



Policy Development and Decision Group

Wednesday, 28 June 2017 at 2.00 pm

to be held in Meadfoot Room, Town Hall, Castle Circus, Torquay, TQ1 3DR

Membership

Councillor Amil
Councillor Excell
Councillor Haddock
Councillor King

Councillor Mills
Mayor Oliver
Councillor Parrott

Agenda

1. **Election of Chairman**
To elect a Chairman for the meeting.
 2. **Apologies**
To receive apologies for absence.
 3. **Disclosure of Interests**
- (a) 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.)

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

**Teresa Buckley, Town Hall, Castle Circus, Torquay, TQ1 3DR
(01803) 20702613**

Email: governance.support@torbay.gov.uk

- (b) 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.

4. **Urgent Items**

To consider any other items the Chairman decides are urgent.

Part A - Policy Development

5. **Autism Self Assessment Framework 2016** (Pages 4 - 7)
To consider the current position in relation to the Autism Self Assessment Framework.
6. **Improving the quality of care homes provision in Torbay** (Pages 8 - 11)
To note the submitted report on the above.

Part B - Mayoral Decisions

7. **Accessibility Strategy** (Pages 12 - 38)
To consider the proposed Accessibility Strategy for Torbay.
8. **Sustainability and Transformation Plan (STP)** (Pages 39 - 42)
To consider the submitted report on an update on the Sustainability and Transformation Plan.
9. **Integration and Better Care Fund 2017-19** (Pages 43 - 52)
To consider the submitted report on the above.
10. **Transformation Project - A Redesign of Spatial Planning** (Pages 53 - 75)
To consider the submitted report in respect of the above.
11. **Review of Investment Fund Strategy** (Pages 76 - 88)
To consider the submitted report on a review of the above Policy Framework document.



Meeting: Policy Development and Decision Group

Date: 28 June 2017

Wards Affected: All

Report Title: Autism Self-Assessment Framework 2016 – Position Statement May 2017

Is the decision a key decision? No

When does the decision need to be implemented? Not applicable

Executive Lead Contact Details: Cllr Julien Parrott, Executive Lead for Adults and Children, tel: ext 7113, julien.parrot@torbay.gov.uk

Supporting Officer Contact Details: Justin Wiggin, Strategic Commissioning Officer, 01803 208792, justin.wiggin@torbay.gov.uk

1. Proposal and Introduction

- 1.1 Public Health England's (PHE's) learning disabilities intelligence team issued the autism self-assessment framework (SAF) which measures how local services are performing, as reported by them and their partners.
- 1.2 Autism self-assessments provide councils with benchmarks on how they are meeting quality standard goals towards the government's Adult Autism Strategy. Torbay's Autism SAF was completed in partnership with Torbay and South Devon NHS Foundation Trust, South Devon and Torbay Clinical Commissioning Group and Torbay Autism Partnership Board.
- 1.3 Torbay Council submitted the autism self-assessment framework 2016 to Public Health England, 17 October 2016. The following information provides an update on progress made to date.
- 1.4 Public Health England's autism self-assessment framework focuses on a number of key areas to benchmark against government's Adult Autism Strategy, "Think Autism". Each thematic area consists of a number of questions, all of which are RAG rated; red, amber or green. An overall RAG rating is provided below for ease:

2.2 Overview of action

| Thematic Area | Overall RAG Rating from Autism SAF 2016 | Achievements | Further Work | Who | When |
|------------------|---|--|---|--|--|
| Planning | A | <ul style="list-style-type: none"> Strategic planning performing well. Autism features in JSNA Autism Joint Commissioning Strategy Autism explicit in Market Position Statement. Engagement and consultation of Autism Board arrangements complete. | <ul style="list-style-type: none"> Governance arrangements for joint Autism and Learning Disability Partnership Board to be finalised and implemented. Ensure consistency of data collection to understand demand | <ul style="list-style-type: none"> Torbay Council Torbay South Devon NHS Foundation Trust | <ul style="list-style-type: none"> June 2017 July 2017 |
| Training | R | <ul style="list-style-type: none"> Multi-agency working group established Training plan in development through Devon Transforming Care Partnership Overview of 3 tier general population awareness to detailed practitioner training developed | <ul style="list-style-type: none"> Detail of suitable training packages to be produced Identification of suitable training providers Develop implementation plan | <ul style="list-style-type: none"> Devon Transforming Care – lead organisation South Devon and Torbay CCG | <ul style="list-style-type: none"> to be confirmed due to staff vacancies. |
| Diagnosis | R | <ul style="list-style-type: none"> Activity not yet commenced | | <ul style="list-style-type: none"> South Devon and Torbay CCG, Torbay Council and Devon Partnership Trust | <ul style="list-style-type: none"> Establish initial meeting May 2017 |
| Care and Support | A | <ul style="list-style-type: none"> Access to adult social care is through a general point of contact and delivered via integrated teams. Advocacy is provided for people with Autism who are resident in Torbay | <ul style="list-style-type: none"> Work to be progressed in line with multi-agency training plan Mapping of current support services across voluntary, independent and public sector | <ul style="list-style-type: none"> Devon TCP – lead organisation South Devon and Torbay CCG Autism Board | <ul style="list-style-type: none"> To be confirmed due to staff vacancies To be confirmed following implementation of new governance |

| | | | | | |
|-------------------------|----------|---|---|---|---|
| | | <p>and meet care act eligibility criteria.</p> <ul style="list-style-type: none"> • Carers assessment are offered to carers of people with autism. | organisations. | | arrangements. |
| Accommodation | A | <ul style="list-style-type: none"> • Housing requirements for people with autism are specifically mentioned within the Market Position Statement • Housing requirements for people with autism discussed in the Torbay Housing Strategy • An Accommodation with Care and Support Strategy is in its final stages of development. • Supported Living Steering group established. | <ul style="list-style-type: none"> • Finalise Accommodation with Care and Support Strategy. • Undertake market engagement events with existing and potential new Supported Living providers. • Rolling programme of reviews with Supported Living Providers. | <ul style="list-style-type: none"> • Torbay Council / TSDFT • Torbay Council / TSDFT • TSDFT | <ul style="list-style-type: none"> • June 2017 • May – July 2017 • Complete April 2018 |
| Employment | A | <ul style="list-style-type: none"> • Following decision in Mayor's Budget Proposal to cease funding Project Search, alternative provision secured through South Devon College and TSDFT. | <ul style="list-style-type: none"> • Project Aspire (replacement for Project Search) go live. • Establish employment sub-group to map existing provision / undertake gap analysis. | <ul style="list-style-type: none"> • South Devon College and TSDFT • Torbay Council lead with partner organisations | <ul style="list-style-type: none"> • Commence September 2017 • Initial meeting June 2017 |
| Criminal Justice System | A | | <ul style="list-style-type: none"> • Work to be progressed in line with finalisation an implementation of joint Autism / Learning Disability Partnership Board | <ul style="list-style-type: none"> • Torbay Council | <ul style="list-style-type: none"> • June 2017 |

2. Risks

The report notes that progress is being made in a number of areas. Lack of capacity has had an impact on progress made to date. Staff who ordinarily would have been involved in progressing this work both within South Devon and Torbay CCG and Torbay and South Devon NHS Foundation Trust are no longer employed by the respective organisations. Within the local authority capacity has been impacted on by a number of pressing issues.

3. Recommendation(s) / Proposed Decision

3.1 The aim of this report is to provide an update on the submitted autism self-assessment framework 2016. There are no decisions to make at this point in time. However the following actions should be noted:

- Arrangements to be finalised for a joint Autism Board and Learning Disability Partnership Board.
- Establish working relationships with new officers in partner organisations
- Progress development of multi-agency training plan.



Meeting: Policy Development and Decision Group **Date:** 28 June 2017

Wards Affected: All Wards

Report Title: Improving the quality of care homes provision in Torbay

Is the decision a key decision? No

When does the decision need to be implemented? N/A

Executive Lead Contact Details: Councillor Julien Parrott, Executive Lead for Adults and Children, Phone: 01803 293217 Email: julien.parrott@torbay.gov.uk

Supporting Officer Contact Details: Rachel Carter, Strategic Commissioning Officer, Email: rachel.carter@torbay.gov.uk Phone: 01803 207380

1. Introduction

- 1.1 Torbay Council Joint Commissioning Team and partners are working to support and improve the quality of care provided to residents of care home in Torbay. The council currently commissions the Torbay and South Devon NHS Trust to deliver adult social care in Torbay and the provision of placements in independent sector care homes are part of this agreement.
- 1.2 The NHS also commission placements for people in care homes with very high levels and complexity of need. People can also choose to self-fund a place in a care home.
- 1.3 Care homes are registered by CQC and can provide care with or without nursing. A variety of service users can live in homes from the ages of 18 to 65 for a great variety of reasons.
- 1.4 Torbay has the third highest rate of care homes and beds, per 10,000 population aged 65 and over, of Local Authorities in England. Torbay Council publishes an annual Market Position Statement which analyses supply of residential and nursing homes, against demand for care and the vision for integrated care in community settings rather than hospital beds.

2. Update

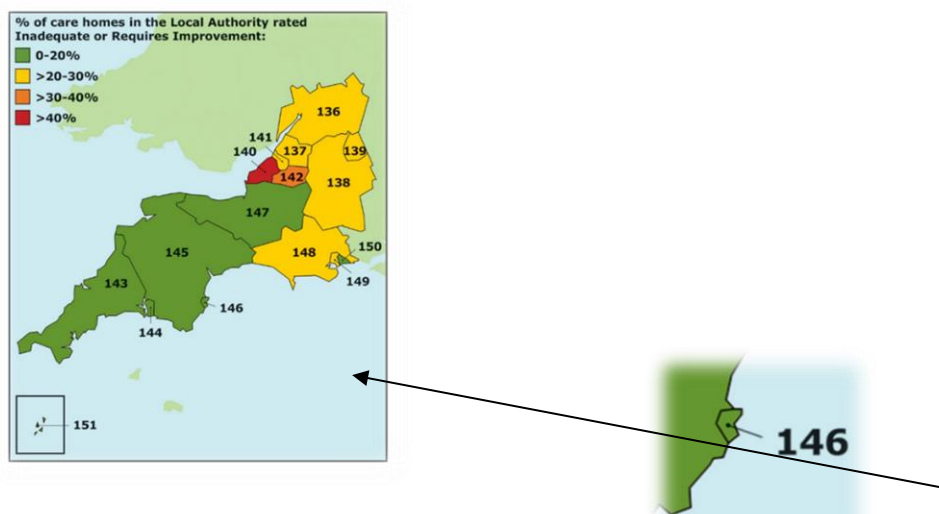
2.1 There are currently 94 care homes in Torbay registered with the [Care Quality Commission](#) (15 care homes with nursing (624 beds) and 79 care homes without nursing (1,736 beds), 2,360 beds in total) of which the majority are rated good by CQC. ¹ Torbay now has 1 outstanding home, 13 requires improvement homes and 3 inadequate homes.

| Type of care home | CQC grades at April 2017 | No | % |
|-------------------------------------|--------------------------|----|-----|
| Care Homes with and without nursing | Outstanding | 1 | 1% |
| | Good | 77 | 82% |
| | RI | 13 | 14% |
| | Inadequate | 3 | 3% |

2.2 It is positive that since the last report one home has been rated as outstanding. One home has also been proactively decommissioned by Torbay Council and partners because of inadequate care and safeguarding concerns.

2.3 [Independent Age](#), a national organisation, recently visited Torbay to speak to care home managers at the May 17th Multi Provider Forum and noted that in comparison to the majority of local authorities in England the quality of care homes in Torbay is good.

Figure 1 Source Independent Age



¹ Source CQC April 2017

- 2.4 However the quality of nursing home provision in Torbay in particular is a concern. Of the 15 care homes with nursing in Torbay 25% or 5 are graded Requires Improvement (3) or Inadequate (2). On-going work is taking place with partners to support Torbay nursing homes in particular to improve, as well as any other Requires Improvement or Inadequate homes.
- 2.5 Quality of care in Torbay care homes is assured in a number of ways:
- 2.6 CQC (Care Quality Commission) inspect and rate care homes.
- 2.7 Torbay Council and the CCG commission Torbay and South Devon NHS Foundation Trust (TSDFT) to assess and review care plans, monitor quality of care homes, and support care home providers with service improvement planning. The Trust QAIT team are responsible for quality assuring the care homes market and they work closely with them to audit, support and improve these services collating information about the homes from across the health and care system. The QAIT team has been strengthened by the addition of practitioner experience: an additional Deputy Manager who is an Occupational Therapist, as well as an additional post of a nurse.
- 2.8 Torbay Healthwatch, an independent consumer champion in health and care, also has statutory powers to enter and view care homes. Torbay Healthwatch have an Enter and View team which visits the homes. Healthwatch also have all Torbay care homes linked into their Rate and Review system. Link here <http://healthwatchtorbay.org.uk/services/?filter=social-care>. Whenever homes are visited by CQC Healthwatch are consulted. Healthwatch also link their information into the TSDFT QAIT team oversight mechanisms so that issues can be raised quickly and appropriately.
- 2.9 One element of the activity to improve care home quality is that it has been agreed that Local Authority commissioners work with members, Healthwatch, care home providers, residents and carers to develop a Torbay Residents Charter, using CQC information on standards and other information to identify what good care home should be like in Torbay.
- 2.10 Following on from a session at the recent Torbay Council run Multi Provider Forum at which Independent Age and the national [Relatives and Residents Association](#) discussed with Care Home managers Residents Rights and what makes a good care home, a project has started to develop a Torbay specific Residents Charter with funding from Arts Council England and Heritage Lottery Fund's Great Place Scheme award to Torbay, as well as funding from the Joint Commissioning Team.
- 2.11 Torbay Council Joint Commissioning Team are partnering with the Torbay Culture Board Programme Lead and the Torbay Arts and Culture Network to work with a range of residents and other stakeholders of care homes to produce a Torbay specific Care Home Residents Charter. Healthwatch, Councillors and other key stakeholders will be involved in this project. The target date to complete the project is by October 2017.

2.12 Prior to completion of this project a national Relatives and Residents [leaflet](#) setting out care homes' responsibilities to residents under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 has already been circulated to all homes.

3. Recommendation

3.1 That the report be noted.



Meeting: Policy Development and Decision Group

Date: 28 June 2017

Wards Affected: All

Report Title: Accessibility Strategy – 2017 - 2021

Is the decision a key decision? No

When does the decision need to be implemented?

Executive Lead Contact Details: Julien Parrott, Executive Lead for Adults and Children, julien.parrott@torbay.gov.uk

Supporting Officer Contact Details: Andy Dempsey, Director of Children's Services, 01803 208949, andy.dempsey@torbay.gov.uk

1. Proposal and Introduction

- 1.1 In order for disabled pupils to realise their full potential as learners, it is essential that they are able to access the curriculum, the physical learning environment and information and guidance about educational opportunities in their locality. The Equality Act 2010 requires local authorities and schools to develop and publish an Accessibility Strategy and Accessibility Plans (at a school level) outlining how they facilitate accessibility to buildings, information and educational provisions.
- 1.2 There is a significant overlap between these obligations and those set out in the Special Educational Needs and Disabilities (SEND) Code of Practice (2015). This reflects that many children supported through SEND arrangements will have a disability. The revised Accessibility Strategy 2017–21, attached at Appendix 1, has developed within the context of the collaborative working between schools, partner agencies, families and the local authority for SEND provision and seeks to ensure that accountability considerations are robustly addressed.
- 1.3 The strategy has been developed by the Head of Education, Learning and Skills in consultation with key partners and stakeholders. It is supplemented by model documents to enable schools to develop a site specific accessibility plan, while the strategy itself will be supported by a detailed action plan to ensure it meets the needs of disabled pupils and helps to raise their attainment.

2. Reason for Proposal

- 2.1 Disability is defined within the Equality Act 2010, as ‘a physical or mental impairment which has a substantial and long term adverse effect on a person’s ability to carry out normal day to day activities.’
- 2.2 The Equality Act 2010 brought together a range of equality duties and requirements within a single piece of legislation and introduced a single, general Public Sector Equality Duty (PSED) that applies to public bodies, including maintained schools, fee schools and academies. Its duties extend to all protected characteristics – race, disability, sex, age, religion or belief, sexual orientation, pregnancy and maternity and gender reassessment.
- 2.3 Local authorities and schools are required to make reasonable adjustments to ensure that disabled pupils are not of a substantial disadvantage. In deciding upon reasonable adjustments, local authorities and schools will need to consider their potential impact on disabled pupils in terms of time and effort balanced against inconvenience, indignity and discomfort, lack of opportunity and diminished progress. There is a further requirement to provide Auxiliary Aids for disabled pupils to promote accessibility for disabled pupils as part of the reasonable adjustable duty.
- 2.4 The Accessibility Strategy sets out how the local authority, including schools and partners, will:
- Increase provision and access to the curriculum;
 - Improve the physical environment of schools;
 - Improve the delivery and accessibility of information; and,
 - Monitor, review and evaluate impact.
- 2.5 The Strategy is also supported by a model School Accessibility Plan (Appendix 2) that schools can use to develop a site specific plan in accordance with the Equality Act 2010 and Disability Discrimination (prescribed Times and Periods for Accessibility and Plans for Schools) (England) Regulations 2005.
- 2.6 Implementation of the Accessibility Strategy will be supported by an action plan (Appendix 3) which will be populated in consultation with schools and key partners and subject to regular monitor and review to ensure it delivers improved outcomes for disabled children and young people.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Accessibility Strategy 2017-2021 be approved.
- 3.2 That the Head of Education, Learning and Skills be authorised to develop an action plan in consultation with schools and key partners and stakeholders.

Appendices

Appendix 1: Accessibility Strategy 2017-2021

Appendix 2: Example School Accessibility Plan

Appendix 3: Accessibility Strategy: Action Plan Template



Accessibility Strategy 2017 - 2021

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1. Introduction

The overall aim of this strategy is to ensure that Torbay Council supports schools in meeting the needs of disabled pupils and raising their attainment. The purpose of the strategy is to ensure that accessibility of the curriculum, the physical environment and information for disabled pupils is central to the delivery of services. The strategy aims to provide information and a framework to help schools create individual accessibility plans.

2. Vision

We believe that:

- all learners should have access to and enjoy high quality learning experiences, which will enrich their lives and help to realise their full potential.
- children and young people with learning difficulties and disabilities should have access to support to ensure that they can participate in the same opportunities as any other young child or person in Torbay.
- parents, carers, schools, the local authority, and partners should work together to ensure opportunities for every child and young person to strive for the highest aspirations.
- we must all work towards removing any barriers that may exist to learning and participation that can hinder or exclude child and young people with SEND.

3. Definition of Disability

The Equalities Act defines a disability as,
'a physical or mental impairment which has a substantial and long-term adverse effect on a persons' ability to carry out normal day-to- day activities.'

To clarify;

- physical and mental impairment includes: sensory impairments, impairments with fluctuating or recurring effects, such as epilepsy; progressive impairments, such as muscular dystrophy; organ specific impairments; developmental impairments, such as autistic spectrum disorder (ASD); learning difficulties, mental health conditions and illnesses, such as attention deficit hyperactivity disorder (ADHD), phobia's and anxiety
- substantial means neither minor nor trivial
- long term means that the effect of the impairment has lasted or is likely to last for at least 12 months
- adverse effect means that the impairment affects one or more of the following: mobility; manual dexterity; physical co-ordination; continence, ability to lift, carry to otherwise move everyday objects; speech (including language and communication) hearing or eyesight; memory or ability to concentrate, learn or understand; or perception of the risk of physical danger
- normal day-to-day activities are things done on a regular basis including things like eating, washing, walking and learning (including reading, writing, communication, following instruction and adapting to change)

In addition, the definition also covers those with severe disfigurements; impairments which are controlled or corrected by use of medication, prosthesis, an aid or otherwise progressive symptomatic conditions; a history of an impairment; those with HIV, cancer and multiple sclerosis; and children under the age of 6 with impairments which, in an older person, would result in that person being covered.

4. Legislation

The Equality Act 2010 brought together a range of equality duties and requirements within one piece of legislation and introduced a single general Public Sector Equality Duty (PSED) that applies to public bodies, including maintained schools and academies (including Free Schools) and which extends to all protected characteristics - race, disability, sex, age, religion or belief, sexual orientation, pregnancy and maternity and gender reassignment.

In relation to disability, this general duty requires schools, when carrying out their functions, to have due regard to the need to:

- eliminate discrimination that is unlawful under the Equality Act 2010;
- eliminate harassment of disabled pupils that is related to their disability;
- promote equality of opportunity between disabled people and other people;
- promote positive attitudes towards disabled people;
- encourage participation by disabled people in public life;
- take steps to take account of disabled people's disabilities even where that involves treating disabled people more favourably than other people.

Additional requirement under the Equality Act 2010 for schools to provide Auxiliary Aids for disabled pupils subject to the Reasonable Adjustment duty was introduced in September 2012.

This duty requires schools and Local Authorities to make reasonable adjustments to ensure that disabled pupils are not at a substantial disadvantage. Reasonable adjustments meet the statutory requirements when they act to prevent disabled pupils being placed at a substantial disadvantage and when they enable pupils to participate in education and associated services. Auxiliary Aids includes aids (equipment which helps the disabled person, such as a special chair, adapted text, or special computer equipment or software) and services (something people provide, such as personal assistance). When deciding if a reasonable adjustment is necessary, schools need to consider potential impact on disabled pupils in terms of time and effort, inconvenience, indignity and discomfort, loss of opportunity and diminished progress.

The Equality Act 2010 requires Local Authority and schools to develop and publish an Accessibility Strategy and Accessibility Plans that outline how they will improve the accessibility of buildings, access to education and information for disabled pupils over time.

Requirements for local authorities to put in place an accessibility strategy are specified in schedule 10 of the Act: *Accessibility for disabled pupils*.

Schedule 10 says:

An accessibility strategy is a strategy for, over a prescribed period—

- (a) increasing the extent to which disabled pupils can participate in the schools' curriculums;*
- (b) improving the physical environment of the schools for the purpose of increasing the extent to which disabled pupils are able to take advantage of education and benefits, facilities or services provided or offered by the schools;*
- (c) improving the delivery to disabled pupils of information which is readily accessible to pupils who are not disabled.*

The delivery of information in (c) must be:

- (a) within a reasonable time;*
- (b) in ways which are determined after taking account of the pupils' disabilities and any preferences expressed by them or their parents.*

Schools' Accessibility Plans should also consider access to after school activities and

extended school activities if they are based on their school site. There is a requirement for maintained schools, pupil referral units (PRUs), academies and free schools to produce an Accessibility Plan.

5. Special Educational Needs and Local Context

There is a significant overlap between Special Educational Needs and Disabilities, therefore support for many children with disabilities is provided by schools and the Local Authority through the Special Educational Needs and Disabilities (SEND) framework, guidance for which is set out in the 2015 SEND Code of Practice: 0 to 25 years. The Code emphasises the importance of:

- the views, wishes and feelings of the child and their parents, or young person being sought and taken into account;
- the vital role parents play in supporting their child's education;
- children and young people with SEND having their needs met;
- needs normally being met in mainstream schools or settings; and
- children and young people with SEND being offered full access to a broad, balanced and relevant education, including an appropriate curriculum for the foundation stage and the National Curriculum.

Torbay has a wide range of provision available to meet the needs of children and young people with Special Educational Needs and Disabilities (SEND). The Local Authority works closely with early years providers and the childcare sector to ensure identification and individualised response takes place at the earliest opportunity. The Local Authority works in partnership with schools to ensure that provision is relevant and responsive to needs. The partnership with schools is well-established and long-term with specialist teams providing advice and support at whole-school, group and individual levels. Special schools have strong links with mainstreams schools to promote inclusion. Local Authority specialist services and outreach providers from special schools are flexible in their approach to meeting need and work with schools and each other to ensure that all pupils enjoy full participation.

Taking into account significant changes in national policy, there is now a focus on collaborative working between schools, partner agencies and the Local Authority through such developments as the Children and Families Act 2014.

The Local Authority also works alongside the local SENDCo Network to provide an on-going training and development enhancing provision and support for SEND pupils and responding to local need.

6. Increasing Provision and Access to curriculum

The Local Authority provides advice and guidance to all supports schools (regardless of whether they are maintained schools, academy schools or free schools) to respond to individual needs of pupils and training needs of staff with a range of specialist services, commissioned services and part traded services. The Local Authority website and Local Offer both provide information about the provision available to support access to the curriculum for pupils with learning difficulties and disabilities. The SEND Code of Practice includes advice on approaches to identification of need and the graduated approach to meeting identified needs.

The joint commissioning of education, health and care provision for children and young people required by the Children and Families Act 2014 is leading to the development of more

integrated packages of support which will support children and young people with disabilities in accessing the curriculum.

The Local Authorities SEND Information, Advice and Support Service (SENDIASS) and the Torbay Parents Participation Forum (PPF) works collaboratively in supporting the Local Authority to engage with parents and carers of pupils with disabilities to inform and develop good practice within settings.

The variety of services which the Local Authority already offers to promote the inclusion of disabled pupils and their families in education includes:

| | |
|---|---|
| Admission to schools | <ul style="list-style-type: none"> ensures all admission arrangements comply with the DfE School Admissions Code. Co-ordinates applications for places at primary and secondary schools as part of the normal admissions rounds. provides clear information to both schools and parents/carers in relation to admissions and pupils with SEND. |
| Advisory Teacher for Early Years Inclusion | <ul style="list-style-type: none"> liaises with schools and organise transition meetings to share information about individual children who have special educational needs and disabilities, prior to them starting school. These meetings are attended by parents and other agencies working with the child. is able to maintain support for the child up to the end of the Foundation Stage. provides advice and support to parents/carers, carry out initial assessment of children and provide training and advice for educators. |
| Portage Service | <ul style="list-style-type: none"> nurtures and promotes all aspects of a child's development. delivers a weekly home teaching service, work alongside parents/carers to set realistic goals for their children and devise and demonstrate a range of appropriate activities for the parents/carer to undertake with their child. |
| Educational Psychology Service (part-traded service) | <ul style="list-style-type: none"> acts as a consultation, assessment and advisory service to the LA and schools. These are achieved through day to day liaison with schools; the attendance of planning meetings and case conferences; the assessing and advising of individual child's needs; the provision of in-service training and convening of school SEN Coordinator support groups; and by engaging in 'service maintenance' activities such as obtaining client feedback and carrying out performance reviews. |
| Torbay Hearing Support Service | <ul style="list-style-type: none"> supports children, families and schools by helping to identify, assess and meet the needs of children with hearing impairments. This involves a significant amount of individual case work. offers guidance and training on a range of issues relating to children with hearing disabilities. This includes audiological issues, hearing aids, ideas for play, language development, hearing tactics and liaising with other professionals on behalf of the child and his or her family. works on a one to one basis with each child. |
| School Transport | <ul style="list-style-type: none"> assesses the individual needs of each pupil, in line with Torbay's |

| | |
|---|---|
| | <p>Transport Policy, and where appropriate tailors the transport provided to meet the needs of the specific child.</p> |
| <p>Special Educational Needs (SEN) Team</p> | <ul style="list-style-type: none"> ensures that the key duty of the LA to identify, assess and arrange suitable provision for children with SEN is carried out. This is achieved through individual allocated caseworkers, liaison with parents/carers, caseworker involvement in attending formal meetings and multi-agency co-operation. manages the transfer of Statements and EHC plans in line with regulations. manages the statutory assessment procedure, issuing EHC plans where required. allocates additional resources to mainstream schools to meet the needs of children and young people with Statements and EHC plans. arranges admission to appropriate provision, including specialist provision where required. monitors and reviews the progress of children and young people with Statements and EHC plans. commissions specialist and outreach services to support pupils with special needs and the schools they are attending. |
| <p>Commissioned specialist services</p> | <ul style="list-style-type: none"> visual impairment support service from the West of England School. The school provides a 3 day a week service to the LA providing guidance on curriculum matters, mobility issues and Braille training. ICT advisory service for pupils with special needs from the Royal School for Deaf. |
| <p>Commissioned outreach services</p> | <ul style="list-style-type: none"> Chestnut Mayfield Preston |
| <p>Commissioned service from Careers Southwest</p> | <ul style="list-style-type: none"> supports transition planning and liaising with those involved with the child. helps young people and their carers identify the most appropriate post-school education, training or work. |
| <p>Commissioned independent information, advice and support service for parents/carers and young people (SENDIASS Torbay)</p> | <ul style="list-style-type: none"> offers independent information, advice and support service for parents/carers and young people in relation to special educational needs and/or disabilities. This includes: providing clear information; listening to parent/carers concerns; providing phone or personal support with issues, letters and/or meetings; and empowering parents/carers to be fully involved with and make informed choices about their child's education. encourages effective communication between parents/carers, schools and other appropriate professionals. offers relevant training opportunities. signposts to other appropriate services and/or avenues of support. |

7. Improving the Physical Environment of Schools

Improving the physical environment of schools includes access to and within the school grounds and buildings, in addition to the provision of physical aids which improve access to a disabled child.

All new school buildings have to comply with current building regulations and should be physically accessible to disabled pupils, although, much of the work in this area will involve improving access to existing buildings. Any work undertaken by the Council in creating additional school places will also comply with current building regulations.

When making improvements schools need to consider potential adjustments which may be needed for disabled pupils generally, but, schools are not obliged to anticipate and make adjustments for every imaginable disability. Improvements could also be achieved by reasonable adjustments such as the allocation of rooms for particular specialisms, the removal of obstructions from circulation areas, improving the acoustic or visual environment and changing classroom layouts including the creation of safe spaces, calming areas and individual workstations. Physical aids to education could include the provision of specialist seating or desks and ICT equipment.

Advice and guidance should be sought from Physiotherapists / Occupational Therapists who are working with the children who have specific requirements where adaptations may be required.

Schools have had a statutory duty to develop and publish an Accessibility Plan since September 2002 and continue to have this duty under the [Equality Act 2010: Schedule 10, Paragraph 3](#) and [Disability Discrimination \(prescribed Times and Periods for Accessibility Strategies and Plans for Schools\) \(England\) Regulations, 2005](#).

School Accessibility Plans must:

- be in writing.
- outline how the school will improve access to education for disabled pupils over time, covering the following three strands:
 - Increasing access to the curriculum for disabled pupils;
 - Improving the physical environment to increase access to education and associated services at the school; and
 - Improving the provision of information for disabled pupils where it is provided in writing for pupils who are not disabled.
- be published in the context of the Equality Act 2010, i.e. on the school website with hard copies provided upon request, and also be able to be provided in alternative accessible formats to meet the needs of those requesting it.
- be revised at least every 3 years.

The school's Governing Body holds responsibility for publishing the Accessibility Plan, and as part of a regular review process, schools will need to have regard to the need of providing adequate resources for implementing this plan and reviewing this plan.

A template for the school accessibility plan has been produced for schools to use (Appendix 2)

A School Access Audit Checklist is available and free to download at: <http://www.accessaudits.com/wp-content/uploads/2014/06/FREE-SCHOOL-ACCESS->

It is important that the schools consider the long-term access needs of the school. Schools should use the routine refurbishment and other maintenance and equipment budgets to improve the physical environment of the school and maintain the standard of accessibility upgrade works already carried out. The Equality Act requires schools to resource their Disability Equality Schemes/ Accessibility plans adequately. Schools should recognise the costs of implementing the plan as legitimate expenditure, which should be incorporated into current budget commitments.

8. Improving the Delivery and Access of information

The planning duty requires written information normally provided by a school to be made available to disabled pupils. Such information should take account of pupils' disabilities, as well as the preferred formats for pupils and parents; it should also be made available within a reasonable time frame.

Although the duty relates primarily to written information, schools will be advised to consider how other formats that could be made available. The Local Authority Corporate Communications Team provides detailed guidance on how to produce clear communications by advising on the styles and formats to use. The team also provides guidance on how to produce information in large print, braille, symbols or as an audio-tape.

The requirement in the Children and Families Act 2014 to develop a Local Offer has the express purpose of simplifying and making information about processes, systems and services that support children and young people with special educational needs and disabilities more accessible.

In addition, the Torbay SEND Information, Advice and Support Service (SENDIASS) is able to offer impartial information, advice and support over the phone and in person.

9. Monitoring, evaluation and review

This Strategy is being recommended for approval to the Policy Development and Decision Group. The strategy will run for a period of 4 years.

The action plan and the Local Authorities performance against the identified action points will be reviewed and monitored on a regular basis through annual reports.

This strategy has been produced in association with parents and carers and in consultation with our schools and other partners. The Council will support schools in implementing the strategy which will be kept under regular review.

School improvement visits will include a question regarding the school's accessibility policy and their implementation of the Equality Act 2010.

Ofsted inspectors will discuss with each school how it is meeting statutory requirements and evaluate and report on the impact of the school's actions.

This Strategy will be published on the Torbay Local Offer website www.fis.torbay.gov.uk

DRAFT

Example School Accessibility Plan 2017 -

Purpose of Plan

The purpose of this plan is to show how our educational setting intends, over time, to increase accessibility to the physical environment, the curriculum and written information so that all pupils/students with a disability can take full advantage of their education and associated opportunities.

Definition of disability

A person has a disability if he or she has a physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities.

Key Aims

To increase and eventually ensure for pupils/students with a disability that they have:

- total access to our setting's environment, curriculum and information and
- full participation in the school community.

Principles

A - Compliance with the Equality Act

- Compliance with the Equality Act is consistent with our setting's aims and equal opportunities policy and SEN information report.
- Our staff recognise their duty under the Equality Act:
 - Not to discriminate against disabled pupils in their admissions and exclusions, and provision of education and associated services
 - Not to treat disabled pupils less favourably
 - To take reasonable steps to avoid putting disabled pupils at a substantial disadvantage
 - To publish an accessibility plan
- In performing their duties governors have regard to the Equality Act 2010
- Our setting
 - recognises and values the young person's knowledge/parents' knowledge of their child's disability
 - recognises the effect their disability has on his/her ability to carry out activities,
 - respects the parents' and child's right to confidentiality
- The setting provides all pupils with a broad and balanced curriculum that is differentiated, personalised and age appropriate.

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Current practice:-

B - Increasing Access for disabled pupils to the school curriculum

This includes teaching and learning and the wider curriculum of the school such as participation in after school clubs, leisure and cultural activities or school visits.

-
- *School*
-
-

C - Improving access to the physical environment of the school

This includes improvements to the physical environment of the school and physical aids to access education.

-
- *School*
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-

D - Improving the delivery of written information to disabled pupils

This will include planning to make written information that is normally provided by the school to its pupils available to disabled pupils. Examples might include handouts, timetables, textbooks and information about school events. The information should take account of pupils' disabilities and pupils' and parents preferred formats and be made available within a reasonable time frame.

-
- *School*
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E – Ensuring inclusion in the school community

This will include all other measures taken in ensure inclusion within the whole school community.

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Financial Planning and control

The headteacher, SLT and the finance committee will review the financial implications of the accessibility plan as part of the normal budget review process.

Accessibility Action Plan Template – Schools to complete contents adding rows as necessary

| A - Compliance with the Equality Act | | | | | |
|---|---------------------------------|------------------------|-----------------------------------|-------------------|--------------|
| Accessibility Outcome | Action to ensure Outcome | Who responsible | Long, medium or short-term | Time Frame | Notes |
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B - Increasing Access for disabled pupils to the school curriculum

| Accessibility Outcome | Action to ensure Outcome | Who responsible | Long, medium or short-term | Time Frame | Notes |
|-----------------------|--------------------------|-----------------|----------------------------|------------|-------|
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C - Improving access to the physical environment of the school

A useful free access audit tool is available at:
<http://www.accessaudits.com/wp-content/uploads/2014/06/FREE-SCHOOL-ACCESS-AUDIT-CHECKLIST.pdf>

| Accessibility Outcome | Action to ensure Outcome | Who responsible | Long, medium or short-term | Time Frame | Notes |
|-----------------------|--------------------------|-----------------|----------------------------|------------|-------|
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D - Improving the delivery of written information to disabled pupils

| Accessibility Outcome | Action to ensure Outcome | Who responsible | Long, medium or short-term | Time Frame | Notes |
|------------------------------|---------------------------------|------------------------|-----------------------------------|-------------------|--------------|
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E – Ensuring inclusion in the school community

| Accessibility Outcome | Action to ensure Outcome | Who responsible | Long, medium or short-term | Time Frame | Notes |
|-----------------------|--------------------------|-----------------|----------------------------|------------|-------|
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Accessibility Strategy Action Plan

This Action Plan will developed further in consultation with schools and parents.

| Activity | Lead | Timescale | Success Criteria | Resource |
|--|------|-----------|------------------|----------|
| Development of the Strategy | | | | |
| To consult on the Accessibility Strategy | | | | |
| To provide information and advice to support schools to develop their own Access Plans | | | | |
| Through analysis of accessibility plans we will establish common areas of concern and provide advice and support | | | | |
| To ensure compliance on the publication of the accessibility plans | | | | |
| To establish common areas of concern from an analysis of the access plans and through discussions with schools | | | | |

| Contextual Data to Inform the Strategy | | | | |
|---|--|--|--|--|
| To aid strategic planning around sufficiency of placements | | | | |
| To continue to proactively promote the Children’s Disability Register (DeCiDe) to increase the relevance of this data collection to inform strategic planning | | | | |
| Improvement to the Physical Environment of Schools Increasing | | | | |
| Provide information about a freely available access audit checklist for schools to use | | | | |
| Improving the Provision to Disabled Pupils of written Information | | | | |
| To disseminate guidance to all service providers on good practice when producing information | | | | |

| | | | | |
|---|--|--|--|--|
| To raise awareness of outreach services available to support schools | | | | |
| Increasing Access to the Curriculum for Disabled Pupils | | | | |
| To support and challenge schools on the performance of pupils with disabilities | | | | |
| To ensure governing bodies are aware of their statutory duties | | | | |
| To monitor attendance of pupils with disabilities | | | | |



Meeting: Policy Development and Decision Group **Date:** 28 June 2017

Wards Affected: All Wards

Report Title: Sustainability and Transformation Plan (STP)

Is the decision a key decision? No

When does the decision need to be implemented? ASAP

Executive Lead Contact Details: Councillor Julien Parrott, Executive Lead for Adults and Children, julien.parrott@torbay.gov.uk

Supporting Officer Contact Details: Caroline Taylor, Director of Adult Social Services, 01803 207336, caroline.taylor@torbay.gov.uk

1. Briefing

The first year of the STP has seen the NHS and upper tier Local Authorities working collaboratively together across the whole of Devon.

Working together on a single plan will ensure the long term clinical/Social and financial sustainability of our services for those who live across Devon.

Twelve organisations across Devon signed a Memorandum of Understanding in March 2017, which signaled their ambition to work closely together*. They include:

- Northern, Eastern and Western Devon CCG
- South Devon and Torbay CCG
- Devon County Council
- Plymouth City Council
- Torbay Council
- Plymouth Hospitals NHS Trust
- Royal Devon and Exeter NHS Foundation Trust
- Northern Devon Healthcare NHS Trust
- Torbay and South Devon NHS Foundation Trust
- Devon Partnership NHS Trust
- South Western Ambulance Service NHS Foundation Trust
- Livewell Southwest CIC

*NHS England and NHS Improvement also signed the memorandum as regulators

The STP is a comprehensive five-year plan to transform health and care services for local people so they are fit for the future. Devon's plan is one of 44 across England. These plans address how local services will evolve and become

sustainable over the next five years. Specifically the STP will help us cater for an ageing population in Devon, meet the growing demands on health and care services, and help us deliver services within the budget we have available.

The STP has seven priority areas:

1. **Prevention and promoting health:** we want people and communities to be able to take a more active role in their general health and wellbeing, to prevent ill health as independent as possible.
2. **Integrated care models (ICM):** we want to reduce reliance on hospital beds and help people to live healthy independent lives for longer, closer to where they live. Care needs to be less fragmented and more joined-up so that it is safer and more efficient.
3. **Primary care:** we want to establish a consistent, high-quality and sustainable model of primary care (GPs) integrated in future service models
4. **Mental health and learning disabilities:** we want to make sure that mental and physical health services are joined-up and meet people's needs. We want to ensure people with learning disabilities can have independent lives with the right level of support for individuals.
5. **Children and families:** we want children and young people to be able to access the services they need, as close to home as possible. Services will be more joined-up so that we can better support families and also ensure that children achieve the best outcomes.
6. **Acute hospital and specialist services:** we want to make sure that acute hospital services in Devon are safe, high-quality, effective and affordable.
7. **Productivity:** we want to improve efficiency across all organisations, so we make the best use of resources.

Progress achieved in the first year of the STP (2016/17)

Good progress has been made by the NHS and social care working as a system in Devon during the past year.

Specific highlights include:

- Major focus on moving towards NHS financial balance for the system. By the end of the 2016/17 financial year, the overall plan was exceeded, with an improved year-end system NHS deficit of £80 million for the geographic area of Devon.
- Improvements to NHS service performance, notably around urgent referrals for cancer treatment within two-weeks, psychological therapies for mental health, and improvements to the A&E position despite huge pressures.
- A reduction in elective activity and changes in bed-based care. By the end of March 2017, 82 acute beds with further reductions planned in the first quarter of 2017/18 enabled by new models of care. Elective activity reduced by £1.2 million which is part of a planned change in resourcing.
- In NEW Devon, routine referrals were reduced by 3.4%. The Devon STP is the only STP area in the NHS England South Region to demonstrate a reduction in activity during 2016/17 which will maintain good outcomes for communities but reduce resource pressures.
- Two major public consultations to bring in a new model of care. The new model focuses on providing more care in people's homes, and less in community hospital settings.

Plans for 2017/18

The challenges for this financial year are huge and significant. A number of key developments will be taken forward by the system, and include:

- The system is planning for an ambitious saving plan to meet its financial responsibilities. This plan is not agreed with NHSE
- A single, strategic commissioning voice for Devon will be put in place. A recruitment process will commence shortly. Work to establish Accountable Care Delivery Systems/ACOs is under way overseen by the Collaborative Board (with representation from all participating organisations in Devon).
- Ensure all localities deliver safe and effective care within their resources.
- Reductions in CCG corporate support services, with plans to introduce single functions covering the whole system.
- Tighter vacancy management and no non-clinical agency spend.

STP programme

The STP governance arrangements include a number of important decision-making and advisory bodies as follows:

- The Programme Delivery Executive Group (PDEG) – executives from all STP organisations meet monthly to agree policy and monitor progress.
- Clinical Cabinet – key clinicians meet fortnightly to review and agree proposals for change.
- Collaborative Board – which meets quarterly and includes chairs and chief executives from all STP organisations. Lead Councillors from the 3 Local Authorities provide the local authority leadership at this group.
- Priority workstream areas – sponsored by chief executives and include patient representation.

STP organisations work closely with the three scrutiny committees across Devon to ensure active engagement, as well as with MPs, councillors, Healthwatch and other key stakeholders.

2. Recommendations

That the Mayor be recommended:

- 2.1 That Councillor Parrott, Executive Lead for Adults and Children, and Caroline Taylor, Director of Adult Services (DASS) be authorised to maintain executive oversight and influence over the emerging Sustainability and Transformation Plan (STP) programme on behalf of Torbay Council, with normal scrutiny processes in place.
- 2.2 That the Council commits to a model of a single, strategic commissioning voice for Devon and considers any changed staffing or accountability of management arrangements arising from any proposal. That the Council works with partners to

establish Accountable Care Delivery Systems/Accountable Care Organisations and that this development is overseen by the Collaborative Board (with representation from all participating organisations in Devon).



Meeting: Policy Development and Decision Group

Date: 28 June 2017

Wards Affected: All

Report Title: Integration and Better Care Fund 2017-19

Is the decision a key decision? No

When does the decision need to be implemented? 2017/18 – subject to NHS Guidance due July 2017

Executive Lead Contact Details: Councillor Julien Parrott, Executive Lead for Adults and Children, Julien.Parrott@torbay.gov.uk

Supporting Officer Contact Details: John Bryant, Head of Integration and Development 01803 208796 John.bryant@torbay.gov.uk

1. Proposal and Introduction

- 1.1 The Better Care Fund (BCF) is a programme spanning both the NHS and local government which seeks to join-up health and care services, so that people can manage their own health and wellbeing, and live independently in their communities for as long as possible.
- 1.2 The BCF has been created to improve the lives of some of the most vulnerable people in our society, placing them at the centre of their care and support, and providing them integrated health and social care services, resulting in an improved experience and better quality of life.
- 1.3 The application of the funds is agreed each year between the Clinical Commissioning Group (CCG) and the Council, and in Torbay with the input of the Torbay and South Devon NHS Foundation Trust (ICO).

2. Reason for Proposal

- 2.1 The council have an obligation to reach agreement with partners on the pooling of funds in the Better Care Fund (BCF) and this is supported by the Section 75 Agreement.
- 2.2 Section 75 of the 2006 National Health Services 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

3. Recommendation(s) / Proposed Decision

- 3.1 That the Mayor be recommended that the approach being adopted in relation to the Better Care Fund be endorsed subject to future guidance from NHS England.

Appendices

Appendix 1: Financial outline of Torbay BCF and Development Funding

Background Documents

Integration and Better Care Fund 2017-2019- Department of Health, Department for Communities and Local Government, Local Government Association and NHS England

http://www.local.gov.uk/sites/default/files/documents/BCF%202017-%202019%20planning%20requirements%20briefing%20slides_%20March%202017%20.pdf

2017-19 Integration and Better Care Fund Policy Framework – Department of Health and Department for Communities and Local Government

<https://www.gov.uk/government/publications/integration-and-better-care-fund-policy-framework-2017-to-2019>

The Adults Social Care Support Grant Determination 2017/18 No. 31/3065

The Improved Better Care Fund Grant Determination 2017/18 No 31/3064

Section 1: Background Information

| | |
|----|---|
| 1. | <p>What is the proposal / issue?</p> <p>The policy framework for the 2017-19 Integration and Better Care Fund was published April 2017 after the setting of NHS and Local Authority budgets. At the time of writing the final Planning Guidance is still awaited – a November 2016 version has been circulated.</p> <p>The framework and the subsequent letter to Section 151 officers emphatically states in relation to the Adult Social Care grant: <i>the Government is clear that this money should be used to fund adult social care services and will be additional to current budgeted spend</i> <i>Guidance documents and financial clarification on numbers attaching to the BCF remain outstanding</i></p> |
| 2. | <p>What is the current situation?</p> <p>Better Care fund will cover two years and span housing, care health and other public services.</p> <p>These funds are not revenue funds and should not be considered within a base-funding figure. They should be applied to develop and deliver change to support the health and care interface.</p> <p>The conditions attaching to the fund are: In 2017-19, NHS England will require that BCF plans demonstrate how the area will meet the following national conditions:</p> <ul style="list-style-type: none">▪ Plans to be jointly agreed;▪ NHS contribution to adult social care is maintained in line with inflation;▪ Agreement to invest in NHS commissioned out-of-hospital services, which may include 7 day services and adult social care; and▪ Managing Transfers of Care (a new condition to ensure people’s care transfers smoothly between services and settings) <p>The use of the High Impact Changes, reflecting learning and good practice from around the country, are worthy of consideration and referenced as delivery headings in producing a BCF plan. This is likely to support understanding, interpretation and sign-off when the plans are assessed and reviewed by NHS England and the Integration Partnership Board.</p> <p>The conditions of use applying to the new allocation announced in the Spring Budget 2017 and are incorporated in the Grant Determination Letter (GDL)</p> |

issued in April by the Department for Communities and Local Government. The GDL also sets out the conditions applying to the Disabilities Facilities Grant.

At the time of writing the Policy framework for the Improved Better Care Funds has been released but Planning Guidance (the detail) is to follow

Reporting metrics reduced from 8 – 4

- **Delayed transfers of care;**
- **Non-elective admissions (General and Acute);**
- **Admissions to residential and care homes; and**
- **Effectiveness of reablement**

Whilst no longer a requirement or metric the policy framework states - all areas should be working to embed 7-day services across the health and care system. Shared information, interoperable IT and joint care assessments are critical enablers to deliver integrated services - therefore, we expect every area to continue taking action to build on the progress made in the last two years.

This provides sound direction to the development of the community resources and the wider partnerships with the necessary infrastructure to support a new model of care.

FLEXIBILITY OF FORM (FOR PERSON CENTRED CARE)

Integration is available in many forms. Direction is given towards existing models within the policy framework. The present model within Torbay is not the only option. Savings along with care improvements are evidenced elsewhere – signposting is within the documentation and associated resources.

Torbay's Delayed Transfers of Care achievements continue to be positive whilst there always remains head room for improvement. Improvement is through the 'interface of health and care' and reducing presentation at hospital as well as efficient discharge. This will be supported by personalised (individual's own) management of care and support which the policy signposts to in multiple ways.

Touch stone for any model or BCF plans is:

Integrated, preventative, person-centred care. Continued use is made of National Voices'

"I can plan my care with people who work together to understand me and my carer(s), allow me control, and bring together services to achieve the outcomes important to me."

Torbay may wish to use this within its tests of plans

Discharge to Access (Assess) is one of the High Impact Changes listed. There needs to be time for people to benefit from interventions and support and signposting with the clear view of returning them to their own home. The use of care home +/- nursing beds needs to be focussed on intermediate care and step down care. Enhanced Health in Care Homes case studies support the use of care homes whilst the focus continues to be ensuring there is improved community services and support structures to minimise long term admissions to care.

Carers (informal) whilst not one of the metrics are cited as being expected to be considered within each plan. It is expected that this will be considered when plans are being approved by NHS England and the national Integration and Partnership Board (IPB)

Through this BCF round consideration will be given to the further development of VCSE capacity that supports carers through innovative and commercially sound CVS approaches. A range of opportunities exist in this area including circles of support, flexible working, developing peer networks and attention on mental health / wellbeing

In respect of the above items, integrated personal commissioning (IPC) is widely featured and it is anticipated that funding at a local level through the BCF should be discussed but with boundaries being pushed in regard to IPC – both scope and timeframe

It is notable that there is reference to ‘happy at home’ highlighting the opportunity for wellbeing initiatives and work / schemes involving wider council/public/community schemes beyond health interventions.

BCF may or may not continue but there clear expectation is that the approach will be embedded through integrated systems by 2020. It is useful to reiterate that the policy emphasises that BCF funding is for integration and change versus revenue for as-is services.

Professor John Bolton released a discussion paper on Demand and Performance management in Adult Social Care and consideration will be given to some of the measures contained within this paper as to where the BCF funds and the Adult Social Care Grant may be targeted. The demand management may include

pump-priming activities– pump-priming sustainable orientated business plans and the resource to deliver them – that would further develop integration and support financial balance in year 2 and beyond. (the guidance also makes reference to frontloading of investments)

FUNDING AND SIGN-OFF AND RECLAIM

NHS England and ‘Integrated Partnership Board’ will sign off plans before the NHS funding spend is started. Where conditions are not met subject to reference and agreement by minister, NHS funds can be reclaimed.

NHS will develop ‘integration metrics’ for assessing progress on integration.

The Improved Better Care Fund can be spent as soon as agreement between the parties is reached and does not require further sign-off or external agreement. However, it is to be noted that the local authority’s Section 151 officer must:

Certify that your authority will use the additional funding for adult social care.
Alongside the attendant commitment to additionality beyond current spend.

REPORTING – GRADUATION

6-10 areas will be selected as early Graduate applicants. The graduation being the demonstration of having made progress beyond the requirements of the BCF. The first wave applications to be in before end of January. Subsequent waves to follow.

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| | <p>PARTNERSHIP SECTION 75</p> <p>Arrangements are being reviewed by the Department of Health; further policy and guidance to follow. The existing Section 75 has been legally reviewed Mar 2017 and found to be fit for existing purposes. This will continue to be used locally whilst awaiting updated, revised guidance.</p> <p>DEVON COUNTY COUNCIL</p> <p>Alignment will be sought wherever possible with the approaches and reporting structures of Devon County Council. The endeavour is to create a coordinated and consistent approach across the Torbay and South Devon footprint, leverage funds driving market place changes, and minimise duplication and variation in reporting.</p> <p>GOVERNANCE</p> <p>The (i)BCF will be managed as Part 2 of a meeting of the Social Care Programme Board.</p> |
| 3. | <p>What options have been considered?</p> <p>The Better Care Fund is a national mandated initiative which local areas must implement</p> |
| 4. | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>The BCF progresses the work that has long been undertaken in Torbay towards integrated services which provide better outcomes for the residents of Torbay. It meets all three principles:</p> <ul style="list-style-type: none"> • <i>Use reducing resources to best effect</i> • <i>Reduce demand through prevention and innovation</i> • <i>Integrated and joined up approach</i> |
| 5. | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>People using health and care services in Torbay will be positively impacted by this work. The proposal as to entering into the Better Care Fund arrangement requires no consultation</p> |
| 6. | <p>How will you propose to consult?</p> <p>Refer above</p> |

Section 2: Implications and Impact Assessment

| | |
|-----|---|
| 7. | <p>What are the financial and legal implications?</p> <p>See Appendix 1 re the figures The council has made commitments to the BCF in previous years. Following the spring budget 2017 the council were awarded additional funds in the Adult Social Care Grant.</p> |
| 8. | <p>What are the risks?</p> <p>Should the local partners not agree a Better Care Fund there will be external mediation and involvement for NHS and Local Government Association</p> <p>The guidance from the Department of Health is not yet available due to the election and is unlikely to be forthcoming ahead of the end of July 2017</p> <p>The local partners are progressing work and seeking to reach agreement. There is a risk that the guidance may require this to be revised. However, in terms of making best use of resources and achieving delivery the Local Government Association guidance is being used.</p> |
| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>The agreement is between public bodies and there is no procurement of services</p> |
| 10. | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>The NHS produce information and continue to keep the council and CCG informed https://www.england.nhs.uk/ourwork/part-rel/transformation-fund/bcf-plan/</p> |
| 11. | <p>What are key findings from the consultation you have carried out?</p> <p>There was no consultation required in relation to entering into the BCF agreement</p> |
| 12. | <p>Amendments to Proposal / Mitigating Actions</p> <p>See Above (11)</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 | Yes | | |
| | People with caring Responsibilities | Yes | | |
| | People with a disability | Yes | | |
| | Women or men | Yes | | |
| | People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | Yes | | |
| | Religion or belief (including lack of belief) | Yes | | |
| | People who are lesbian, gay or bisexual | Yes | | |
| | People who are transgendered | Yes | | |
| | People who are in a marriage or civil partnership | Yes | | |
| | Women who are pregnant / on maternity leave | Yes | | |

| | | | |
|-----------|---|--|--|
| | | | |
| | Socio-economic impacts (Including impact on child poverty issues and deprivation) | Yes | |
| | Public Health impacts (How will your proposal impact on the general health of the population of Torbay) | Yes – better integrated care services including reducing Non-elective admissions, reducing long term admissions to care homes, working to reducing Delayed Transfers of Care, and developing reablement for increased independence of clients and patients | |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | Positive impacts will be seen from the development of housing initiatives | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | Opportunities exist for wider integrated working with Devon partners and through the Sustainability and Transformation Planning system across Devon’s NHS and social care bodies. | |

Appendix 1. Financial Outline of Torbay BCF and Development Funding

| Better Care Fund funding contribution | 2016-17 (2015/16 + 1.5%) | 2017-2018 (+1.79% on 2016/17 assured figs baseline as per policy framework) | 2018-2019 (+1.9% on 2017/18) | Not covered by the policy framework 2019-20 Total |
|---|-----------------------------|---|---------------------------------|--|
| Minimum NHS CCG contribution Can you put in the figures that we are expecting from the CCG please | 3,011,156 | 3,065,055 | 3,123,291 | |
| Improved Better Care Fund Local Government Finance Settlement | N/A | 633,138 | TBC | |
| New grant allocation – Funding for adult social care via DCLG | N/A | 3,815,560 | 2,366,904 | 1,171,936 |
| Disabled Facilities Grant (capital grant for adaptations to houses) | 1,524,090 | 1,631,353 | TBC | |
| | | | | |
| IBCF Total | 4,535,246 | 9,145,106 | 5,490,195 | |



Meeting: Policy Development and Decision Group

Date: 28 June 2017

Wards Affected: All wards in Torbay

Report Title: Transformation Project - A Redesign of Spatial Planning

Is the decision a key decision? Yes

When does the decision need to be implemented? Immediately

Executive Lead Contact Details: Councillor Mark King, Executive Lead for Planning, Transport and Housing (07873254117 – Mark.King@torbay.gov.uk

Supporting Officer Contact Details: Kevin Mowat, Executive Head of Business Services, 01803 292429, Kevin.Mowat@torbay.gov.uk

1. Proposal and Introduction

- 1.1 It is proposed that the Council should to explore and establish a suitable partnership arrangement for the delivery of Development Management and Spatial Planning functions with a nearby Local Planning Authority. Such a partnership should enable Torbay Council to drive forward, at pace, the necessary modernisation needed to make improvements and deliver value for money, whilst at the same time achieving a more sustainable and resilient planning service.
- 1.2 A recent Development Management Service Peer Review identified that there is an opportunity, through the better sharing of resources with like-minded Councils, to improve resilience whilst also enhancing the best elements of development management services, such as staff, quality outcomes and local accountability.
- 1.3 The Council's Development Management Service performs well in terms of the Department for Communities and Local Government's (DCLG) statistics and continues to make improvements to that performance. However, it performs less well in other areas such as levels of electronic submission, utilising technology and delivery of planning enforcement.
- 1.4 Given the ongoing budget pressures, which have resulted in resource constraints, an opportunity exists to consider a partnership arrangement for the delivery of Development Management and Spatial Planning functions with a nearby Local Planning Authority. By partnering with a like-minded neighbouring planning authority Torbay Council could drive forward, at pace, the necessary modernisation needed to achieve a more sustainable and resilient planning service.
- 1.5 Businesses and residents in Torbay would like to see an improved planning service that is modern, resilient, value for money and fit for purpose.

2. Reason for Proposal

- 2.1 The Councils Transformation Programme was established to save the Council money, generate additional income or to provide resilience to Council services.
- 2.2 One of the Transformation Projects is entitled “**Redesign of Spatial Planning**” and the project is tasked with considering options for Spatial Planning to provide the Council with resilience.
- 2.3 A recent Peer Review of the Council’s Development Management Service made a very clear recommendation that – “**the Council should explore further how it could work with other Local Planning Authorities in relation to the delivery of the development management service to maximise value for money and improve overall resilience of the service.**”

3. Recommendation(s) / Proposed Decision

That the Mayor be recommended:

- 3.1 That the Council should explore further how it could work with other Local Planning Authorities in relation to the delivery of the Development Management Service to maximise value for money and improve overall resilience of the service.
- 3.2 That the Chief Executive, in consultation with the Executive Lead for Planning, Transport and Housing and the Executive Head of Business Services, be given delegated authority to explore and establish a suitable partnership arrangement for the delivery of Development Management and Spatial Planning functions with a nearby Local Planning Authority, so that Torbay Council can drive forward, at pace, the necessary modernisation needed to achieve a more sustainable and resilient planning service.

Appendices

Appendix 1: Development Management Service Review – Background & Scope Extract

Appendix 2: Development Management Service Review – Action Plan – May 2017

Background Documents

<https://www.local.gov.uk/pas/dm/dm-challenge-toolkit>

Section 1: Background Information

1. What is the proposal / issue?

In November 2016 Torbay Council invited Plymouth City Council to undertake a Service Peer Review of its Development Management Service, which forms part of the Council's wider Spatial Planning Service.

The review took place between 13th December 2016 and 30th January 2017. Initial feedback presentations highlighting key messages were made to senior managers, Councillors and service managers, and planning service staff on 30th January 2017.

The Service Review Team undertook this review at the invitation of Torbay Council and it was undertaken as 'critical friends'. Torbay Council wanted the Service Review to be undertaken by an experienced nearby Local Planning Authority team with a proven track record of service improvement and with experience of wider sector-led improvement approaches. Management of the Council's Planning Services had passed to the Executive Head of Business Services on 1st May 2016 and following discussions with the Head of Spatial Planning it became clear that the current operation of the planning function in Torbay required improvement. A re-design of Spatial Planning had also been identified as a Transformation Project.

As part of the Review brief, a number of high level challenges were set, which sought to focus on the efficiency, effectiveness and quality of the development management function.

One of the outcomes of the recent Peer Review was a very clear recommendation that – "the Council should explore further how it could work with other Local Planning Authorities in relation to the delivery of the development management service to maximise value for money and improve overall resilience of the service."

2. What is the current situation?

The Council's Development Management Service performs well in terms of the Department for Communities and Local Government's (DCLG) statistics and continues to make improvements to that performance. However, it performs less well in other areas such as levels of electronic submission, utilising technology and delivery of planning enforcement.

Torbay's planning application performance is good compared to Torbay's family group. The latest performance figures released by DCLG for the period October 2014 to September 2016 shows that Torbay dealt with 91.9% of major applications in time and this places Torbay 67th out of 336 local planning authorities. In comparison :-

Plymouth – 25th

Cornwall – 59th

Teignbridge – 168th

Exeter – 308th

| | |
|------------------|--|
| | <p>For non-major applications, Torbay dealt with 85.4% in time putting it 124th out of 337 local planning authorities. In comparison :- Plymouth – 28th Cornwall – 143rd Teignbridge – 193rd Exeter – 313th</p> <p>The delivery of Development Management and Spatial Planning functions needs to change at pace to modernise even further, make improvements and deliver value for money, whilst at the same time achieving a more sustainable and resilient planning service with limited resources.</p> |
| <p>3.</p> | <p>What options have been considered?</p> <p>Since the middle of March 2017 the Executive Head of Business Services has been exploring further how Torbay Council could work with nearby Local Planning Authorities to deliver a shared Development Management service. Following consideration of the various strategic options the Executive Head of Business Services commenced discussions with Plymouth City Council regarding the opportunity for a strategic partnership, which could represent the best way forward in the delivery of planning functions given both authorities’ ambitious plans for growth. The intension would be to develop a strategic partnering arrangement that drives forward integrated working on a phased basis between the Strategic Planning & Infrastructure Department in Plymouth with the Spatial Planning Service in Torbay.</p> <p>Options for partnering with Local Planning Authorities, other than Plymouth City Council, were briefly considered but have not been investigated further at this time due to their current performance data (see section 2 above).</p> <p>The Council’s Head of Spatial Planning is currently seconded to the Torbay Development Agency and is leading on regeneration of the Bay’s Town Centres. Therefore, another option would be for Torbay Council to recruit an experienced professional planner with the ability to drive forward at pace the modernisation of the Development Management and the wider Spatial Planning Service. Given the short-term nature of such a post, this option will be more expensive and less reliable than working with a neighbouring local authority that has a proven track record of service improvement with experience of sector-led improvement approaches.</p> |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>An improved and better focused Development Management and Spatial Planning Service will support the Council’s ambition for a ‘Prosperous and Healthy Torbay.</p> <p>A suitable partnership arrangement for the delivery of Development Management and Spatial Planning functions with a nearby Local Planning Authority will reflect the following corporate Principles and Targeted Actions :-</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"> • Working towards a more prosperous Torbay • Ensuring Torbay remains an attractive and safe place to live and visit |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>In conducting the Service Review, the Service Review Team:</p> <ul style="list-style-type: none"> • Held telephone and on-site interviews with key consultees and stakeholders. • Held focus groups with local agents and consultees. • Heard from local councillors. • Heard from internal and external stakeholders and partners. • Heard from staff within the Service. • Attended Development Management Committee. |
| <p>6.</p> | <p>How will you propose to consult?</p> <p>Following the consultation outlined in (5) above, the Peer Review Team made a total of 30 recommendations to address the issues that they had identified. Five of the recommendations relate to 'vision and leadership'; sixteen relate to 'management of the service'; two relate to 'community engagement', three to 'partnership engagement', and four to 'achieving outcomes'. It was the Peer Review Team's view that if these recommendations are implemented, as they have indicated, they believe that the service would become fit for the future.</p> <p>A copy of the Peer Review Report was sent to Councillor King & Councillor Kingscote in March and an Action Plan has been developed based on the 30 recommendations.</p> <p>Consultation will continue with the Executive Lead for Planning, Transport and Housing and the Chief Executive, as the Executive Head of Business Services explores and establishes a suitable partnership arrangement for the delivery of Development Management and Spatial Planning functions with a nearby Local Planning Authority.</p> |

Section 2: Implications and Impact Assessment

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|-----|---|
| 7. | <p>What are the financial and legal implications?</p> <p>Any future partnership arrangement for the delivery of Development Management and Spatial Planning functions with a nearby Local Planning Authority would aim to initially be cost neutral but the Transformation Board target is to achieve a £50,000 saving/efficiency to the revenue budget. In time both local authorities should benefit from economies of scale and shared resources.</p> <p>Significant planning decisions would still be made by the Development Management Committee of Torbay Council but changes to the officer scheme of delegation will be required, for both local authorities, if and when Planning Officers are making delegated planning decisions as part of a shared service arrangement in the future.</p> |
| 8. | <p>What are the risks?</p> <p>The most significant risk is the failure of a strategic partnership and or shared service. This risk can be mitigated by ensuring that a formal Strategic Partnering Agreement is put in place that drives forward integrated working on a phased basis. Further mitigation can be achieved by an underpinning operational and political relationship that is based on a clear Memorandum of Understanding and founded on trust and transparency. Any formal arrangement can and should include an appropriate exit strategy and notice period that can be implemented if the partnership ceases to work or fails to deliver what either party is seeking to achieve.</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>In November 2016 Torbay Council invited Plymouth City Council to undertake a Service Peer Review of its Development Management Service, which forms part of the Council's wider Spatial Planning Service. The review took place between 13th December 2016 and 30th January 2017. Initial feedback presentations highlighting key messages were made to senior managers, Councillors and service managers, and planning service staff on 30th January 2017.</p> <p>The Service Review Team undertook this review at the invitation of Torbay Council and it was undertaken as 'critical friends'. Torbay Council wanted the Service Review to be undertaken by an experienced nearby Local Planning Authority team with a proven track record of service improvement and with experience of wider sector-led improvement approaches.</p> |

| | |
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| <p>11.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>The Peer Review Team made a total of 30 recommendations to address the issues that they had identified and these recommendations can be seen in Appendix 2.</p> <p>Five of the recommendations relate to ‘vision and leadership’; sixteen relate to ‘management of the service’; two relate to ‘community engagement’, three to ‘partnership engagement’, and four to ‘achieving outcomes’.</p> <p>Feedback from the consultees identified in section 5 above have helped to form the Peer Review recommendations.</p> |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>If given approval to explore further how the Council could work with other Local Planning Authorities in relation to the delivery of the Development Management Service, to maximise value for money and improve overall resilience of the service, officers will need to develop initial ‘Heads of Terms’ as the basis for a partnership agreement. It is likely to take somewhere between six to nine months from the point of any decision for a formal partnership to go live. During this period, managers and staff from the partnering local authority would support Torbay to address known and immediate capacity issues, and to begin the process of implementing an Improvement Plan in response to the Service Review, so that Torbay Council can enter the partnership on a secure and firm footing.</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 |

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|-----------|---|----------------|--|---------------------------------|
| | Women who are pregnant / on maternity leave | | | There is no differential impact |
| | 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) | Not applicable | | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | Not applicable | | |

Development Management Service – Peer Review Extract

Background and Scope of the Development Management Service Peer Review

Dates of the Peer Review - 13 December 2016 ~ 30 January 2017

Final Report issued - 13th February 2017

The Brief

1. The brief for this work was issued by Torbay Council on 23rd November 2016. The reasons stated for the review were:

- **Quantity and Quality**

Development Management performs well in terms of DCLG statistics and continues to make improvements to that performance, but less well in other areas such as levels of electronic submission, utilising technology and delivery of enforcement.

- **Resilience and Devolution**

There is an opportunity, through the better sharing of resources with like-minded Councils, to improve resilience whilst also enhancing the best elements of development management services, such as staff, quality outcomes and local accountability.

2. Torbay Council wanted the review to assess 3 key areas – “smart working”, a “cradle to the grave” approach to inward investment, and a “one team approach” to development.
3. Specifically Torbay Council wanted the Service Review to answer the following questions:

“Smart Working”

- What does that mean for development management ?
- Should it include a more risk based approach to process and priorities ?
- How is that embedded ?
- How much change is required to historic and outdated working practices and constitutional requirements (e.g. Scheme of delegation, SRM process) ?
- Does this respond positively to stakeholder needs ?

“Cradle to Grave”

- Considering the Council’s pro-activity towards development through to delivery of projects on the ground.
- Whether a project and outcome based approach is needed, alongside process requirements.

Appendix 1

“One Team”

- Is the existing structure / resourcing appropriate to manage the development management process ?
 - How well does the development management function work with / respond to Corporate requirements (e.g. Corporate and Delivery Plans; Efficiency Plan ?
 - Is the team fit for the future, taking account of devolution and budgets ?
 - Is the existing structure / resourcing appropriate to manage the development management process ?
4. The Service Review was asked to comment on “outcomes”:
- How does Torbay’s development management service compare to its peers ?
 - Is a redesign of the service required and, if so, what does that look like ?
 - Are efficiencies required or does the service need more / different resources ?
 - Is the service fit for the future? What opportunities are there for change/improvement and what would be the benefits ?
 - What are the mechanisms and timescales for, including any costs and budgetary implications of, implementing recommended changes to the development management function ?

The Process

5. The review took place between 13th December 2016 and 30th January 2017. Initial feedback presentations highlighting key messages were made to senior managers, Councillors and service managers, and planning service staff on 30th January 2017. This report sets out the detailed findings of the Service Review. The Service Review Team from Plymouth City Council comprised:
- Paul Barnard – Assistant Director for Strategic Planning & Infrastructure, Plymouth City Council.
 - Peter Ford – Head of Development management, Plymouth City Council.
 - Rebecca Boyde – Planning Officer, Plymouth City Council.
6. The Service Review Team undertook this review at the invitation of Torbay Council and was undertaken as ‘critical friends’. Torbay Council wanted the Service Review to be undertaken by an experienced nearby Local Planning Authority team with a proven track record of service improvement with experience of sector-led improvement approaches. These approaches can provide added value to the Council’s own performance and improvement focus arising from its recent Corporate Peer Challenge and its own recognition that the current operation of the planning function in Torbay requires improvement.
7. The Service Review is based on the identified high level challenges from Torbay Council which sought to focus on the efficiency, effectiveness and quality of the development management function.



Development Management Service Review Action Plan – May 2017 Update

| Vision and Leadership | | | | | |
|-----------------------|---|----------|---------------------------------|---------------|--|
| | Recommendation | Action | Timeframe for actions described | Lead Officer | Progress Update – May 2017 |
| Page 63 | Permanent recruitment to the Head of Spatial Planning should be undertaken as a matter of urgency, possibly in partnership with a neighbouring authority | | Ongoing | Kevin Mowat | |
| 2 | A Development Manager post should be created with responsibility for all aspects of the Development Management function, including technical support with properly appointed team leaders | | Ongoing | Kevin Mowat | |
| 3 | Following a support and training programme for staff, case officers should present planning applications to the development management Committee at the earliest opportunity | COMPLETE | | Helen Addison | This is now in place. The majority of reports are now presented as it should be noted that not every report is required. |

| Vision and Leadership | | | | | |
|-----------------------|--|--|--|--|--|
| Recommendation | | Action | Timeframe for actions described | Lead Officer | Progress Update – May 2017 |
| 4 | Development Management Committee Members should have a structured training programme that includes effective decision making and the priorities for growth in the Local Plan | Adam Luscombe to organise training. Helen Addison to speak with Teignbridge to see if there is a possibility of a joint training programme with them. | Initial training with Adam Luscombe to be organised by end of April 2017 | Governance Support & Helen Addison & Adam Luscombe | To be established - Training to take place every 3 months – before site visits take place. <i>Update – following a review of the next committee dates AL has advised that the next available date for the training to take place would be September.</i> |
| | The Council should undertake a benchmarking exercise to: <ol style="list-style-type: none"> 1. Modernise its Scheme of Delegation and Code of Good Practice 2. Including a review of the member site visit process, a review of the site review meetings and arrangements for Brixham Town Council | Lisa Chittenden to speak with governance support regarding the decision making process to change the constitution. | | Ailsa Delaney & Helen Addison | Decision making process & timeline to be established. <i>Timeline provided by Governance is as follows:</i> <ul style="list-style-type: none"> • SLT to approve list of items 20 June • Draft report deadline 29 June • Comments from Statutory officer back to report author 6 July • MEG to note items for Council meeting 29 June • Member conversation 5 July • Final report deadline 11 July • Council 20 July. |

Appendix 2

| Vision and Leadership | | | | | |
|------------------------------|-----------------------|---------------|--|---------------------|-----------------------------------|
| | Recommendation | Action | Timeframe for actions described | Lead Officer | Progress Update – May 2017 |
| | | | | | |

| Management | | | | | |
|-------------------|---|--|---|---------------------------|---|
| | Recommendation | Action | Timeframe for actions described | Lead Officer | Progress Update |
| 6 | Modernise the existing structure of development management and planning technical support through a restructure which better balances junior and senior positions for greater future resilience | | To be reviewed when HOSP in post | Kevin Mowat | To be reviewed when HOSP in post. Changes will be made to structure of DM team from 30th May to include line management responsibilities for Senior Planning Officers. |
| 7 | Undertake as a matter of priority an activity-based costing exercise to identify non-value-adding processes in relation to all aspects of determining planning applications | Darryl Jones to book meeting with Mark Irving to progress this asap. | TBC – likely to be completed by mid-July. | Kevin Mowat & Mark Irving | Darryl Jones (Transformation Team) to support the activity based costing / BPR exercise working with Mark Irving. BPR exercise underway - DJ is |

Appendix 2

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| | | | | | currently mapping the processes for the service development team – and will be moving into the planning office in the next couple of weeks. Mid July timescale is still on track. |
| 8 | Release management capacity by reducing the layers of management who check work, stop multiple sign-offs of case officer reports, empower staff and case officers, and re-focus management on to the key added value tasks | | | Kevin Mowat | This action will be undertaken as part of the re-structure process. |
| 9 | Review the officer report structure to ensure it meets both statutory requirements and the requirements for development management Committee Members | Helen Addison to undertake by mid may. | Mid May. | Helen Addison | Mark Irving to update template and reports to be reviewed/re-written by mid-May. |
| 10 | Review the pre application process against the PAS “10 Commitments” | | End of August. | Helen Addison & Mark Irving | <p>The PAS ‘10 Commitments’ is a best practice way of working rather than a statutory requirement – therefore this is a low priority action.</p> <p>This action will be progressed once the Senior Planning Officer is in post (30th May) and is likely to be completed by the end of August.</p> |

Appendix 2

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| 11 | Introduce a regular management communication mechanism that includes all managers involved in the development management process | Mark Irving to set up a regular monthly management team meeting – COMPLETE. | ASAP – By end of April. | Mark Irving to set up management team meetings - COMPLETE. HOSP to establish a regular communication mechanism when in post. | It is envisaged that the head of Spatial Planning (HOSP) will want to take the lead in ensuring that regular management communications are undertaken (including regular 1:1s) – however until the recruitment of the HOSP has taken place it has been agreed that a regular monthly management team meeting can be organised – this will be set up immediately. |
| 12 | Introduce regular performance communication to staff that includes celebrating success | S106 officer / CIL Officer to be appointed and board to be set up to capture successes | Mid May | New S106 and CIL Officer | It was suggested as part of the peer review that a board should be placed in the planning offices so that a running total of income generated/successes achieved could be logged, and then communicated. Currently the totals are not collated centrally – therefore this responsibility will fall to the new S106 officer / CIL Officer when in post. It will be the responsibility of the new HOSP to then communicate these successes to JOT - to then be fed to SLT. |
| 13 | Prepare protocols to assist staff with taking a consistent approach to development management e.g. consultation protocol, conditions, validation, flooding etc. | Darryl Jones/Mark Irving to undertake as part of activity-based costing / BPR exercise (See No 7 above) | | Helen Addison & Mark Irving | There are a number of existing protocols / checklists in place – however a number of these may need to be refreshed/updated. It is proposed that the review/refresh of these protocols are picked up as |

Appendix 2

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| | | | | | <p>part of the activity-based costing / BRP exercise (see No 7 above) – a central folder will then be created where all protocols will be saved.</p> <p>Copy of Plymouth’s protocols to be sought - to be undertaken when HOSP in post.</p> |
| 14 | Review opportunities to share historic environment resource | Lisa Chittenden to seek clarity from Plymouth peer Review Team | ASAP – By end of May. | Shared resource | Clarity needs to be sought from Plymouth around this action – it is believed that there may be some misunderstanding around the historic environment post. Lisa Chittenden to follow up. |
| 15 | Have a clear lead-in timetable for Development Management Committee that is owned and adhered to by both development management officers/managers and Tech Support | | COMPLETE / ONGOING | Helen Addison & Mark Irving | <p>There is already an established timetable in place for Development Management Committee and staff have been reminded of the importance of adhering to it.</p> <p>HA and MI to ensure that staff adhere to the timetable as far as possible.</p> |
| 16 | Provide updated case officer training in key areas of: <ol style="list-style-type: none"> 1. flood risk 2. urban design and ecology | <p>Create Standing Advice</p> <p>Lisa Chittenden to chase Dave to establish timescales for the standing advice – COMPLETE training delivered on the 2nd May.</p> | Mid May | Helen Addison | <ol style="list-style-type: none"> 1. Training for Flood Risk (standing advice) currently being drafted by Dave Stewart – TDA. Lisa Chittenden to chase Dave to establish timescales for the standing advice. 2. Helen Addison to speak with Teignbridge re delivery of Ecology/Urban Design Training |

Appendix 2

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| | | <p>Lisa Chittenden to chase Jo Sandbrook re presentation training</p> <p>Helen Addison to speak with Teignbridge re delivery of Ecology/Urban Design Training</p> | | | <p>It is proposed that there are other training needs required within the team that are more urgent than the above – ‘presentation training’ is required for all staff presenting to the development management committee. Lisa Chittenden to peruse this (Jo Sandbrook emailed – LC to chase).</p> |
| 17 | <p>Ensure both officers and members have sufficient training to ensure clear decision making at Development Management Committee</p> | <p>COMPLETE - Members received training 31st March 2016.</p> | | <p>Governance Support & Adam Luscombe & Helen Addison</p> | <p>Members received training 31st March 2016.</p> <p>Please also see No 4 as above Re ongoing training programme.</p> |
| 18 | <p>Consider career progression training to enable staff from a non-Planning background to appreciate more fully the planning process and/or to develop routes to a professional qualification</p> | <p>Mark Irving to look into options available and will present findings by the end of April.</p> | <p>End of April.</p> | <p>Mark Irving</p> | <p>It has been agreed that Mark Irving to look into options available and will present findings by the end of April.</p> |
| 19 | <p>Review the use of extensions of time for planning applications particularly in relation to non-major applications so they are only used as an exception</p> | <p>Kevin Mowat / Lisa Chittenden to raise challenge on action with Plymouth and agreement for action to be removed.</p> | <p>End of April.</p> | <p>Mark Irving/Helen Addison</p> | <p>Not a priority action– following email advising DCLG do not object to the use of ‘extensions of time’. This action to be progressed after items 7 and 8 are implemented</p> |
| 20 | <p>Consider a more formalised mechanism for staff to elevate key development management issues to senior managers across the department so that the</p> | <p>Produce a list of larger developments</p> | <p>Awaiting HOSP</p> | <p>Helen Addison</p> | <p>Awaiting HOSP for this action to be progressed. It is proposed that the HOSP should attend JOT meetings so that larger developments can be</p> |

Appendix 2

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| | necessary support is provided to staff in making decisions | | | | communicated and then fed up to SLT. |
| 21 | Make full use of available IT systems for better performance management e.g. Use of Enterprise in IDOX | <p>Look at IT options & arrange presentations</p> <p>Mark Irving to arrange a presentation with IDOX by end of May – COMPLETE.</p> | <p>Presentation by end of May.</p> <p>Review of IT systems likely to be completed by mid-July (as per No 7 above).</p> | Mark Irving | <p>Mark Irving has arranged a presentation by IDOX 12 May 2017.</p> <p>A review if the IT systems will also be undertaken by Darryl Jones and Mark Irving as part of action 7 above - likely to be completed by mid-July.</p> |

Appendix 2

| Community Engagement | | | | | |
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| Recommendation | | Action | Timeframe | Lead Officer | Progress Update |
| 22 | Recruitment to the vacant enforcement officer post should be undertaken immediately if Councillor and community faith in the planning function is not to be lost, with consideration given to partnership working with other Local Planning Authorities | Commence recruitment | Complete by end of April | Helen Addison | Underway |
| 23 | Review the site notices to make more customer friendly | Mark Irving to ask Plymouth for a copy of their site notices so that a comparison can be made. | Decision on whether to make any changes to existing site notices by end April. | Mark Irving & Helen Addison | <p>No customer complaints have been received relating to Torbay's current site notices – the site notices are based on existing statutory guidelines.</p> <p>Although this action is deemed as low priority (as no complaints received) Mark Irving to ask Plymouth for a copy of their site notices so that a comparison can be made.</p> |

Partnership Engagement

| | Recommendation | Action | Timeframe | Lead Officer | Progress Update |
|----|--|--|-------------------|--|--|
| 24 | A quarterly Local Agents Forum should be re-established immediately to improve working relationships and to maintain closer dialogue with all aspects of the service | Set up a Local Agents Forum that meets at least twice a year | By end of August. | Helen Addison & Mark Irving | <p>A Local Agents Forum has previously been organised although last meeting only attended by 10 agents.</p> <p>Forum to be re-established by Mark Irving. Mark to speak to neighbouring LA's to see if he can attend their Local Agents Forum meetings & see how many attendees they have and what topics are on the agenda.</p> |
| 25 | The relationship between the TDA and the planning function needs to be modernised, with a new Memorandum of Understanding to ensure earlier engagement for investor enquiries and pre-application processes | Refresh and formally introduce the MOU | By end of May. | Pat Steward | Draft MOU circulated by Pat Steward (10 th May) to KM, HA, AL. |
| 26 | The Council should explore further how it could work with other Local Planning Authorities in relation to the delivery of the development management service to maximise value for money and improve overall resilience of the service, utilizing the Planning Advisory Service Development Management Challenge Toolkit methodology | <p>Explore options for a shared service.</p> <p>Make use of the Planning Advisory Service Development Management Challenge Toolkit methodology</p> | Ongoing | <p>Kevin Mowat</p> <p>Helen Addison and Mark Irving to look at the Toolkit</p> | <p>The planning Advisory Service Development Management Challenge Toolkit methodology is best practice and this will be an ongoing action.</p> <p>Work on exploring how we could work with other Local Planning Authorities to maximise value for money and improve overall resilience of the service is in</p> |

| Partnership Engagement | | | | | |
|------------------------|----------------|--------|-----------|--------------|-----------------|
| | Recommendation | Action | Timeframe | Lead Officer | Progress Update |
| | | | | | progress. |

| Achieving Outcomes | | | | | |
|--------------------|---|--|------------------------------------|-----------------------------|---|
| | Recommendation | Action | Timeframe | Lead Officer | Progress Update |
| 27 | The service should celebrate success, by presenting its achievements to members, partners and stakeholders | Investigate the opportunities to better manage CIL/S106 through new software | | Helen Addison & Mark Irving | See action 12. |
| 28 | Review the customer journey and take action to ensure a more consistent experience by setting service standards and agreeing a common approach, so that employees feel empowered and confident that their decisions will be supported | Ask for clarity on the meaning of this recommendation | Clarity to be sought by end of May | Helen Addison & Mark Irving | <p>Lisa Chittenden to follow up and ask for clarity on the meaning of this recommendation.</p> <p>Weekly peer review meetings are already in place where officers bring forwards any decisions they would like some 'critical friend' advice/challenge from colleagues on how decisions should be made.</p> |

| Achieving Outcomes | | | | | |
|--------------------|---|---|------------------------------------|--|---|
| | Recommendation | Action | Timeframe | Lead Officer | Progress Update |
| | | | | | Notes of these meetings are now being taken so that they can be used as a reference point for future decisions. |
| 29 | To improve the customer experience, consider adopting different approaches for different types of application and a development team approach for major applications | Look at process re-engineering | Likely to be completed by mid-July | Helen Addison & Mark Irving | Please see action 7 as above – this work will be undertaken as part of the activity-based costing / BPR exercise |
| 30 | Provide investment in personal development to make sure development management staff are up to date with current best practice, and consider sharing staff between different parts of the service to assist with sharing practice and cultural change as well as managing peaks and troughs in workload | Investigate possible options to achieve this recommendation | | Adam Luscombe, Helen Addison & Mark Irving | Please see actions 1, 2, 3, 6, 7, 8, 11, 13, 17, 18, and 20 as above. If all of these actions are implemented this will assist in the achievement of this recommendation. |



Meeting: Policy Development and Decision Group / Council

Date: 28 June 2017 / 20 July 2017

Wards Affected: All Wards

Report Title: Review of Investment Fund Strategy

Is the decision a key decision? Yes

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

Supporting Officer Contact Details: Anne-Marie Bond, Assistant Director Corporate and Business Services, anne-marie.bond@torbay.gov.uk

1. Proposal and Introduction

- 1.1 At the meeting of Council held on 6 April 2017 Members approved a revised Investment Fund Strategy. This was to ensure that there was the greatest opportunity to maximise benefits income, diversify investments and spread risks.
- 1.2 The Investment Committee has further reviewed the Investment Fund Strategy and has recommended a few minor changes to the Strategy in light of lessons learned on previous investments.
- 1.3 This report also sets out the Mayor's response to the proposals from the Investment Committee.
- 1.4 The Investment Fund Strategy is a Policy Framework Document and requires Council approval.

2. Reason for Proposal

- 2.1 To review the Investment Fund Strategy and the level of the Investment Fund.

3. Recommendation(s) / Proposed Decision

Recommendations from the Mayor:

- 3.1 That, subject to the level of the Investment Fund remaining at £50m, the Council be recommended to approve the revised Investment Fund Strategy, set out in Appendix 1 to the submitted report.

Recommendations from the Investment Committee

- 3.2 That the Council be recommended to approve the revised Investment Fund Strategy, including the additional £50m for the Investment Fund (making a total of £100m) to be funded from prudential borrowing (when required), set out in Appendix 1 to the submitted report.

Appendices

Appendix 1: Revised Investment Fund Strategy

Background Documents

Revised Torbay Council Investment Fund Strategy – Council meeting 6 April 2017 – <http://www.torbay.gov.uk/DemocraticServices/ieListDocuments.aspx?CId=163&MId=6872&Ver=4>

Minutes of the Investment Committee 16 May 2017 –

<http://www.torbay.gov.uk/DemocraticServices/ieListDocuments.aspx?CId=658&MId=7774&Ver=4>

4. Supporting Information

- 4.1 The Investment Committee's reviewed the Investment Fund Strategy at its meeting held on 16 May 2017 (Investment Committee Minute 41/5/17 refers) and determined that the Strategy and its role should not be extended to cover regeneration projects as it felt that these were already being considered elsewhere with the final decisions being made by Council. This would not prevent them from considering regeneration opportunities that meet the requirements of the Investment Fund in terms of their generation of additional income to the Council.
- 4.2 The Committee has recommended a few minor changes to the Strategy in light of lessons learned on previous investments and these are included in the revised Investment Fund Strategy set out at Appendix 1 to this report.
- 4.3 The revised Strategy includes a VRP (Voluntary Revenue Provision) of 0.5% of the purchase price before costs (subject to at least annual review), which may be applied to investments to contribute towards the deminuation of the value of assets. It also proposes lowering the Fund Management contribution to 0.25% of the purchase price before costs as previous investments have often involved a low level of management and this would be sufficient to cover such costs.
- 4.4 The Council has successfully purchased two large investments and it is requested that the Investment Fund pot be increased by £50m to £100m to enable the Council make further investments from this fund.



Fit
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creating a prosperous and healthy Torbay

June 2017

Investment Fund Strategy

DRAFT Version 6

Investment Fund Strategy

1.1 Background

As part of its efficiency plan and transformation programme the Council needs to increase its future local taxbase income (Council tax and NNDR) by investing capital resources within Torbay to stimulate growth. Capital resources could be a combination of asset purchase, co investment in projects or capital loans.

As clarification the following descriptions have been used:

“Investments – Yield”. These are property purchases where the objective is to increase rental income to the Council.

“Investments – Taxbase”. These are property purchases where the objective is to increase NNDR or Council tax income to the Council.

“Investments – Loans or Co Investment”. These are loans to business for capital expenditure where the objective is to increase rental income to the Council or to increase NNDR or Council tax income to the Council. Co Investment is where Council with another investor provides finance or jointly purchases.

“Property Purchase” – property to include purchase of land and/or buildings.

This Policy Framework document sets out the strategy for the management of the Investment Fund including purchases/investments. The strategy reflects a suitable balance between the risks inherent in the types of property/investments to be acquired and the financial rewards obtainable whilst limiting risks appropriately. In addition, the portfolio of investments being acquired should be diversified in order to spread risks via a balanced portfolio, such diversification principally being across geographical location and the use type of properties held. Existing investments that fall within the remit of the Investment Fund Strategy shall be included in the portfolio to assist in creating a balanced portfolio, as well as other suitable assets held by the Council.

The risks of investing in property may be mitigated through the acquisition of assets with secure, long income streams. This needs to be balanced against the requirement for a given level of income yield on capital invested in a careful and controlled manner, with specific analysis of risk criteria carried out in the ‘due diligence’ stage prior to the completion of each purchase.

1.2 Objective – Investment Fund

To invest in commercial investment properties for the benefit, improvement or development of the area whilst also delivering a significant income return over the medium-term of at least 2% above capital costs on capital invested, through a balanced strategy of acquisition, retention and management of good quality property investments, with that income being used to support wider Council services.

The improvement or development of the area will not be constrained by the boundaries of Torbay as there is an evidence base that demonstrates that investment within the South West Local Enterprise Partnership (LEP) Zone area has a positive impact on Torbay's economy. LEPs were established around functional economic boundaries which reflects both labour market and wider economic interdependence. This can be evidenced through the Heart of the South West Strategic Economic Plan (see <http://heartofswlep.co.uk/wp-content/uploads/2016/09/SEP-Final-draft-31-03-14-website-1.pdf>) and the Torbay Economic Strategy (see <http://www.torbay.gov.uk/DemocraticServices/documents/s35783/Torbay%20Economic%20Strategy.pdf>). However opportunities in any geographic location will be considered where it can be demonstrated that there is a benefit to, or improvement or development of Torbay. **This will not prevent the Council**

investing in national opportunities which have a sufficient yield by the Council or through a wholly owned company of the Council, if supported by the Monitoring Officer and the Head of Finance.

1.3 Scope

The maximum total level of investment shall be **£100m for the Investment Fund** ~~£50m to assist in diversifying the investment portfolio.~~

1.4 Strategy

This Policy Framework sets out that decisions to allocate monies in accordance with this policy are not Executive decisions, and the Council has previously delegated this to the Investment Committee who shall make all decisions up to £10m in respect of the General Investment Fund. The maximum individual investment to be approved by Investment Committee shall be £10m including estimated purchasing costs, however Full Council approval is not restricted in terms of value.

Achieving a spread of risk across a greater number of assets and by acquiring properties across the range of different property asset classes, namely retail, leisure, office and industrial, is to be desired, however it has to be recognised that opportunities to do this may not arise, and ultimately if individual business cases are robust, groupings in any individual property class should not pose any increased risk to the Council.

The principle of being relatively risk-averse by limiting fresh investment to properties with minimum unexpired lease terms of five years at the date of acquisition, and with tenants of strong financial standing, should be adopted if possible. Clear consideration will need to be given to yields where investments do not have fully repairing and insuring (FRI) terms or FRI by way of service charge, meaning that all costs relating to occupation and repairs are borne by the occupier(s) during the lease term to ensure that these costs are recovered.

The investment portfolio will include acquiring some properties to hold and some properties to dispose of depending on the anticipated lifespan of the asset, so as to ensure that the Council has a rolling stock of investments in order to achieve maximum **benefit** ~~income~~ for the Council.

1.5 Minimum and maximum yield

| | Investment held for asset life | Investments/assets held for defined period (maximum 10 years) |
|---------------------------------------|--|---|
| Minimum Yield Required (before costs) | 2% above estimated borrowing costs (interest and MPR or if capital loan prevailing borrowing rates + 2%) | 2% above estimated borrowing costs (interest only or if capital loan prevailing borrowing rates + 2%) |

Acquisitions of assets will be pursued at a target minimum yield (before costs) of 6.5% and, as a guide to potential risk, yields of 10.0% or more are unlikely to be appropriate for investment. Assets producing initial yields in excess of 10.0% are likely to exhibit high risk characteristics, such as very short unexpired leases, or financially weak or insubstantial tenants, or obsolete buildings and would therefore require a higher level of due diligence to be carried out to assess the benefits and risks. Assets with a projected yield of over 10% will be discounted unless officers can demonstrate that risk characteristics are acceptable and avoid very short unexpired leases, financially weak tenants or obsolete buildings.

1.6 Sector spread

Traditionally the highest returns come from the office and industrial sub-sectors. Currently offices can provide an income return of 5.5% in quality in-town areas and between 7.5% and 8.5% for reasonable quality offices in regional and sub-regional centres. Industrial income yields can range from 6.0% up to 7.5% for acceptable quality assets. The retail sub-sector for prime retail property is lower than comparable office/industrial assets with typical yields ranging between 5% and 7% for high quality in-town properties. On this evidence it is likely that predominantly office and industrial/warehouse will be targeted for acquisition with a lesser emphasis on retail. Leisure and mixed use investments will also be eligible under the strategy.

Residential property tends to be management intensive and requires specialist expertise. It is therefore proposed that this sector is excluded from the Investment Fund strategy.

1.7 Locations

Torbay would be the preferred location for fresh acquisitions of investment properties, so that reinvestment is directly retained within the local economy and any additional capital expenditure is made in the local area. However, there is a finite and limited supply of property within the local area, and of that supply only a small proportion may be available for purchase at any time. The wider South West Local Enterprise Partnership area should also be considered for fresh acquisitions as there is an evidence base that demonstrates that investment in this area has a positive impact on Torbay's economy. However opportunities in any geographic location will be considered where it can be demonstrated that there is a benefit to, or improvement or development of Torbay. **This will not prevent the Council investing in national opportunities which have a sufficient yield by the Council or through a wholly owned company of the Council, if supported by the Monitoring Officer and the Head of Finance.**

We will consider opportunities for co investment with partner organisations of good financial and reputational standing.

1.8 Target assets

Commercial assets will be sought with lot sizes of £500,000 plus with income yields of 2% or more above borrowing costs. However consideration will always need to be given to the number of smaller investments held by the Council, in pursuance of this Strategy and the burden of administering each investment before a decision is taken.

1. Leisure investments, such as public houses, restaurants and health & fitness centres will also be sought.
2. Mixed-use investments would also be potentially suitable additions to the portfolio. These may include a mixture of commercial uses or a mixture of retail and office use.
3. Residential investment – tends to be significantly more management intensive than the types of commercial property investment envisaged under this strategy and requires specialist residential management expertise, so are excluded from this strategy.

1.9 Assessment of risks

| | Investment, Loans & Co Investment |
|---|--|
| Independent Valuation of asset | Yes (if applicable) |
| Condition Survey | Yes (if applicable) |
| Independent Assessment of Asset Life | Yes (if applicable) |
| Independent Assessment of Residual value | Yes (if applicable) |
| Security required | Yes if loan |
| “Green Book” Financial profile over life of asset (IRR) | Yes (if applicable) |
| Reputational Issues | No “sin” assets or tenants |

A rigorous assessment of all risks is required in each case of fresh investment in order firstly to value each property and then to check its suitability for inclusion in the portfolio. The risks fall into two categories, firstly economic and property market risks in specific property market sub-sectors and locations and secondly asset-specific risks (as set out below). These can be measured and an assessment made of the likely future performance of the investment carried out based on the ranges of likely future rental growth and voids of the property and also the projected disposal price or capital value at the end of the period over which the cash flow analysis is being measured.

Financial returns are modelled over a medium-term horizon of five years, based on proposed offer prices, to determine the acceptability of each investment, and can be compared against general market forecasts. Internal Rate of Return (IRR) calculations will be carried out to model the expected cash flows from each investment. The anticipated returns can be modelled on different bases to reflect the range of risks applicable in each case, to ensure that forecast returns properly reflect the measured risks. In this way a Business Case is put together to support each recommended property acquisition.

This modelling will be used to make an assessment on how long the asset should be retained for, taking into account the likely future value of the asset at the proposed time of disposal, any over-renting and potential voids in the leases. Where the value of the asset is likely to be less than the amount paid, including stamp duty and purchasing costs, Minimum Revenue Provision (MRP) will be applied to recover these costs. MRP will be assessed on a case by case basis by the Head of Finance in line with the Council's MRP Policy.

The Head of Finance reserves the right to refer any proposed investment decision (irrespective of value) to the Council for consideration where he deems this is in the best interest of the Council.

Asset-specific risks

Income and capital returns for property will depend principally on the following five main characteristics;

- Location of property
- Building specification quality
- Length of lease unexpired
- Financial strength of tenant(s)
- Rental levels payable relative to current open market rental values

Location – this is the single most important factor in considering any property investment. In the retail sector prime or good secondary locations in major regional or sub-regional shopping centres are likely to provide good long-term prospects, or alternatively prime locations in sub-regional or market towns.

Industrial and warehouse property has a wider spectrum of acceptable locations with accessibility on good roads to the trunk road and motorway network being the key aspect.

Experienced knowledge will be required to ensure that good locations are selected where property will hold its value in the long term.

Building specification quality – In office property especially it is important to minimise the risk of obsolescence in building elements, notably mechanical and electrical plant. Modern, recently-built office and industrial property should be acquired to ensure longer-term income-production and awareness of the life-cycle of different building elements and costs of replacement is critical in assessing each property's merits. For town centre retail property trends have been towards larger standard retail units being in strongest demand from retailers.

Length of lease unexpired – At present capital values are highest for long-term leased property and values tend to reduce significantly when unexpired lease terms fall below five years, as owners expect significant capital expenditure to be necessary when leases expire and tenants may not renew leases and continue to occupy. Fresh investments should be made ensuring that diminishing lease terms will not either adversely affect capital value or that significant capital expenditure and voids are experienced. A strategy

to dispose of investments before unexpired lease terms reach terms of shorter than three years should be adopted or the leases to be renegotiated before this time.

Financial strength of tenant(s) – assessment will be required of each tenant of potential acquisitions through analysis of their published accounts and management accounts where necessary. Risk of tenant default in rent payment is the main issue but the relative strength of a tenant’s financial standing also impacts upon capital value of property which is let to that tenant and careful analysis of financial strength is a key part of due diligence prior to purchase of investments.

Rental levels – following the banking crash in 2007/8 rental levels fell across most occupier markets, particularly in office and retail markets. As a result rents payable on leases that were granted before 2007 may be at levels which are higher than current rental values. Rents in some sub-sectors have recovered back to pre-2007 levels but care is required in all purchases to assess market rents local to each property to check whether rents payable under leases are above or below current levels, as this will impact on whether growth in rents in the future will be fully reflected in the specific property being analysed.

Environmental and regulatory risks - Risks such as flooding and energy performance are taken into account during the due diligence process on every property purchase.

Reputational risks - A policy on specific types of commercial tenant which may not be acceptable to the Council such as tobacco, gambling or alcohol-related companies should be adopted. Properties tenanted by such companies would not then be considered for purchase. However, this would not necessarily protect the Council in the event of a future transfer of any tenancy to a prohibited company.

1.10 Financial Assumptions

| | Investment - Yield | Investment - Taxbase | Investment-loans & co investment |
|---|---|---|--|
| MRP (Minimum Revenue Provision) | 50 years land and 40 years buildings or life of asset | 50 years land and 40 years buildings or life of asset | As applicable |
| Interest Costs used in appraisal | New Borrowing Rates | New Borrowing Rates | New Borrowing Rates |
| SDLT & other purchase costs | Part of purchase price | Part of purchase price | - |
| *Fund Management Costs & ongoing client costs | 0.50% 0.25% of purchase price | 0.50% 0.25% of purchase price | 0.50% 0.25% of loan or investment |
| "Green Book" Financial profile over life of asset (IRR) | Yes | Yes | Yes |
| **VRP (Voluntary Revenue Provision) | 0.5% of purchase price | 0.5% of purchase price | 0.5% of purchase price - co-investment only |

*Normally for each investment an annual payment of 0.5 **0.25%** of the purchase price or loan or investment, subject to a case by case evaluation and decision by the **Head of Finance** Chief Finance Officer, will be held in a central fund to cover the following:

- external advice for future investments;
- known or expected one off future costs, such as costs associated with future negotiation or renegotiation of leases;
- ~~void periods;~~
- bad debt provision;
- irrecoverable estate costs;
- management of assets; and
- maintenance or redevelopment costs associated with future leases.

****Consideration will be given in respect of each asset of a VRP (Voluntary Revenue Provision) of 0.5% of the cost of the purchase price before costs, which will be funded from the surplus income generated and placed in a reserve to contribute towards deminuation of the value of the asset etc. Reports will also include details in respect of paying off or writing off the purchase costs.**

*****The Chief Executive, in consultation with the Executive Lead for Finance, the Investment Committee and Chief Financial Officer is authorised to amend the Fund Management and VRP percentage parameters from time to time to ensure an adequate and prudent asset management strategy is maintained.**

Investment Fund Business Case for Investment

1. Investment Name and Address

2. Strategy Objective

2.1 “Investments – Yield”

2.2 “Investments – Tax Base”

2.3 “Other” for example “Investment- loans & co investment”

3. Compliance with Strategy Objective – Non-Financial:

- Sector and target assets
- Location
- Building specification
- Management and maintenance obligations
- Lease arrangements
- Quality of tenants

4. Compliance With Strategy Objective – Financial (Completion of Appendix with commentary as below):

- Purchase price with an independent valuation
- Estimated exit value and proposed timescale for disposal
- Building survey results
- Rental income assessed over asset life linked to assessment of future market trends of both the asset sector and location
- Outgoings **(to include how the purchase costs will be written off)**
- Estimated voids
- Cashflow - **table to include the following:**

| | | | | | |
|----------|--|--------------|--------------|--------------|------------------|
| A | Purchase Price | £,000 | £,000 | £,000 | £,000,000 |
| B | Purchase costs at ??% | | | | |
| C | Total Purchase Price (A+B) | | | | |
| D | Average Rental Income | | | | |
| E | Finance costs @ ??% of total borrowed | | | | |
| F | Write off of purchase costs | | | | |
| G | Available Funds (D-E-F) | | | | |

| | | | | | |
|----------|--|--|--|--|--|
| H | Fund Management Costs & ongoing client costs (normally 0.25% of purchase price - A) | | | | |
| I | MRP (if applicable) | | | | |
| J | VRP (0.5% of purchase costs = G-H-I-J) (if applicable) | | | | |
| K | Net Initial Yield | | | | |
| L | Average Yield | | | | |

- Costs including stamp duty, legal fees, survey fees, letting costs
- Management and maintenance obligations
- ~~Internal Rate of Return (IRR) Calculation~~
- Diversity – how this investment fits in with existing investments and loans by sector

5. Legal Issues (to Include):

- Review of title and ownership
- Liabilities and restrictions

6. Risk Assessment

- Economic and Property Market
- Asset-specific –e.g. location, building quality, length of lease, financial strength of tenant, rent payable
- Environmental and regulatory
- Reputational

7. Recommendation

8. Review

- ~~Chief Finance officer~~ **Head of Finance**
- Monitoring officer