence that comes with security of tenure. This new found confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs or group are</p> |

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| | <p>working with the respective national Governing Body for their sport. Not all clubs are optimising the opportunities that are available and there is an opportunity cost.</p> <p>A new overarching strategic approach to sports leases will require that the tenant/sports clubs are working with the respective national Governing Body for their sport. This requirement is included to ensure that a tenant organisation has an appropriate constitution with associated rules & regulations. It also means that the tenant would be required to follow best practice in such matters as safeguarding, protecting young children, inclusion and financial probity; it will also help to prevent discrimination and promote equality. Consequently, it is expected that the tenant organisation will have the relevant policies for such matters and can therefore demonstrate a corporate social responsibility.</p> <p>Where an umbrella group is acting as the tenant it will be a condition of the lease that they must ensure that the clubs using the facilities are affiliated to a recognised sport's governing body.</p> |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>The decision to formally adopt a procedure for determining applications for grants to offset market rent (grants in lieu of rent) could have an adverse affect on some tenant organisations that currently enjoy the benefit of a grant or grants. Equally it could have a positive impact on certain groups who do not currently benefit from such a grant.</p> <p>The decision to formally adopt an overarching strategy for the granting of sports leases may have an adverse affect on some sports clubs where negotiations have been ongoing for some time. However, it is hoped that sports clubs will understand that given the protracted discussions thus far, that a new and transparent process will hopefully result in outstanding matters reaching a conclusion more quickly. The Council has also spent a significant amount of time negotiating sports leases.</p> <p>Consultation has been undertaken with the Executive Leads and the Council's Senior Leadership Team. Torbay Sports Council and the Overview & Scrutiny Board have also been consulted. Direct consultation with all the tenant organisations applying for grants and all the sports clubs requesting leases was not considered appropriate.</p> |
| <p>6.</p> | <p>How will you propose to consult?</p> <p>Discussions were held with the Executive Leads and Council's Senior Leadership Team. Draft reports and appendices were considered by the Overview & Scrutiny Board and sent to the Torbay Sports Council for suggestions and comment. Further consultation will take place with the tenants during the grant application process and/or the discussions for a long sports lease. The Corporate Asset Management Plan is reviewed annually in any event and so further amendments can be made in future years.</p> |

Section 2: Implications and Impact Assessment

7.

What are the financial and legal implications?

Financial Implications of Decision

Savings should be made by strengthening the criteria for applying for a grant to offset the market rent. Also, by streamlining the sports leases process a significant saving should be realised as there will be a reduction in Officer time and improved efficiency.

Sports leases will normally be advertised to ensure that there is a competitive element to the selection of a tenant and that our communities will be rewarded with the best offer in terms of quality. The Council will use a combination of quality and cost to demonstrate best value, when scoring an applicant's bid for a long sports lease. It is important that a local sports club that wishes to become a tenant or is already a tenant; is discouraged from 'coasting along', not improving or reaching out to their local community.

8.

What are the risks?

Risks to Council

- If the rent is agreed at full market rent then there is no risk to the Council as it is within the Council's policy.
- If the rent is agreed at a level below market rent then this would be outside of the current Council policy.
- If the Council determines a rental higher than they have been negotiating with the tenant organisation/sports club, due to these recommended changes in policy then there is a risk of reputational damage for the Council. This risk may be mitigated if a grant to offset the rent is appropriate and applied.

Risk to the tenant organisation/sports club

- If the rent is increased to the market rent then there is a risk that the tenant would find it difficult to meet the rental commitments and they might have to increase their membership/subscription fees to the community using the facilities which may deter participation. However, the tenant will be able to apply for a grant to offset the market rent and the tenant will be able to exercise a break clause if they cannot sustain their commitments. Furthermore, the grant period can be aligned with the time of the rent review and/or break option.

| | |
|-------------------|--|
| <p>9.</p> | <p>Public Services Value (Social Value) Act 2012</p> <p>Not applicable as procurement of services or the provision of services together with the purchase or hire of goods or the carrying out of works not required as part of this decision</p> |
| <p>10.</p> | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>Reference was made to the 'Review of the Provision of Grants in Lieu of Rent' undertaken by the Overview & Scrutiny Board in March 2004.</p> <p>Reference was made to the Torbay Sports Facilities Strategy and the Torbay Playing Pitch Strategy.</p> <p>Comparable evidence from sport leases from Plymouth City Council, Teignbridge District Council and Exeter City Council was obtained as well as looking at lettings completed previously within Torbay Council.</p> |
| <p>11.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>The adoption of two new Appendices to add to the existing Corporate Asset Management Plan 2015 ~ 2019 will amend a key policy framework document and allow for clear and published processes to exist in relation to the award of grants in lieu of rent as well as the Council's approach to long leases for sports clubs. It is expected that the amendments will introduce more consistency and transparency for all concerned.</p> <p>Torbay Sports Council were consulted on these proposals and they provided feedback to the Overview and Scrutiny Board. The views of the Torbay Sports Council can be summarised as follows :-</p> <p><i>"Torbay Sports Council do not agree with the Council to charging Market Rent on Sporting Facilities. Torbay Sports Council proposes that all Sports Leases not for profit organisations have a peppercorn rent up to a maximum of £500 a year and this is put before full Council. This includes old, current and future leases."</i></p> <p>Individual responses from clubs were forwarded by Torbay Sports Council and a number of these are set out below :-</p> <ul style="list-style-type: none"> • Clubs are run by volunteers who know nothing about the legalities around leases and most clubs cannot afford legal help and advice to help them through the process. • Clubs have already saved the Council several thousands of pounds by doing and paying for the work themselves which is ongoing and a permanent financial drain for them. • Clubs are confusing market rent with a commercial rent. • Clubs do not have the business skills to understand the long term |

| | |
|-------------------|---|
| | <p>commitment to this type of leasing arrangement.</p> <ul style="list-style-type: none"> • Clubs see the proposals as a money making exercise for the Council. • Clubs are not going to commit to 40 years of full market rent in the hope of getting help in the form of grants which are reviewed annually. • Torre Valley Sport Association is not a sports club and cannot therefore be affiliated to a Sports Governing Body. • Charging a market rent to a voluntary sports club is unrealistic as sports clubs are not a profit making businesses. • Clubs are worried that grants could be withdrawn in the future. • It's great that clubs should be a member of their governing body. |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>Clubs will be able to apply for a grant from the Council to offset the market rent. Also, it is proposed that grants are not renewed annually but are reviewed on a three or five yearly basis in line with any scheduled rent review. This will provide clubs with some certainty over their rental costs and this combined with an option to break the lease on the tenant's part, will mean that clubs are not committing to something that they cannot afford.</p> <p>It is clear that sports clubs will need ongoing support and advice regarding their commitments in respect of long leases. If they are not familiar with lease negotiations then the prospect can be both challenging and daunting, which could discourage further participation in the process. The Council and the TDA will therefore work with the Torbay Sports Council to support the clubs through the lease process, including the provision of a set of "Frequently Asked Questions".</p> |

Equality Impacts

| | | | | |
|----|--|---|---|-----------------------|
| 13 | Identify the potential positive and negative impacts on specific groups | | | |
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality. | Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport. | |
| | People with caring Responsibilities | Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to | Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport. | |

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|---------------------------------|--|--|--|
| | <p>sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | | |
| <p>People with a disability</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |
| <p>Women or men</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |

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| | <p>sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | | |
| <p>People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i></p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |
| <p>Religion or belief (including lack of belief)</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |

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| | <p>sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | | |
| <p>People who are lesbian, gay or bisexual</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |
| <p>People who are transgendered</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |

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| | <p>sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | | |
| <p>People who are in a marriage or civil partnership</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |
| <p>Women who are pregnant / on maternity leave</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to</p> | <p>Charging a market rent may undermine the tenant's business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |

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| | <p>sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | | |
| <p>Socio-economic impacts (Including impact on child poverty issues and deprivation)</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a market rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport.</p> | |
| <p>Public Health impacts (How will your proposal impact on the general health of the population of Torbay)</p> | <p>Long leases for sports clubs will bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to</p> | <p>Charging a market rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport</p> | |

| | | | | |
|----|---|--|--|--|
| | | sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality. | | |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | N/A | | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | N/A | | |

Agenda Item 21

Appendix 2

Appendix 2

Appendix AM-G Procedure for determining applications for grants to offset market rent (grants in lieu of rent)

July 2016

Introduction

All applications for grants to offset market rent (grants in lieu of rent) should be made to the Executive Head of Business Services by completing the Application Form attached to this procedure.

The estimated market rent assesses the lease value against other similar leases (i.e. sports leases) across the South Devon area. An estimated market rent will take into account whether the landlord or tenant has the liability for the cost of maintenance and what income generating facilities are at the disposal of the tenant. i.e. a club house & bar, private car parking, etc. The estimated market rent would also reflect the restrictive nature (sports use only user clause) of the lease and the level of the security of tenure.

Applications will be considered for any period up to the next scheduled rent review but that period should not exceed five years. Any grant application below a cumulative value of £25,000 (of foregone income) will be considered and determined by the Council's officers in the form of the Senior Leadership Team. All applications for grants in excess of five years or with a cumulative value of £25,000 or more will be passed to the Council for determination.

The Senior Leadership Team and/or Council will use the criteria set out below when considering an application for a grant to offset market rent (i.e. a grant in lieu of rent).

If a grant is rejected by the Council's Senior Leadership Team then the applicant can take their case to an Appeals Committee made up of Councillors.

The Council will not normally offer grant support to tenant organisations whose activities do not support one or more of the 'Targeted Actions' within the Corporate Plan.

The Council will not normally offer grant support to tenant organisations that are not affiliated to or are a member of a recognised national body/voluntary organisation. This requirement is included to ensure that a tenant organisation has an appropriate constitution with associated rules & regulations. It also means that the tenant would be required to follow best practice in such matters as safeguarding, protecting young children, inclusion and financial probity; it will also help to prevent discrimination and promote equality. Consequently, it is expected that the tenant organisation will have the relevant policies for such matters and can therefore demonstrate a corporate social responsibility.

Tenant organisations will need to supply a set of annual accounts and it may be necessary to supply audited accounts and/or accounts for more than one year. The Council may also request to see a medium term financial forecast to evaluate whether or not the organisation is financially sustainable.

Criteria for assessing applications for grants to offset market rent (grants in lieu of rent)

1. Do the activities or services provided by the tenant organisation contribute to the Council's Corporate Plan?

(The Council will not normally offer grant support to tenant organisations whose activities do not support one or more of the 'Targeted Actions' within the Corporate Plan)
2. Is the tenant organisation affiliated or a member of a national body ?

(The Council will not normally offer grant support to tenant organisations that are not affiliated or are a member of a national body/voluntary organisation. This is to ensure that the tenant organisation has proper oversight and governance at a national level, such that it can follow best practice in such matters as safeguarding, financial probity and equality)
3. How many residents of Torbay benefit from the services provided by the organisation ?
4. What is the level of benefit received by those users of the organisation ?
5. How well does the organisation promote social inclusion ?
6. Would the Council need to provide the services if they were not provided by the organisation ?
7. How much other funding will the organisation be able to access if the Council provides a grant ?
8. What mechanisms are in place for working in partnership with other organisations?
9. How much effort is made towards self-help, especially in the form of local fundraising and grant applications ?
10. How far is the organisation able to become self-supporting over the period of the grant?

Application Form for a grant to offset market rent (grant in lieu of rent)

1. Information about the organisation

1.1 Name of Organisation

| |
|--|
| |
|--|

1.2 Address of premises to which the grant will apply

| |
|--|
| |
|--|

1.3 Which of the following best describes your organisation ?

- a. Registered Charity
If yes please provide Charity Registration Number:.....
- b. Awaiting Charity Registration
- c. Charitable organisation which is not registered in any way
- d. Company Limited by guarantee
- e. Other (**Please state**):.....

1.4 Is your organisation:

affiliated to a national voluntary organisation ? Yes No

a branch of a national voluntary organisation ? Yes No

If yes to either of these:

Do you have an independent local management committee ? Yes No

Do you produce separate accounts for the local organisation ? Yes No

2. Name and Address of Contact Person

To whom any queries on this application and correspondence should be addressed

2.1 Name of contact.

| |
|--|
| |
|--|

2.2 Position held within organisation:

| |
|--|
| |
|--|

2.3 Address if different from above.

2.4 Telephone Number

Home:

Work:

Email

3. Grant Information

3.1 Amount of rent due on premises

| | | |
|---|--|----|
| £ | | pa |
|---|--|----|

3.2 Amount of grant requested

| | | |
|---|--|----|
| £ | | pa |
|---|--|----|

3.3 Length of lease

| |
|--|
| |
| |

3.4 For how many years would you like a grant ?

3.5 Please explain why you need a lease of this length

3.6 Have you received, ever received, or do you currently receive, funding from Torbay Council ?..... Yes No

3.7 If Yes,

Year

Amount

Type of grant

What for

| | | | |
|---|---|---|--|
| | | | |
| £ | £ | £ | |
| | | | |
| | | | |

4. Your Organisation

4.1 Please describe the aims of your organisation.

4.2 What services and/or activities will you provide from your premises ?

4.3 Which of the 'Targeted Actions' within the Council's Corporate Plan does the work of your organisation meet ? If you meet more than one please tick appropriate boxes.

- Protecting all children and giving them the best start in life.....
- Working towards a more prosperous Torbay
- Promoting healthy lifestyles across Torbay.....
- Ensuring Torbay remains an attractive and safe place to live and visit
- Protecting and supporting vulnerable adults

4.4 Please explain briefly how your organisation meets the 'Targeted Actions' you have ticked.

4.5 Please describe how your organisation promotes social inclusion (i.e. how does it serve people who are disadvantaged).

4.6 Please give three examples of how your organisation made a difference to the lives of your users in the last 12 months.

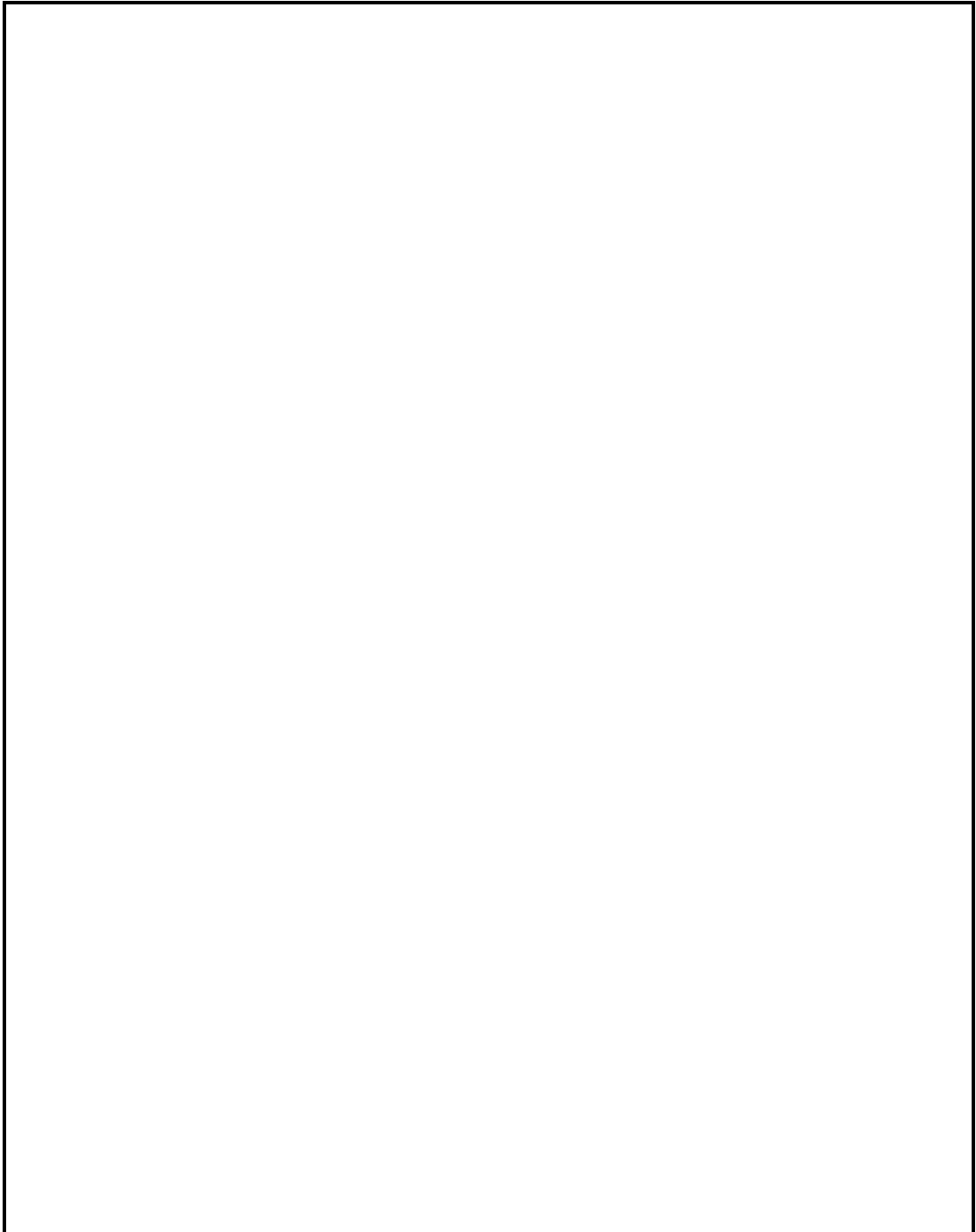
4.7 How many members does your organisation have ?

4.8 How many users did your organisation have last year ?

4.9 How many of your users were residents of Torbay last year ?

4.10 Do you have an equal opportunities policy ?..... Yes No

4.11 Please give examples of how you ensure your service is accessible to all sections of the community.

A large, empty rectangular box with a thin black border, intended for the user to provide examples of how their service is accessible to all sections of the community.

4.12 Are you aware of any other organisations which also provide similar services or activities in Torbay ? Yes No

If yes, please give brief details, and describe how your organisation liaises or works with these organisations to complement each other and avoid duplication.

5. Financial Information

5.1 Please provide details of your organisation’s income and expenditure last year, your budget for this year and your proposed budget for next year.

| INCOME – Source | Last year | This year | Next year |
|---|-----------|-----------|-----------|
| Grants | | | |
| : | | | |
| : | | | |
| : | | | |
| : | | | |
| Fund-raising | | | |
| : | | | |
| : | | | |
| : | | | |
| Earned Income | | | |
| : | | | |
| : | | | |
| : | | | |
| Reserves brought forward (do not include fixed assets) | | | |
| Other (please specify what they are for) | | | |
| TOTAL | | | |

| EXPENDITURE – Details | Last year | This year | Next year |
|--|------------------|------------------|------------------|
| Salaries/Staffing | | | |
| Premises | | | |
| Administration | | | |
| Volunteers/Management Committee | | | |
| Resources and Training | | | |
| Transport | | | |
| Other | | | |
| TOTAL | | | |

Please provide details of any reserves you had at the end of the last financial year, which were either reserves for a specific purpose (e.g. building fund) or were general reserves (e.g. funds held on deposit at the bank).

5.2 What reserves (excluding fixed assets) were held by your organisation at the end of the last financial year ?

£

5.3 What are these reserves held for ?

5.4 What was the value of your fixed assets at the end of the last financial year ?

£

5.5 What are your plans generating income (including fund raising) or making savings over the period of your lease ?

6. Checklist

If applicable, please enclose with your application a copy of your constitution, your equal opportunities policy, evidence that your organisation is affiliated or a member of a national voluntary organisation/body, your latest annual accounts (audited if possible) and a copy of your most recent annual report.

| | Enclosed | Not Produced |
|---|----------|--------------|
| Application Form | | |
| Constitution | | |
| Equal Opportunities Policy | | |
| Evidence of membership of a national body | | |
| Annual Accounts for last financial year | | |
| Annual Report for last financial year | | |

7. Additional Information

Please use this space for any additional information relevant to your application.

8. Declaration

This application has been seen and approved by the organisation's Management Committee and/or officers of the Management Committee. The information contained in this application is correct to the best of my knowledge and belief.

Signed:

Position in Organisation:

Date:

Please return this completed form along with all enclosures to :-

The Executive Head of Business Services
c/o Torquay Harbour Office
Beacon Quay
Torquay
TQ1 2BG

Appendix 3

Appendix AM-H ~ Granting of sports leases – An overarching strategy

July 2016

Introduction

In July 2011, a paper was submitted to full Council that recommended the Mayor authorise the then Executive Head of Commercial Services, in consultation with the Chief Executive of the Torbay Development Agency (TDA), to grant leases for up to 40 years to sports clubs on acceptable terms with each case being considered on its merits. There are a number of sports clubs within Torbay who have since completed leases with Torbay Council. However, there are also still a number outstanding, which is absorbing a significant amount of effort and resource.

This overarching strategy is therefore intended to help streamline the process. The strategy will set out the key terms of occupation that the Council is willing to grant. This will be clear and transparent from the outset. The strategy should be extended to all sports clubs within the Bay to avoid a claim that the Council is being selective. Care will however, have to be taken as to what premises are leased to the clubs. A large number of football clubs hire pitches along with the use of changing rooms from the Council. It would be impractical to lease out an individual pitch with changing facilities, as this would deny other clubs from using them at other times. In these instances it may not be possible to offer any type of lease, regardless of its length.

By offering long leases to local sports clubs the Council can provide the clubs with the confidence that comes with security of tenure. This new found confidence should serve as a catalyst for improvement whereby our sports clubs will positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new overarching strategic approach to sports leases will ensure that the tenant clubs are working with the respective national Governing Body for their sport. Not all clubs are optimising the opportunities that are available and there is an opportunity cost.

It is clear that the Council has an over-supply of poor quality, asset related, sports provision in the Bay. The Council needs to understand the issues with its facilities and have a better understanding of where the demand exists. It would then be better placed to invest in those facilities, improving quality, increase demand and ultimately increase income to sports funds. Adhering to the terms listed below will help ensure this happens.

The Council will work with the Torbay Development Agency and the Torbay Sports Council to provide support and advice to those clubs that need help to understand the issues surrounding these sports leases. This support will include a set of “Frequently Asked Questions” that can be provided to the clubs and kept under review as an ongoing resource.

Key Terms

- **Advertising the Opportunity** - Sports leases will normally be advertised to ensure that there is a competitive element to the selection of a tenant and that our communities will be rewarded with the best offer in terms of quality. The Council will use a combination of quality and cost to demonstrate best value, when scoring an applicant's bid for a long sports lease. It is important that a local sports club that wishes to become a tenant or is already a tenant; is discouraged from 'coasting along', not improving or reaching out to their local community.
- **Full Market Rent payable** - In February 2016 the Council's Corporate Asset Management Plan 2015 ~ 2019, latest revision, was agreed and adopted by the Council. The revision inserted the following statement, "*Due to the financial challenges facing the Authority and the possible future reductions in Revenue Support Grants, unless there is specific approval at Full Council to the contrary, the Council will always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest*". The securing of full Market Rent is therefore in accordance with the Corporate Asset Management Plan.

[The estimated market rent assesses the lease value against other similar leases (i.e. sports leases) across the South Devon area. An estimated market rent will take into account whether the landlord or tenant has the liability for the cost of maintenance and what income generating facilities are at the disposal of the tenant. i.e. a club house & bar, private car parking, etc. The estimated market rent would also reflect the restrictive nature (sports use only user clause) of the lease and the level of the security of tenure.]

- **Sports clubs must be affiliated to National Sports Governing Bodies** - For the purposes of this strategy a sports club must be affiliated to a recognised national governing body for that sport. i.e. recognised by Sport England. Examples include, the Football Association, the Royal Yachting Association, the Rugby Football Union, the England & Wales Cricket Board, UK Athletics or England Athletics, etc. This key term is included to ensure that a tenant organisation has an appropriate constitution with associated rules & regulations. It also means that the tenant would be required to follow best practice in such matters as safeguarding, protecting young children, inclusion and financial probity; it will also help to prevent discrimination and promote equality. Consequently, it is expected that the tenant organisation will have the relevant policies for such matters and can therefore demonstrate a corporate social responsibility.

- **Lease length of up to 40 years** – The sports club should demonstrate the need for the lease length required. It is known that a number of funding bodies do not require clubs to hold leases for longer than 21 years to obtain funding. When granting medium to long term leases the Council should always ensure outputs and outcomes are monitored. If this is not monitored the Council risks losing control over the provision of sporting facilities at that leased area. The Council should not consider granting a lease, which is longer than 40 years as Upper Tribunal (formerly the Lands Tribunal), under s84 of the Law of Property Act 1925 may on certain grounds, after 25 years into the term, discharge or modify restrictions as to user or buildings on the land affecting the leasehold interest. Granting leases to a maximum lease of 40 years therefore prevents clubs applying to the Upper Tribunal thus safe guarding the Council's position. Where there is no existing lease in place any new sports lease granted will be contracted outside of Sections 24-28 (security of tenure provisions) of the Landlord and Tenant Act 1954.
- **Break Options** – The Council will look to insert mutual break options whereby in the event a sports clubs doesn't secure funding / grants, either party can bring the lease to an end on the service of a notice period. If a clubs takes a lease and did not apply, or were unsuccessful, in obtaining grant funding then the land might not be used to its full potential for the length of the lease with the Council being unable to use it for the same or any other purpose. For example, a club's membership may fall significantly over time and it may not be able to provide the same level of activities with the Council being unable to make use of the land.
- **Grants** – Sports clubs may make an application for a grant to offset market rent (a grant in lieu of rent) by following the procedure contained in Appendix AM-G of the Council's Corporate Asset Management Plan. If a decision is made to provide a grant it is likely to be a short period before it is reviewed and it will probably be linked to appropriate outputs and outcomes set out in the grant agreement. There will also be a clearly defined process for monitoring outputs.
- **Maintenance of Land & Buildings** – The leases will pass onto the sports clubs the full liability for the maintenance of the land and buildings. However, many sports pitches are currently maintained by TOR2 and this is expected to continue until at least 2019. The Council cannot make savings by individually removing certain playing pitches from the contract. Therefore, the Council may need to take account of this responsibility when assessing the appropriate market rent.

- **Adverse costs** – It is recognised that by passing the maintenance of the land and the buildings to the sports clubs this could represent a significant risk and liability that is unacceptable to the Clubs. To offset this risk where a significant item of disrepair manifests itself the sports club will be required to meet the first £1,000 of any costs and then an additional 10% of any costs associated with any repair needed above this ceiling.. If the Council deems it is unable to meet the cost of the remaining 90% of repairs needed, it will have the ability to bring the lease to an end. Neither the Council nor the sports club should be required to bear an unacceptable level of liability, particularly where no budget exist to meet these costs. The Council’s decision shall be final in this regard.
- **Limit the use of lease restrictions** – If the Council is seeking to obtain market rent from a sports lease then it should also limit the use of lease restrictions which inhibits the clubs/tenants from maximising income. An exception will be to exclude telephone masts from the standard lease. Any consent to permit the erection of telephone masts will need to be agreed by the Council as the landlord in a separate agreement.
- **Identification of periphery land in sports leases** – The granting of sports leases will often cover a large area of land. It is possible that some land, most likely on the periphery of the demise area, may have some future development use/value. It is the intention that this land is identified on a lease plan at the commencement of the lease and reserved within the sports lease with rights for the Council to take back this land on the service of a suitable notice period.
- **Multiple Applications** – It is possible when considering future sports leases that the Council receives a number of Expression of Interests for one specific sports ground. Where this is the case the Council will apply a tender process for determining the outcome.
- **Standardised Lease** – The Council will look at all times to incorporate all of the above terms in a standard lease template. Any departure from the above will only be agreed in an exceptional circumstance.

Protocol for dealing with outstanding Sports Leases

1. Write to all sports clubs where negotiations are ongoing informing them of the new overarching strategy that will be applied on all new sports leases granted.
2. Propose new terms of occupation that adhere to the new strategy.

3. Consider any new requests against the criteria of this strategy and forward them to the Executive Head of Business Services and Assistant Director – Community & Customer Services for a steer about whether the request is agreed ‘in principle’.
4. Consult with Ward Councillors and the relevant community partnership about the proposed Sports Lease.
5. Take a report to Council for their consideration with the views of the Ward Councillors and the community partnership being incorporated into the report.
6. The following are the principal terms to be considered for all future Sports Lease and any variation must be agreed with the Executive Head of Business Services in consultation with the Assistant Director – Community & Customer Services :-
 - i) The sports club pays a full market rent for the premises.
 - ii) The sports club is responsible for the insurance and maintenance of the land and buildings with the club taking the facilities in their existing state.
 - iii) Where there is no existing lease (within the provisions of the Landlord & Tenant Act 1954) in place, the lease is to be excluded from the security provisions of the Landlord & Tenant Act 1954.
 - iv) The sports club to adhere to the agreed sports development plan (if required by the Council).
 - v) The sports club pays the Council’s reasonable legal and surveyor costs associated with the granting of the lease and, if applicable, the surrender of the existing lease.
7. The granting of any lease of open space is deemed to be a disposal of open public space and therefore the proposed granting of the lease will need to be advertised in accordance with the Local Government Act 1972.

Appendix 4: List of Sports Leases Granted

| Completed Sports Leases | | | |
|---|-------------------------------|-------------------|-----------------|
| Site | Sports Club | Lease term | Date |
| Queens Park Recreation Ground, Paignton | Queens Park Sports Club Ltd | 40 years | 1st May 2005 |
| Torquay Recreation Ground, Torquay | Torquay Recreation Ground Ltd | 40 years | 1st Sept 2013 |
| Abbey Park Bowling Green & Pavilion | Victoria Bowling Club | 40 years | 15th April 2015 |
| Wall Park Football Ground, Brixham | Brixham Utd AFC | 99 years | 29th April 2002 |
| Unit 6 & 7, South Arm, Paignton Harbour | Paignton Sailing Club | 48 years | 1st Jan 1988 |
| Unit 11, Beacon Quay, Torquay | Royal Torbay Yacht Club | 15 years | 1st July 2005 |
| Unit 8, Beacon Quay, Torquay | Torbay British Sub Aqua Club | 15 years | 1st Sept 2005 |

| Un-Completed Sports Leases | | | |
|---|------------------------------------|-------------------|-------------|
| Site | Sports Club | Lease term | Date |
| Torre Valley North, Walnut Road, Chelston | Torre Valley Sports Group CIC | | |
| Cricketfield Recreation Ground, Torquay | Barton Cricket Club | | |
| Windmill Hill Playing Field, Higher Audley Ave, Torquay | Waldron Athletic | | |
| Barton Downs Playing Fields, Lichfield Ave, Torquay | Acorn Centre | | |
| Armada Park Football Pitch, Armada Park | Upton Utd FC | | |
| Walls Hill Cricket Ground, Babbacombe Downs | Babbacombe Cricket Club | | |
| Oddicombe Beach Club House, Torquay | Babbacombe Corinthian Sailing Club | | |
| Foreshore Compound & Steps, Oxen Cove, Brixham | Brixham Yacht Club | Holding Over | |



Meeting: Council

Date: 21st July 2016

Wards Affected: Cockington with Chelston / Tormohun

Report Title: Torre Valley North Sports Lease

Is the decision a key decision - No

When does the decision need to be implemented? As soon as possible

Executive Lead Contact Details: Mayor (Mayor Gordon Oliver) Executive Lead for Finance and Regeneration, 01803 207001

Supporting Officer Contact Details: Kevin Mowat, Executive Head of Business Services, 01803 208428, kevin.mowat@torbay.gov.uk

1. Proposal and Introduction

- 1.1 In 2012, following an approach to Torbay Council, lease terms were offered to the Torre Valley Sports Group CIC (Community Interest Company) for a 40 year lease of Torre Valley North Playing Fields, this was initially for a rent of £4,000 pa. However, during negotiations Torbay Council suggested that it wanted to see investment in the playing fields. As a consequence, to ensure that the lease to the Torre Valley Sports Group CIC was viable and sustainable, for the tenant, it was agreed that the rent payable would be reduced from £4,000 pa to £2,000 pa for the first 5 years of the term. The discussions were in principle and subject to contract. Also, during negotiations the lease term was reduced to 30 years at the request of the National Playing Fields Association as they hold a Deed of Dedication over the site.
- 1.2 Following protracted discussions the lease was finally ready to be signed and completed in April 2016. However, in February 2016 the Council's Corporate Asset Management Plan 2015 ~ 2019 was updated and a new version adopted by the Council. This Plan forms an important part of the Council's Policy Framework.
- 1.3 The revision version of the Corporate Asset Management Plan inserted the following statement, "*Due to the financial challenges facing the Authority and the possible future reductions in Revenue Support Grants (RSG), unless there is specific approval at Full Council to the contrary, the Council will always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest*".

- 1.4 The rent previously agreed with Torre Valley Sports Group CIC is some 50% below the market rent that could be achieved for this playing field.
- 1.5 It is now appropriate to grant a lease to the Torre Valley Sports Group CIC that is in accordance with the 'overarching sports lease strategy' identified in the revised Corporate Asset Management Plan. The aim of the generic approach to sports leases is to provide a speedier, more consistent and transparent approach, for all concerned, which will hopefully help to reduce further delays and manage the expectations of the clubs. It is also expected that this generic approach will introduce more certainty, consistency and transparency to lease process.
- 1.6 Although the recommendation is that this lease is to be granted at the appropriate market rent it is also proposed that a 30 month rent free period should be offered so that the average rent over the first five years is equivalent to the originally agreed rent of £2,000 pa, which was an offer made by the Council in good faith. This proposal also recognises the change in the Council's policy, which has occurred during the protracted period of lease negotiations and which has resulted in a higher rent position. The previous discussions had been in principle and were always subject to contract.

2. Reason for Proposal

- 2.1 The Corporate Asset Management Plan 2015 ~ 2019 is a Policy Framework document and as stated the Council will always seek to maximise full market rent. Any reductions below market rent would need to be agreed by the Council prior to authority being given and the lease completed. A decision is therefore required by the Council to grant a sports lease which is below market rent for a period of 30 months.
- 2.2 It is appropriate to give the Torre Valley Sports Group CIC time to submit an application to the Council for a grant to offset the market rent (a grant in lieu of rent), in accordance with the procedure set out in the amended Corporate Asset Management Plan.

3. Recommendation(s) / Proposed Decision

- 3.1 That, the Council approves the granting of a 30 year full repairing lease to Torre Valley Sports Group CIC (Community Interest Company) at the appropriate market rent.
- 3.2 That authority is delegated to the Assistant Director of Corporate & Business Services, in consultation with the Executive Head of Business Services and the Torbay Development Agency, to approve the detailed terms of the lease.
- 3.3 That, in light of the protracted delays and the revised higher rental figure, the Assistant Director of Corporate & Business Services be authorised to offer a rent free period of 30 months, to allow the Torre Valley Sports Group CIC time to submit an application to the Council for a grant to offset the market rent.

- 3.4 That, the remaining balance of the £127,000 capital sum allocated as compensation for land taken to expand facilities at Cockington Primary School, be used initially to undertake modifications to the playing fields at Torre Valley North such that they are reinstated to the same standard that existed prior to the extension of the school and thereafter any remaining capital sum be ring-fenced for use to improve sports facilities throughout Torbay.

Appendices

Appendix 1: Supporting Information and Impact Assessment

Background Documents

Report ~ Torre Valley North Playing Field – Background to the proposal (Head of Schools Commissioning – September 2013)

Corporate Asset Management Plan – February 2016

<http://www.torbay.gov.uk/DemocraticServices/documents/s27873/Appendix%20%20-%20Corporate%20Asset%20Management%20Plan%20Final%20Version.pdf>

Review of the provision of grants in lieu of rent – Report to the Overview & Scrutiny Board (March 2004)

Expression of Interest for a Community Asset Transfer - prepared by Sport Torbay Limited, August 2015

Torbay Sports Facilities Strategy – April 2014

Torbay Playing Pitch Strategy – April 2014

Agenda Item 22

Appendix 1

Appendix 1

Supporting Information and Impact Assessment

| | |
|--------------------------------|---|
| Service / Policy: | Corporate Asset Management Plan |
| Executive Lead: | Mayor (Mayor Gordon Oliver) Executive Lead for Finance and Regeneration |
| Director / Assistant Director: | Anne-Marie Bond, Assistant Director – Corporate & Business Services |

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|----------|---|-------|----------|----------|--|
| Version: | 6 | Date: | 08/07/16 | Authors: | Kevin Mowat/ Fran Hughes/ John Tyas |
|----------|---|-------|----------|----------|--|

Key Milestones / Project Timeline

Outline key milestones which need to be met in the timeline below, include dates of any meetings (PDG / Council) and when the consultation activity will open and close.

| Date | Milestone |
|----------|--------------------------------------|
| 07/07/16 | Senior Leadership Team |
| 08/07/16 | Overview & Scrutiny Briefing Meeting |
| 20/06/16 | Mayor's Executive Group |
| 06/07/16 | Overview & Scrutiny Board |
| 21/07/16 | Council Meeting |

Section 1: Background Information

1.

What is the proposal / issue?

Rent for a new lease to Torre Valley Sports Group CIC (Community Interest Company) had previously been negotiated at £2,000 pa. The discussions were in principle and subject to contract. However, in February 2016 the Council's Corporate Asset Management Plan 2015 ~ 2019 was updated and a new version adopted by the Council. This Plan forms an important part of the Council's Policy Framework. The revision inserted the following statement, "*Due to the financial challenges facing the Authority and the possible future reductions in Revenue Support Grants (RSG), unless there is specific approval at Full Council to the contrary, the Council will always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest*".

A subsequent market rental valuation has now been completed for the Torre Valley North playing fields, with the market rent estimated to be in the region of £3,350 ~ £6,000 pa.

The TDA reached this market valuation range by using comparable data from Teignbridge District Council and Plymouth City Council. Evidence was also taken from existing leases such as the Torquay Recreation Ground. Whilst not providing direct comparables the TDA also discussed market rents with surveyors at Exeter City Council and also knowledge was gained from East Devon District Council to obtain the market 'tone', as well as the range of values from those council areas.

In accordance with the Council's Corporate Asset Management Plan, Council approval is needed for any leasehold disposal at less than market rent.

2.

What is the current situation?

As a response to escalating pupil numbers in 2012/13 Cockington School was identified as needing to expand. To facilitate this expansion there was a need to utilise land at Torre Valley North (TVN). During the Spring/Summer 2013, Children's Services and Cockington School took over some of the TVN land to increase the size of the playground in order to increase the size of the school. In doing so it affected the ability of the various sports to be carried on at TVN due to reduced pitch sizes. As a result, Children's Services put forward proposals in which it was agreed that as compensation for the land taken away they would transfer £127,000 to the Council to assist with improvements to the playing fields. The Council's Capital Plan was amended in Q3 2013/14 with the transfer of the £127,000 funds from Cockington Primary School expansion scheme to the Council to compensate for the school's encroachment onto TVN. This money was held by the then Residents and Visitors Services area to carry out the works, subject to receipt of quotes being received.

The £127,000 is capital funding and has to be spent on "eligible" capital expenditure. Once the eligible works were complete then the agreement was that the balance of the money would be available as a grant to Torre Valley Sports Group CIC, the proposed Lessee. This was built into the draft Heads of Terms being negotiated at the time.

Initially the lease negotiations started at a quoting rent of £4,000 pa. In subsequent negotiations that followed it was agreed the proposed rent would be reduced to £2,000 pa in order to assist the tenant in building up revenue and membership. This equated to approximately a 50% reduction in the full market rent for the TVN sports field. However, as is normal practice the discussions were in principle and subject to contract.

A lease was then drafted on this basis and was due to be completed in April 2016. However, amendments to the Council's Corporate Asset Management Plan 2015 ~ 2019, in February 2016, has meant that officers are required to offer Torre Valley Sports Group CIC a leasehold disposal at the full market rent, which will be at the original figure of £4,000 pa.

Given the protracted delays and the revised higher rental figure it is proposed that a 30 month rent free period should be offered so that the average rent over the first five years is equivalent to the originally agreed rent of £2,000 pa, which was an offer made by the Council in good faith. As this proposal represents an effective reduction below the market rent it needs to be authorised by the full Council prior to lease being completed.

The tenant will be able to apply for a grant to offset the market rent in the future and the tenant will be able to exercise a break clause if they cannot sustain their commitments. Furthermore, the grant period can be aligned with the time of the

rent review and/or break option.

Also, it is now appropriate to grant a lease to the Torre Valley Sports Group CIC that is in accordance with the 'overarching sports lease strategy' identified in the revised Corporate Asset Management Plan. The aim of the generic approach to sports leases is to provide a speedier, more consistent and transparent approach, for all concerned, which will hopefully help to reduce further delays and manage the expectations of the clubs.

Furthermore, the Council will not normally offer grant support to tenant organisations that are not affiliated to or are a member of a recognised national body/voluntary organisation. This requirement is included to ensure that a tenant organisation has appropriate rules & regulations; and is required to follow best practice in such matters as safeguarding, protecting young children, financial probity and equality. It is expected that the organisation will have the relevant policies for such matters and can therefore demonstrate a corporate social responsibility.

In 2014/15 the revenue budget for sports leases was reduced by £25,000 in lieu of the anticipated savings being released from clubs taking out 40 year leases. The anticipated savings have not been made and therefore this remains a budget pressure.

The Council's ability to provide support for sports clubs in the Bay has clearly worsened since the expansion of Cockington School and when negotiations commenced with the Torre Valley Sports Group CIC. In the draft Heads of Terms being negotiated at the time it was suggested that once the "eligible" capital works were complete then the agreement was that the balance of the money would be available as a grant to Torre Valley Sports Group CIC, the proposed Lessee. It is the view of officers that this is no longer appropriate and would not be an equitable use of the funding. It is the Council which has suffered the detriment of the land being taken by the School rather than the clubs. It is now proposed that, the remaining balance of the £127,000 capital sum allocated as compensation for land taken to expand facilities at Cockington Primary School, be used initially to undertake modifications to the playing fields at Torre Valley North such that they are reinstated to the same standard that existed prior to the extension of the school and thereafter any remaining capital sum should be ring-fenced for use to improve sports facilities throughout Torbay.

The Torre Valley Sports Group CIC would be able to make an early application for the use of any remaining funds so that they can further improve the facilities at Torre Valley North. Torbay Sports Council will be able to advise the Council on how best to use any funding that remains.

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| <p>3.</p> | <p>What options have been considered?</p> <p>The following options have been considered:</p> <p>Offer the lease at below the market rent During early stage discussions the rent for the lease was reduced from a quoted £4,000 pa down to £2,000 pa. This 50% reduction was to ensure that the tenant, Torre Valley Sports Group CIC was viable and sustainable and given time to build up revenue in order to pay the rent. It should also be noted that the Lease allows the rent to be reviewed to the appropriate market rent every 5 years. Therefore, the Council would at regular intervals have further opportunity to obtain a market rent from this property at each rent review during the lease term.</p> <p>If the CIC are granted a lease at below market rent then this will set a precedent for other sports clubs in Torbay.</p> <p>Seek the full market rent from the commencement of the lease Having looked at market comparable evidence for similar playing field sites throughout Devon, the market rent has been assessed for this property at between £3,350 and £6,000 per annum. Therefore, the proposed rental terms of the lease with the Tenant would fall within this range.</p> <p>Seek the full market rent from commencement of the lease but offer a rent free period This would allow the tenant to make an application for a grant to offset the market rent in the future. A rent free period of 30 months (2½ years) would equate to an average rent of £2,000 pa for the first five years. This is the option recommended to Council.</p> <p>Offer a lease with a peppercorn rent This is outside of Council policy and there is no business case to justify this option.</p> |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>This decision to grant a lease at Torre Valley North is not a corporate priority. However, it does support the Corporate Plan ambitions of being a Healthy Torbay in promoting a healthy lifestyle and ensuring Torbay remains an attractive and safe place to live.</p> |

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| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>The outcome regarding the rent could affect the Tenant and any of the clubs that hire the ground from them, as well as the Council as Landlord. The tenant has already stated that if the rent were to increase they would look at increasing the hiring charges to the clubs that use the ground. The lease is currently drafted whereby the hire charges to the clubs that use TVN is capped at not more than 15% more or less than the Council would reasonably charge for using similar facilities elsewhere in the Bay.</p> |
| <p>6.</p> | <p>How will you propose to consult?</p> <p>Discussions have been ongoing and the lease has already been agreed but 'subject to contract', therefore, any further consultation following the Council's decision would be with the tenant, Torre Valley Sports Group. Draft reports and appendices were considered by the Overview & Scrutiny Board and sent to the Torbay Sports Council for suggestions and comment. Representatives from Torbay Sports Council and the Torre Valley Sports Group CIC were asked to speak at the Overview & Scrutiny Board on 6th July 2016.</p> |

Section 2: Implications and Impact Assessment

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| <p>7.</p> | <p>What are the financial and legal implications?</p> <p>Financial Implications of Decision</p> <p>There is an assumption that the Council would save the maintenance costs for this site. However, these are part of a wider package of maintenance costs arranged within the TOR2 contract. It is anticipated that the earliest any cashable saving could be realised from the change in maintenance liability will be 2019, at the end of the current contract period with TOR2.</p> <p>The rent receipt is expected to be £4,000 pa less any rent free period.</p> <p>There will also be a financial precedent set if the full £127,000 is allocated to the new CIC in compensation for the loss of sports facilities. Currently, Torre Valley North Playing Fields is a Council asset, with sports clubs hiring the facility as and when required. Therefore, it is the Council which has suffered the detriment of the land being taken by the School rather than the clubs. When this was discussed in 2012/13 the Council's financial position was different. It would now seem opportune to revisit this decision and determine whether the full allocation should be gifted to the new CIC or whether there are other sports priorities across Torbay,</p> |
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| | <p>which could also benefit from this funding.</p> |
| 8. | <p>What are the risks?</p> <p>Risks to Council</p> <p>If the rent is agreed at full market rent then there is no risk to the Council as it is within the Council's Asset Management Plan.</p> <p>If the rent is agreed at a level below market rent then this would be contrary to the Council's Asset Management Plan.</p> <p>If the Council determines a rent higher than they have been negotiating with the CIC, due to the recent change in Asset Management Plan then there is a small risk of reputational damage for the Council with the CIC and other sports users. The Torre Valley Sports Group CIC could make a formal complaint against the Council.</p> <p>Any remaining balance from the £127,000 could be utilised to support a wide range of other sports facilities across the Bay and need not be linked directly to Torre Valley North.</p> <p>Risk to the CIC</p> <p>If the rent was increased to the full market rent then there is a risk that the Tenant would find it difficult to meet the rental commitments through the term of the lease and would have to increase the rental charges to the community using the facilities, which may deter participation. However, a rent free period would help to mitigate this risk and the tenant could apply for a grant to offset the market rent. Also, as an ultimate option the tenant would have a right to break the lease.</p> |
| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>Not applicable as procurement of services or the provision of services together with the purchase or hire of goods or the carrying out of works not required as part of this decision</p> |
| 10. | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>Comparable evidence from sport leases from Plymouth City Council, Teignbridge District Council and Exeter City Council has been obtained as well as reviewing data from completed leases within Torbay Council. This data has helped inform the calculation of the market rent.</p> |

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| <p>11.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>Torbay Sports Council were consulted on these proposals and they provided feedback to the Overview and Scrutiny Board. The views of the Torbay Sports Council can be summarised as follows :-</p> <p><i>“Torbay Sports Council do not agree with the Council to charging Market Rent on Sporting Facilities. Torbay Sports Council proposes that all Sports Leases not for profit organisations have a peppercorn rent up to a maximum of £500 a year and this is put before full Council. This includes old, current and future leases.”</i></p> <p>The Sports Council also stated that :-</p> <p><i>“If the lease is agreed, Torbay Council will save £630,000 over 30 years. Also, if market rent is charged at this facility then sports charges will increase between 150% and 200% for Rugby, Cricket and Athletics; which will not be affordable for the sports clubs.”</i></p> <p>On the matter of the £127,000 capital sum the Sports Council confirmed their view that <i>“any balance that was left after improvements to Torre Valley North was to be used by Torre Valley North Group on the improvements to Torre Valley North. Torbay Sports Council to monitor future payments”</i>.</p> <p>The Torre Valley Sports Group CIC were consulted and they do not agree with the proposal for a market rent but they appreciate that a 30 month rent free period would provide them with an average rent of £2,000 pa over the first 5 years and £2,000 pa was a rent figure that they had previously agreed. They would like to use the £127,000 capital sum to re-instate the playing pitches at Torre Valley North and then retain the balance for use towards further improvements. In particular the CIC have indicated that they would use any surplus funding to provide match-funding towards a new Pavilion and changing facility as well as a 60 metre indoor running track.</p> <p>Torre Valley Sports Group CIC would therefore like some clarification over what will happen to the remaining balance of the £127,000 after the pitches are realigned as originally proposed. They have also asked for confirmation about the tenant’s break clause and officers have confirmed that the tenant will have a right to break at each rent review. Furthermore they have requested assurances that they would not require planning permission for the extension of the bank at the southern end of the ground or that if consent was required that it would not be withheld. Officers are not in a position to provide these assurances. Finally, Torre Valley Sports Group CIC have indicated that they would be willing to sign an agreement to lease whilst the above issues are discussed.</p> |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>See above.</p> |

Equality Impacts

| 13 | Identify the potential positive and negative impacts on specific groups | | | |
|----|---|---|--|----------------|
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |
| | People with caring Responsibilities | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |

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| | <p>respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | | |
| <p>People with a disability</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |
| <p>Women or men</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |

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| | equality. | | |
| People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality. | Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years. | |
| Religion or belief (including lack of belief) | A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality. | Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years. | |

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| <p>People who are lesbian, gay or bisexual</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |
| <p>People who are transgendered</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |

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| <p>People who are in a marriage or civil partnership</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |
| <p>Women who are pregnant / on maternity leave</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |

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| <p>Socio-economic impacts (Including impact on child poverty issues and deprivation)</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |
| <p>Public Health impacts (How will your proposal impact on the general health of the population of Torbay)</p> | <p>A long lease for the TVN CIC should bring confidence through security of tenure. This confidence should serve as a catalyst for improvement whereby the CIC will help the sports clubs to positively engage with their communities and in particular with our young people. Some local clubs are already fully engaged with their communities but this new lease will ensure that the CIC clubs are working with the respective national Governing Body for their sport. This will help prevent discrimination and promote equality.</p> | <p>Charging a Market Rent may undermine the CIC business case with the result that charges will be increased to end users of the sporting facilities. This may reduce participation in sport. However, the CIC may be granted a rent free period and can also apply for a grant to offset the market rent in future years.</p> | |

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| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | N/A |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | N/A |

Report Sign Off

Now that you have completed your report, you must send it to the following departments/people for review and, if necessary, comment. Please give them a deadline in which you need their comments by.

| | |
|----------------------|--|
| Estates: | liam.montgomery@torbay.gov.uk |
| Human Resources: | susan.wiltshire@torbay.gov.uk |
| IT: | bob.clark@torbay.gov.uk |
| Communications: | communications@torbay.gov.uk |
| Procurement: | tracey.field@torbay.gov.uk |
| Monitoring Officer: | anne-marie.bond@torbay.gov.uk |
| Section 151 Officer: | martin.phillips@torbay.gov.uk |
| Risk management: | risk.management@torbay.gov.uk |
| Future Planning: | future.planning@torbay.gov.uk |
| Equalities: | equality@torbay.gov.uk |

Agenda Item 23



Meeting: Council

Date: 21st July 2016

Wards Affected: All

Report Title: Self Build and Custom Build Housing Allocation Policy

Is the decision a key decision? No

When does the decision need to be implemented?

Executive Lead Contact Details: Mark King, Executive Lead for Planning Transport and Housing, mark.king@torbay.gov.uk

Supporting Officer Contact Details: Caroline Taylor, Director of Adults Services

1. Proposal and Introduction

1.2 The Local Plan document identifies self build housing as an affordable housing option and this report will provide an update to members on the self build housing option and ask them to approve a self build housing allocation policy.

2. Reason for Proposal

2.1 The Councils current Local Plan document and Housing Strategy promotes self build housing as part of a suite of initiatives to help meet housing need. The introduction of this product in the local plan means that the Council must ensure that it can respond to requests from developers to provide this product as part of the planning permission.

2.2 The self build housing allocation policy provides a framework for which this accommodation can be allocated.

3. Recommendation(s) / Proposed Decision

3.1 That the Torbay Council Self Build/Custom Build Allocation Policy be agreed as an appendix to the Housing Strategy (Appendix 2)

Appendices

Appendix 1: Supporting information and Impact Assessment

Appendix 2: Self build allocation criteria

Background Documents

Housing Strategy

<http://www.torbay.gov.uk/index/yourservices/housing/housingstrategy15-20.htm>

Supporting Information and Impact Assessment

| | |
|--------------------------------|---|
| Service / Policy: | Torbay Development Agency |
| Executive Lead: | Mayor and Executive Lead for Regeneration and Finance |
| Director / Assistant Director: | Caroline Taylor – Director of Adult Services |

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|----------|---|-------|----------------------------|---------|-----------------|
| Version: | 1 | Date: | 21 st July 2016 | Author: | Caroline Taylor |
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| Section 1: Background Information | |
|--|--|
| 1. | <p>What is the proposal / issue?</p> <p>Torbay’s Local Plan has recently been adopted and its vision is to deliver 8,900 homes by 2030 where at least 5% of dwelling plots will be sought for self build as a of Affordable Housing provision on sites of 30 dwellings or more. It is therefore necessary for the Council to have a suitable allocation policy, which will be used to establish those applicants with a local connection, and then prioritise them in relation to their need.</p> |
| 2. | <p>What is the current situation?</p> <p>The Self-Build and Custom Housebuilding act 2015 received Royal Assent in March 2015. This act places a duty on local authorities to create and maintain a register of people who have expressed an interest in self-build and custom build project.</p> <p>The statutory duty to maintain the register came into force on 1 April 2016 and detail on how the Council is to meet the requirements of the Act is contained within the Self-Build and Custom Housebuilding (Register) regulations 2016-06-10</p> <p>Torbay Council have had a register in place since April 2016 but due to current low number (May 2016) of applicants on Torbay’s Self-Build register, officers recommendation is not to progress Self-Build on this particular site.</p> <p>However the Council’s local plan states that “on developments of 30 dwellings or more developers have the option of delivering 5% of their homes for self-build”.</p> <p>This change requires the Council to have a suitable Self-Build allocations policy going forward and it is this that members are being asked to approve.</p> <p><i>What is self-build and custom build housing?</i></p> <p>Self-build and custom build both provide routes into home ownership for individuals and groups who want to play a role in developing their own homes. Below provides a brief synopsis of the different options available:</p> |

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| | <ul style="list-style-type: none"> • Final-finish – Where you will decorate and complete external landscaping • Self-finish – You will add all fixtures and fittings, as well as decorating. You will finish walls, floors, ceilings and internal doors. You will install the kitchen and bathroom and complete external landscaping • Watertight shell – With this option, you will work on and complete a building that has been made watertight. You will complete all internal structures, wiring and plumbing as well as all those things included in the ‘self-finish’ option • Serviced plot – You will build your own home on a plot to which all services (electricity, sewerage, access etc) have been provided. The plot will already have detailed or outline planning permission <p>Only one of the above options will be considered on any one development due to a mix of options on one site being too problematic.</p> |
| 3. | <p>What options have been considered?</p> <p>Following a review of other Councils a variety of approaches have been considered but generally they fall into two categories.</p> <ul style="list-style-type: none"> • Sell self build plots to the highest bidder as a lifestyle choice and to encourage entrepreneurs into an area. • Use the product as an affordable housing option for local people. |
| 4. | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>The framework for which self build housing can be delivered meets the following elements of the Corporate Plan:</p> <ul style="list-style-type: none"> • Work to address inequalities of health, wealth and opportunity in Torbay, providing the right kind of help and support at the right time. • Torbay will be a place where we celebrate and champion the diversity of our population and every individual, organisation, business and community is encouraged to play an active role in the life of Torbay • Torbay will be a place of well-connected neighbourhoods with a strong sense of identity and belonging, where a diverse mix of housing types and tenures ensures that homes are increasingly affordable to all that need them including the most vulnerable. |
| 5. | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>Those interested in accessing self build accommodation will be affected by this decision.</p> <p>The register is in its infancy and currently only contains 5 households. Consultation has however taken place with Councillors through an all member briefing, presentations to overview and scrutiny committee and the Mayors executive group.</p> |
| 6. | <p>How will you propose to consult?</p> <p>No further consultation is proposed.</p> |

Section 2: Implications and Impact Assessment

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| 7. | What are the financial and legal implications? There are no financial implications unless the Council choose to purchase resale properties that are offered to the Council under the policy. There is no obligation to purchase. |
| 8. | What are the risks? The allocation policy is required to give clarity and transparency to those interested in the product. It is expected that the policy is reviewed regularly ensure it |
| 9. | Public Services Value (Social Value) Act 2012 Not applicable |
| 10. | What evidence / data / research have you gathered in relation to this proposal? Research has taken place with surrounding authorities and by considering the Governments self build housing toolkit when making these recommendations. |
| 11. | What are key findings from the consultation you have carried out? Not applicable |
| 12. | Amendments to Proposal / Mitigating Actions In reaching a decision on the proposals, Members will consider any comments or observations received and if appropriate amend the proposals. |

Equality Impacts

| 13 | Identify the potential positive and negative impacts on specific groups | | |
|---|---|--------------------------------------|--|
| | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| Older or younger people | | | There is no differential impact on Older or younger people with regard to this proposal. |
| People with caring Responsibilities | | | There is no differential impact on People with caring responsibilities with regard to this proposal. |
| People with a disability | | | There is no direct differential impact on People with a disability with regard to this proposal. |
| Women or men | | | There is no differential impact on Women or men with regard to this proposal. |
| People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | | | There is no differential impact on People who are black or from a minority ethnic background (BME) with regard to this proposal. |
| Religion or belief (including lack of belief) | | | There is no differential impact on Religion or belief (including lack of belief) with regard to this proposal. |
| People who are lesbian, gay or bisexual | | | There is no differential impact on People who are lesbian, gay or bisexual with regard to this proposal. |
| People who are transgendered | | | There is no differential impact on People who are transgendered |

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| | | | with regard to this proposal. |
| | People who are in a marriage or civil partnership | | There is no differential impact on People who are in a marriage or civil partnership with regard to this proposal. |
| | Women who are pregnant / on maternity leave | | There is no differential impact on Women who are pregnant / on maternity leave with regard to this proposal. |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | | There is no Socio or economic impact. . |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | | There is no public health impact |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | | |



Torbay Council
Self Build/Custom Build Affordable Housing
Allocation Policy

Qualifying Criteria

Applicants will be required to demonstrate the following:

1. That they are in housing need because their total household income does not exceed £60k and with insufficient capital to allow them to reasonably afford to acquire a dwelling sufficient for their needs within Torbay on the open market
2. That they have sufficient income and savings to be able to afford mortgage payments for a property of the right size specific to their needs and to practically complete a property to the Council's approved standards
3. Applicants who have sufficient income/savings that would allow them to purchase a building plot on the open market will be ineligible
4. That the applicant must not be a home-owner or named on a home mortgage already.
5. Applicants can only purchase a property that has one bedroom more than they need. For example, a single person or couple can purchase a plot suitable for a 2 bed home and a couple with one child can purchase a plot for a 3 bed home
6. The applicant must fulfil the Local Connection Criteria as set from time to time by Torbay Council
7. Applicants must be registered with either Help to Buy South West or Devon Home Choice

Selection Criteria

In the event that there are more applicants meeting the above criteria than dwellings available, the following selection criteria will apply:

- a) Currently statutorily homeless or inadequately housed (as defined by Bands A-C on Devon Home Choice*) and to be prioritised in that order. *See appendix A
- b) Currently sharing with adult family (e.g. couple living with in-laws) or with another household (as defined by Band B on Devon Home Choice *) *see appendix A
- c) If the applicants are looking to downsize from a Housing Association Property
- d) Currently a housing association tenant
- e) The length of time on Devon Home Choice or South West Homes Register

Selection process

Applicants will be asked to complete a confidential application form which will include all the necessary information required to allow selection to take place.

Conditions

Sales of self build plots will be subject to an agreement with the Council to ensure that

1. The property is used as the purchaser's main residence only. The owners will not be permitted to let the property once constructed.
2. In the event that the house/building plot, is sold, it must be offered at 80% of open market value to households meeting the Qualifying Criteria above and Torbay Council's Local Connection Criteria
3. Applicants will agree to build timescales as set by Torbay Council. In the event that a property is not built to 'substantial completion' within 3 years from when the building plot is purchased, they will be obliged to offer to sell the property to the Council at 80% of the open market value of the property at the time.

Allocation policy for re-sale

1. All sales of the properties must be at 80% of open market value at the time the property is sold and must be to person who satisfies the Qualifying Criteria
2. Prior to offering a self-built property for sale, owners must provide 14 days notice to the Council and obtain three valuations from a Royal Institute of Chartered Surveyors qualified independent valuer at the initial sales stage and evidence of this must be provided to the Council.
3. Prior to exchange of sale relating to a self-built dwelling the owner shall provide the Council with satisfactory evidence that the proposed purchaser meets the qualifying criteria above.
4. In the event that the property has been adequately marketed for six months but not sold from the date of notice being served to the Council pursuant to point 2 above then:
 - 4.1. The owner shall offer in writing (addressed to the Head of Asset Management and Housing or the postholder carrying out the Council's Affordable Housing function from time to time) to sell the self-build dwelling to the Council at 80% of Open Market Value and
 - 4.2. The Council shall within 15 working days confirm in writing whether it intends to accept the offer to purchase the said self-build dwelling, failure to respond within 15 working days shall be treated as a refusal of the offer.
 - 4.3. If the Council accepts the offer to purchase the said self-build dwelling then both the Council and the owner shall use reasonable endeavours to conclude the sale within 30 working days of the acceptance referred to in paragraph 4.2 above

What if there is no interest?

In the event that after six months of the property being advertised, no-one who fits the above criteria comes forward and the Council have declined the request to purchase the property, then the property can be sold at 80% of open market value free from restrictions contained in this agreement with the exception of point 4 of the qualifying criteria and the conditions listed above. However, the criteria and 20% discount will then need to be re-applied on future re-sales.

If the scheme is oversubscribed then preference will be given to qualifying applicants who require the bedroom size of the property that is being sold.

Review

This policy will be reviewed regularly to reflect changing circumstances.

Appendix A

Emergency Housing Need (A)

Your application will only be placed in the Emergency housing need band (A) if your need for housing is assessed as so exceptional that you must take priority over all other applicants. Substantial evidence must exist to award this priority.

The following are examples of the type of situations that would qualify:

- You have been assessed as having an urgent health/wellbeing need
- You live in a home assessed as being in a state of emergency disrepair
- You need to move to escape violence or threat of violence, harassment or a traumatic event

High Housing need (B)

Your application will be placed in the High Housing need band (B) if you:

- Have been accepted as statutorily homeless by a Devon local authority
- Are threatened with homelessness and have been placed in the 'prevention of homelessness' category by a Devon local authority
- Are severely overcrowded (e.g. you lack 2 bedrooms, or have 2 children who lack a bedroom, such as a single parent with 2 children under 10 in a 1 bedroom home)
- Are a tenant of a Devon Home Choice partner landlord and are seeking to move to a home with fewer bedrooms
- Have been assessed as having a high health/wellbeing need
- Live in a home assessed as being in a state of high disrepair
- Have been assessed as ready to move on from supported housing

Medium Housing Need (C)

Your application will be placed in the Medium housing need band (C) if you:

- Lack 1 bedroom
- Have been assessed as having a medium health/wellbeing need
- Live on or above the 3rd floor with children under the age of 8

Low Housing Need (d)

Your application will be placed in the Low housing need band (D) if you:

- Have been assessed as not having a permanent home (e.g. you have been assessed as non-priority and/or intentionally homeless by a Devon local authority. This may include people who are rough sleeping, have no fixed abode or are 'sofa surfing')
- Have been assessed as having a low health/wellbeing need
- Share facilities, such as a toilet, bath, shower or kitchen
- Have received a valid notice to quit from your landlord
- Have a housing need but have no local connection to Torbay
- Have been assessed as having deliberately worsened your circumstances

Under Devon Home Choice each of the following are usually assessed as requiring a separate bedroom –

- People living as a couple
- Other adults aged 21 year old or older
- 2 children or adolescents under 21 year old of the same sex
- 2 children who are both under 10 years old regardless of sex

Agenda Item 24



Meeting: Council Meeting

Date: 21 July 2016

Wards Affected: All Wards

Report Title: New Primary School in Paignton

Is the decision a key decision? Yes

When does the decision need to be implemented? Immediately

Executive Lead Contact Details: Cllr Julien Parrott, Executive Lead for Adults and Children, Tel. 207113, julien.parrott@torbay.gov.uk,

Supporting Officer Contact Details: Richard Williams, Director of Children's Services, Tel. 208949, richard.williams@torbay.gov.uk

1. Proposal and Introduction

1. This report provides further information to the report that went to Council on 7th April 2016.
2. Subject to consultation, in September 2017 the Council intends to relocate Torbay School from its existing site at Torquay Road, Paignton. This will leave the Council with a vacant school site in the centre of Paignton.
3. Children's Services propose that the Council agree to use this site to open a new one form of entry primary school with early year's provision.
4. The preferred opening date of the new school would be September 2018.

2. Reason for Proposal

- 2.1. Primary numbers in Paignton and Torquay have been increasing over the last few years as a result of a rising birth rate, new housing and net in-migration. The Council has responded to the increase in demand by expanding schools across Torbay.
- 2.2. However, there are now no longer any viable and affordable options for future expansions of existing schools, so if numbers continue to rise then the only way that the Council will meet its statutory duty is by opening a new school.
- 2.3. This is timely because the Department of Education is strongly promoting the opening of new schools across the country. Torbay has not opened a new primary

school since becoming a unitary authority in 1998 and is one of only a small number of Council's not to do so.

3. Recommendation(s) / Proposed Decision

- 3.1. That in response to the identified need for a new school in Paignton as outlined in this report and appendices the proposal to open a new primary school on the Torbay School Site at Torquay Road from September 2018 be approved.

Appendices

- Appendix 1: Supporting Information and Impact Assessment
- Appendix 2: Map of Torbay Schools
- Appendix 3: Data from September 2015 Census
- Appendix 4: New Primary School Paignton : Consultation Report
- Appendix 5: Letter of support from Riviera Trust
- Appendix 5: Flowchart of Free School Applications

Background Documents

None

Agenda Item 24

Appendix 1

Appendix 1

Supporting Information and Impact Assessment

| | |
|--------------------------------|---------------------------|
| Service / Policy: | Children's Services |
| Executive Lead: | Councillor Julian Parrott |
| Director / Assistant Director: | Richard Williams |

| | | | | | |
|----------|---|-------|-----------|---------|--------------|
| Version: | 2 | Date: | June 2016 | Author: | Clare Talbot |
|----------|---|-------|-----------|---------|--------------|

Section 1: Background Information

| | |
|-----------|--|
| 1. | <p>What is the proposal / issue?</p> <p>The proposal is as follows:</p> <p>That the identified need for a new school in Paignton as outlined in the submitted report be noted; and that, the proposal to open a new primary school on the Torbay School Site at Torquay Road from September 2018 be approved.</p> |
| 2. | <p>What is the current situation?</p> <p>Following the Council meeting in February it has been agreed:</p> <ul style="list-style-type: none"> • that in the event that a decision is made to transfer Torbay School to the MyPlace facility, the Executive Director for Operations and Finance and the Director of Children's Services, in consultation with the Executive Lead for Children and Adults, be requested to bring forward a further report detailing the expansion of primary school places in Paignton to the Council meeting on 7 April 2016. <p>Following the Council meeting on 7 April 2016 it has been agreed:</p> <ul style="list-style-type: none"> • that consideration of the report be deferred to the Council meeting in July 2016. <p>If the decision to relocate Torbay School is taken this will leave a vacant school site in the centre of Paignton from September 2017.</p> <p>Torbay Council sees this as an opportunity to open a new primary school in Paignton in September 2018.</p> <p>Whilst the Council's recent programme of expansions has ensured that there is capacity to meet demand within all 3 towns, the current surplus capacity needed to meet parental preference and unpredicted demand is significantly lower than the 5-10% surplus recommended by the Audit Commission.</p> |

Following the recent application and allocation process for Reception places for September 2016, there are currently only 20 Reception places left in Torquay (2.5%) and 16 places left in Paignton (3%).

The 16 places left in Paignton are all at one school with all other schools in Paignton full for Reception 2016. This means that the Council will have to provide transport costs for any children who move in to the area and live more than 2 miles away from the school with available places. Transport costs will be approximately £67,000 per child for the term of their primary education.

The tight capacity in Paignton and Torquay does present problems for the Council when placing those children moving into the area during the school year and means that there is little capacity to meet parental preference. Last year, Torbay Council received over 1100 in year applications for places. This includes all towns and all year groups and some were for children moving from one Torbay School to another but the majority were from families moving in to the area during the academic year.

In addition there is no capacity for any unforeseen growth following completion of South Devon link road or any increases in housing targets as set by regional government.

Recent projections and the actual number of applications received this year demonstrate that the numbers previously forecast are higher than expected. For new housing, the pupil yield per household has almost doubled as a result of the type of houses that developers are now delivering quicker and in greater quantities. Developments have a higher percentage of smaller, new starter homes which result in more primary age children. This increase in pupil yield from 0.25 to almost 0.4 is a national occurrence and Officers are reviewing the current forecasting methodology to ensure that this increase is accurately reflected in future forecast data.

Officers therefore recommend that the Council takes this opportunity to open a new primary school in a location that would serve both Paignton and Torquay by 2018 as well as authorising officers to explore an additional school in the west of Paignton by September 2020. By doing so the new school has the potential to alleviate existing pressures in both areas due to high levels of demand and ensure that the Council can respond to in year migration, parental preference and any new growth from developments not already factored into the Council's projections.

If the Council does not provide these additional school places it will not be meeting its statutory duty. The Education White Paper Educational Excellence Everywhere (March 2016) states "where local authorities are failing in this duty, the government will not hesitate to intervene." Following the submission of the National Offer Day Data to the DfE in April 2016, the officers have been contacted regarding the lack of capacity within the system and the DfE are visiting in July to be assured that the plans in place are robust.

The Council also has to evolve to ensure that it is able to deliver the statutory duty in the context of a change in policy. Recent changes to the process for establishing a new school could potentially have a limiting impact on local

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| | <p>decision making. With all new schools being considered to be free schools/academies the decision making is undertaken by the Education Funding Agency and the Regional Schools Commissioner Office with limited opportunities for local authority approval.</p> <p>Officers are aware of a number of local MATs in the process of submitting direct applications to the Education Funding Agency for a new school. By offering the site the proposal enables the Council to be in control of where the school will be, thereby ensuring the new school is in the best place and is delivered in time to ensure that the Council fulfils this statutory role.</p> |
| <p>3.</p> | <p>What options have been considered?</p> <p>The Council has responded to increases in the demand for primary school places by expanding schools across Torbay. Since 2012, the Council has created 854 additional places to meet this demand.</p> <p>Officers have spent 18 months trying to identify a suitable site in Paignton for a new school. Other than the Torbay School site, no other site has been identified in Paignton that is big enough and offers a viable, affordable solution.</p> <p>As well as a number of other sites, Officers were asked to consider whether Parkfield could be the site for the new primary school. Parkfield is not feasible as the site for the new primary school for a number of reasons. The main reason is that Council would be required to pay back the lottery grant because a new primary school would not meet the grant terms and conditions. The Torbay School relocation proposal would meet grant terms and conditions because it is for a similar age group and focus. The existing facilities at Parkfield were built with youth services in mind so are more in line with the secondary age EBD model than a primary school model. There is no playing field or Multi Use Games Area (MUGA) on the Parkfield site which is a fundamental requirement for a new primary school. A MUGA could be provided as part of the development but it would need to be smaller than recommended to avoid impinging on the other facilities already on the site. To provide a playing field or full size MUGA, the BMX track or the skate park would be lost.</p> <p>Officers have also considered the option of expanding an existing school. The Council has already expanded Roselands and White Rock primary schools and further expansions are considered difficult and expensive. Many schools in Paignton occupy small, landlocked sites that will not support additional numbers. These include Curledge Street Academy and Sacred Heart. White Rock Primary and Oldway Primary are already 3 form entry primary schools which is the maximum size recommended for a primary school. Roselands and Kings Ash could be expanded further but because of their locations, additional capacity at these schools would have little impact on alleviating pressure for Torquay schools. The Council does not have the authority to instruct academies to take additional children and to have mobile classrooms on their site. In Paignton, the majority of primary schools, including Kings Ash and Roselands are academies. Mobile classrooms and bulge classes create organisational and financial difficulties for schools and represent a risk to school improvement at a time when raising standards is their focus.</p> |

Collaton St Mary Primary School has a large site and is adjacent to proposed new housing but previous and recent discussions with Planners and the Environment Agency have highlighted that the school sits directly on a flood plain. When the school was originally constructed various flood alleviation works were carried out as part of the development and these were agreed with the Environment Agency. The main provision was that the playing field was designed as a flood storage area. As a result it is unlikely that further development would be allowed on the playing fields. This means any new build would have to be as a second storey which would be costly and very disruptive to the school. The Torbay Council Service Manager for Engineering has confirmed that the proposed new housing development further up Totnes Road is located on land which has a ground level significantly higher than the flooding level identified within the primary school boundary. The drainage for this housing development is being designed as a sustainable drainage system and is being designed in order that there is no increased risk of flooding to land or properties adjacent to the development site. In addition Torbay Council are investigating a new flood alleviation scheme in this area of Collaton St Mary and any future development in the area is expected to provide a contribution towards the new flood alleviation scheme.

Collaton St Mary Primary School is in the west of Paignton so additional capacity at this school would not help alleviate the immediate pressure for Torquay schools and schools in the Preston area of Paignton. Officers are aware of the housing developments proposed for the west of Paignton and are developing proposals for either another new school in that area. The latest forecasts indicate that there is a need for a second new school or expansion in this part of Paignton in the medium to long term plan. This is in addition to the need for a new school in the Preston area of Paignton.

Preston Primary has previously been considered for expansion however there is little room for additional growth, as part of the last building project the Council built on the playground and part of the playing field. They are an academy so are unlikely to consider taking mobile classrooms or additional pupils without significant investment.

The expansion of existing schools would have to be funded by the Council through the Basic Need Grant. Torbay has recently received a £0 Basic Need allocation for 2018/19 which places significant pressure on existing projects within the Children's Services Capital Plan. There is very little capacity to provide Basic Need funding for new expansion projects within the next 4 years.

The Torbay School site was developed as a special school for children with emotional, behavioural and social difficulties with new buildings in 2003. Since then the site has been expanded to include additional external space and is being re-configured to provide a new, safer access off Brookfield Close. Following the survey of the existing site officers exert that a minimal amount of refurbishment work would be required to make it suitable as a primary school thereby offering excellent value for money. The Torbay School Site is also conveniently situated to take children from both Torquay and Paignton.

Although the overall total site area at the Torbay School site is smaller than that recommended for a 1 form of entry primary school, the actual floor area of the buildings and the majority of the classes are larger than recommended for

| | |
|----|--|
| | <p>a primary school. The site area is also larger than the site area of the majority of other 1 form of entry primary schools across Torbay. Furthermore, the Council has received a letter of support from one of the Multi Academy Trusts that is interested in becoming the provider of the new school. The letter of support is attached as Appendix 5 and specifically states that they believe the site to be suitable for a small primary school.</p> |
| 4. | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>This proposal supports the ambition of the Corporate Plan 2015-19 for a Prosperous and Healthy Torbay.</p> |
| 5. | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>Children's Services has consulted with:</p> <ul style="list-style-type: none"> • All Torbay Schools • Local Councillors • All Ward Partnerships • Free School's Network • Regional Commissioners Office • Department of Education |
| 6. | <p>How will you propose to consult?</p> <p>An online consultation ran for 6 weeks from 21 April until the 2nd June 2016. The consultation papers (which consisted of a paper outlining the proposal and a response form for consultees to complete) was posted on the Council's website and hard copies made available at all Connections Offices and libraries within Torbay. Accompanying the consultation paper was a Frequently Asked Questions sheet with additional background information to the proposal. The consultation was promoted through social media and through direct emails to all Torbay schools and neighbouring local authorities advising them of the consultation.</p> |

Section 2: Implications and Impact Assessment

| | |
|----|--|
| 7. | <p>What are the financial and legal implications?</p> <p>The Council has agreed a 4 year capital plan for school projects that is based on actual Basic Need allocations up to 2017/18 and assumes a minimum Basic Need allocation of £2m for 2018/19. However, Torbay has recently received a £0 Basic Need allocation for 2018/19 which places significant pressure on existing projects within the Children's Services Capital Plan.</p> |
|----|--|

| | |
|------------------|--|
| | <p>In the Children’s Services Capital Programme, approved by Council in September 2015, £1.5m of Basic Need funding is allocated for the provision of a new primary school in Paignton. With the latest £0 allocation for 2018/19, all Children’s Services capital projects are being reviewed to try to identify savings. Officers are therefore promoting the opportunity for the new primary school to be delivered through a direct application to the Education Funding Agency (EFA). Several Multi Academy Trusts (MATs) are in the process of submitting a direct application to the EFA which, if successful, means that the new build would be funded through the EFA and not through the Council. The Council still needs to identify a suitable site as part of the process (to ensure that the school is built in time to meet the demand) but a direct application would provide the funding and free up the £1.5m committed within the Council’s Capital Plan for the project. This would help overcome the shortfall in resources resulting from a £0 Basic Need allocation for 2018/19.</p> <p>The Council has already spent some capital funding on developing the site through the acquisition of adjoining land at Brookfield Close and design development for a new Multi Use Games Area (MUGA), new access and entrance and site security. £750,000 was approved by Council in February 2015 for this purpose. To date, £480,000 of this budget has already been spent which includes the acquisition cost of the land.</p> <p>In accordance with legislation any new school has to be opened as a free school and run by an academy trust. This means that the school site would be leased to the trust on a 125 year lease, as is the case for other academy schools. The freehold would remain with the Council.</p> |
| <p>8.</p> | <p>What are the risks?</p> <p>If this proposal is not implemented then the risks are:</p> <ul style="list-style-type: none"> • Failure to meet the Council’s statutory duty to ensure there are sufficient school places to meet demand <p>Following a higher than anticipated number of applications for primary school places for September 2016, there is a significant risk that the Council will not have sufficient primary school places to meet demand. This is an immediate and urgent pressure. The provision of a new school would ensure that the Council has sufficient capacity to accommodate growth in the area from increases in birth rates, migration and housing. It would also give the Council sufficient surplus to accommodate in-year transfers and parental preference for the medium term until a further primary school can be built.</p> <ul style="list-style-type: none"> • The loss of a viable location for a new primary school in Paignton: <p>As stated above other than the Torbay school site, no other site has been identified in Paignton that is big enough and offers a viable and affordable solution in the short to medium term. There are options being explored for a site for a second primary school in the west of Paignton in the medium to long term plan.</p> |
| | |

9. Public Services Value (Social Value) Act 2012

All services and/or works procured by Officers in the implementation of this proposal will be done in so in accordance with the Public services Value (Social Value) Act 2012.

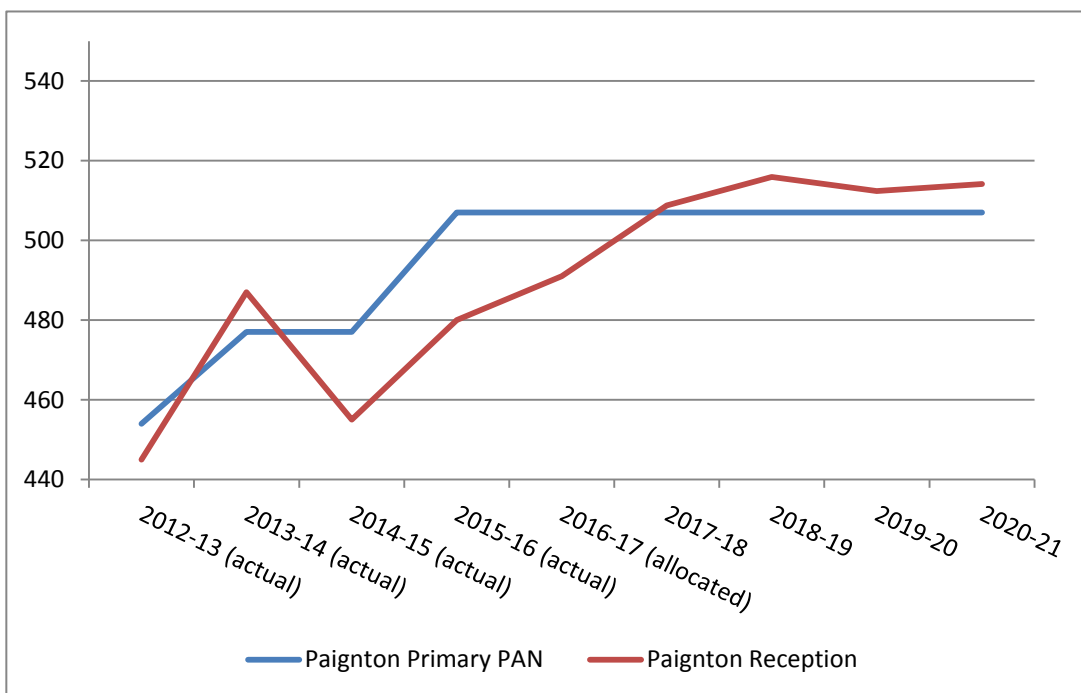
10 What evidence / data / research have you gathered in relation to this proposal?

The Council's primary pupil projections have been updated to reflect the actual primary school allocations for September 2016. This gives the most up to date evidence of demand. These forecasts demonstrate the need for a new primary school in the Preston area of Paignton by September 2018 as well as the need for another primary school in the west of Paignton by September 2020.

Based on the new forecasts, by 2019 the Council will have a shortfall of 10 Reception places across Paignton and Torquay with the biggest pressure in Paignton. This is before trying to build in surplus capacity of 5%-10% as recommended by the Audit Commission. To provide a 5% surplus a further 65 places are needed across the two towns. The total of the two, 75 places equates to another 2.5 forms of entry needed by 2020.

The graph below shows the difference between the places available, the actual reception numbers and the forecast numbers of children expected to apply for a place over the next 5 years in Paignton. The Planned Admission Number (PAN) for the Primary school is the total number of places available for children starting school in reception and is indicated by the blue line. The Reception forecast is the number of children expected and is indicated by the red line.

Paignton



The projections show that there will be a shortfall in places in Paignton by 2018. This is before considering the need for spare capacity to provide flexibility or meet any

unforeseen growth and recommended surplus. As the graph demonstrates actual numbers can fluctuate significantly from year to year and do not necessarily increase at a steady rate. The Council needs to be able to accommodate these peaks and troughs and the current level of capacity will not meet future demand or provide any safety net should numbers spike in the same way as they have done before.

Data from the Council's admissions team shows that there is a particularly high demand for places in the area of Paignton where we are proposing to open the new school. Table 1 below shows the number of first preferences for Paignton schools over the last 3 years and a map is attached in Appendix 2 to show their position in relation to the proposed new school:

Table 1

| School | Number of reception places available | 1 st Preferences received | | | |
|-------------------|--------------------------------------|--------------------------------------|------|------|---------------------------|
| | | 2016 | 2015 | 2014 | Average over last 3 years |
| Collaton St Mary | 30 | 26 | 35 | 32 | 31 |
| Curledge Street | 60 | 46 | 46 | 40 | 44 |
| Hayes | 57 | 37 | 44 | 45 | 42 |
| Kings Ash Academy | 60 | 24 | 30 | 37 | 30 |
| Oldway Academy | 90 | 128 | 149 | 99 | 125 |
| Preston Academy | 45 | 33 | 34 | 28 | 32 |
| Roselands | 45 | 68 | 41 | 47 | 52 |
| Sacred Heart | 30 | 39 | 27 | 29 | 32 |
| White Rock | 90* | 74 | 55 | 57 | 62 |

*School expanded from 2015, prior to this PAN was 60

The first preference data shown above is a snapshot of the first round of applications which gives a flavour of parental preference. There is a further second and third round of allocations for late applications that will increase the number of places allocated for each school. As at June 2016, there were only 16 places available at Kings Ash Academy for September 2016. All places at all the other primary schools in Paignton have been allocated.

In 2016 the 2 closest primary schools to the proposed new school were significantly oversubscribed. Oldway Primary received 128 first preferences against an admission number of 90 and Sacred Heart received 39 first preferences against an admission number of 30. This means that a substantial number of parents from this part of Paignton are not getting a place at their preferred local school. In 2015 a total of 78 pupils were on the waiting list for a place at these schools.

From the schools that were full in 2014 and 2015 the Council can confirm that six of them (Curledge Street, Kings Ash, Oldway, Preston, Roselands & White Rock) filled from their catchment area; *the data on the remaining schools is not available*. Thirty four children from the catchment area of Oldway did not succeed in getting a place at the school.

These schools are oversubscribed for a number of reasons. Oldway in particular is

very popular with parents and first preferences nearly always exceed the number of places available. The number of first preferences for these schools reflects parental choice but preferences are also rising because of demographic growth and demand in this part of Paignton is forecast to continue to rise for the foreseeable future.

Table 2 below shows how the birth rate is expected to continue to rise.

Table 2

| Year | Live Births | Year of entry into Primary School | Live births in the Preston Ward |
|--------------------|-------------|-----------------------------------|---------------------------------|
| 2011/12 (actual) | 464 | 2016/17 | 135 |
| 2012/13 (actual) | 491 | 2017/18 | 136 |
| 2013/14 (actual) | 498 | 2018/19 | 139 |
| 2014/15 (forecast) | 515 | 2019/20 | 145 |
| 2015/16 (forecast) | 532 | 2020/21 | 150 |
| 2016/17 (forecast) | 549 | 2021/22 | 155 |

In addition to the the forecast pressure for future Reception places, there are also very few places across current primary year group cohorts. Council Officers dealing with in-year admissions have to work with a very small amount of capacity in existing year groups when placing new children moving in to the area. The majority of Paignton primary schools are full in some year groups or full throughout with a waiting list for places. The current capacity available for year groups already placed in schools and the issues facing the admissions team placing pupils is illustrated by Table 3:

Table 3

| School | Reception Places available | | | | Pupils on waiting list | |
|-------------------|----------------------------|-----------|------------|-----------|------------------------|-----------|
| | April 2015 | July 2015 | April 2014 | July 2014 | July 2015 | July 2014 |
| Collaton St Mary | Full | Full | Full | Full | 11 | 4 |
| Curledge Street | 4 | Full | 18 | 2 | 0 | 0 |
| Hayes | 3 | Full | 8 | 4 | 0 | 0 |
| Kings Ash Academy | 6 | 9 | 21 | 8 | 0 | 0 |
| Oldway Academy | Full | Full | Full | Full | 65 | 12 |
| Preston Academy | Full | Full | 8 | 3 | 13 | 0 |
| Roselands | Full | Full | Full | Full | 8 | 8 |
| Sacred Heart | Full | Full | Full | Full | 12 | 6 |
| White Rock | 30 | 16 | Full | Full | 0 | 4 |

Torquay faces similar pressures and another reason for choosing the Torbay School site for the new school is the expectation it will admit pupils from both towns. Although a catchment area for the new school has not been defined and would be determined by the trust managing the new school, Officers expect a new school in this location to provide places for children coming from the outskirts of Torquay as well as providing places for those pupils from Paignton that are currently going to schools in Torquay. It is expected that the knock on effect of this would be that more capacity would become available in other Torquay primary schools, reducing pressure across the town. The data in Table 4 shows the amount of movement

between the two towns and the high number of Paignton pupils currently attending Torquay primary schools:

Table 4

| | | HOME LOCATION | | | |
|-----------------|-----------------|---------------|-------------|-------------|-------------|
| SCHOOL LOCATION | 2015 | PAIGNTON | TORQUAY | BRIXHAM | OUT OF AREA |
| | PAIGNTON | 4273 | 173 | 62 | 93 |
| | Primary | 3073 | 58 | 38 | 33 |
| | Secondary | 1167 | 67 | 19 | 52 |
| | Special | 33 | 48 | 5 | 8 |
| | TORQUAY | 941 | 8940 | 57 | 1350 |
| | Primary | 126 | 5257 | 5 | 109 |
| | Secondary | 444 | 3499 | 23 | 1199 |
| | Special | 143 | 184 | 29 | 42 |
| | BRIXHAM | 914 | 134 | 2041 | 263 |
| | Primary | 124 | 11 | 1160 | 40 |
| | Secondary | 790 | 123 | 881 | 223 |

The following is a breakdown of which schools in Torquay those 126 pupils from Paignton currently attend:

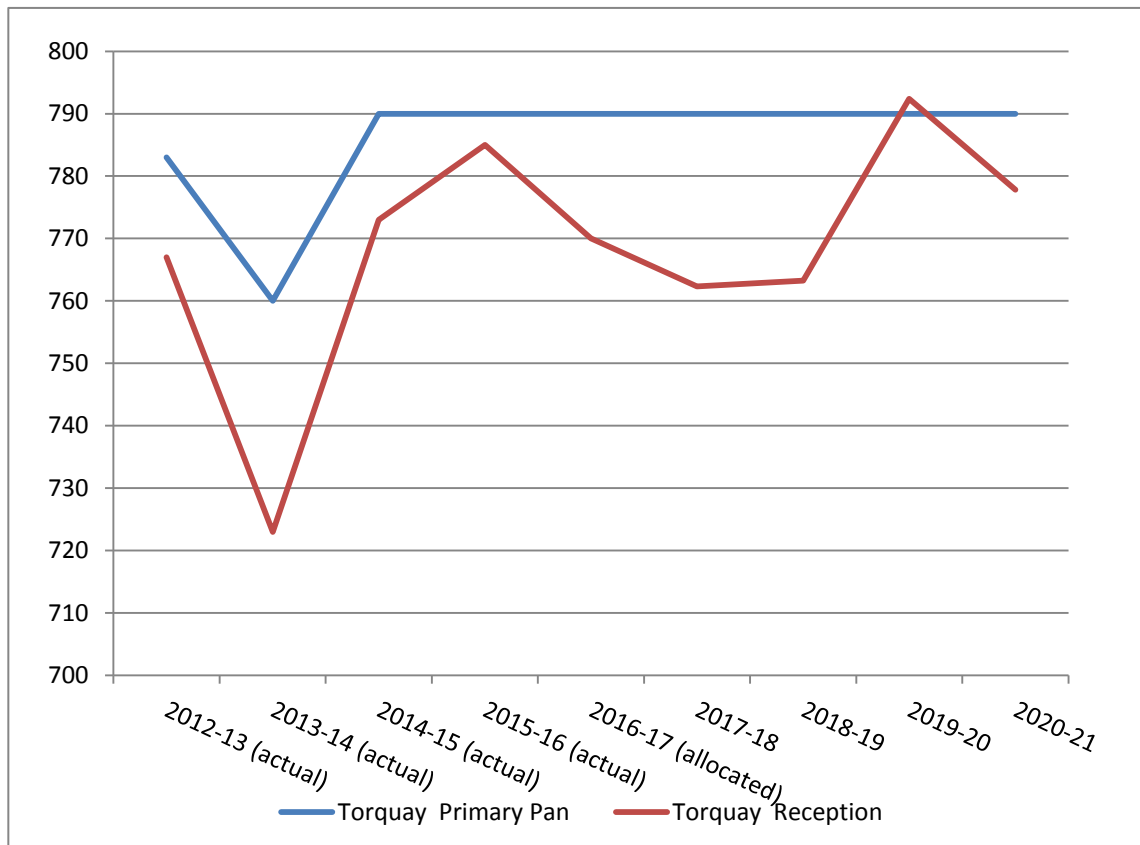
Table 5

| School | Number of pupils from Paignton |
|-----------------------|--------------------------------|
| All Saints Babbacombe | 1 |
| Barton | 13 |
| Cockington | 15 |
| Ellacombe | 6 |
| Homelands | 10 |
| Ilsham | 4 |
| Priory | 6 |
| Queensway | 7 |
| Sherwell Valley | 20 |
| Shiphay | 12 |
| St Margarets | 5 |
| St Marychurch | 5 |
| Torre | 8 |
| Upton | 6 |
| Warberry | 5 |
| Watcombe | 3 |
| Total | 126 |

Whilst there is capacity in Torquay to meet the forecast demand – there are only 20 places currently available in Reception for September 2016 which is only 2.5% surplus capacity. This places significant pressures on the Council when trying to meet parental preference or when placing children that move into area mid-year.

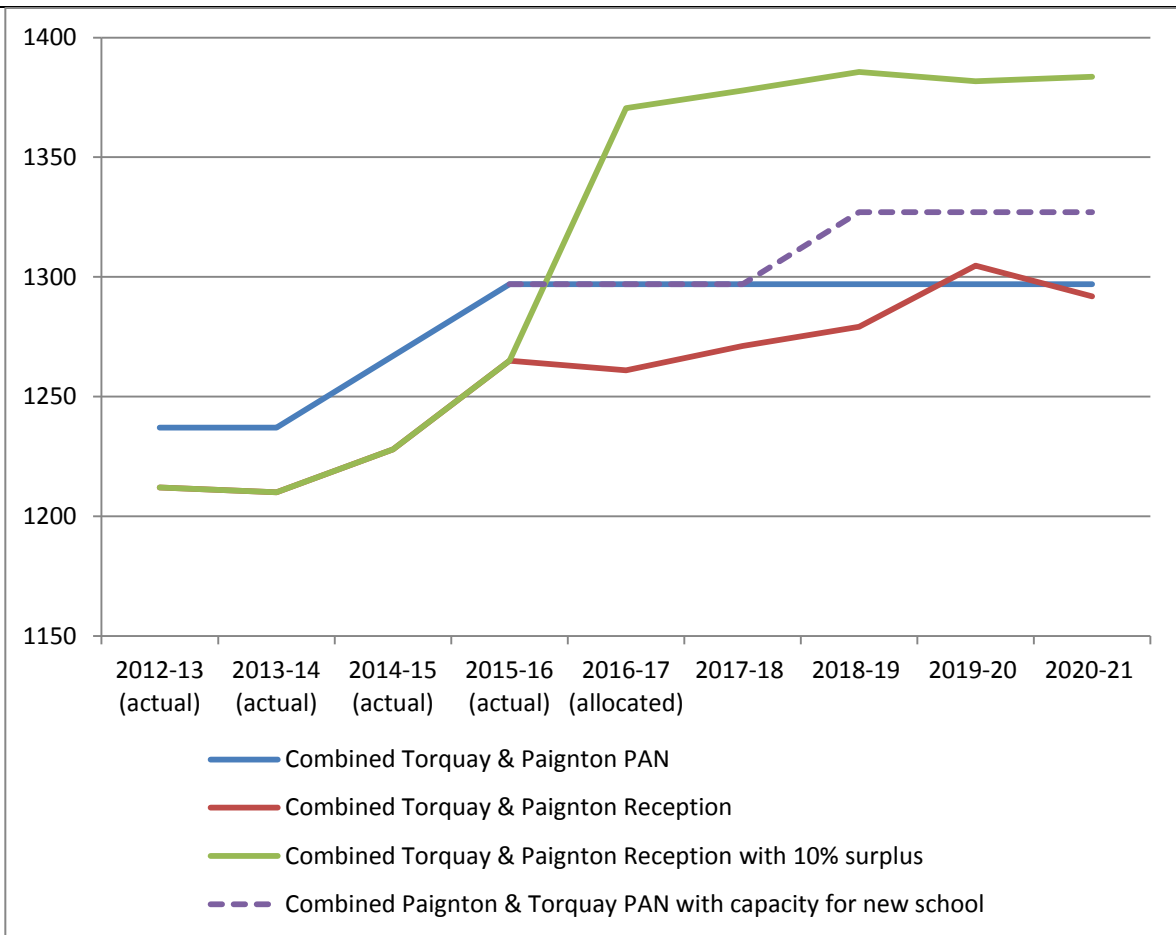
The following graph shows the current PAN in Torquay Primary schools alongside the actual reception intake and the number expected to apply for a reception place over the next 5 years in Torquay.

Torquay



The Audit Commission recommends a surplus of between 5% and 10% of places to allow for parental preference and choice. The graph shows that by 2019, there will be no surplus capacity to allow for parental choice or to meet demand from children moving in to the area in-year.

The graph below shows the combined PAN for Torquay and Paignton alongside the combined projections for the areas with and without the 10% surplus capacity and the additional capacity from the new primary school.



The proposal to build the new primary school on the Torbay Road site will help to address the shortfall in both towns raising the combined PAN capacity for Paignton and Torquay from 1297 to 1327; this would result in a projected surplus of 2% across the 2 towns for September 2019. With a second primary school proposed for the west of Paignton for September 2020, the Council is aiming towards increasing that surplus to the recommended 5% minimum.

As well as considering the need and impact of the tight capacity in the admitting year group i.e. the reception intake; Officers also need to consider the impact of such tight capacity across all year groups.

Historical data in Table 6 shows how Key Stage 2 classes have grown over the last 3 years placing pressures on schools as they admit pupils above their PAN once they are outside of the Key Stage 1 legislation. This is often through necessity because of an appeal or to avoid splitting siblings – although this cannot always be avoided.

Table 6

| | TOTAL KEY STAGE 2 | | | |
|-----------------|-------------------|------|------|--------------------|
| | 2015 | 2014 | 2013 | Increase 2013-2015 |
| Paignton | 1700 | 1695 | 1642 | 58 |
| Torquay | 2915 | 2809 | 2743 | 172 |

The proposal for the new school provides some flexibility to the Council to better manage in year admissions. This is a significant factor when considering place planning as for 2017-18 the Local Authority has removed the designated areas for community and voluntary controlled schools and the majority of non-faith academies have removed their designated areas too. As before all schools will have to admit pupils with a Statement of Special Educational Needs or an Education, Health and Care Plan that names the school and they will also have to prioritise children in care and children adopted from care or subject to a child arrangements or special guardianship order. Most importantly, this change means that non-faith schools will be prioritising all siblings next, followed by other children prioritised according to distance from the school. So there will be an even greater need for more surplus capacity to ensure the Council can place siblings together.

Appendix 3 demonstrates the lack of capacity throughout all year groups across both Torquay and Paignton schools. In September 2015 there were only 177 surplus placements for all year groups against a total planned number of 9353. This also includes some schools going over the planned admission number to accommodate in year admissions.

Where there are very few places available in schools in an area, the impact is as significant:

Impact on pupils, families and schools:

- Where families have more than one child, they are often unable to get both children into the same school. The consequence of this is that one or more children arrive late to school regularly or are collected late, this impacts on pupil attendance.
- Where there is an older sibling already in a school and a younger one cannot get a place in the same school in Reception, the family will often remove the older child. This is disruptive for both the child and the school.
- Where a pupil is placed in a school a long way from their home address they very often stay on the waiting list for a place at a closer school. If/when a vacancy arises, they move from the distant school to the closer one and this is disruptive both for the pupil and for the school.
- Pupils moving into a school during the year take time to catch up; if they move more than once due to initially being placed in a distant school, there is a double impact on their learning due to two transitions
- Parents are unable to make arrangements with local family and friends to help with journeys to and from school which can impact on pupil attendance.
- Families moving into the area and having to send their child(ren) to a school a long way from home find it harder to integrate into their local community.
- Where children have to travel to school by taxi, parents are often extremely unhappy for them to travel by themselves with an escort at the age of 4 or 5 years.
- An increasing number of parents are choosing to home educate their children because there is no local school place. Where parents are not properly equipped to do this, there is a negative impact on learning for these children and a potential safeguarding risk. Sometimes the parent then realises the child needs to be in school and their learning is behind that of other pupils in the class.

| | |
|---------------------------|---|
| | <p>Impact on council budget:</p> <ul style="list-style-type: none"> • If the pupil is in KS1 and there is no school place available within 2 miles, the council has to fund taxi transport plus an escort. This usually costs several thousand pounds per year. Once a child has started at a distant school because there is no closer place available, the council cannot force them to move to a closer school so the transport costs could continue for up to 7 years (approx £67K commitment per child). <p>Impact on council staff:</p> <ul style="list-style-type: none"> • There is a significant increase in the time taken to process admission applications where there are insufficient local places and many more interactions with schools and parents before a place can be allocated than where there is a local place available. Time also has to be spent arranging taxi transport including a procurement process and a recruitment process for an additional home to school escort. • Parents become angry and frustrated and direct their anger towards staff, making their work stressful. |
| <p>11</p> <p>.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>A consultation on this proposal was carried out by the Council from 21 April until 2 June 2016. An on-line survey was published on the Torbay Council website and repeatedly promoted in the local media, as well as on social media including Twitter and Facebook. Hard copies of the consultation were made available to the parents/carers of pupils attending the school and were made available at all the Connections offices and libraries within Torbay.</p> <p>At the close of the consultation 63 responses had been received. A full report on the consultation is attached as Appendix 4.</p> |
| <p>12</p> <p>.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>There are no amendments to the proposal or mitigating actions.</p> |

Equality Impacts

| 13 | Identify the potential positive and negative impacts on specific groups | | | |
|----|---|---|--------------------------------------|----------------|
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | More capacity in the centre of Paignton; providing more opportunity for children to access a place at their local school; more opportunity to meet parental preference; | | |
| | People with caring Responsibilities | More capacity in the centre of Paignton; providing more opportunity for children to access a place at their local school; more opportunity to meet parental preference; | | |
| | People with a disability | Any new school would be made DDA compliant | | |
| | Women or men | | | Neutral Impact |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | | | Neutral Impact |
| | Religion or belief (including lack of belief) | | | Neutral Impact |
| | People who are lesbian, gay or bisexual | | | Neutral Impact |
| | People who are transgendered | | | Neutral Impact |
| | People who are in a marriage or civil partnership | | | Neutral Impact |

| | | | | |
|-----------|---|--|--|----------------|
| | Women who are pregnant / on maternity leave | | | Neutral Impact |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | | | Neutral Impact |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | | | Neutral Impact |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | | | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | | | |

Agenda Item 24

Appendix 2

Schools in Torbay

SPECIAL SCHOOLS

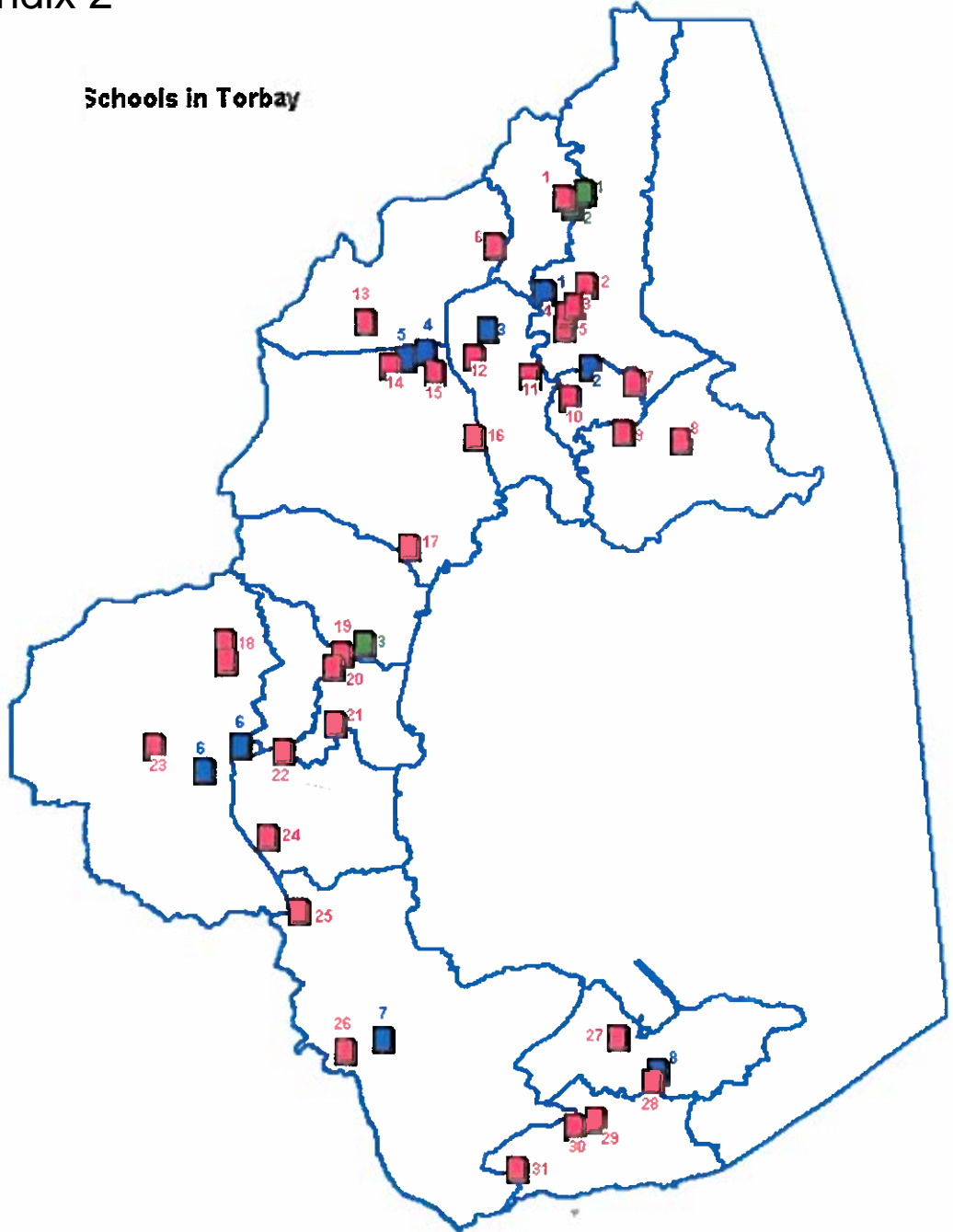
- 1 Mayfield
- 2 Combe Pafford
- 3 Torbay School

PRIMARY SCHOOLS

- 1 Watcombe
- 2 St Marychurch
- 3 Priory
- 4 St Margarets
- 5 Homelands
- 6 Barton Hill
- 7 All Saints Babbacombe
- 8 Ilsham
- 9 Warberry
- 10 Ellacombe
- 11 Upton St James
- 12 Torre CofE
- 13 Shiphay
- 14 Sherwell Valley
- 15 Queensway
- 16 Cockington
- 17 Preston
- 18 Kings Ash
- 19 Oldway
- 20 Sacred Heart
- 21 Curledge Stree
- 22 Hayes
- 23 Collaton ST Mary
- 24 Roselands
- 25 White Rock
- 26 Galmpton
- 27 Furzeham
- 28 Brixham CofE
- 29 Eden Park
- 30 St Margaret Clitherow
- 31 Chestnut Centre

SECONDARY SCHOOLS

- 1 St Cuthbert Mayne
- 2 The Spires
- 3 Torquay Academy
- 4 Torquay Grammar School for Girls
- 5 Torquay Boy's Grammar School
- 6 Paignton Academy
- 7 Churston Ferrers Grammar
- 8 Brixham College



APPENDIX 3

| School | Rec PAN | Rec NOR | Places available | Yr 1 PAN | Year 1 NOR | Places available | Yr 2 PAN | Year 2 NOR | Places available | Yr 3 PAN | Year 3 NOR | Places available | Yr 4 PAN | Year 4 NOR | Places available | Yr 5 PAN | Year 5 NOR | Places available | Yr 6 PAN | Year 6 NOR | Places available |
|---------------------------|------------|------------|------------------|------------|------------|------------------|------------|------------|------------------|------------|------------|------------------|------------|------------|------------------|------------|------------|------------------|------------|------------|------------------|
| All Saints Babbacombe | 30 | 30 | 0 | 30 | 30 | 0 | 30 | 30 | 0 | 30 | 29 | 1 | 30 | 31 | -1 | 30 | 30 | 0 | 30 | 30 | 0 |
| Barton Hill Academy | 90 | 89 | 1 | 90 | 87 | 3 | 90 | 85 | 5 | 90 | 89 | 1 | 90 | 83 | 7 | 90 | 73 | 17 | 90 | 89 | 1 |
| Cockington Primary | 90 | 90 | 0 | 90 | 89 | 1 | 60 | 59 | 1 | 90 | 89 | 1 | 60 | 61 | -1 | 60 | 55 | 5 | 60 | 58 | 2 |
| Ellacombe Primary | 60 | 56 | 4 | 60 | 56 | 4 | 60 | 53 | 7 | 45 | 40 | 5 | 45 | 44 | 1 | 45 | 36 | 9 | 45 | 45 | 0 |
| Homelands Primary | 30 | 31 | -1 | 30 | 30 | 0 | 30 | 30 | 0 | 30 | 28 | 2 | 30 | 29 | 1 | 30 | 28 | 2 | 30 | 29 | 1 |
| Tilsham Primary | 25 | 25 | 0 | 25 | 25 | 0 | 25 | 25 | 0 | 25 | 25 | 0 | 25 | 24 | 1 | 25 | 26 | -1 | 25 | 26 | -1 |
| o Priory Primary | 30 | 30 | 0 | 30 | 31 | -1 | 30 | 29 | 1 | 30 | 27 | 3 | 30 | 32 | -2 | 30 | 25 | 5 | 30 | 28 | 2 |
| r Queensway Primary | 30 | 30 | 0 | 30 | 29 | 1 | 30 | 30 | 0 | 30 | 27 | 3 | 30 | 31 | -1 | 30 | 22 | 8 | 30 | 28 | 2 |
| q Sherwell Valley Primary | 90 | 91 | -1 | 90 | 90 | 0 | 90 | 90 | 0 | 90 | 91 | -1 | 90 | 92 | -2 | 90 | 90 | 0 | 90 | 90 | 0 |
| u Shiphay Primary | 60 | 59 | 1 | 60 | 60 | 0 | 60 | 60 | 0 | 60 | 62 | -2 | 60 | 64 | -4 | 60 | 58 | 2 | 60 | 63 | -3 |
| a St Margarets Primary | 60 | 62 | -2 | 60 | 59 | 1 | 60 | 60 | 0 | 60 | 58 | 2 | 60 | 60 | 0 | 60 | 56 | 4 | 60 | 58 | 2 |
| y St Marychurch Primary | 45 | 43 | 2 | 45 | 43 | 2 | 45 | 42 | 3 | 45 | 43 | 2 | 45 | 43 | 2 | 45 | 39 | 6 | 45 | 44 | 1 |
| Torre Primary | 45 | 45 | 0 | 45 | 45 | 0 | 45 | 45 | 0 | 45 | 42 | 3 | 30 | 31 | -1 | 30 | 32 | -2 | 30 | 31 | -1 |
| Upton St James Primary | 15 | 14 | 1 | 15 | 15 | 0 | 15 | 14 | 1 | 15 | 14 | 1 | 15 | 15 | 0 | 15 | 12 | 3 | 15 | 15 | 0 |
| Warberry Primary | 60 | 60 | 0 | 60 | 56 | 4 | 60 | 60 | 0 | 60 | 58 | 2 | 45 | 56 | -11 | 45 | 41 | 4 | 45 | 49 | -4 |
| Watcombe Primary | 30 | 30 | 0 | 30 | 29 | 1 | 30 | 23 | 7 | 30 | 30 | 0 | 30 | 29 | 1 | 30 | 30 | 0 | 30 | 29 | 1 |
| Totals | 790 | 785 | 5 | 790 | 774 | 16 | 760 | 735 | 25 | 775 | 752 | 23 | 715 | 725 | -10 | 715 | 653 | 62 | 715 | 712 | 3 |
| Collaton St Mary Primary | 30 | 30 | 0 | 30 | 30 | 0 | 30 | 29 | 1 | 30 | 30 | 0 | 30 | 28 | 2 | 30 | 31 | -1 | 30 | 31 | -1 |
| P Curlew Street | 60 | 58 | 2 | 60 | 57 | 3 | 60 | 60 | 0 | 60 | 61 | -1 | 60 | 59 | 1 | 60 | 60 | 0 | 60 | 60 | 0 |
| a Harcus Primary | 57 | 57 | 0 | 57 | 57 | 0 | 57 | 60 | -3 | 57 | 58 | -1 | 57 | 55 | 2 | 57 | 60 | -3 | 57 | 59 | -2 |
| i King Ash | 60 | 47 | 13 | 60 | 46 | 14 | 60 | 60 | 0 | 60 | 49 | 11 | 60 | 52 | 8 | 60 | 57 | 3 | 60 | 54 | 6 |
| g Oldway Primary | 90 | 92 | -2 | 90 | 90 | 0 | 90 | 91 | -1 | 90 | 89 | 1 | 90 | 90 | 0 | 90 | 86 | 4 | 90 | 92 | -2 |
| n Preston Primary | 45 | 45 | 0 | 45 | 44 | 1 | 45 | 43 | 2 | 45 | 42 | 3 | 45 | 42 | 3 | 45 | 46 | -1 | 45 | 44 | 1 |
| t Rowlands Primary | 45 | 45 | 0 | 45 | 45 | 0 | 45 | 46 | -1 | 45 | 44 | 1 | 38 | 47 | -9 | 38 | 44 | -6 | 38 | 46 | -8 |
| o Sacred Heart Primary | 30 | 30 | 0 | 30 | 30 | 0 | 30 | 30 | 0 | 30 | 30 | 0 | 30 | 31 | -1 | 30 | 30 | 0 | 30 | 31 | -1 |
| n White Rock Primary | 90 | 76 | 14 | 60 | 61 | -1 | 90 | 78 | 12 | 60 | 62 | -2 | 60 | 61 | -1 | 60 | 63 | -3 | 60 | 64 | -4 |
| Totals | 507 | 480 | 27 | 477 | 460 | 17 | 507 | 497 | 10 | 477 | 465 | 12 | 470 | 465 | 5 | 470 | 477 | -7 | 470 | 481 | -11 |

Data from September 2015 Census

PAN - Planned Admission Number for that year group

NOR - Numbers on Roll

Appendix 4



New Primary School Paignton

Consultation Report

June 2016

| Method | Number of questionnaires |
|----------------------|---------------------------------|
| Total on-line | 63 |

This survey was open between 21 April 2016 and 2 June 2016

CONTENTS

| | |
|----------------------------------|---|
| 1. Executive Summary | 3 |
| 2. Summary of results..... | 3 |
| 3. Results | 3 |
| 4. Respondent Profile | 6 |
| 5. Written Representations | 7 |
| 6. Conclusion..... | 7 |

1. Executive Summary

Torbay Council proposes to open a new primary school in Paignton from September 2018 to meet the increasing demand for places in the area.

The consultation on this proposal began on 21 April 2016 and the intended consultees were all Torbay schools and the residents of Torbay.

An on-line survey and supporting documents were published on the Torbay Council website and promoted, repeatedly, in the local media via twitter and press releases.

Hard copies of the consultation papers were made available at all the Connection Offices and libraries within Torbay. Copies were also emailed to all schools in Torbay and neighbouring local authorities.

The consultation ended on the 2 June 2016.

2. Summary of results

- 55.6 % of respondents confirmed that they were in support of the proposal
- 38.1% of the respondents confirmed that they were against the proposal
- 20.6% of the respondents were parents/carers of a child of school age

3. Results

1. Are you completing this questionnaire as:

| | Number | Percent |
|---|--------|---------|
| A School Governor | 1 | 1.6% |
| A School Staff Member | 7 | 11.1% |
| A Parent/Carer of a child of school age | 13 | 20.6% |
| A Torbay resident | 36 | 57.1% |
| Other | 6 | 9.5% |

2. Do you agree with the proposal to open a new Primary School in Paignton on the site of the existing Torbay School?

| | Number | Percent |
|--------------|-----------|-------------|
| Yes | 35 | 55.6% |
| No | 24 | 38.1% |
| Not Sure | 4 | 6.3% |
| Total | 63 | 100% |

3. Please provide us with any further comments you would like to make about the proposal for a new Paignton Primary School (Positive or Negative):

This question allowed respondents to make written comments. These comments have been categorised into popular themes. The numbers in brackets indicate the number of responses in that theme. Individual comments may be classified under more than one theme.

Themes in support of the proposal:

| Category | Comments made by respondents |
|--|--|
| <p>Recognise need for additional school places in the area (29)</p> | <p><i>“..I agree that we are in desperate need of additional primary school places in that area in particular..”</i></p> <p><i>“My son was in catchment for Oldway Primary School but didn’t get a place...it was an incredibly stressful time for me and my family”</i></p> <p><i>“As [a staff member] at Oldway Primary School... I can say that we are regularly over-subscribed..”</i></p> <p><i>“It is an ideal place for a primary school provided the main entrance is from Brookfield..”</i></p> <p><i>“...maximise parental preference..”</i></p> <p><i>“A new school in Paignton is extremely important for Paignton children and our communities.”</i></p> <p><i>“More school places are so desperately needed. I have a toddler and I’m worried that she won’t get into our local school..”</i></p> <p><i>“We need a new primary school and this seems a good opportunity.”</i></p> <p><i>“...I have many friends who have struggled with getting a school place for their children.”</i></p> <p><i>“...A new school would provide more choice for parents.”</i></p> |
| <p>Good use of existing site (4)</p> | <p><i>“There is a basic need for primary school places in Paignton and the reuse of Torbay’s assets in this manner provides a cost effective and locally managed solution”</i></p> <p><i>“Using existing site effectively”</i></p> |

Themes against the proposal:

| Category | Comments made by respondents |
|---|--|
| <p>Concern that it does not address long term issues</p> | <p><i>“...short term and poor choice, it doesn’t solve longer term numbers problem to get the 10% advised by former Audit Commission...”</i></p> |

| | |
|--|---|
| <p>(5)</p> | <p><i>"...we need a Torbay wide decision based on a full assessment of community need for the future not just site availability..."</i></p> <p><i>"...fails to address a strategic approach to provision of primary places across Torbay...admissions at Kings Ash were well below their PAN...urgent attention should be focused on promoting this school..."</i></p> |
| <p>Concern that the site is unsuitable & in the wrong location (14)</p> | <p><i>"...the current facility has been deemed to be too small for its current purpose, therefore, how can it possibly be suitable for a primary school with even more pupils..."</i></p> <p><i>"...why are we starting a new school off with a lower than appropriate area? It is NOT justification to say that 7/9 of our other school have a lower than recommended area..."</i></p> <p><i>"...not a good location...dangerous corner and the entrance to the school will open on to one of the busiest roads in Torbay..."</i></p> <p><i>"...should be built in areas of new housing..."</i></p> <p><i>"...constraints at the proposed site in Preston will restrict any future growth, fail to provide adequate playing pitch facilities and put a strain on the highway network..."</i></p> |
| <p>Concern over the impact on existing provision (4)</p> | <p><i>"Most schools have vacancies across Paignton"</i></p> <p><i>"I run a pre-school and my business would be adversely affected..."</i></p> |
| <p>Disagree with the linked proposal to relocate Torbay School to Parkfield (3)</p> | <p><i>"Disagree with the movement of the pupils to Parkfield and the wasting of so much money"</i></p> <p><i>"...already school on site...additional land will be available there so why not leave the current school where it is..."</i></p> <p><i>"...Move primary school to Parkfield..."</i></p> |

Themes of those not sure about the proposal:

| <p>Category</p> | <p>Comments made by respondents</p> |
|---|---|
| <p>Concern whether there is a genuine need (1)</p> | <p><i>"Oldway School has always been significantly over-subscribed...we shouldn't assume that these applications are always from local families..."</i></p> |

| | |
|---|--|
| Concern over Parkfield (1) | <i>"What will happen to the current services at Parkfield...?"</i> |
| Concern over impact on existing catchments (1) | <i>"I have 2 children in Oldway Primary and a 1 year old....concerned that my youngest may not be able to attend Oldway"</i> |
| Concern over impact on the local area (2) | <i>"Possible noise nuisance and traffic problems, more information required"</i> <i>"Will there be adequate parking/pick up/drop off areas...?"</i> |

4. Respondent Profile

Are you?

| | Number | Percent |
|--------------|-----------|-------------|
| Male | 26 | 41.3% |
| Female | 37 | 58.7% |
| Total | 63 | 100% |

Which of the following age groups applies to you?

| | Number | Percent |
|--------------|-----------|-------------|
| 0 – 15 | 0 | 0% |
| 16 – 24 | 0 | 0% |
| 25 – 34 | 13 | 20.6% |
| 35 – 44 | 16 | 25.4% |
| 45 – 54 | 13 | 20.6% |
| 55 – 64 | 10 | 15.9% |
| 65 –74 | 7 | 11.1% |
| 75+ | 3 | 4.8% |
| No answer | 1 | 1.6% |
| Total | 63 | 100% |

Do you consider yourself to be disabled in any way?

| | Number | Percent |
|--------------|-----------|-------------|
| Yes | 4 | 6.3% |
| No | 54 | 85.7% |
| No answer | 5 | 8% |
| Total | 63 | 100% |

If Yes please tell us how it affects you:

| | Number | Percent |
|------------------------------|----------|-------------|
| It affects my hearing | 2 | 28% |
| It affects my vision | 2 | 28% |
| It affects my mobility | 1 | 14% |
| It affects me in another way | 2 | 28% |
| Total | 7 | 100% |

5. Written Representations

The council received one written response to the consultation. This was from the Paignton Town Community Partnership.

The partnership opposes the proposal stating that “*we do not believe that the Torbay School site is suitable for, or best positioned to house a new 210 pupil Primary School*”.

6. Conclusion

The majority of the respondents (55.6%) were in support of the proposal to open a new primary school on the existing Torbay School site, acknowledging the need for additional school places in Paignton, particularly in the central area of the town with many local schools being oversubscribed. Ten responses (16%) were from parents or carers of a child of school age who were concerned about the lack of provision in the area.

Other respondents agreed that using the Torbay School site, once the existing school had relocated, would be an efficient and sensible use of an existing Council asset.

Twenty four of the respondents (38.1%) and the written representation received were against the proposal.

The majority opposing considered the proposed site to be unsuitable for a new primary school. Concern was expressed over the site's limited size and accessibility.

Others considered it to be in the wrong location suggesting a new school would be better sited closer to the new housing developments on the outskirts of Paignton or in Torquay.

Some respondents questioned the need for new provision and whether the LA should be addressing issues at existing schools in the town which were less successful and less popular.

Three of the respondents (4.8%) were opposed to the proposal as it is linked to, and dependent on, the relocation of Torbay school to Parkfield - the respondents are against the relocation.

For further information please contact the Schools Capital & Planning Team, TDA on 01803 208260 or email Schoolscapital&planningteam@tedcltd.com

The information used to collate this report has been collected and processed in accordance with the Data Protection Act, 1998.

Agenda Item 24

Appendix 5

RIVIERA

PRIMARY ACADEMY TRUST



Roselands Primary School

Headteacher: Mrs Debbie Main

Lynmouth Avenue, Paignton, Devon TQ4 7RQ

Tel: (01803) 525375

Email: admin@roselandsprimary.org.uk

Website: www.roselandsprimary.org.uk

29th April 2016

Dear Rachael,

As the CEO of the Riviera Primary Academy Trust, I wanted to write to show my support of the proposal to open a new primary school on the present Torbay School site in Paignton.

Having visited the site earlier this year, I can honestly say that, in my opinion, it is perfect for a one form entry primary school. The obvious lack of play space and the difficult entrance issues have both been addressed through the current building project. Further refurbishment internally would enhance the provision available and would ensure that the site is fully equipped for the needs of primary aged children.

With the current pressure on primary school places across the Bay, particularly in Paignton, it seems an obvious solution to open a new school on this site.

The members, trustees and local governing bodies within the Riviera Primary Academy Trust are very keen to offer their support to this new school. We are also very happy to work with either the Local Authority or the Department for Education in order to apply to open this new school as a free school within our Multi Academy Trust.

Yours sincerely

A handwritten signature in cursive script that reads 'Debbie Main'.

Mrs Debbie Main

Headteacher /CEO



Meeting: Full Council

Date: 21st July 2016

Wards Affected: Goodrington with Roselands

Report Title: Disposal of Long Lease- Waterpark and Go-kart Site, Goodrington Sands, Tanners Road, Goodrington, Paignton

Is the decision a key decision? Yes

When does the decision need to be implemented?

Executive Lead Contact Details: Councillor Nicole Amil, Executive Lead for Tourism, Culture and Harbours, Tel 01803 207122, Email: nicole.amil@torbay.gov.uk

Supporting Officer Contact Details: Karen Howe, Valuer TDA, Tel 01803 207918, E-mail: karen.howe@tedcltd.com

1. Proposal and Introduction

- 1.1 Due to the ending of the Waterpark lease in November 2016, a tender process has been undertaken for the granting of a new long lease commencing on 2nd November 2016 of the area of the existing Waterpark. This area is shown edged red (with the exclusion of the ground floor area dotted blue) on the attached plan number EM 1013h, and the area to the north of the Waterpark is the old Go-kart track site, as shown on plan number EM1013a at Appendix 2.
- 1.2 The area edged blue known as the Peter Pan area could also be included in any new lease granted. An area slightly larger than the blue area may be required to facilitate a new water attraction and therefore the lines are indicative and subject to minor alteration.
- 1.3 A decision is required by Full Council whether to grant a long lease to the successful tenderer. It should be noted that officers have reservations on whether the proposal offered demonstrates best value for the Council as currently presented and therefore further negotiation is required before any lease should be agreed.
- 1.4 It is considered that the proposed investment in the site will be of benefit to the residents and visitors, and to the Council,
- 1.5 However, if the Council determines a 40 year lease, then this significantly limits the councils options on the Waterpark site for the next 40 years, and for example, a wider redevelopment of the site may be a better solution in the longer term.

2. Reason for Proposal

Decisions on acquisitions or disposal of land in excess of £250,000 require approval at Full Council. .

The issue was included in the Forward Plan, reference I023108

3. Recommendation(s) / Proposed Decision

- 3.1 It is recommended that Full Council approve in principle the granting of a long lease for the red and the blue area shown on the Plan at Appendix 2 with authority being delegated to the Assistant Director (Corporate and Business Services) in consultation with the TDA's Head of Asset Management to approve the detailed terms of the Lease, subject to ongoing negotiations around the length of the lease and ensuring the financial return to the Council demonstrates best value.

Appendices

Appendix 1: Supporting Information and Impact Assessment

Appendix 2: Plan A Area to be leased edged red with option of additional land edged blue

Exempt Appendix 3: Confidential commercially Sensitive Information

Background Documents

None additional all included in Exempt Appendix 3

Supporting Information and Impact Assessment

| | |
|--------------------------------|---|
| Service / Policy: | Communities and Customer Services |
| Executive Lead: | Councillor Nicol Amil |
| Director / Assistant Director: | Fran Hughes, Assistant Director – Community & Customer Services |

| | | | | | |
|----------|---|-------|------------|---------|------------------------|
| Version: | 1 | Date: | 27.05.2016 | Author: | Karen Howe/Fran Hughes |
|----------|---|-------|------------|---------|------------------------|

| Section 1: Background Information | |
|--|---|
| 1. | <p>What is the proposal / issue?</p> <p>The tender of the long Lease of the Waterpark has been undertaken through procurement and a successful bidder has been identified.</p> <p>However, officers feel unable to recommend a clear direction to Elected Members at the present time for the following reasons:</p> <ul style="list-style-type: none"> • There was only one bidder for the Waterpark; • The proposal is for a 40 year lease, with an annual income to the council circa £35k, with an additional uplift based on turnover. Although this income allows for a large capital investment by the bidder in the first five years of the contract, officers cannot be assured that this is best value; • If the council determines a 40 year lease, then this significantly limits the Councils options on the Waterpark site for the next 40 years, and for example, a wider redevelopment of the site may be a better solution in the longer term. |
| 2. | <p>What is the current situation?</p> <p>The Waterpark was built in the 1980's by a Company called Rush & Thompkins, who then went bust in the 1990's. The then manager was granted a lease which was surrendered in 2009 due to the Tenant's financial difficulties.</p> <p>The existing Tenant, was successful in a tender for the site in 2009 and was granted a 5 year lease from the Council to run the waterpark.</p> <p>Due to the on-going large OJEU tender for the whole Clennon Valley. The Tenant was granted a 2 year short term lease, to enable the Waterpark to be run and to await the outcome of the procurement process.</p> <p>The OJEU Procurement did not progress and the existing Tenant's lease expires on 1 November 2016. The Tenant does not have any rights to renew the lease and therefore the site needed to go out to tender.</p> |

| | |
|------------------|--|
| | <p>The area to the north of the Waterpark is the old Go-kart track site, as shown on plan number EM1013a. This area is vacant at the moment and was included in the tender.</p> <p>The area to the south of the Waterpark known as the Peter Pan area was included as an additional option in the tender, and external consultation is being carried out on this area.</p> <p>Detailed negotiations with the successful bidder are continuing.</p> <p>The benefits are that a long lease for the waterpark and ex – go kart being granted are annual income for the Council, investment and new attractions at the site.</p> |
| <p>3.</p> | <p>What options have been considered?</p> <p>The option considered was re- letting the attraction for a maximum of 40 years, thus giving the potential bidders the flexibility to bid for a long lease and providing investment in the operation, or a shorter lease.</p> <p>Other options include:</p> <ul style="list-style-type: none"> • Close the existing facility (as there is no option to extend the lease); • Offer a tender for the site, as is, as a waterpark; • Offer a tender of the site, to expand the offer on the site (including Go-Kart Track and Peter Pan area). • To consider the site as a part of a wider redevelopment opportunity across Goodrington/Clennon Valley |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>Principles:</p> <ul style="list-style-type: none"> • Use reducing resources to best effect <p>Targeted actions:</p> <ul style="list-style-type: none"> • Working towards a more prosperous Torbay • Promoting healthy lifestyles across Torbay • Ensuring Torbay remains an attractive and safe place to live and visit <p>Ambitions : Working towards a more prosperous Torbay</p> |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>The Local Ward Councillors have been consulted and made aware of the proposals.</p> <p>A Legal Notice has been advertised for the Disposal of Open Space for the Peter Pan Area, where the public can object in writing to the Council. The</p> |

| | |
|-----------|---|
| | <p>closing date for objections was 29th June 2016. One objection was received after the closing date.</p> <p>The proposal involves some alterations, and any development will be submitted through the Planning process.</p> |
| 6. | <p>How will you propose to consult?</p> <p>As stated above in Paragraph 5.</p> |

Section 2: Implications and Impact Assessment

| | |
|-----------|---|
| 7. | <p>What are the financial and legal implications?</p> <p>Financial Implications of Decision On completion of the long Lease, the Council would have an increased annual rent receipt for the property, and maintenance and improvement conditions from the new Tenant. By entering into a long lease for this attraction however, the Council limits its option for any future redevelopment of the site for the next 40 years.</p> <p>Legal Implications</p> <p>The Disposal of Open Space Notice for the area edged blue at Appendix 2 was advertised in the Local Newspaper and one objection was received after the closing date. The objection has not been considered yet and is attached in the confidential Appendix.</p> <p>The one objection to the Disposal of Open Space of the Peter Pan Area mentions an Urban Protection Order, however, initial Legal advice in consultation with Planning and Natural Environment confirms that the Peter Pan Area is not covered by the Urban Landscape Protection Order of Goodrington Park and Roundham.</p> <p>There may need to be a negotiated alteration of a 3rd party accessway to facilitate the ideal attraction arrangement.</p> <p>A new Lease to be agreed and completed.</p> |
| 8. | <p>What are the risks?</p> <ul style="list-style-type: none">• If the tender proposals are not implemented, the Council will need to go out to tender again, or look at different options for the site rather than a waterpark.• If the tender proposals are implemented, this will limit the Councils ability to consider any future redevelopment of the site for the next 40 years.• If the Council decides not to grant a lease then the existing facility will close in November 2016 and remain closed until a redevelopment opportunity is identified• Not achieving planning permission for the tender submission as proposed |
| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>Yes, and the process has been the subject of a formal procurement process.</p> |

| | |
|-------------------|--|
| <p>10.</p> | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>The tender for a lease of up to 40 years for the site was market tested through a full procurement exercise. There was also a marketing strategy for the site. However, the interest in the site was limited.</p> |
| <p>11.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>One objection to the Disposal of Open Space Notice for the Peter Pan Area was received after the closing date.</p> |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>Further negotiation with the successful bidder is taking place to clarify certain issues, in particular the length of the lease and financial return to the Council.</p> |

Equality Impacts

| | | | | |
|----|---|---|---|--|
| 13 | Identify the potential positive and negative impacts on specific groups | | | |
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | Additional facilities provided for families and young people within the terms of the lease. | | |
| | People with caring Responsibilities | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | People with a disability | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | Women or men | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | Religion or belief (including lack of belief) | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | People who are lesbian, gay or bisexual | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |

| | | | | |
|----|---|--|--|--|
| | People who are transgendered | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | People who are in a marriage or civil partnership | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | Women who are pregnant / on maternity leave | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | | | Granting of a new Lease should have a neutral impact, and there should be no differential impact |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | Loss of open space on the Peter Pan area | | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | None aware of. | | |



EM Plan No: EM2963
Date: 15th December 2016
Title: Proposed Waterpark Lease, Goodington, Paignton.
TORBAY DEVELOPMENT AGENCY - ASSET MANAGEMENT

Asset No: P0130
LR Title No: DHS38167
Scale: 1:500 @ A2
Area: 10,666.64m²



Agenda Item 25

Appendix 3

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

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Agenda Item 26



Meeting: Council

Date: 21 July 2016

Wards Affected: All Wards

Report Title: Devolution for the Heart of the South West – Formal Devolution Bid

Is the decision a key decision? Yes

When does the decision need to be implemented? As soon as possible

Executive Lead Contact Details: Mayor Oliver, Mayor and Executive Lead for Finance and Regeneration, (01803) 207001, mayor@torbay.gov.uk

Supporting Officer Contact Details: Anne-Marie Bond, Assistant Director Corporate and Business Services, (01803) 207160, anne-marie.bond@torbay.gov.uk

1. Proposal and Introduction

- 1.1 Devolution for the Heart of the South West (HotSW) is being led by the Leaders of Somerset and Devon County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks and the Local Enterprise Partnership. The group are working towards a Devolution Deal with Government to secure greater powers, and control and to have a stronger voice with Government.
- 1.2 Our shared Devolution Statement of Intent was submitted to Government on 4 September 2015 in response announcements in the July Budget and a deadline set by the Chancellor of the Exchequer.
- 1.3 It should be noted that there is no intention for a new Combined Authority to take existing powers or funding from local authorities, or existing City Deal governance structures, without the explicit agreement of those constituent local authorities. Further detailed work will be undertaken to identify the decision making powers and the constitution of the Combined Authority, and all partners will be fully involved and consulted on these arrangements as they develop over the coming months.
- 1.4 Since September 2015, the partnership has strengthened and evolved, and jointly developed the HotSW Prospectus for Prosperity (Appendix 2). The Prospectus builds on the three basic ambitions: to raise productivity levels; improve health, care and wellbeing; and improve connectivity and resilience. A number of thematic groups were established to develop the detail for the proposition;
 - Health, social care and wellbeing
 - Skills and employment
 - Business support
 - Infrastructure, resilience and connectivity
 - Housing and planning
 - Governance.

- 1.5 Our Prospectus for Prosperity was submitted to Government at the end of February 2016. Since then the Partnership has pressed the Secretary of State to enter into discussion with its negotiation team to secure a Devolution Deal for the Heart of the South West area. Following an invitation from the Secretary of State, on the 25 May 2016, leaders from the upper tier authorities met with Greg Clarke, Secretary of State for the Department of Communities and Local Government, to seek his views on our next steps forward.
- 1.6 Following that meeting, he invited us to come forward with a proposal and the following points were clarified:
- **Geography** – the Devon and Somerset area is agreed as the appropriate scale. Our proposal will need clearly demonstrate why this is the right geography for the Devolution agreement and all councils and MPs must support the proposal.
 - **Combined Authority** – the Partnership will move forward into the negotiation process based on a Combined Authority model. A Mayor will not be imposed or be a pre-condition of any initial deal.
 - **Extent of the Deal** – areas that have agreed to have a Mayor will get more powers than a non-Mayoral Combined Authority. However, the negotiation process will be an opportunity to push the limits of this initial Deal, and the process should be viewed as being incremental.
 - **Timeline** – we need to work towards an Autumn Statement timeline for the announcement of an initial Deal.
 - **Growth Deal 3** – the LEP will not be penalised in Growth Deal 3 negotiations just because the area has decided to pursue a Devolution Deal based on a Combined Authority without a Mayor. The decision for allocation will be based purely on the quality of the Growth Deal bid.
- 1.7 The Secretary of State went on to advise that if the Partnership, backed by each Council and MPs, would sign up to the principle of creating a Combined Authority by the end of July 2016, he would arrange for HM Treasury to open up negotiations towards a Devolution Deal.
- 1.8 This report seeks approval to sign up '*in principle*' to the pursuit of a Devolution Deal and the creation of a Combined Authority for the Heart of the South West sub-region to administer the powers and funding devolved through the Deal. Such an '*in principle*' agreement from all of the local authorities, partners and MPs involved in the Heart of the South West devolution process will open up negotiations with HM Treasury which is the next necessary step in securing the Deal.
- 1.9 Any final Devolution Deal with Government will be subject to further approval/ratification by all partners individually. A Heads of Terms document will be used as a negotiating tool to draw down additional powers and funding to provide a significant boost to the Heart of the South West economy.

2. Reason for Proposal

- 2.1 The Council has an opportunity to benefit from devolution across a wide range of topics and services. The benefits of devolution are set out in Appendix 3.
- 2.2 Devolution has clear links to, and potential to enhance productivity for people, business and place and links to the council's corporate ambitions of improving prosperity and health for the people of Torbay.
- 2.3 The recommendations seek to gain authority to pursue solutions that help the Council maximise the opportunities of devolution. They do not commit the Council to a formal Devolution Deal, only to the principle of a Combined Authority to open up further negotiations with Government, and specifically the Treasury.
- 2.4 At this stage of the process the Council is not required to take decisions on the detail of future service provision but rather to be actively aware and involved in discussions.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Council endorses the current approach to devolution and agree to sign up to the principle of creating a Combined Authority for the Heart of the South West, as set out in the Prospectus for Productivity, as the basis for negotiation with Government towards a Devolution Deal for the area; and
- 3.2 That the Council notes that giving this endorsement does not commit the Council to entering into a Devolution Deal or becoming a member of a Heart of the South West Combined Authority. This would be subject to future debate and agreement by the Council and subject to negotiations with Government.

Appendices

Appendix 1: Supporting Information and Impact Assessment

Appendix 2: Devolution for the Heart of the south West: A Prospectus for Productivity

Appendix 3: Benefits of Devolution – 'What Devolution will mean for my local authority area'

Appendix 4: Briefing note on Combined Authorities

Background Documents

None

Supporting Information and Impact Assessment

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| Service / Policy: | Heart of the South West Formal Devolution Bid |
| Executive Lead: | Mayor Oliver, Mayor and Executive Lead for Finance and Regeneration |
| Director / Assistant Director: | Anne-Marie Bond, Assistant Director of Corporate and Business Services |

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| Version: 1 | Date: 17/6/16 | Author: Anne-Marie Bond |
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| Section 1: Background Information | |
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| 1. | <p>What is the proposal / issue?</p> <p>Devolution for the Heart of the South West (HotSW) is being led by the Leaders of Somerset and Devon County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks and the Local Enterprise Partnership.</p> <p>The aim is to sign up ‘in principle’ to the pursuit of a Devolution Deal with the Government and the creation of a Combined Authority for the Heart of the South West sub-region to administer the powers and funding devolved through the Deal. An ‘in principle’ agreement from all of the local authorities, partners and MPs involved in the Heart of the South West devolution process will open up negotiations with HM Treasury to work towards a Deal.</p> |
| 2. | <p>What is the current situation?</p> <p>The Government has declared its desire to devolve powers and budgets from Westminster to local authorities, along Local Enterprise Partnership geographies. The Chancellor of the Exchequer is particularly interested in devolution as a driver of economic growth and reducing reliance on the public purse.</p> <p>In general, devolution is expected to support the following areas of government policy:</p> <ul style="list-style-type: none"> • Increased productivity • Skills and employment • Housing • Reducing the cost of the public sector <p>Many devolution deals are being developed by consortia of local authorities and their Local Enterprise Partnerships. The largest agreed deal so far is the Greater Manchester Devolution Agreement. Known as the ‘Northern Powerhouse’ this deal will:</p> <ul style="list-style-type: none"> • Join up economic growth agendas and public service reform • Health and social care integration • Devolve business support and skills/training/apprenticeship budgets |

- Create a directly elected Mayor with transport, strategic planning, housing development and Police and Crime Commissioner powers

Cornwall Council have also agreed a devolution deal to give them greater power and influence over business support, skills and employment support, EU funding, and health and social care integration. During tough negotiations with Government they demonstrated that an elected Mayor for Cornwall was not required for their area.

During August, Heart of the South West Leaders agreed to produce a high-level set of ambitions stating our desire to negotiate a devolution deal with government where we would make improvements to our area in return for increased powers and responsibilities.

The Heart of the South West Devolution Statement of Intent was submitted to Government and made public on 4 September 2015.

The Government praised our statement of intent for its clarity and ambition and asked us to move forward swiftly to produce detailed, formal proposals and begin negotiation with them on a formal deal.

Since September 2015, the partnership has strengthened and evolved, and jointly developed the HotSW Prospectus for Prosperity (Appendix 2).

Our Prospectus for Prosperity was submitted to Government at the end of February 2016. Since then the Partnership has pressed the Secretary of State to enter into discussion with its negotiation team to secure a Devolution Deal for the Heart of the South West area.

Following an invitation from the Secretary of State, on the 25 May 2016, leaders from the upper tier authorities met with the Greg Clarke, Secretary of State for the Department of Communities and Local Government to seek his views on our next steps forward.

Following that meeting, he invited us to come forward with a proposal and the following points were clarified:

- **Geography** – the Devon and Somerset area is agreed as the appropriate scale. Our proposal will need clearly demonstrate why this is the right geography for the Devolution agreement and all councils and MPs must support the proposal.
- **Combined Authority** – the Partnership will move forward into the negotiation process based on a Combined Authority model. A Mayor will not be imposed or be a pre-condition of any initial deal.
- **Extent of the Deal** – areas that have agreed to have a Mayor will get more powers than a non-Mayoral Combined Authority. However, the negotiation process will be an opportunity to push the limits of this initial Deal, and the process should be viewed as being incremental
- **Timeline** – we will still work towards an Autumn Statement timeline for the announcement of an initial Deal
- **Growth Deal 3** – the LEP will not be penalised in Growth Deal 3 negotiations just because the area has decided to pursue a Devolution

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| | <p>Deal based on a Combined Authority without a Mayor. The decision for allocation will be based purely on the quality of the Growth Deal bid.</p> <p>The Secretary of State went on to advise that if the Partnership, backed by each Council and MPs, would sign up to the principle of creating a Combined Authority by the end of July 2016, he would arrange for HM Treasury to open up negotiations towards a Devolution Deal.</p> |
| <p>3.</p> | <p>What options have been considered?</p> <ol style="list-style-type: none"> 1. To decline the Secretary of State’s offer and continue at our own pace. Reason for rejection: As far as we are aware we may be the first two tier area to be given the opportunity to enter into negotiation with Government for a Devolution Deal without committing to a directly elected Mayor (except for Cornwall which has a different arrangement). This is a prime opportunity to test Government and push as far as we can for powers to be devolved to the HotSW. The offer is likely to be time-limited due to Government schedules and announcements. 2. To make separate approaches to Government, rather than as a Heart of the South West partnership. Reason for rejection: Since the submission of the Statement of Intent in September 2015, the 17 local authorities, 2 National Parks, the HotSW Local Enterprise Partnership and the 3 Clinical Commissioning Groups have worked very effectively together to create a strong and credible Prospectus that has been acknowledged by the Secretary of State. We should remain united moving forward into negotiations to have a stronger voice, and secure a better Deal. |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>The devolution proposals seek to deliver priorities and targets across all parts of Torbay’s ambitions.</p> <p>Ambitions: Prosperous and Healthy Torbay</p> <p>Principles:</p> <ul style="list-style-type: none"> • Use reducing resources to best effect • Reduce demand through prevention and innovation • Integrated and joined up approach <p>Targeted actions:</p> <ul style="list-style-type: none"> • Protecting all children and giving them the best start in life • Working towards a more prosperous Torbay • Promoting healthy lifestyles across Torbay • Ensuring Torbay remains an attractive and safe place to live and visit • Protecting and supporting vulnerable adults <p>Devolution potentially covers a wide range of services and plans. The detail of</p> |

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| | <p>these will develop as formal proposals are developed, negotiation with Government takes place, and the final devolution deal is put into place.</p> <p>The devolution proposals seek to address the challenges we face in the Heart of the South West.</p> <p>The approach is detailed in the Prospectus for Productivity (Appendix 2):</p> <ul style="list-style-type: none"> • For people: we will build on Government’s own national reconfiguration of the skills system to supply business with the skills it needs and a labour market able to deliver productivity per job and per hour at ‘Greater South East’ levels (outside Inner London). Our plans for health and care integration will support a significant proportion of our non-working population into work. • For business: our Growth Hub will enable business growth and internationalisation following closure of the national Business Growth Service. We will augment this with specific policies and initiatives to realise national priorities implicit in our Golden Opportunities. • For place: we will provide the infrastructure and housing required and make the Heart of the South West investment ready. We also recognise that much of our growth will occur in specific sub-regional economic geographies. We will plan and manage change in these sub-regions to ensure their connectivity with each other, with the rest of the country and globally. We will make sure that rural areas access and leverage these opportunities and build on Government’s 10 point plan for rural productivity geographies. |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>Somerset and Devon County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks and the Local Enterprise Partnership are all actively involved in the development of the final devolution bid.</p> <p>The whole population of our authority could be affected by a devolution deal. Any final devolution deal with government will be subject to further approval / ratification by all partners, and will require other implications and impacts to be considered at that stage.</p> |
| <p>6.</p> | <p>How will you propose to consult?</p> <p>Despite the Government’s challenging timescales to date, efforts have been made to keep Members informed on the development of the proposals and this will continue going forward.</p> <p>The Heart of the South West Formal Devolution Bid is a continuation of negotiation rather than a formal plan or strategy, therefore at this time there are no changes to council work which require public consultation. Any final devolution deal with government will be subject to further approval by all partners and appropriate consultation on delivery of the deal. Key</p> |

stakeholders not already involved are being identified and engaged with as proposals take shape, including Members of Parliament. The Heart of the South West partnership will undertake more widespread public consultation when negotiations are at a more developed stage.

Throughout the development of the process Elected Members have been kept informed through the Devolution Working Party and regular member briefings. The Partnership is developing a video for members which will explain its work and next steps. A Member Development Training Programme will also be delivered in the autumn.

The Partnership regularly produces a newsletter, and key documents are posted on each Council's website.

Section 2: Implications and Impact Assessment

7. What are the financial and legal implications?

Financial Implications

Each of the partner councils S151 officers will be involved in the development of the draft Deal and the investment framework that would support a Combined Authority. This will allow each partner Council and the Partnership as a whole to understand the financial implications of a Combined Authority and any Devolution Deal.

Until detailed devolution proposals are developed in discussions with the Treasury, financial implications can only be generalised. They fall into three categories:

1. The Government requires devolution to be a fiscally neutral process – power over funding may be transferred but no new government money will be made available except potentially for ‘pump priming’ activity
2. There is potential for savings across the public sector in the Heart of the South West and proposals are being developed with this in mind
3. The Government may however attempt to negotiate additional spending by the council or other partners as a requirement of one or more parts of the final deal

A financial assessment will need to be undertaken before the Council ratifies any final devolution deal.

Legal Implications

Each of the Councils’ legal teams will be involved in the development of the draft Deal and the structure of a Combined Authority for the Heart of the South West. This will allow each Council and the Partnership as a whole to understand the legal implications of any Devolution Deal and new Combined Authority body.

HR Implications

None at this stage. Implications will be addressed as any devolution deal is developed and agreed

8. What are the risks?

The involvement of technical specialists such as S151 officers and legal advisers in the development of any draft deal and combined authority model will help to understand the risk implications for the Council and the wider partnership. A risk register will be developed to sit alongside the development of the draft deal and the combined authority.

It is possible that one or more partners may choose not to proceed with a

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| | <p>formal bid. This would be unfortunate as there is strength in all partners coming on board; however it is possible for a Devolution Deal to go ahead even if one or more local authorities choose to opt out. There is significant discussion underway between partners to produce proposals that are acceptable to all, and this will be fully explored as the bid develops.</p> |
| <p>9.</p> | <p>Public Services Value (Social Value) Act 2012</p> <p>Not applicable at this stage.</p> |
| <p>10.</p> | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>Engagement with Members and partners</p> <p>Producing the formal bid has been a fast moving process involving many organisations and individuals. In order to keep Members informed and provide background information for partners, the Devolution Programme Management Office have produced a weekly newsletter for all partners as well as more detailed updates as they become available. Leads for each theme have also engaged with their key stakeholders.</p> <p>Torbay Council Members have been kept informed through the Devolution Working Party meetings and all Member briefings.</p> <p>Governance</p> <p>At the leaders meetings a number of options for the governance of any devolution deal have been considered. No decision will be made on a governance model until the deal is agreed however, a form of Combined Authority model is proposed, subject to the nature of the final devolution deal and a formal governance review. As any deal will need to be ratified by the Council, Members will have an opportunity to consider the detail of governance at this time.</p> <p>One or more partners may choose not to proceed with a formal bid. This would be unfortunate as there is strength in all partners coming on board however it is possible for a devolution deal to go ahead even if one or more local authorities choose to opt out.</p> <p>Furthermore the Statement of Intents working principles include an agreement that proposals will do no harm, even if a particular proposal offers no advantage to a given area.</p> <p>Next steps</p> <p>If HM Treasury agree to open up negotiations towards a Devolution Deal for the Heart of the South West, further work will be required as detailed below. The timescales to deliver this work will be extremely tight if the Partnership is to achieve its target of establishing a Combined Authority in May 2018. The Programme Management Office oversees the delivery of the work plan and</p> |

maintains communications between each partner. Consideration will need to be given to whether the capacity of the PMO will need to be increased to meet these potentially tight timescales.

Productivity Plan: The HotSW partnership has already committed to develop a Productivity Plan which will guide the powers and resources received in our devolution agreement, together with local contributions. This plan represents a refresh of the LEP's current Strategic Economic Plan (SEP).

Regardless of whether the Government agrees to open up negotiations for a Deal, the development of a Productivity Plan for the Heart of the South West sub-region will be an imperative to describe the long term future growth of the area, in order to provide a better quality of life for our residents. Therefore, work will continue on the development of a sub-regional Productivity Plan irrespective of whether there is an announcement in the Chancellor's Autumn Statement.

The Productivity Plan will focus on each of the six 'golden opportunities' that have been identified in the prospectus - Marine, Nuclear, Aerospace and Advanced Engineering, Data Analytics, Rural Productivity and Health. Sitting beneath each of the 'golden opportunities' will be detailed plans setting out our ambitions for the region and what plans we need to have in place to achieve those ambitions.

Governance Review: A Governance Review is already underway. This is examining existing structures and developing options for the best governance structure for the Heart of the South West sub-region. As part of this review, the following key issues will be considered and all partners will be involved in this process:

- The extent of the decision making powers to be vested in the Combined Authority
- What decision making structures or advisory committees (including place-based arrangements) will be required under the Combined Authority– including any joint committee arrangements
- Proposed voting arrangements

| <p>11.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>Options considered and reasons for rejecting them</p> <table border="1" data-bbox="403 338 1441 819"> <thead> <tr> <th data-bbox="403 338 928 412">Alternative approach</th> <th data-bbox="928 338 1441 412">Reason for rejection</th> </tr> </thead> <tbody> <tr> <td data-bbox="403 412 928 598">Not to participate</td> <td data-bbox="928 412 1441 598">There is significant potential benefit to Torbay through devolution which can be explored with minimal risk.</td> </tr> <tr> <td data-bbox="403 598 928 819">To submit proposals based on a different geography</td> <td data-bbox="928 598 1441 819">Government has also confirmed that the preferred geography for proposals is based on Local Enterprise Partnership boundaries.</td> </tr> </tbody> </table> <p>Both of these alternatives have also been ruled out on the advice of senior civil servants.</p> <p>There is the potential for significant benefit to Torbay through devolution and this can be explored with minimal risk.</p> | Alternative approach | Reason for rejection | Not to participate | There is significant potential benefit to Torbay through devolution which can be explored with minimal risk. | To submit proposals based on a different geography | Government has also confirmed that the preferred geography for proposals is based on Local Enterprise Partnership boundaries. |
|--|---|----------------------|----------------------|--------------------|--|--|---|
| Alternative approach | Reason for rejection | | | | | | |
| Not to participate | There is significant potential benefit to Torbay through devolution which can be explored with minimal risk. | | | | | | |
| To submit proposals based on a different geography | Government has also confirmed that the preferred geography for proposals is based on Local Enterprise Partnership boundaries. | | | | | | |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>None currently.</p> | | | | | | |

Equality Impacts

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| 13 | Identify the potential positive and negative impacts on specific groups | | | |
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | People with caring Responsibilities | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | People with a disability | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | Women or men | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | Religion or belief (including lack of belief) | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | People who are lesbian, gay or bisexual | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | People who are transgendered | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | People who are in a marriage or civil partnership | Increase opportunities for local people as outlined in the | | |

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| | | Productivity Prospectus | | |
| | Women who are pregnant / on maternity leave | Increase opportunities for local people as outlined in the Productivity Prospectus | | |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | Increased through transformation opportunities for people, place and business | | |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | Increased through transformation opportunities for people, place and business | | |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | N/A | | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | N/A | | |



Devolution

for the Heart of the South West

A Prospectus for Productivity



Contents

03

The Heart of the
South West

04

Executive
Summary

06

Our Vision
and Goals

08

National Context

09

Local Context

13

From six Golden
Opportunities to
six Key Challenges

16

Our Negotiating
Prospectus

25

Foundation 3:
Towards a Combined
Authority

26

Next Steps

27

Outline Roadmap

The Heart of the South West



Page 422

- Key Road Route
- Key Rail Route
- Planned Infrastructure Improvements
- Proposed Infrastructure Improvements

| | | | | | |
|--------------------------|------------------------------|-----------------|----------------------|------------------------------|-------------------------|
| - Principal Growth Areas | - Renewable energy potential | - Universities | - Innovation Centres | - Yeovil Aerospace | - Data Analytics Centre |
| - Secondary Growth Areas | - Enterprise Zones | - Science Parks | - Marine Technology | - Hinkley Point Nuclear Site | |

Executive Summary

In September 2015 the Heart of the South West (HotSW) submitted its devolution Statement of Intent to Government. After considerable further work during autumn 2015, the partners - 17 local authorities, two National Parks, the Local Enterprise Partnership (LEP) and the three Clinical Commissioning Groups - are now in a position to commence detailed negotiations with Government on a devolution deal.

Government has challenged local leadership teams to treat productivity as 'the challenge of our time'. They have asked us to do that by 'fixing the foundations' of infrastructure, skills, and science through a devolution revolution delivering long-term public and private investment.

Heart of the South West productivity continues to lag behind national productivity and is currently under 80% of the UK average. To redress this we need more, better jobs, a healthier, higher skilled labour market and new homes for our growing population.

With Government support for our proposition, by 2030 the Heart of the South West can accelerate delivery of 163,000 new jobs, 179,000 new homes and an economy of over £53bn GVA. To put this in context, this is more growth over the next fifteen years than Bristol, Birmingham and Nottingham (the three non-'Powerhouse' core cities) have delivered in the last fifteen.

To do this we will exploit and deliver our Golden Opportunities around investment in nuclear energy at Hinkley, across the peninsula in marine, aerospace, advanced manufacturing and environmental futures. We will connect our rural communities to these transformers and address the challenges of ageing and health-related worklessness with unprecedented

health and care integration.

We will take responsibility for fixing our foundations. We seek Government's support to do this through negotiation and delivery of a far reaching devolution deal for the Heart of the South West.

Our approach to delivering this transformation focuses on a comprehensive Productivity Plan:

- **For people:** we will build on Government's own national reconfiguration of the skills system to supply business with the skills it needs and a labour market able to deliver productivity per job and per hour at 'Greater South East' levels (outside Inner London). Our plans for health and care integration will support a significant proportion of our non-working population into work.
- **For business:** our Growth Hub will enable business growth and internationalisation following closure of the national Business Growth Service. We will augment this with specific policies and initiatives to realise national priorities implicit in our Golden Opportunities.
- **For place:** we will provide the infrastructure and housing required and make the Heart of the South West investment ready. We also recognise that much of our growth will occur in specific sub-regional economic geographies. We will plan and manage change in these sub-regions to ensure their connectivity with each other, with the rest of the country and globally. We will make sure that rural areas access and leverage these opportunities and build on Government's 10 point plan for rural productivity geographies.¹

¹ The Heart of the South West's economic transformational opportunities were identified and agreed in our Strategic Economic Plan, March 2014.

Cohesive, coherent leadership and governance of this transformation is crucial. We propose to establish a Combined Authority to provide leadership, supported by sub-regional delivery mechanisms so powers and resources are deployed on the scale at which our economy functions. These arrangements will develop new ways of working to address priority issues.

Our proposals build upon successful and strong business leadership through our Local Enterprise Partnership: we cannot deliver effective economic interventions without a strong business voice.

If we do not act, the Heart of the South West will not be able to contribute to the Government's ambition to meet the national productivity challenge as set out in Fixing the Foundations.

This document outlines our position and objectives. An early agreement on heads of terms for a devolution deal will trigger the start of our governance review and formulation of our Productivity Plan.



New housing development, Beechfield View, Torquay



Somerset Energy Innovation Centre

Our Vision and Goals

Government recognises that fixing the foundations and devolution are the projects of a generation. Our key challenges are:

- An insufficiently skilled workforce and limited pool of available labour: many young people move away to live and work, rather than stay or move into our area.
- A need for more infrastructure to support our existing businesses and workers and to attract new ones. We need better and more resilient infrastructure: roads, railways, broadband and housing.
- Enabling a more effective, far-reaching support environment for businesses to sustain those we already have and make the area more attractive to inward investment and home-grown entrepreneurs.
- Managing the significant and increasing cost of health and social care, which combined with our ageing population threatens the viability of public services unless radical reforms are completed.

Productivity-led growth in the Heart of the South West will have three dimensions:

- **People:** who are healthy, with the skills they need to access higher value jobs and grow their careers.
- **Business:** more businesses creating new jobs and increasing productivity.

- **Place:** sustainable growth across the geography, supported by modern infrastructure and accelerated housing delivery.

We signalled our intention to meet these challenges with our Statement of Intent. The submission of this more detailed proposition shows how serious our intent is. We believe the proposals we have committed to developing will realise our local ambitions and make decisive, important contributions to Government's national priorities.

With Government support for our proposals we will redress our productivity gap and help us manage demographic challenges more effectively. Key outcomes we will achieve by 2030 include:

- £4bn additional in GVA for the UK economy.
- 163,000 new jobs.
- Infrastructure that supports our ambitious plans.
- 179,000 more homes, and accelerated delivery in major growth points.
- Wage levels higher than the national average.
- Additional tax revenue for the Treasury of £113million per year.
- Apprenticeship starts increased by 400%.
- Every young person in education, employment or training.
- £1bn per year welfare benefits savings as more people enter employment.
- 60% of our workforce qualified to NVQ level 4 or above.
- Faster more reliable rail services with greater capacity.
- Faster and more reliable journey times on our road network, with less congestion.
- 100% superfast broadband coverage.

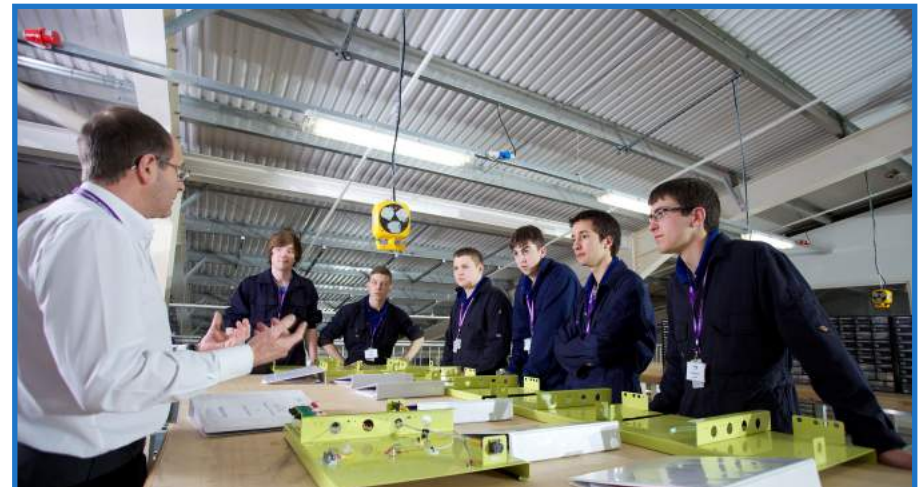
The Heart of the South West has a strong track record of delivering in partnership for residents and businesses:

- Securing and supporting major national and international investment in the future of the nuclear industry at Hinkley Point.
- Plymouth and South West Peninsula City Deal.
- A total of £195.5m secured through Growth Deals – including the highest Growth Deal 2 settlement of any LEP area in the country – to deliver a comprehensive programme of projects in pursuit of growth.
- Exeter University, Science Park, Innovation Centre and Innovation Zone.
- Connecting Devon and Somerset superfast broadband.
- Three Enterprise Zones: South Yard in Plymouth to support innovation and growth in marine industries, Huntspill Energy Park near Bridgwater to support the growth of a new nuclear cluster catalysed by investment in Hinkley and east of Exeter sites aligned to opportunities in environmental sciences and big data.
- Delivery of Plymouth Science Park by Plymouth City Council and Plymouth University, now entering phase 5, creating the largest science park in the south of England.
- Better, more reliable roads, including major improvements to A303, A358, A30 corridor, M5 Junctions and A361 North Devon Link.
- The Peninsula Rail Task Force.
- Connecting communities in rural areas.
- Exeter and East Devon Growth Point.
- A high quality and thriving Further Education Sector.
- Health and social care initiatives including Somerset Together Vanguard project, Exeter 'ICE', Torbay's Integrated Care Organisation and 'One System One Budget' in Plymouth.

We can scale up and build on these experiences. However, without the comprehensive framework that our governance proposals will deliver, the Heart of the South West and national Government will miss out on the solutions, linkages, and effectiveness that collective leadership can achieve.

A Heart of the South West devolution agreement with robust governance structures, accelerated delivery, and more focused use of scarce resources is the optimal way for Government to assure itself that the national Fixing the Foundations plan is being proactively and consistently led and delivered across the Heart of the South West.

In this prospectus we set out our goals for 2016-2030 and how we will deliver the long-term and evolutionary work required to achieve our devolution revolution.



FlyBe Academy

National Context

Government set out its long-term ambitions for the UK economy in 'Fixing the Foundations', its productivity plan for 2015-2020. This framework outlined how long-term investment and a dynamic economy could raise productivity and lift living standards. Government's invitation to areas to propose ways that devolution could contribute to this agenda led to our Statement of Intent being submitted on 4th September 2015.

With policy developments in the autumn, and the Spending Review, Government has firmed up the financial intentions behind the productivity plan. In terms of local contributions leadership teams need to deliver an extensive portfolio of reforms:

- In skills and employment, 2016-20 will see major reforms of the post-16 and adult skills systems (both of colleges and providers on the supply side, and of loans for learners on the demand side). Post-16 Area Reviews and introduction of the Apprenticeship Levy offer opportunities to transform the delivery of local labour market skills, however the demands of transition may be acute.
- Physical investment will need to be managed in the context of higher performance expectations for planning regimes, new approaches to housing supply (especially starter home ownership) and proactive asset management at a public estate as well as local authority level. Local leadership teams will also need to play into the revision of the National Infrastructure Plan with new commitments to flagship schemes like HS2 and nuclear energy.

- As the national Business Growth Service closes by March 2016, new pressures will be placed on emerging local Growth Hubs. For innovation, local and regional Science and Innovation Audits will seek to shape national priorities as Research Councils and Innovate UK come together in Research UK with a range of new products.
- These agendas, and others, need to be delivered without diverting attention from existing commitments. These include City Deals, local Growth Deals, the European Structural and Investment Fund programmes, and other legacy programmes, such as the Regional Growth Fund, Growing Places Fund, existing and newly announced Enterprise Zones.

These agendas sit alongside, and will be enabled by, devolution and fiscal reforms and managed in the context of continued public sector expenditure constraint.

The challenge for the Heart of the South West is to shape these national priorities to our unique circumstances. We have drawn on our Strategic Economic Plan to describe the causes of our productivity challenge, identify our key Golden Opportunities and understand how to build on our track record of success.



Hinkley Point C, Somerset

Local Context

The Heart of the South West covers most of the south west peninsula. Its 1.7 million residents live in a mixture of rural and urban settings served by a stunning natural environment and rich cultural heritage.

Most of our businesses are small and medium sized enterprises (SME) employing fewer than five people, providing excellent potential for growth and innovation. We are also home to cutting edge engineering and manufacturing industries including companies of global significance:

- Aerospace and advanced engineering industries employ more than 23,000 people and contribute over £1billion to the economy. Businesses in the area also have specialisms in advanced electronics/photonics, medical science and wireless and microwave technologies.
- Analysis of the comparative advantages of our local assets has identified that the Exeter City Region can make a unique contribution by becoming a globally recognised centre of excellence in weather and environment-related data analytics. Exeter is home to the Met Office, the city leads Europe in combined environmental science, data and computational infrastructure, hosting 400 researchers in environmental and sustainability science. From 2017, it will also host the most powerful supercomputer in Europe.

- The first of the UK's new generation of nuclear reactors being constructed at Hinkley Point will deliver substantial economic benefits across the south west. It is part of our growing low carbon and energy sector and offers £50billion worth of business opportunity in the nuclear sector within a 75-mile radius of Hinkley Point.

- We are a global centre of excellence for marine science and technology, including Plymouth University's Marine Institute and the Plymouth Marine Laboratory.

- There are 30 working fishing ports across the Heart of the South West, ranging from England's two largest fishery landings at Brixham and Plymouth to smaller traditional operations at locations such as Ilfracombe and Clovelly.

- The South West Marine Energy Park, the country's first, serves the wider south west peninsula, and offers direct access to superb physical assets and resources including the north Devon and north Somerset marine energy coasts for opportunities in wind, tidal and nuclear energy.

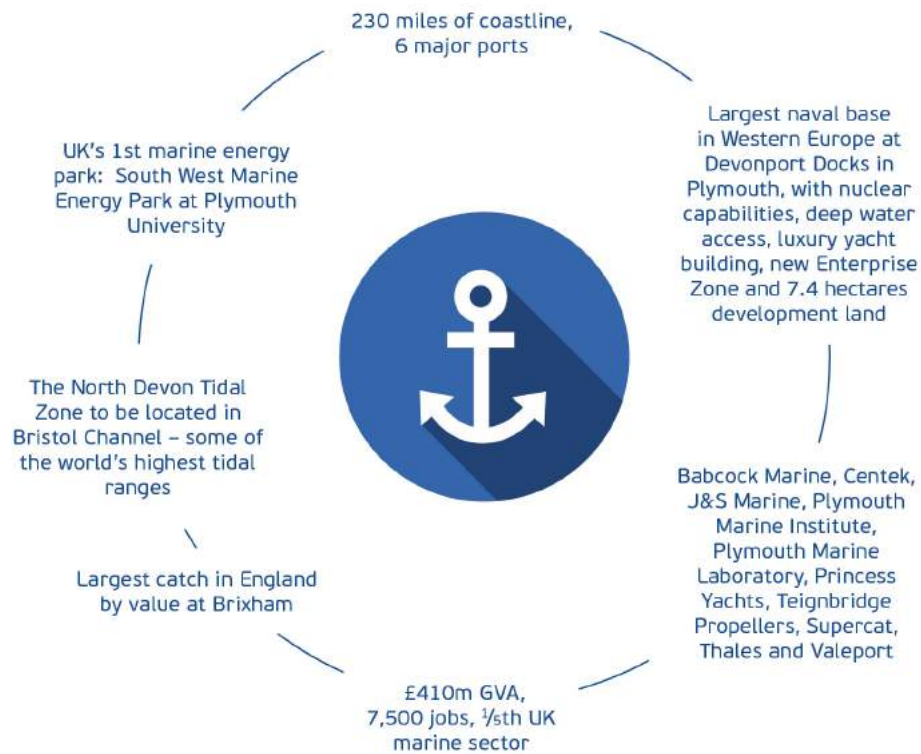
Our mixed economy also serves our traditional strengths. Our tourist and visitor economy attracts millions of visitors per year and our food and drink sector has a significant impact on national GVA (4.2% in 2011).

Whilst our largest employment sectors remain public administration, health and education, our Local Enterprise Partnership's Strategic Economic Plan recognises our area as having 'New World' potential if opportunities can be capitalised upon and the right conditions for growth created.

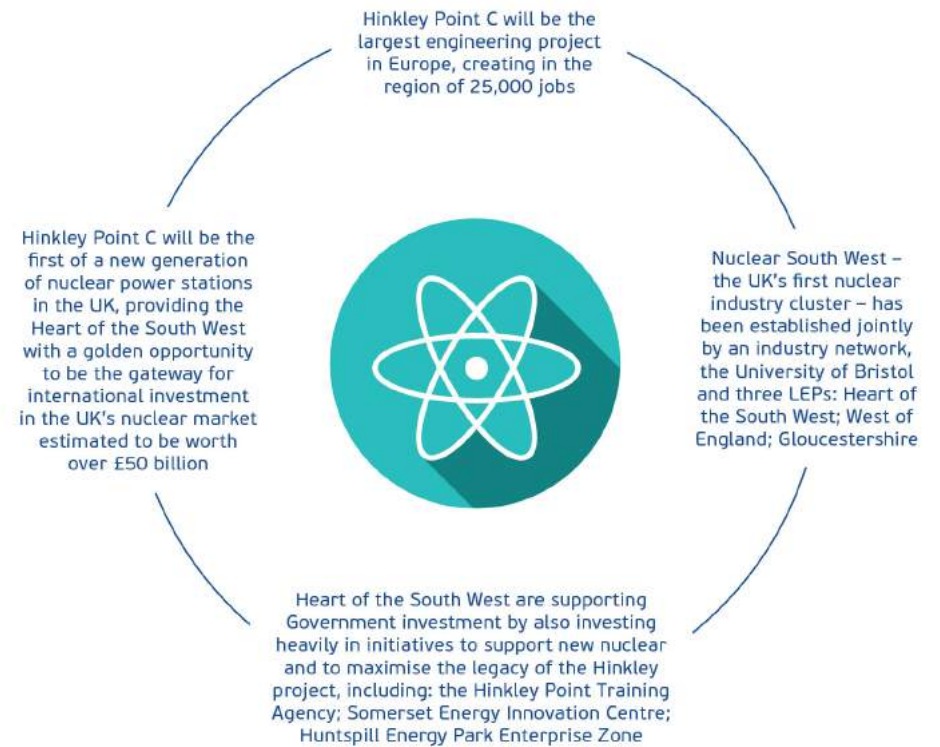
Golden Opportunities

We have identified six Golden Opportunities that we will use to drive productivity and economic growth whilst continuing to support our diverse economy and taking advantage of new opportunities as they emerge.

Marine



Nuclear



Aerospace and Advanced Engineering

UK has world's second largest aerospace industry – worth £1bn in HotSW employing 23,000



14 of the world's top 15 aerospace and advanced engineering companies in the South West, with 900 supply chain companies

Major companies AgustaWestland, Airbus, Boeing, FlyBe, BAE Systems, GE Aviation Systems, Gooch & Housego, Honeywell, Thales, Rolls Royce, GKN Aerospace

Data Analytics

New Met Office £97m Supercomputer will be the most powerful environmental supercomputer in the world – providing long term, detailed global climate prediction and Big Data

Intellectual firepower of over 400 researchers in the Met Office & University of Exeter

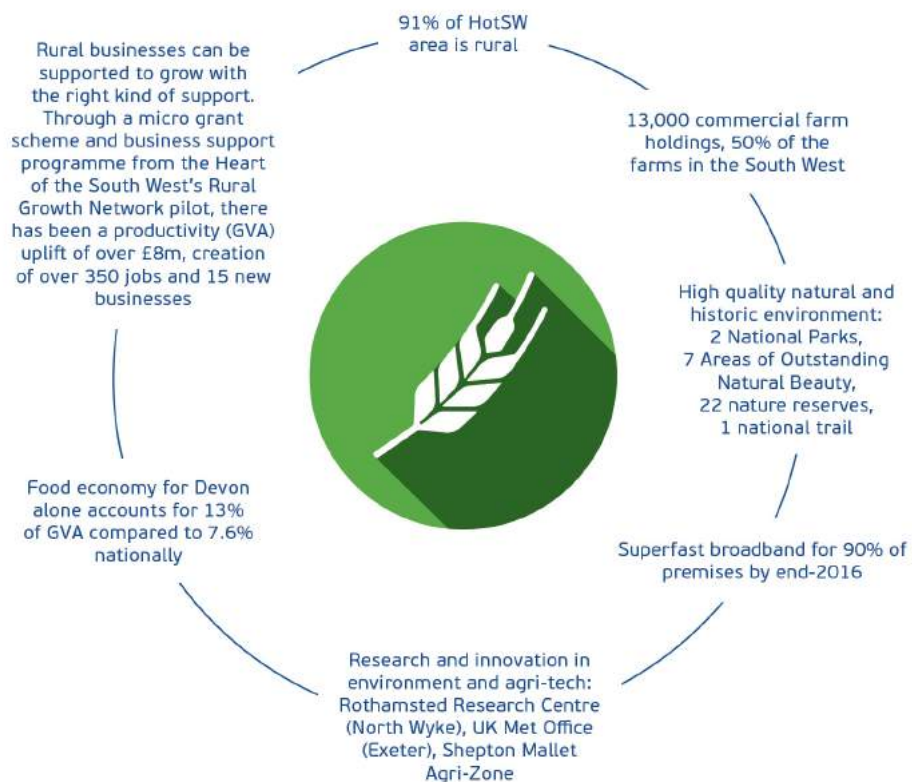


Exeter has more lead authors on the Intergovernmental Panel on Climate Change 5th Annual Report than any other city in the world

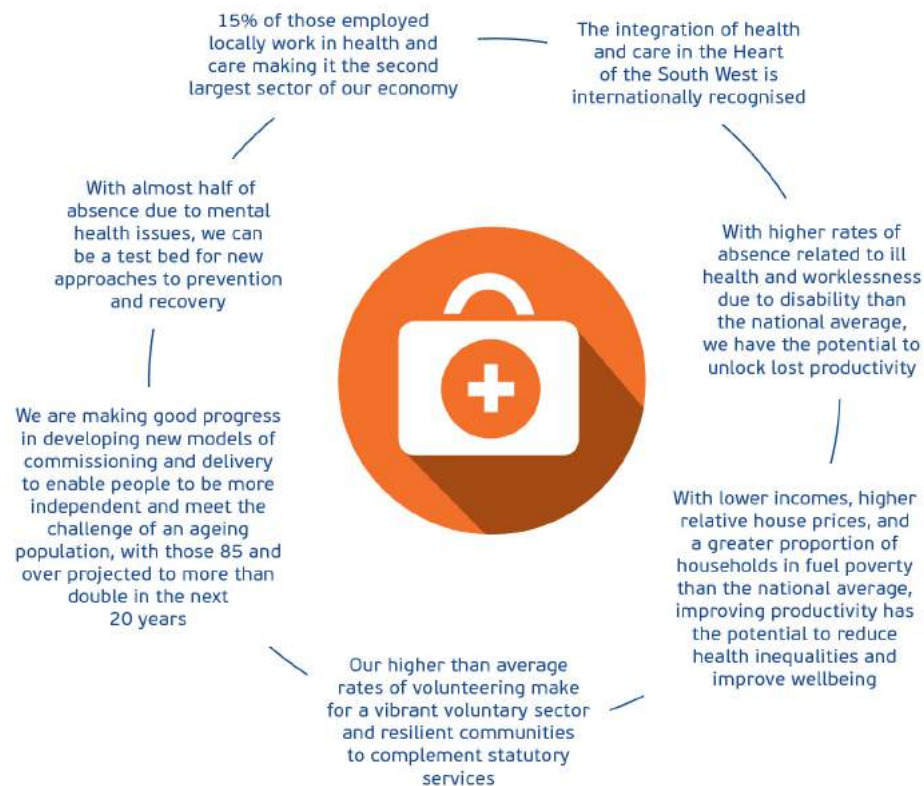
Food Security & Land Research Alliance: Bristol & Exeter Universities, North Wyke Farm Platform (Rothamsted & Duchy College) ground-breaking discoveries in global food security, crop, soil and land management, animal health and marine science

The UK Hydrographic Office in Taunton is the world's leading digital provider in the field of marine navigation, hydrographic & maritime data services

Rural Productivity



Health and Care



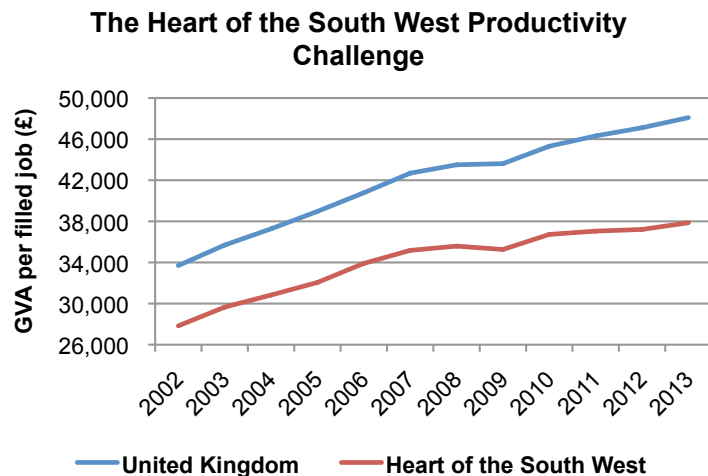
From six Golden Opportunities to six Key Challenges

Realising our vision, goals and targets requires us to address and solve six major, interrelated economic and societal challenges:

1. Our productivity is too low and growing too slowly

Whilst not uniform across the area, in 2013 our productivity per job filled was below 80% of UK averages, a fall of around 3% over the last decade. Our forecasts suggest that unless we unlock our emerging transformational opportunities our productivity will continue to lag behind the rest of the UK.

This performance is a manifestation of poor comparative skills levels, labour market shortages, insufficient infrastructure, and poor connectivity, the human and financial cost of ill-health, a lack of joined-up support for business and need for higher value industrial densities.



2. Our labour market is limited in size and skills levels

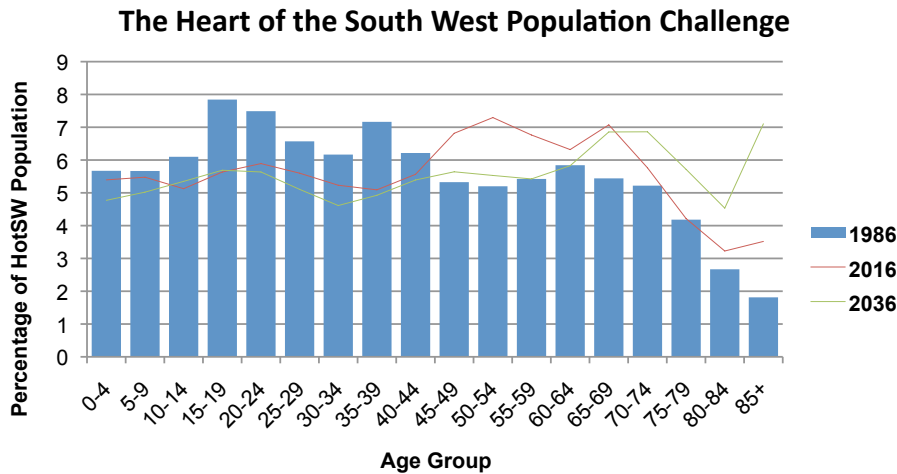
A key factor in our low productivity is a shortage of workers and a shortage of skills. Low unemployment means businesses have a limited labour pool from which to draw recruits. Higher level skills attainment is below national averages and out-migration of our talent to London and other metropolitan centres means that employers regularly report labour shortages and recruitment difficulties.

3. Our enterprise and innovation performance is inconsistent and needs to improve

Evidence shows that businesses that take up support do better than those who don't. However, the business support landscape is complex and confusing and short-term Government funding for programmes creates uncertainty. The Heart of the South West ranks 38th out of 39 LEP areas on many measures of innovation including patent registrations and Innovate UK funding. We cannot resolve these science and innovation issues without more highly skilled workers and a stronger innovation environment, particularly around our Golden Opportunities.

4. We are a leader in facing the challenges of an ageing population

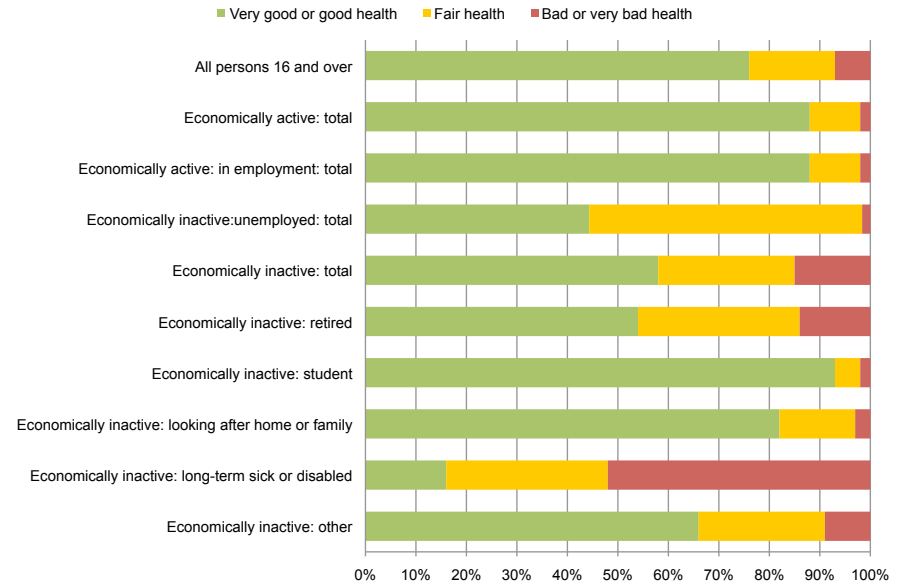
Our population profile shows a significant increase in the proportion of our residents aged 65 or over and a corresponding decrease in the proportion of working age people under 45. By 2036, 17% of our population – more than 327,000 people – will be over 75 years of age.



5. We are a leader in facing the challenges of health and care integration

Particularly related to our demography, our health and care system needs to be reshaped to meet social, economic and financial pressures. Our area performs poorly for mental health outcomes when compared to national figures, making this a key priority.

Heart of the South West Economic Activity by General Health



A healthier population means lower public sector costs and increased economic activity. To fill 163,000 more jobs we must engage the non-working population in the labour market which will require a significant health and care contribution.

Employment of people with physical disabilities, learning disabilities, mental health issues and other long-term conditions is strongly correlated with their achieving better outcomes and being less dependent on publicly funded health and care services. This represents considerable productive potential.

6. Our infrastructure and connectivity needs to be modernised and more resilient

More infrastructure especially housing, transport links, broadband, mobile connectivity and energy grid improvements are required to make our area more attractive to investors and viable for the future. Improving these conditions are key to giving businesses in our area the tools they need to compete in global markets, attract future entrepreneurs and secure investment. We must overcome these barriers if we are to capitalise on our transformational opportunities.

Fixing the Heart of the South West and our contribution to fixing the national foundations

The current landscape of funding and decision-making has only taken us so far. Despite our achievements to date we need freedom to act more decisively. A devolution agreement means we can take responsibility for our unique challenges and capitalise on our Golden Opportunities.

The dividend for the National Productivity Plan is considerable. Besides the specific metrics identified in our goals, the UK will benefit from global and national energy investments and security, environmental futures and big data capabilities, an at-scale set of solutions to health and care integration and public service reforms.

This negotiating prospectus lays out the heads of terms of an agreement to create the foundations for a transformational jump in productivity. It will deliver quick wins this decade whilst planning for the medium and long-term.

Fingle Bridge, Devon



Improvements by Rail



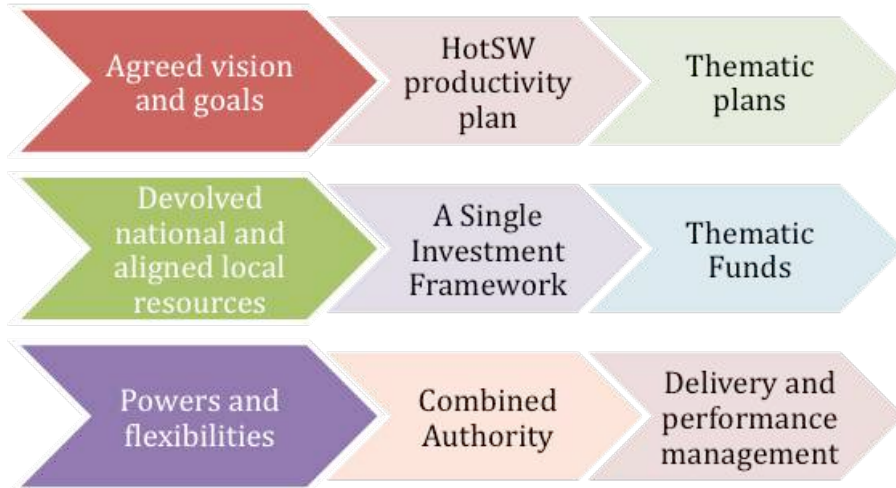
Met Office, Exeter

Our negotiating prospectus

We wish to agree with Government a shared commitment to building three pillars of a devolution deal for the Heart of the South West.

Foundation 1: The Productivity Plan

The Productivity Plan will be our instrument for fixing our foundations. It will incorporate the refresh of our Strategic Economic Plan and scale up local growth agendas for 2016-20 incorporating Spending Review and public service reform priorities. It will include proposals for our Strategic Labour Market Plan and Strategic Infrastructure Plan. It will also reflect our ambitions for integration of health and social care where they link to our devolution deal.



Foundation 2: The Single Investment Framework

The Single Investment Framework will set the financial parameters of our agreement and encompass devolved funds and locally aligned resources. It is likely to include:

1. A single infrastructure fund to provide the physical investment for backbone, nationally-significant infrastructure.
2. A housing delivery instrument to accelerate housing delivery by unlocking key sites and stimulating market activity.
3. Skills and employment allocations to enable remodelling of the skills and employment landscape.
4. Devolved health and care budgets delivering agreed business cases with NHS England and other partners.

We believe agreement to formulate these two foundations will enable early delivery of accelerated housing development, skills reform, and improved business support, with health and social care reform and infrastructure development taking place in parallel.

These two foundations will be overseen and assured by a Combined Authority arrangement. This will, once established, provide the Heart of the South West counterpart to Government for planning and management of our devolution deal. It will take responsibility for the powers, resources and deliverables outlined below.

People

A highly skilled, high productivity labour market meeting businesses' employment priorities

We are clear that without proactive leadership and intervention our skills profile will remain a chronic block to fixing our foundations and delivering our vision.

We intend to use national reforms, led and shaped locally, to deliver a labour market capable of achieving productivity at Greater South East levels (excluding the distorting effect of Inner London).

Government's expectations of local leadership teams for 2016-20 as laid out in existing devolution agreements, the 2015 Spending Review and other policies include:

- Planning and management of phased devolution of post-19 public sector adult skills budgets, leading to full commissioning and funding of providers from 2018-19.
- Chairing and facilitation of successful Area Reviews of post-16 education and training, implementation of review recommendations including reshaping provision where required.
- Co-design of apprenticeship reforms including introduction of the levy and deployment of Apprenticeship Grant for Employers.

- Co-design of future employment support programmes with DWP and performance management regimes.

The Combined Authority will take responsibility for delivering these agendas, augmented by specific asks around:

- Specification and delivery management of Careers, Education Information, Advice and Guidance in schools and colleges.
- Support from Government to deliver a wider Higher Education offer for Somerset, including a new university.

| Our Offer | Our ask of Government |
|--|---|
| Responsibility for reshaping the skills and employment system. Delivered through formulation, agreement, resourcing and delivery management of a business-led Strategic Labour Market Plan. | Full devolution of powers to the Combined Authority, phased over a number of years, with relevant skills, education and employment budgets into the Single Investment Framework. Government departments and agencies to co-design and co-deliver the Strategic Labour Market Plan. |



Why is this important?

Our analysis has shown:

- Young people are not getting the independent, quality careers and education advice and guidance to help them make informed decisions on their education and training.
- Employer productivity improvements are held back by shortages and lack of skills in local labour markets.
- The national provider system is poor at anticipating and securing future skills needs.
- Support for the workless is ineffective for those furthest from the labour market. Our evidence shows a distinct lack of progress for those in receipt of Employment Support Allowance despite significant investment and reform.

Key outcomes

With the powers and funding outlined above we believe a devolution deal will allow us to deliver the skilled workforce our productivity ambition requires. We will work with Government to design system reforms that deliver:

- 40,000 people helped to move from benefits into paid work.

- Benefit bill savings to Government of £1bn per year.
- Additional money earnings locally per year of £800m.
- Additional tax income for Government of £113m per year.
- All young people in employment, education or training.
- Apprenticeship starts increased by 400% and aligned to our six Golden Opportunities.
- Parity of esteem between vocational and academic pathways.
- Maximised links between Golden Opportunities and skills development to encourage young people into our area's high tech industries.
- A university for Somerset.



Babcock Training

A national demonstrator of effective health and care integration for improved wellbeing

The Heart of the South West already has well established and innovative local approaches to health and care integration, however our system continues to be under demographic pressure. We now have an opportunity to bring together resources across the public sector to deliver the systemic reform needed by the health and care system and through strong local leadership can engage communities and voluntary sector in that enterprise. We want to create a system where prevention and early intervention are an integral part and which rethinks its approach to mental health and wellbeing. In summary:

| Our Key Offer | Our ask of government |
|--|---|
| Building on the NHS 5-Year Forward View, we will deliver a 'whole system' approach to health and care based on the existing footprints for integration activity. | Devolution of 5 year place based budgets for health to the level of our existing health and care economies. |
| This will include: | |
| Devolved commissioning of primary and associated specialist care services including mental health. | |
| Flexibility in regulation and budgeting, including freedom for partners to pool resources. | |
| Greater emphasis on public health and the link between health and housing. | |
| Capitation-based payments. | |
| Support to address skills shortages. | |

Why is this important?

We want people to lead longer, healthier, more productive and fulfilling lives while ensuring the sustainability of our health and care services.

Health outcomes are generally good and life expectancy is high, but too many people develop avoidable long-term multiple conditions which affect both the quality of their lives and their ability to work. People with mental health conditions are in too many cases poorly served by a fragmented system in which there is no effective link between preventive, primary care and acute services.

Health and care is the second largest sector in our economy but productivity lags behind other areas and there are workforce and skills shortages which affect both the quality and cost of provision. These issues can only be tackled through whole-system reform and a closer matching of strategy and resources to local need.

Our ageing population demography is ahead of many other areas meaning we have an opportunity to lead the way in tackling the associated health, care and economic challenges.

Key outcomes

Devolution will help us create a health and care system that supports a healthier population, greater personal independence and wellbeing, and improved workforce productivity:

- Better physical and mental health outcomes.
- A system that is integrated and financially sustainable, offering a whole system approach, and is a test-bed for Government innovation.
- People of all ages encouraged and supported to make healthy lifestyle choices and manage their own care, therefore diverting or delaying dependency.

Page 439

Devolution offers the potential for us to go further, faster, and bring reform initiatives together at a scale and with a scope that can provide a demonstrator (given our advanced demographic profiles) to health and care reforms in other parts of the country:

- The NHS 5-year Forward View and the requirement on areas to develop transformation plans for local areas.
- The financial settlement for local government, including the requirement to submit integration plans by 2017.
- Changing Better Care Fund guidance and the option to work across local authority areas to plan and deliver it.
- The Success Regime applying to NEW Devon Clinical Commissioning Group, other local integration projects, their impact on and learning for other health and care economies.



Improved health care and wellbeing.

Business growth and innovation

Government expectations of local leadership teams for 2016-20 includes sustaining and developing support for business growth after closure of the Business Growth Service, as well as enabling distinctive contributions to national research and innovation-led growth priorities. For us this means scaling up the reach and impact of our Growth Hub and realising the full potential of our Golden Opportunities.

To deliver this Heart of the South West partners already have primary responsibilities for:

- Operation and performance management of the Growth Hub and shaping of national agency (eg UKTI) access and support to Heart of the South West business.
- Strengthening the coherence and effectiveness of local innovation eco-systems around our Golden Opportunities - notably the marine cluster anchored by Plymouth, the environmental futures cluster anchored by Met Office investments in Exeter, the UK Hydrographic Office's long-term commitment to Taunton, the nuclear cluster catalysed by Hinkley Point C, and the broader South West aerospace cluster with its major growth node in South Somerset.

Our skills and infrastructure proposals provide a number of interventions to address these challenges. These will feed into and through the Growth Hub so our business growth and innovation strand, in summary, will:

| Our Key Offer | Our ask of Government |
|--|--|
| <p>Scale up and assure a Growth Hub providing a seamless approach to business growth support.</p> <p>Strengthen a network and cluster of 'innovation eco-systems' anchored by each of our Golden Opportunities</p> | <p>An increased devolved revenue pot for at least 5 years which can draw if required on the Single Investment Framework.</p> <p>Co-commissioning of all remaining national business growth and internationalisation services.</p> <p>Commitment to bespoke agreements with national agencies to realise the UK and local growth dividends of each of the Golden Opportunities - underpinned by an early Science and Innovation Audit undertaken by a consortium of south west LEPs and universities.</p> |
| <p>This strand will include: Collaboration with neighbouring LEPs on a cluster approach to inward investment.</p> | |



Why is this important?

Discharge of these primary responsibilities is impeded by national pressures which manifest themselves locally. Analysis shows:

- SMEs and early stage entrepreneurs find national and local systems fragmented, opaque and bureaucratic. This leads to low rates of business growth support take-up and entrepreneurial/start-up activity.
- Inward investment, internationalisation and trade, and our visitor economy are held back because the South West is perceived to be a distant periphery. Offers are poorly joined-up and we have a low national profile, and are a low priority for UKTI, VisitEngland and other agencies.
- National science and innovation products and services are not accessed consistently by existing business. Furthermore our national offer is not investment-ready so cannot easily take advantage of the potential of our Golden Opportunities.

We need more certainty of investment and freedom from national funding cycles so we can operate our proposed Single Investment Framework and ensure the right interventions are made at the right time to support our economic opportunities.

Key outcomes

Our Golden Opportunities and distinctive assets have the potential to

release major productivity gains for us and for the national economy. Business support devolution will drive productivity through:

- More businesses taking up the support they need.
 - 20% of business stock informed about business support
 - 3,000 businesses supported
 - 750 business accounts managed
 - 10 Operational Level Agreements signed between business support delivery partners
 - 360 businesses receiving intensive support
 - 36 events to co-ordinate network businesses support delivering with the aim to simplify business support customer journey
- Significantly increased levels of inward investment.
- Heart of the South West businesses competing strongly in the global economy.
- Better engagement with business and an entrepreneurial culture.
- Double the number of international tourists to the Heart of the South West and more national tourists.
- Greater levels of science and innovation in our economy: double the uptake of Innovate UK support, and increased research and development.

Place

Government expectations of local leadership teams over 2016-20 include:

- Adoption and implementation of Local Plans with demonstrable collaboration across functional economic areas to drive physical investment.
- A performance regime that accelerates housing and employment growth.
- Devolved local transport budgets and plans including both development and regulatory functions, to improve system performance locally and add value to national infrastructure investments and programmes.
- Contributions to specific national and pan-regional infrastructure priorities, including Hinkley energy agreements and recommendations of the Peninsula Rail Task Group.
- Proactive delivery management of Starter Homes, housing investment pots and local authority contributions to new housing.
- Completion of backbone superfast broadband infrastructure and increasing take-up to support the digital economy and wellbeing.
- Local authority and other public sector land disposal, development and rationalisation strategies.

Our proposals will enable us to take responsibility for delivering these agendas, including, in summary:

| Our Key Offer | Our ask of Government |
|--|---|
| Establishment of an Infrastructure Commission to formulate a new Strategic Infrastructure Plan with implementation overseen by the Combined Authority. | <p>Support to develop, fund and deliver the Strategic Infrastructure Plan.</p> <p>A commitment to create a flexible funding model to support accelerated housing delivery, targeting locally identified growth areas.</p> |

| This will include Government commitments to: |
|---|
| <ul style="list-style-type: none"> • Existing and new infrastructure development, including the A361 North Devon Link, A303/A358/A30 improvements and Peninsula Rail Task Force 20-year plan. • Match funding and co-production to deliver 100% superfast broadband coverage • Use the two National Parks as test beds for integrated land management and rural productivity. • Inclusion of Plymouth on the Strategic National Corridor network. |

This will include Government commitments to:

- Devolved Air Passenger Duty from Exeter Airport.
- Support to develop and sustain new energy initiatives including wind, sub-sea and grid improvements.
- A National Policy Statement for renewable energy generation in the Bristol Channel and Severn Estuary.

Why is this important?

Long-term investment in our infrastructure is critical to unlocking growth and delivering our productivity targets. Our Strategic Infrastructure Plan will set out where and when investment is required. We need to accelerate housing and employment land allocations, electronic communications for our businesses, more housing for our workers, and improved transport links to allow faster movement of our workforce, goods and services. This infrastructure underpins growth and is the key to our future productivity.

Despite recent successes we are underfunded compared to other areas. Long-term investment is vital to provide confidence for developers and to drive productivity through faster, more reliable transport and digital connectivity. Investment in resilience is essential to minimise disruption and financial loss during a crisis. There is considerable untapped resource and market opportunity for the Heart of the South West to contribute more to the energy supply of the nation. We have the potential to become a leader in low carbon energy and renewables, however current grid infrastructure is limiting deployment.

Key outcomes

To support productivity growth, infrastructure devolution will deliver:

- 179,000 new homes, and a new Garden Town in Somerset.
- Accelerated housing and employment growth in the identified growth areas of Greater Exeter, Hinkley Growth Zone, Plymouth, Taunton, and Torbay.
- Faster rail connections to London, the South East, and Midlands.
- 100% superfast broadband availability and reliable mobile phone connectivity.
- Prioritised and sequenced infrastructure projects to maximise the value of investments.
- Innovation in energy development and supply to support the national energy strategy.
- Greater resilience of our infrastructure.
- Innovative approach to environmental management, increasing productivity, improving resilience, and growing our rural economy.

Foundation 3: Towards a Combined Authority

The partners to this proposal recognise that leadership and governance of delivery of our deal will require transparent, robust, and efficient structures and processes commanding the confidence and support of Government, local communities, and business.

We also recognise Government's preferred model of choice for this vehicle is the Combined Authority (CA), with Mayoral leadership in the case of Core City Regions.

We will create a Combined Authority with appropriate strong leadership and accountabilities. We will carry out a Governance Review to identify the most effective structure and processes for putting this commitment into effect, ideally with an inception date of either April 2017 or April 2018.

The Governance Review shall draw on the principles outlined in our Statement of Intent as a starting point. The review will proceed in tandem with both the enactment of the Cities and Local Government Bill, and the progress of our devolution agreement negotiations and requirements of its effective implementation.

The Governance Review will set out the powers, roles, functions, and operational arrangements for the Combined Authority - and propose its relationships with and to key delivery partners nationally, locally and with neighbours.

At a minimum, the Heart of the South West LEP, CCGs and others as appropriate will become full non-constituent members of the emerging

Combined Authority, playing leadership roles where appropriate in its sub-structures, for example to build on the LEP's business credentials.

In addition, we consider there will be a number of collaborative arrangements that we shall wish to progress with variable consortia of South West neighbours. These may include a 'Transport South West' proposition, the in-train Science and Innovation Audit consortium with neighbouring LEPs and national clusters in areas such as nuclear, renewables energy,

Similarly, our prospectus recognises that specific sub-regional geographies will accommodate significant shares of the growth to be delivered. Bespoke arrangements to plan and manage these changes will build on or adapt existing arrangements including The Greater Exeter Group, The Plymouth and South West Peninsula City Deal, the emergent Hinkley, Taunton and Bridgwater triangle. Options for strengthening and adapting these arrangements (or elaborating new place-based governance) may include Development Corporations, Special Economic Zones, Accelerated Development Zones, or other models.

Next Steps

Delivering devolution requires careful sequencing. A high level roadmap for developing and delivering our deal is outlined below.

A Heart of the South West partners group will launch shadow Combined Authority arrangements and a formal Programme Management Office (PMO) upon agreement from Government of serious intent to progress towards a devolution agreement. The PMO will be resourced to support devolution agreement workstreams with business case and financial management capacity, including assuring fiscal neutrality.

The shadow Combined Authority and PMO will work with Government to deliver six co-produced workstreams by early 2017:

1. The Governance Review will apply the processes required under legislation to specify, agree and launch the form of Combined Authority eventually determined. This work will include the role and voice of business and sub-regional geographical arrangements.
2. The Productivity Plan will elaborate the evidence base, strategies and performance management required to deliver the vision and goals of the devolution agreement.
3. We are seeking Government agreement to establish a Joint Skills Commission to oversee national policy requirements and the process of localising these under the terms of our devolution deal.
4. The local leadership team will work with our successful health integration exemplars, NHS England, and other local, regional and

national partners to identify wider opportunities to contribute to the Productivity Plan and national health and care integration priorities.

5. The LEP will ensure existing local growth commitments are delivered effectively, that the refresh of the Strategic Economic Plan feeds into the wider Productivity Plan and that business engagement in the establishment and operation of the Combined Authority and its priorities is strong.
6. We are seeking Government commitment to establish a Joint Infrastructure Commission to firm up the physical investment needs identified in national and Heart of the South West priorities and how the Single Investment Framework will resource these.

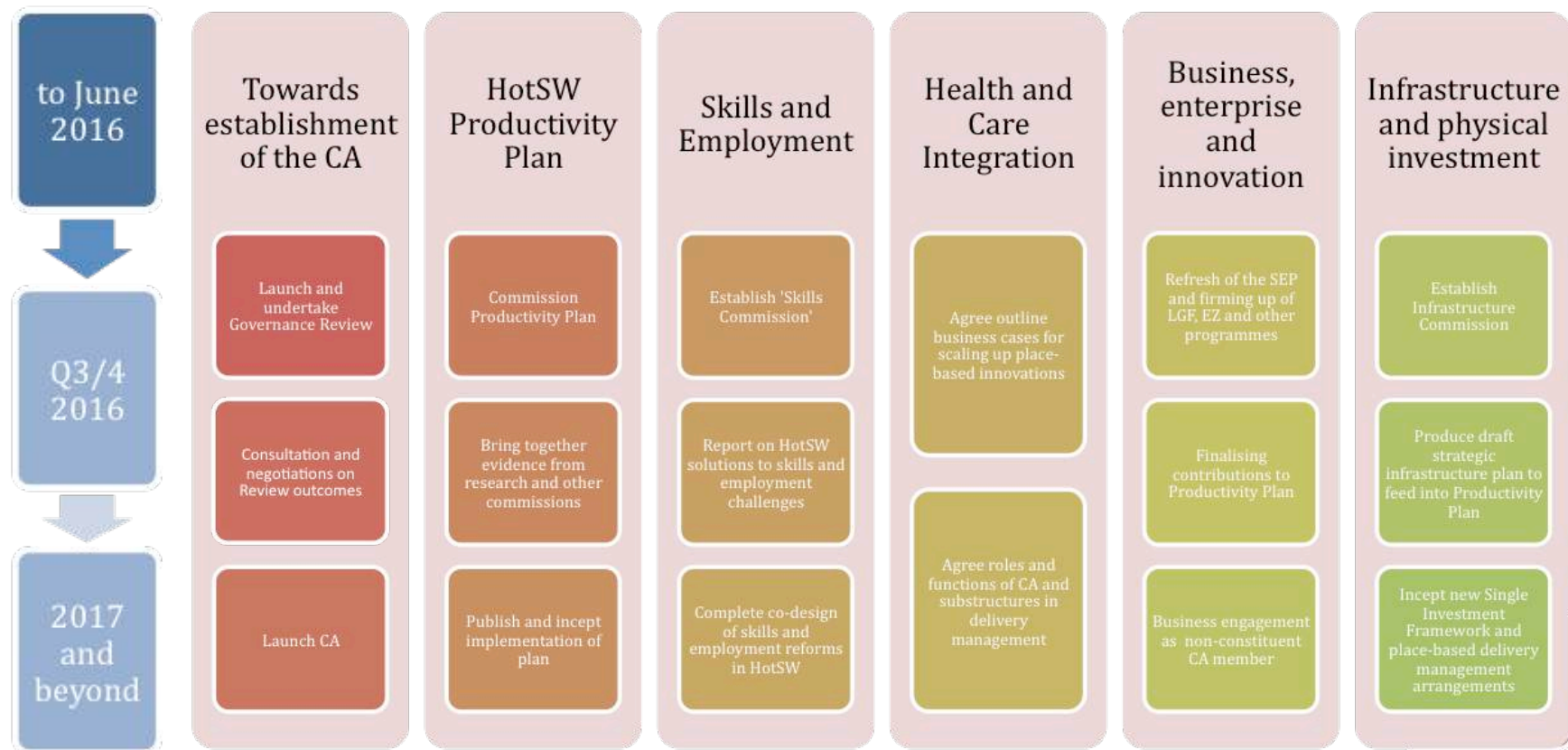
This process will allow early wins to be made, including accelerated housing development and initial skills and business support reform, whilst specifying and agreeing the structures needed to deliver the medium and long-term outcomes of our devolution agreement.

In anticipation of a positive outcome from negotiations on our deal we seek early agreement from Government on a match-funded budgetary contribution to co-deliver these workstreams.

We invite Government to begin formal negotiation with us on our proposals and the detail behind them with a view to signing a deal during the first half of 2016.

Outline Roadmap

Page 446





Third Way Bridge, Taunton

June 2016

What does Devolution mean for the Heart of the South West - and for my own organisation and local authority area?

Since the submission of the Statement of Intent in September 2015, the Heart of the South West Partnership have been working together to try and draw down greater powers, funding and freedoms from Government by securing a Devolution Deal for the area.

There are a number of underlying reasons to pursue a Devolution Deal and Combined Authority as a Heart of the South West Partnership

The partnership has agreed the rationale and benefits for being involved in this process as follows:

- This is a unique opportunity to release powers and funding from Whitehall and enable us to have greater influence to deliver on the priorities we know are important to our sub-region
- It places our Partnership into an exclusive club with the 10 other deal areas and the advantages this can bring in terms of incremental shifts of power from the centre to local areas
- It is the start of an ongoing process that will allow us to build on our track record and credibility for delivery that makes a tangible difference to our communities

By working together as a Partnership we have a stronger voice with Government and greater clarity about our shared priorities. It puts decision-making closer to our communities so that we can plan, sequence and deliver what our areas need over the longer term. It will create a firm foundation for working together and for having conversations at a strategic level with neighbouring areas across the South West.

The benefits across the whole partnership of working together towards a Devolution Deal include access to new powers, for example around:

- **Transport** – for example around bus franchises, and determining local bus network routes
- **Learning and Skills**– for example, control of the Adult Education Budget to redesign further education
- **Business Support** – having the freedom to join up a range of Government agencies locally to provide a better, more coordinated offer to businesses
- **Employment Support** – the ability to influence commissioning of the new DWP Health and Work Programme
- **Land and Housing** – greater influence over the use or disposal of central Government land and assets, and working with Government on planning reforms

June 2016

What is a Combined Authority?

Summary

Combined authorities (CAs) were introduced under in the [Local Democracy, Economic Development and Construction Act 2009](#) ('2009 Act'), and subsequently amended by the [Cities and Local Government Devolution Act 2016](#). The Heart of the South West Partnership has developed this briefing note as a simple explanation of both a Mayoral and Non-Mayoral Combined Authority (CA). Following a meeting with the Secretary of State in late May, and in line with the briefing note circulated shortly afterwards, the Partnership is considering establishing a Non-Mayoral CA.

It should be noted that we are not seeking to establish a Mayoral CA at this stage, but we are keeping our options open to see what additional powers this could unlock in the future. It is important that we collectively agree to the principle of setting up a Non-Mayoral CA initially to allow us to enter into negotiations with Government at this time.

What is a Combined Authority (CA)?

England has one of the most centralised governance systems in the world. By creating a CA, the Heart of the South West partnership aims to draw down a range of new strategic powers and funding from central Government, through a Devolution Deal. This will mean that more decisions can be taken locally to better reflect local priorities. A CA can be set up by two or more local authorities. It is a formal structure with a recognised legal status. It usually has one representative from each of the constituent member local authorities, and operates on either a Leader and Cabinet, or Committee structure. A Mayoral CA also has a directly-elected Mayor who is the overall Leader or chair.

The 2016 Act removes previous limitations on the powers that a CA can exercise and permits the Secretary of State to transfer a wide range of statutory functions, including functions from public bodies. The only qualifications on this relate to the transfer of health service functions. The extent of the powers transferred depends on the Devolution Deal agreed with Government. The Secretary of State has been clear that the Mayoral CA model enables areas to draw down the most extensive range of powers. Examples of some pre-existing Combined Authorities that will become Mayoral CAs by May 2017:

- [Greater Manchester Combined Authority](#)
- [Sheffield City Region](#)
- [Liverpool City Region](#)

What it's not.....

A Combined Authority is **not**:

- part of a process to instigate local government reform, or bring about unitary status.
- a take-over by any authority, nor a merger of authorities to form a 'super council'.
- about ceding (transferring) powers to a single body without the express will of the constituent local authorities.
- a 'physical entity,' for example with teams of regeneration officers from the constituent authorities sitting in one building – **unless** the constituent local authorities wish it to be. (Except for a very small core support team that is required by law)

What is a Mayoral CA?

A Mayoral CA is a new variant introduced under the 2016 Act and is different to the elected mayors that a number of councils already have in place such as Torbay.

Up until recently, the Mayor of London had a unique position within English local government, with powers over strategic planning, transport, fire and emergency planning, policing and crime, and economic development over all of London, together with an elected 25-member London Assembly with scrutiny powers. The remaining local government functions in London are performed by the 32 borough councils.

Through Devolution Deals a number of areas have agreed to have a directly elected Mayor and a CA in return for a range of additional powers. An example of this is Greater Manchester Combined Authority. It will have a different model from London as they will operate a cabinet model CA, where all GMCA leaders have a clear portfolio of responsibilities that will act as a supporting and advisory function to their Mayor and CA in respective policy areas. Elections for the GMCA Mayor will take place in May 2017.

In this example the Mayor will need to consult the Cabinet on his/her strategies, which it may reject if two-thirds of the Members do not agree. Some functions such as the Statutory Spatial Framework will need to be approved by a unanimous vote of the Cabinet.

What is the process for setting up a CA?

There are a number of routes for establishing a CA.

- 2009 Act – requires the authorities to carry out a governance review and publish a scheme recommending the creation of a combined authority. This requires the consent of the authorities involved in the scheme and the Secretary of State will agree to make a Parliamentary Order under the Act to create the CA.
- 2016 Act – the Secretary of State can establish a Combined Authority if the councils in the area consent. The Secretary of State must hold a public consultation if this has not already been undertaken locally. The Secretary of State needs to be satisfied that the CA is likely to “*improve the exercise of statutory functions*” in the area. The typical timeframe for establishing a CA through this route is 6-9 months.

An existing CA can be changed into a Mayoral CA through a Statutory Order from the Secretary of State. Any authorities that do not consent must be removed from the CA when the elected Mayor is established.

The governance review stage is important in determining the best model of CA for an area and is part of the overall scheme. In a Non-Mayoral CA the constituent members need to decide if they want a Leader and Cabinet, or a Committee style model for the CA

Can the membership of a CA be changed?

It is possible for councils to leave, or for new councils to join a CA, however Government agreement is required to amend or dissolve the Combined Authority. If a local authority wishes to leave the Combined Authority, a new review of governance arrangements would have to take place, and a revised scheme would need to be published, before the Statutory Order could be amended.

What sort of powers could the HotSW Combined Authority expect to receive through its first Devolution Deal?

No other areas of the country have been given a Devolution Deal based on the establishment of a new Non-Mayoral Combined Authority, however the Deals struck with Cornwall and West Yorkshire provide a guide as to what we might expect to be in our Deal.

We believe we are in a strong position to push for as much as possible in our first Deal with Government.

Devolution Deals tend to be incremental and to evolve over time. Once areas are able to demonstrate that they have strong and accountable governance arrangements in place, and that they can successfully deliver on the new functions, Government is willing to transfer further powers by negotiating subsequent deals. In March 2016, Greater Manchester, the pioneers of Devolution, successfully secured their 4th Deal with Government which gave them greater powers over more public services, including the criminal justice system.

All Devolution Deals have a common set of themes; however the greatest powers, funding control, and influence are reserved for areas with Mayoral Combined Authorities. We believe that the following examples would be available to us as a bare minimum:

- **Transport** – for example around bus franchises, and determining local bus network routes
- **Learning and Skills**– for example, control of the Adult Education Budget to redesign further education
- **Business Support** – having the freedom to join up a range of Government agencies locally to provide a better, more coordinated offer to businesses
- **Employment Support** – the ability to influence commissioning of the new DWP Health and Work Programme
- **Land and Housing** – greater influence over the use or disposal of central Government land and assets, and working with Government on planning reforms

We will be pushing hard for all the powers and influence reflected in the 'Asks' in our Prospectus. In particular we will be making a strong case to secure a long term investment commitment for the infrastructure we need to unlock growth.

How would it impact on my Council?

The CA does not replace the existing member Councils, it operates alongside and allows those members to draw down and exercise a range of powers and control funding from Government they would not otherwise be able to access. It means that local politicians have greater control over decision making traditionally held in Westminster. The extent of the powers is determined by the Devolution Deal negotiated with Government.

It is not intended for any existing council functions across Devon and Somerset councils to transfer to the CA at the time of its establishment, but once established it would be possible, where there is a clear benefit, for councils to transfer functions into the CA, subject to agreement.

Further information

House of Commons Briefing Paper on Combined Authority – February 2016
<http://researchbriefings.files.parliament.uk/documents/SN06649/SN06649.pdf>

Agenda Item 27



Meeting: Council

Date: 21 July 2016

Wards Affected: All Wards

Report Title: Torbay Air Show

Is the decision a key decision? Yes

When does the decision need to be implemented? July 2016

Executive Lead Contact Details: Councillor Nicole Amil, Executive Lead Culture and Tourism, nicole.amil@torbay.gov.uk

Supporting Officer Contact Details: Fran Hughes, Assistant Director (Communities and Customer Services), frances.hughes@torbay.gov.uk, (01803) 208002

1. Proposal and Introduction

- 1.1 This report gives a summary of the outcomes of the first Torbay Air Show in 2016 and provides a financial proposal to underwrite the Air Show in future years for the benefit of Torbays economy.

2. Reason for Proposal

- 2.1 The 2016 Torbay Air Show was pump primed by external grant funding, but there were additional costs the Council of developing and running this event for the first time. The first Torbay Airshow 2016 was a huge success in terms of the public response and audience participation with two days and one evening of world class flying of both military and civilian aircraft; an event village of live music and family entertainment; and at least 100,000 spectators across Torbay with many more residents also watching from their homes and gardens. However, there were unanticipated costs to Torbay Council from developing this event.

If the Council wishes to repeat the event then a decision needs to be taken at this meeting about whether it will make funding available to support the event for the next three years by which time the event should be able to operate at no cost the Council and with the potential to generate income.

In the UK Air Shows are the second most popular outdoor event after football, and nearly 1 in 10 Britons go to see Air Shows every year. There are over 700 air shows each year globally with each show attracting anywhere 10,000 to half a million spectators each day. Making the Torbay Air Show an annual event generates the potential for a substantial boost to Torbays economy by attracting new and repeat visitors and inward investment.

forward thinking, people orientated, adaptable - always with integrity.

If the event is to be repeated then a decision will need to be made at this meeting in principle for a 2017 Air show to allow enough time for the relevant permissions and procurements to take place e.g. booking of aircraft, sponsors etc.

3. Recommendation(s) / Proposed Decision

- 3.1 That 2016 Air Show be funded from the balance of the revenue budget contingency (£190k) and the remainder from CSR reserves;
- 3.2 That the Council makes a three year funding commitment to develop the Torbay Air Show in accordance with the proposal in Appendix 3 to be funded as part of the 2017/18 budget development with future years built into the Medium Term Resources Plan.

Appendices

Appendix 1: Supporting Information and Impact Assessment

Appendix 2: Initial summary of key issues following the 2016 event

Appendix 3: Air Show Budget – 2016 Actual and Proposal for future years funding

Appendix 4: Economic Impact Assessment (to follow)

Background Documents

None

Appendix 1: Supporting Information and Impact Assessment

| | |
|--------------------------------|--------------------|
| Service / Policy: | Culture and Events |
| Executive Lead: | Cllr Nicole Amil |
| Director / Assistant Director: | Fran Hughes |

| | | | | | |
|----------|-----|-------|---------------------------|---------|-------------|
| Version: | 1.1 | Date: | 5 th July 2016 | Author: | Fran Hughes |
|----------|-----|-------|---------------------------|---------|-------------|

| Section 1: Background Information | |
|-----------------------------------|--|
| 1. | <p>What is the proposal / issue?</p> <p>To understand the budget implications arising from the 2016 Torbay Air Show and to determine whether it is in Torbay's economic interest to repeat this event* and whether it is affordable.</p> <p><i>*If the event is to be repeated then a decision will need to be made at this meeting in principle for a 2017 Air show to allow enough time for the relevant permissions and procurements to take place e.g. booking of aircraft, sponsors etc.</i></p> |
| 2. | <p>What is the current situation?</p> <p>The first Torbay Airshow 2016 was a huge success in terms of the public response and audience participation with two days and one evening of world class flying of both military and civilian aircraft; an event village of live music and family entertainment; and at least 100,000 spectators across Torbay with many more residents also watching from their homes and gardens.</p> <p>The event was to be primarily funded through a combination of pump priming costs from the Coastal Communities Fund with match funding from commercialisation of the event through sponsorship and marketing. Regrettably the commercialisation fell short of estimates provided in the months leading up to the event upon which some spending decision were made (e.g. extent of Park and Ride and VIP packages provided).</p> <p>This is the only event that has been labelled with the "Torbay" brand in recent times and has the potential to be a signature event for the Bay and a regular event in the national air show calendar.</p> |

Torbay Council staff and many partner organisations thoroughly enjoyed working on the show and it brought many teams together in an extremely positive way, the benefits of which extended beyond the delivery of an Airshow.

Torbay Council, with partners, demonstrated that it had the ability to organise an extremely complex event and an organizational capacity that could have handled twice the visitors numbers.

Most importantly, the Airshow made a significant contribution the Bay's economy with most core hotels reportedly full at full tariff rates, and the event and publicity presented the Bay in a very positive light. Airshows are second only to football matches in the list of activities that attract visitors in the UK.

Use of Resources

There is only 1.5 FTE events staff at Torbay Council and budgets in this area have been dramatically reduced over many years. Due to the nature and scale of the event planned there were significant up-front costs which had to be borne to ensure the success of the event. These set up costs included an external event safety advisor; volunteer coordination; costs and insurance of the flying programme; park and ride costs.

Running an event is not an exact science, particularly for a first event where audience attendance, local interest and the vagaries of the weather may all have an impact. The additional complicating factor for the Torbay Airshow were new and additional requirements which had to be met following the Shoreham Air Disaster inquiry, many of which were unknown until Spring 2016. These additional requirements in relation to primary and secondary viewing areas, crowd management and off shore coordination etc were all additional considerations and costs during the last few months of the event planning.

One of the other challenges was the event site was an "open site" i.e. you did not need a ticket to enter, and therefore crowd management and evacuation and contingency plans for an unknown size of audience had to be developed. The council had to plan for the worst and hope for the best.

Presently Torbay Council does not have a sustainable Events Team but if events such as this can be developed into profit centre, then it offers the prospect of a viable service with wider economic benefits. In other Air Shows across the country there are permanent teams of staff who are employed specifically to organise the respective Air Shows.

Commercialisation of the event

The Council contracted out the commercial element of the event following a competitive process. The bid prospectus set out how the event would work financially and the level of income which could be generated. Overall the income actually derived from this company was at the minimum level of their initial bid and significantly below their ongoing estimates thereafter, which indicated that the Airshow was likely to be even more popular than originally forecast.

Regrettably, a month before the event the promoter was still giving the authority confidence that a figure of double the income was easily achievable. It was only apparent 10 days before the event when tickets sales for VIP enclosures and similar had not been reached was there any concern raised with the council. This resulted in the opening event on the Friday evening being cancelled by the Council due to poor ticket sales and change of approach being adopted for the VIP and Hurricane Hanger in an attempt to limit the losses for catering etc, which had to be paid up-front. Fixed costs were therefore incurred unnecessarily.

Sales

A profit and loss account is provided in Appendix 3 and this section looks at some elements of the sales initiatives, which are in addition to the commercialisation income mentioned above.

Torbay Council had to build a website capable of taking on line sales to support the event. This website alone processed £26k of on-line sales. This is the first time the council has undertaken this type of venture and it has created a platform for future commercial opportunities.

In addition, souvenir programmes and other merchandise were also sold, although sales were not as high as anticipated £600 was generated through people downloading the Air Show app, which was produced by students at South Devon College. This engagement with the students for a local event was beneficial to both the Council and the students.

There were concerns locally that the programme for the Air Show was not published until 3 days before the event. This caused some anxiety with the local press and locals in so far as the exact schedule was not available. Although this probably ensured that more guides and apps were purchased in the immediate days leading up to the event, it might have led to confusion as to what the show had to offer as it was a new event for Torbay. This is something the council needs to review.

Traffic Management and Infrastructure Costs

The traffic management was a significant challenge. Legal processes require the advertising of road closures in advance. Based on the assessment of the audience numbers this was implemented in good time. However, there was a public backlash to this as they didn't understand why the council was doing it. This caused two weeks of increased demand to the council and lots of negative stories in the local media perpetuating misinformation which suggested that the council was organising a money making campaign, and that if the council closed roads people would be forced to park in car parks, and therefore the Council would see a substantial increase in its income.

The road closures were not intended to do this, and were an essential safety measure for crowd management and to allow blue light services to freely access the event site and other areas of the Bay in the event of an emergency. During the event, many of the road closures were relaxed as the traffic management issues expected from a congested network did not materialise.

One of the major areas of concern for organisers and the multiagency group supporting the event was park and ride facilities. Torbay uses the national model of a Public Safety Advisory Group (PSAG), which is multi-agency and advises on all large events. The PSAG advice was that park and ride facilities were essential, and in part driven by the success of the Radio One Park and Ride and overall traffic management a few weeks previously, was keen to ensure that there was adequate provision. The National Decision Making model used by agencies supported this decision making. However, this resulted in last minute decisions having to be made to ensure that appropriate park and ride facilities were provided. This had a significant infrastructure costs circa £150k.

In reality, the use of the Park and Ride facilities was minimal. However, if the facilities had been mostly full, then the Council would have recouped the full cost of supply. This is a difficult area of event planning as the traffic chaos caused by the recent Elton John event at Exeter demonstrated. Other air shows across the country have had significant problems with traffic management e.g. North Yorkshire in 2015 and organisers were keen not to repeat these kind of mistakes.

Unfortunately the park and ride only had limited use, and this resulted in a substantial loss. However, for those who did use the park and ride they were very pleased with it.

The lack of use can be attributed to:

- There were not as many day visitors to Torbay areas anticipated;

- Those that did attend parked 'on street' and then walked to the event site or other viewing areas. As the bay is a natural amphitheatre not all spectators were at Paignton
- The poor and adverse publicity from the media about the traffic management arrangements probably put some people off attending;
- The weather was variable across the South West region throughout the weekend, which may have deterred some from travelling to the event;
- Torbay has never delivered a large scale, free to access, outdoor event before and therefore never needed to set up park and ride facilities. Many believed that the costs to park were significantly higher than they were, with VIP car parking prices being quoted as the norm.
- There was also some miscommunication over the additional trains put on especially for the Air show.

Other costs included the provision of toilets, litter picking, fencing and stewarding. This all worked well, although the amount of provision provided would have coped with a much larger audience attendance.

The council erred on the side of caution but as it was a first year event it is important to note that as a public authority there is an increased emphasis on accountability and risk management for this type of event, as well as reputational risk to Torbay Council, particularly in light of additional new safety requirements.

Volunteering and Team effort

Owing to the size of the events team there was a significant volunteer capacity required for the three days of the show and in the preparation and dismantling of the event site. There was over 100 Council staff involved in the event in some way, from printing, design, customer contact centre, insurance, emergency planning, etc, and many of these staff also volunteered throughout the event (the red t shirts).

Without this team effort, the event would not have been possible. However, credit must be given to the core staff leadership team in Communities. The event relied heavily on the good will of Council staff, largely within the Joint Operations Teams to make it work. Approximately 516 hours of staff time were utilised as volunteers over the three days.

The organising team were also grateful for members of the community who volunteered, in some cases for the whole weekend.

Emergency and Contingency Planning

Emergency planning arrangements were well organised. There was good engagement with the statutory partners in particular police, fire, ambulance, coastguard etc. Silver room (Tactical Control) was passive, but there was a Council representative in the Silver Room at Teignmouth Police Station all weekend with the police. There was good support from the Public Safety Advisory Group (PSAG). Offsite silver room at Teignmouth (designated point) continues to be logistical challenge for Torbay based events/issues.

Contingency planning was different for a first event due to the number of unknowns, but an emergency desk top exercise with support from the Police made a valuable contribution to the contingency planning.

Adequate insurance cover was required for the event. Initial advice was that £50M insurance cover was needed. This increased to £100M following a peer review by our insurer which was completed just a few days before the actual event; This was an additional and unexpected cost.

The lost and found children facility run by the Councils Beach Management Team worked extremely well. There were a handful of incidents, mainly found children all of which were resolved within minutes. There were over 80 incidents which required a medical response over the three days. These were all dealt with by onsite staff and none required an escalation to hospital treatment.

Media Management and Marketing

The amount of funding available for marketing was limited and therefore this was targeted at the M5 corridor and specialist Air Show events and publications to try and draw audiences in from wider than just Torbay. There was marketing and publicity in the Torbay area, although there has been feedback from the public who expected there to be much more locally, with some comments that local people didn't know there was going to be an Air Show despite leaflet, radio, press and social media advertising. However, the press coverage in the lead up to the event, albeit not always positive, clearly articulated that an Air Show was happening.

What is clear however is that the Council needs to improve its media management and to embrace a more interactive relationship with all media outlets. Rather than support this new event, the media seemed to focus on the negative aspects of such an event before it had even occurred. This is something the Council needs to learn from.

The event had a number of media partners who broadcast from the event site i.e. Breeze and Radio Devon but there was a definite lack of television coverage, and the event did not appear on the local news either during the event or after. Social Media however was overwhelmingly positive with Twitter, Facebook etc sharing very positive comments and spectacular pictures throughout the weekend. There were various film crew on site all weekend filming the event including Planes TV who filmed the event and posted it live on their website. They have also made a DVD which the Council can use for future promotions.

Areas outside of our control

- Weather;
- Number of people attending;
- Press coverage locally in the lead up to the event;

Was the event successful?

The event was a huge success.

- Torbay Council ran a world class 3 day air show display, which has had hugely positive support locally, on social media and from those attending.
- The event was well managed and safe, and partner agencies were very happy with all the arrangements;
- The event clearly demonstrated an appetite for such events by local residents and attracted many visitors to the Bay, which will have benefitted the economy significantly.
- The first show has provided a platform upon which bigger and better shows can be developed, with lessons learnt.
- The pilots and aircraft operators expressed their delight and would very much like to come back.-
- The council has a good platform to work from for future events of this size and stature, with a detailed Event Management Plan and control measures considered, be it another airshow by the Council or not.

The unexpected positive consequences of the event were:

- The event that significantly raised the reputation of Torbay Council and gave us a reach locally and nationally;
- The team spirit and pride that it gave all of the staff within the Council;
- The success of the event was palpable both inside and outside the council for several days after the event and the council continues to receive compliments from residents and visitors about the event.

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| 3. | <p>What options have been considered?</p> <ul style="list-style-type: none"> (i) Recognising that such events take time to build but have long lasting economic benefits (Bournemouth's show now has 800,000 visitors), the council could decide to make a long term commitment and for this to become a permanent signature event for Torbay establishing a budget to underwrite and deliver the event; (ii) The Council could make a three year commitment to the event only, with an appropriate budget to give the event time to establish itself and become commercially viable (sustainable); (iii) The council could choose not to deliver an Air Show in future years*. <p><i>* The funding which pump primed this event was given on the understanding that the event would become sustainable in future years, so a decision not to repeat the event (or a version of it) would need to be agreed with the funder;</i></p> |
| | <p>How does a proposal to continue support the ambitions and principles of the Corporate Plan 2015-19?</p> <p>Principles:</p> <ul style="list-style-type: none"> • Use reducing resources to best effect <p>Targeted actions:</p> <ul style="list-style-type: none"> • Working towards a more prosperous Torbay • Promoting healthy lifestyles across Torbay • Ensuring Torbay remains an attractive and safe place to live and visit <p>Ambitions :</p> <ul style="list-style-type: none"> • Working towards a more prosperous Torbay |
| 5. | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>There is no requirement to consult on this decision. However, the Mayor has sought feedback through an article in the Herald Express to seek views on whether the council should repeat the Air Show. The response was overwhelmingly positive, and this is supported by the many compliments that the council has received directly.</p> |
| 6. | <p>How will you propose to consult?</p> <p>See above</p> |

Section 2: Implications and Impact Assessment

7. What are the financial and legal implications?

Costs exceeded income and grant funding for the following reasons:

- (i) Additional costs were incurred as a result of new CAA requirements following the Shoreham Air disaster;
- (ii) The initial set up costs (for a first time event) were higher than anticipated, given that the Council had a limited infrastructure on which to build;
- (iii) The commercialisation of the event was only partially successful;
- (iv) Poor use of Park and Ride
- (v) National research demonstrates this and suggests that most large events don't move to breakeven or profit until years 3-5
- (vi)

The budget comprised of an initial £124,000 grant from the Coastal Communities Fund with anticipated match funding from the commercialisation of the event. Although the council did not allocate a dedicated budget to underwrite the event it accepted that some subsidy would be required most probably in the region of £125K-150K. Regretfully, some aspects of the expenditure did not become apparent until the last month of planning, when it became clear for example that the commercial income would be lower than anticipated but fixed costs had already been incurred and at this late stage there was no option but the carry on and fulfill contractual commitments. The better safe than sorry Park and Ride strategy proved unnecessary.

This resulted in a total cost to the Council in year one of £250,000

If the Council were to repeat the event the intension would be to build on the investment already made and aim to make the event cost neutral to the Council within 4 years. The council would need to underwrite an element of future costs over this period, but at a year on year reducing level. This level of investment is shown in Appendix 3. The total investment required from the Council will be £211,000 up to 2019, which would give a cumulative Economic Benefit of £33 Million.

The Coastal Communities Fund grant conditions have a degree of flexibility and it is recommended that a further £20k be

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| | allocated from this fund (rather than be used to support another new event). It is proposed to fund the remainder from the CSR account. |
| 8. | <p>What are the risks and opportunities?</p> <p>Opportunities</p> <ol style="list-style-type: none">1. The council now has a high profile, successful and universally supported event from 2016 which it can build on to attract new sponsors and new audiences. One of the conditions of the pump priming grant was that the event was sustainable for future years. Part of the sustainability was developing a prestigious and high quality event to ensure that could be used to attract future funding and sponsorship for future years.2. The impact of the Air Show was palpable for several days after the event, and truly gave the community something for them to be proud of in Torbay. The success of the event enhanced the reputation of Torbay Council with residents like no previous event ever has.3. The council can establish the Torbay Airshow as a key slot in the national Air show calendar which will make it a signature event for Torbay outside of the main holiday season.4. A three year commitment to the Air Show with an intention to make it break even and hopefully generate a profit after three years would be a direction of travel to consider.5. There is no other event in Torbay which is badged as a "Torbay" event for the benefit of the whole Bay.6. The Air Show attracted an audience of over 100,000. This scale of event shows that Torbay is open for business and will interest future investors and visitors. (Bournemouth air show now attracts more than 800,000 visitors).7. There will be opportunities to partner with local businesses in future years now the council has shown how well it can deliver this type of event.8. Torbay is a natural amphitheatre and all the pilots are keen to come back and fly here again. This is particularly important due to the restrictions imposed on others show following the Shoreham Air Disaster. |

9. The staff team pulled together and "owned" this event to make it the success that it was and gave them something to be proud of.

10. The linkage with the Armed Forces worked well and the Air Show will be a great back drop to future links with the Forces.

Risks of repeating the Air Show

- There will be a need for the Council to underwrite the Air Show for at least three years to give it the opportunity to become sustainable and commercially viable.
- The council's resource decisions in terms of reducing numbers of staff overall may result in a lack of capacity from across the Council to support such a large event;
- There will be a need to rely on the flexibility of the wider staff team across Torbay Council to support the event in future years

Risks of not repeating the Air Show

- Torbay loses the opportunity to generate a signature event which Torbay can be proud of, which raises its profile locally and nationally.
- Torbay loses the opportunity of attracting new visitors and business to the Air Show and the opportunity to boost our economy.
- The reputation of Torbay Council with the public may reduce, and undo the improved position with the public following the success of the 2016 Air Show.
- The reputation of Torbay Council with its staff may reduce, and undo the improved position and increased morale generated by the success of the 2016 Air Show.

Air Show Safety

Air displays are governed by the Civil Aviation Authority and there are new requirements in place following the Shoreham Air Disaster. Pilots are granted approval to take part in displays only after a thorough test of their abilities and each

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| | <p>manoeuvre should be carefully planned and rehearsed</p> <p>The rules cover how shows are organised, the height and speed at which aircraft can fly, and the types of manoeuvres they can carry out, consideration of crowd location including primary and secondary viewing areas, geography and weather conditions. Safety at Air Shows is paramount and this is reflected in the additional costs of safety, security and insurance.</p> |
| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>Key elements of the Air Show have to be procured as Torbay Council does not have the necessary skills or competencies to deliver them e.g. Flying director, Specialist Event Safety Planning, Security etc. Other aspects of the event will be delivered by Torbay Council.</p> |
| 10. | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>An initial review of the event with partners (on the final night of the Air Show) and with the internal staff team has been undertaken. A summary of the issues raised is shown in Appendix 2. There is still a need to complete a more detailed review, which is scheduled before the end of July.</p> <p>An external review of the Economic benefit to Torbay is still pending with the results due in mid July 2016.</p> <p>What would we need to do it again?</p> <ul style="list-style-type: none"> • Council would need to set a budget and underwrite the costs; As per the details in Appendix 3; • Significantly more sponsors with a headline sponsor for the whole event; • Consider reducing the number of days of the air show from 3 to 2 (but this is a risk based on the weather); and making more of the Saturday evening to encourage spectators to stay on site and working with a wider range of local businesses and other partners to maximize opportunities |

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| | <ul style="list-style-type: none"> • Consider a new future date of the event as there were clashes with other regional events; • Not reduce the staff in Culture/Events/Community Safety in future budget rounds who were the primary workers involved in making this event a success; • If this is to become a signature event for Torbay then the resources to support it need to be in place; • Greater community buy-in. This was the first event of its kind in Torbay and Torbay has never run an event on this scale before. The organisers catered for large numbers of people based on experiences elsewhere in the country, and they really needed locals to get behind the event, who were skeptical at best. However, the council has had many compliments from the public and staff about the events with a request that it returns next year. • The council can substantially reduce the costs of the event if future years based on the learning from this year. Upfront event management planning can all be reduced based on the knowledge gained from the 2016 event. • The council can build from here and it would be a shame to waste the learning and experience from this event. • Increase sponsorship for the event. There was no headline sponsor for the event and the council needs early discussion with businesses to attract this type of funding. • Anecdotal feedback is that due to the success of this year's event, there are sponsors who are keen to be associated with it for next year. If the council made a 3 year commitment then this would offer stability and give sponsors confidence; • Need to consider the wider business opportunities away from the main event site e.g. having Air Show partners across the Bay, who can help with commercialisation e.g. selling programmes, hosting VIPS, but without increasing the footprint of the site and therefore incurring additional legal responsibilities. |
| 11. | <p>What are key findings from the consultation you have carried out?</p> <p>The economic benefits of the event were independently evaluated appendix 4(to follow).</p> |

12.

Amendments to Proposal / Mitigating Actions

There has been a preliminary review of the event organisation already undertaken, with a further more detailed review planned for late July. Some of the initial feedback on areas where process and procedures need to be reviewed are detailed in appendix 2.

Equality Impacts

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| 13 | Identify the potential positive and negative impacts on specific groups There is the potential of an overall reduction in service delivery; however this will have no differential impact on the specific groups listed below. | | | |
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | The event is a family event with opportunities for families and intergenerational activity across the Bay | | |
| | People with caring Responsibilities | The event is a family event with opportunities for families and intergenerational activity across the Bay. There were facilities available for disabled visitors and their carers. | | |
| | People with a disability | The event is a family event with opportunities for families and intergenerational activity across the Bay. There were facilities available for disabled visitors and their carers. | | |
| | Women or men | The event is a family event with opportunities for families and intergenerational activity across the Bay | | |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | | | No discernible impact |
| | Religion or belief (including lack of belief) | | | No discernible impact |

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| | People who are lesbian, gay or bisexual | | No discernible impact |
| | People who are transgendered | | No discernible impact |
| | People who are in a marriage or civil partnership | | No discernible impact |
| | Women who are pregnant / on maternity leave | | No discernible impact |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | The event is focused at attracting new visitors to Torbay and to have a positive impact on businesses and therefore increase the level of investment in the area. There is the potential for £24Million of Economic benefit to be generated over the next 4 years by running this event with a further £211,000 worth of investment by the council. | |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | This is an outdoor event supported by sustainable travel options. | |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | N/A | |

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| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | For this to be a sustainable event then it relies on the support of departments from across the Council and partners to ensure its success. |
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Appendix 2 Initial summary of key issues following the 2016 event

What went well?

- The event was universally popular with huge public support and feedback to the Council, partners and via social media;
- Used the whole amphitheatre of the Bay - wider opportunity across the Bay to watch future displays, subject to CAA restrictions;
- Feedback from pilots was that they loved flying across the Bay – great space for manoeuvres and they are keen to come back;
- Flying Director was excellent and provided really positive feedback;
- Safety consultant was very experienced and essential for a first event;
- Multi-agency engagement was all positive;
- Roads were clear and overall traffic management met its objectives;
- Volunteers (Red T-shirts) were excellent and an essential part of the visitor experience and back room support;
- Additional volumes of work generated by administrative processes and demand generated by media coverage was handled efficiently;
- Traders in Paignton were positive about the events and are keen to more actively participate in future events;
- Parkfield was an ideal location for Event Control;
- Silver Room at Teignmouth Police station was quiet and therefore there no event management issues which needed escalating;
- Local knowledge in Event Control was essential to answer many questions as the event developed;
- CCTV in Event Control was vital in early intervention and prevention;
- Sponsors have indicated their support again next year;
- Website was very good and it was the first time the Council has traded through a website. Generating on line sales through the website was a first for the council which generated £25k of income;
- TOR2 waste management was good and the site was kept tidy and litter free throughout;
- People didn't think Torbay Council could run this type of event, and the previous reputation of the council put people off;
- Lots of positive feedback about the professionalism of all those who took part
- Positive feedback about how well organised the event was and the overall ambiance of the event.

What didn't go so well?

- Park and Ride facilities will need to be reviewed. The public were put off using the facilities due to misinformation about costs and rationale for road closures.
- PSAG over estimated the number travelling and organisers responded with extra provision, but for a first year event a cautionary approach was essential;
- Poor local media support and lack of regional coverage of the event
- The weather outside the Bay was variable and this may have put people off travelling;

- The Friday morning build was challenging and there were lots of queries about the site set up and available locations. This will need to be reviewed.
- Administrative time needs to be focused on priority areas rather than areas of marginal gain.
- Parking suspensions caused anxiety and needs to be managed differently and engage early.
- The commercial partners business plan was over optimistic for a first year event and connections with existing suppliers where not maximized;
- Need to review the types and number of stalls to ensure that they are compatible with each other and provide clear opportunities to trade;
- Need to review the profit share arrangements with any future commercial partner;
- The marketing of the event in the South West didn't have enough sustainable reach and was not sufficiently resourced with partners;

What would we do differently?

- Consider alternatives with social media management;
- Greater collaboration with the English Riviera Tourism Company;
- Need a review the model for commercialization;
- Review the infrastructure arrangements and site layout;
- Need a food court style arrangement with less food outlets;
- Review the way in which the staff and volunteer briefings were undertaken;
- Consider a dedicated volunteer coordinator for the event;
- Spread the commercial opportunities across the whole Bay e.g. programme sales; concessions; and find Air Show partners to do this with us;
- Consider creating a charitable arm to draw down additional funding and receive donations;
- Ensure that local providers/traders are encouraged to participate in the event;
- Need to encourage local people own the event and are proud of it;
- Introduce regular trade and business meetings to explain what's going on and how future Air Shows will be developed;
- Consider a traders Helpline over the weekend;
- Review communication and extent of road closures;

New ideas for next time

- Review and improve the offer in the Event Village;
- Military memorabilia/aircraft/vehicles on the ground;
- Less food outlets, more artisan food;
- Need to harness new volunteers;
- Saturday night music event/ event village based activity to encourage spectators to stay;
- More activities for children in event village;
- Extend the footprint of the village to include Preston Green for some activities;
- Wider marketing and communications to encourage more regional and national visitors to Torbay.
- Attract headline sponsors the events;
- Build on the Councils good relationship with established businesses to provide a broader range of opportunities for them to participate in and benefit from the event;
- Opportunity for more maritime based activities;
- Review chargeable activities and their contribution to the event;

TORBAY AIRSHOW BUDGET 2016 to 2020

| 2016 Actual | | 2017 | | 2018 | | 2019 | | 2020 | |
|---------------------|------------------|---------------------|------------------|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|
| Income | | Income | | Income | | Income | | Income | |
| Sales/sponsorship | £148,000 | Sales/sponsorship | £205,000 | Sales/sponsorship | £300,000 | Sales/sponsorship | £370,000 | Sales/sponsorship | £420,000 |
| Mayors Event Budget | £16,000 | Voluntary Donations | £15,000 | Voluntary Donations | £25,000 | Voluntary Donations | £30,000 | Voluntary Donations | £35,000 |
| Coastal Communities | £124,000 | Mayors Event Budget | £15,000 * | Mayors Event Budget | £10,000 * | | | | |
| TDA | £5,000 | Coastal Communities | £20,000 | | | | | | |
| Total | £293,000 | Total | £255,000 | Total | £335,000 | Total | £400,000 | Total | £455,000 |
| Costs | | Costs | | Costs | | Costs | | Costs | |
| Air Display | £100,000 | Air Display | £100,000 | Air Display | £103,000 | Air Display | £107,000 | Air Display | £110,000 |
| Marketing/Sales | £67,000 | Marketing/Sales | £35,000 | Marketing/Sales | £40,000 | Marketing/Sales | £45,000 | Marketing/Sales | £45,000 |
| Park & Ride | £150,000 | Park & Ride | £60,000 | Park & Ride | £80,000 | Park & Ride | £90,000 | Park & Ride | £90,000 |
| Traffic Management | £42,000 | Traffic Management | £40,000 | Traffic Management | £42,000 | Traffic Management | £44,000 | Traffic Management | £46,000 |
| Health & Safety | £77,000 | Health & Safety | £63,000 | Health & Safety | £70,000 | Health & Safety | £75,000 | Health & Safety | £75,000 |
| Site Costs | £107,000 | Site Costs | £57,000 | Site Costs | £70,000 | Site Costs | £80,000 | Site Costs | £80,000 |
| Total | £543,000 | Total | £355,000 | Total | £405,000 | Total | £441,000 | Total | £446,000 |
| Income | £293,000 | Income | £255,000 | Income | £335,000 | Income | £400,000 | Income | £455,000 |
| Expenditure | £543,000 | Expenditure | £355,000 | Expenditure | £405,000 | Expenditure | £441,000 | Expenditure | £446,000 |
| Loss | -£250,000 | Loss | -£100,000 | Loss | -£70,000 | Loss | -£41,000 | Profit | £9,000 |

| 2016 Actual | | 2017 | | 2018 | | 2019 | | 2020 | |
|--------------------------------------|---------|--------------------------------------|---------|-----------------------------------|---------|-----------------------------------|---------|-----------------------------------|---------|
| Spectators | 100,000 | Spectators | 150,000 | Spectators | 200,000 | Spectators | 225,000 | Spectators | 250,000 |
| ** Economic Impact | £4.3m | ** Economic Impact | £5.8m | Economic Impact | £7.3m | Economic Impact | £7.8m | Economic Impact | £8.3m |
| ** Return on Investment per £1 spent | £17 | ** Return on Investment per £1 spent | £58 | Return on Investment per £1 spent | £104 | Return on Investment per £1 spent | £190 | Return on Investment per £1 spent | n/a |

* Subject to confirmation

** .Estimated pending external evaluation, and future year projections are based on this estimation