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Date: Friday, 12 July 2019

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Dear Member

**COUNCIL - THURSDAY, 18 JULY 2019**

I am now able to enclose, for consideration at the Thursday, 18 July 2019 meeting of the Council, the following reports that were unavailable when the agenda was printed.

<b>Agenda No</b>	<b>Item</b>	<b>Page</b>
9.	<b>Torbay Economic Growth Fund</b>	(Pages 85 - 87)
10.	<b>Proposal to increase the size of the Torbay Council Investment Fund</b>	(Pages 88 - 90)
11.	<b>Torbay Council's Housing Rental Company</b>	(Pages 91 - 93)
12.	<b>Enabling Communities and Delivering Services at a Local Level</b>	(Pages 94 - 96)
13.	<b>Torbay Airshow</b>	(Pages 97 - 99)
17.	<b>The future of the Riviera International Conference Centre</b>	(Pages 100 - 101)

Yours sincerely

June Gurry  
Clerk

## Record of Decision

### Torbay Economic Growth Fund

#### Decision Taker

Cabinet at its meeting on 9 July 2019

#### Decision

That the Cabinet recommend to Council:

- (i) that a Torbay Economic Growth Fund be established and up to £100 million of prudential borrowing be approved for the progress of a range of capital projects for economic growth and regeneration within Torbay and, to be funded from the future income from those projects;
- (ii) that Council delegates to Cabinet the approval of each project, or a number of linked projects, subject to a business case that demonstrates the regeneration outcomes and that the borrowing required to initially fund the project is prudent and affordable;
- (iii) that TDA be asked to confirm the criteria against which the Torbay Economic Growth Fund would be allocated; and
- (iv) that TDA prepare acquisition and development reports for projects within the Borough of Torbay, which will accelerate the Council's ambition of a thriving economy and in particular to instruct officers to:
  - a) Bring a report back to Cabinet setting out projects for inclusion in a refreshed and prioritised Town Centre Regeneration Delivery Strategy, including the projects identified in this report, and associated budget requirements.
  - b) Bring forward proposals for appropriate regeneration schemes for Union Street.
  - c) Present to Cabinet the emerging Supplementary Planning Document for delivery of housing on Phase 1, Victoria Centre.
  - d) Present to Cabinet a full business case for the redevelopment of Brixham Town Centre Car Park, in line with community aspirations.
  - e) Explore, and present to Cabinet, options for any Joint Venture Partnership arrangements linked to the Torbay Economic Growth Fund.
  - f) Present to Cabinet proposals for refreshed governance arrangements, for integrated and speedier delivery of town centre regeneration.
  - g) Present to Cabinet proposals to develop with the private sector Torbay Business Park, Paignton.
  - h) Present to Cabinet proposals for additional workspace at Lymington Road, Torquay.

- i) Present to Cabinet proposals for strategic acquisitions in support of the Council's employment growth objectives.

### **Reason for the Decision**

To recommend to Council the introduction of the Torbay Economic Growth Fund which will accelerate economic growth to improve economic regeneration and investment within Torbay.

### **Implementation**

The recommendations of the Cabinet will be considered at the Council meeting on 18 July 2019.

### **Information**

In support of the Cabinet's ambition for a thriving economy, with a more diverse and sustainable base, the Partnership has indicated desire to establish a 'Torbay Economic Growth Fund' for the express purpose of making investments which will accelerate the development of the local economy in line with the objectives of the Council and its partners.

The Torbay Economic Growth Fund is intended to accelerate economic growth and support a thriving Torbay economy. In summary the Fund will:

bring momentum to the delivery of sites, premises and projects which will support growth in job numbers;

increase the number of higher skilled jobs;

create opportunities for all of Torbay's community; and

ensure that housing supply is meeting demand locally.

As a result the Fund will bring wider benefits to the Council through improving the opportunities for local residents turning the tide on poverty and reducing long term costs on the Council.

The submitted report provided examples of how the Fund could be utilised to deliver improvements and generate additional regeneration opportunities in Torbay.

At the Cabinet meeting on 9 July 2019, Councillor Long proposed and Councillor Cowell seconded a motion which was agreed by the Cabinet (unanimously) as set out above.

### **Alternative Options considered and rejected at the time of the decision**

Alternative options were set out in the submitted report.

### **Is this a Key Decision?**

No

### **Does the call-in procedure apply?**

No

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

None

**Published**

12 July 2019

Signed: \_\_\_\_\_ Date: 12 July 2019  
Leader of Torbay Council on behalf of the Cabinet

## Record of Decision

### Proposal to increase the size of the Torbay Council Investment Fund

#### Decision Taker

Cabinet at its meeting on 9 July 2019

#### Decision

That Cabinet recommends to the Council:

- (i) that Council authorise £100 million of additional prudential borrowing to enable the Investment and Regeneration Fund to increase to £300 million; and
- (ii) that Council set the investment boundary to the Greater South West peninsula and the Functional Economic Market Area (FEMA), and instruct the Monitoring Officer to make the necessary amendments to the Investment and Regeneration Strategy Policy Framework document.

#### Reason for the Decision

By increasing the Investment and Regeneration Fund it will generate around £1.5 million of additional income per annum to help the Council meet its revenue budget funding pressures.

Increasing the investment area from the Local Enterprise Partnership footprint to include the wider economic area will give the Council more opportunities for investment.

#### Implementation

The recommendations of the Cabinet will be considered at the Council meeting on 18 July 2019.

#### Information

The current Medium Term Resource Plan (MTRP) highlights the financial challenges faced by the Council. It estimates that the Council will have to close a potential funding gap of £18.3 million over three years between 2020/21 and 2022/23. This is based upon existing service demands and “normal” budget pressures including inflation, demand pressures and income assumptions. Increasing cost pressures within Children’s Services are also likely to have further implications for the MTRP.

The Investment and Regeneration Fund has been in place for approximately 20 months. The purpose of the Investment and Regeneration Fund is to generate income which can then be used to help fund local services.

The Fund is currently set at £200 million. Since the creation of the Fund approximately £186 million has been committed to acquire a diverse range of investments in a range of different sectors and locations. These have generated £2.9 million of additional revenue in 2018/19, rising to £3.3 million in 2019/20. Once all of the current commitments are complete and assuming a full year’s income, the Fund will generate over £3.5 million per annum revenue for the Council to allocate towards local services.

The submitted report set out a proposal to increase the Fund further to £300 million to generate further income to help the Council meet its funding gap. At this level it was projected that this would generate an additional £1.5 million of income per annum.

The current boundary for the Council to make investments is the Local Enterprise Partnership footprint. However, this is restrictive and limits the investment opportunities available to the Council. As such it is recommended that the boundary be increased to include the wider economic area.

Economic geography is recognised as complicated. People live, work and undertake leisure activities across a wide geographic area and across different administrative areas i.e. they might live in one area, work in another but principally shop or spend their leisure time in a third or fourth. While for the business community that geographic diversity is broader with functional geographies for businesses that export being genuinely global.

Research carried out by SQW in 2010 on functional economic market areas recognised that there is no universally agreed approach to defining Functional Economic Market Areas (FEMAs) and no definitive map or criteria. The submitted report set out further details of how FEMAs are shaped and external auditor's advice on extending Torbay's investment boundary.

At the Cabinet meeting on 9 July 2019, Councillor Long proposed and Councillor Stockman seconded a motion which was agreed by the Cabinet (unanimously) as set out above.

### **Alternative Options considered and rejected at the time of the decision**

Alternative options were set out in the submitted report.

### **Is this a Key Decision?**

Yes – Reference Number: I060439

### **Does the call-in procedure apply?**

No

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

None

### **Published**

12 July 2019

Signed: \_\_\_\_\_  
Leader of Torbay Council on behalf of the Cabinet

Date: 12 July 2019



## Record of Decision

### Torbay Council's Housing Rental Company

#### Decision Taker

Cabinet at its meeting on 9 July 2019

#### Decision

- (i) That in consideration of the Council's previous decision made in July 2017 and set out below;

*'That Council approve £25 million of Prudential Borrowing, in principle, to facilitate the work of the Housing Rental Company, in the form of a loan for a capital purpose. Detailed business cases are required to be presented to the Housing Rental Company Committee for approval, in order to trigger any draw down against this amount. The terms of the loan to be determined at the point of draw down by the Head of Finance'*

that the Chief Finance Officer be delegated authority to approve the financial aspects only of detailed business cases submitted by the TDA (thereby approving a loan for a capital purpose) to be funded from the approved prudential borrowing of £25 million, to be drawn down at 0.25% above the prevailing Public Works Loan Board rate subject to review of the financial aspects of each scheme to ensure compliance with state aid, the Prudential Code, and scheme viability in consultation with the Cabinet Member for Economic Regeneration, Tourism and Housing, and the Interim Director of Place; and

- (ii) that the Chief Finance Officer be instructed to confirm/reject the prudential borrowing request from the TDA on financial aspects only, with a response not to be unreasonably delayed and in any event within 10 working days of the request.

#### That the Cabinet recommend to Council:

- (iii) that a loan of up to £1 million be approved to TDA, if required, to allow access to the necessary working capital required to set up the Housing Company with the terms of the loan delegated to the Chief Finance Officer to agree, in consultation with the Cabinet Member for Finance;
- (iv) that the land at Torre Marine, edged red on the attached plan set out at Appendix 1 to the submitted report, be transferred to TDA for the delivery of affordable housing, subject to an appropriate nomination and grant agreement, at nil cost in return for 100% nomination rights in perpetuity;
- (v) that the decision made by the Council on the 19 October 2017 (Minute 103/10/17 refers) be rescinded and that the following be approved:

That the Chief Executive, in consultation with the Cabinet Member for Economic Regeneration, Tourism and Housing, be given delegated authority to allocate the Affordable Housing capital budget to the TDA or subsidiary thereof to facilitate the delivery of affordable housing in line with the commissioning agreement.

#### Reason for the Decision



This will enable the Council to expedite a programme of affordable housing development on Council-owned sites and retain the ownership and management of those sites in the long term. The potential advantages of TDA taking forward this role, as opposed to the existing Housing Company, are that it has existing governance arrangements and existing staffing, expertise and office accommodation available to it. The proposals also sought to address a number of governance issues and update previous decisions to reflect the new arrangements.

## **Implementation**

The decisions in (i) and (ii) will come into force and may be implemented on Monday, 22 July 2019 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

The Cabinet recommendations in (iii) to (v) will be considered at the Council meeting on 18 July 2019.

## **Information**

In December 2018 the Council accepted in principle the clear benefits of TDA creating a Housing Company to enable relevant affordable housing schemes to be delivered at pace subject to due diligence and TDA Board Approval.

The Assistant Director of Business Services (now the Interim Director of Place) was authorised to undertake the due diligence and, if appropriate, finalise a detailed commissioning agreement with the TDA for the delivery of affordable housing schemes in consultation with the Executive Lead for Adults and Housing, the Chairman of the Housing Committee and the Section 151 Officer.

Since December 2018 work has been ongoing to progress the due diligence and to agree a detailed commissioning agreement. The extent of the due diligence undertaken refers to the Council's intention to commission TDA, or a subsidiary company of TDA, which will be a company that the Council wholly owns. Whilst significant work has been undertaken, the commissioning agreement has not been finalised.

In July 2017 Council approved, in principle, £25 million of prudential borrowing to facilitate the work of the Housing Rental Company, in the form of a loan for a capital purpose. It was agreed that detailed business cases would be required to be presented to the Housing Committee for approval, in order to trigger any draw down against this amount. The terms of the loan would then be determined at the point of draw down by the Head of Finance.

During discussions regarding the detailed commissioning agreement, TDA raised serious concerns about the impact on the pace of delivery and the risk of abortive time, duplication, effort and cost, given the existing access arrangements to drawdown funds from the £25 million borrowing approval. The submitted report therefore set out a proposal to simplify the governance arrangements.

It was also proposed that land at Torre Marine be transferred to TDA for the delivery of specialised affordable housing in return for 100% nomination rights in perpetuity. This disposal, if approved, would mirror the previous decisions made by the Council in respect of 286-288 Totnes Road and St. Kilda's, albeit that these earlier decisions need to be updated to reflect the TDA or subsidiary thereof. The nature of these disposals require a Council decision as they fall outside of the Council's Policy Framework.

As a result of the proposed changes identified in the submitted report a number of decisions need to be updated which are set out above.

A revised officer recommendation was circulated prior to the meeting.

At the Cabinet meeting on 9 July 2019, Councillor Long proposed and Councillor Steve Darling seconded a motion which was agreed by the Cabinet (unanimously) as set out above.

**Alternative Options considered and rejected at the time of the decision**

Alternative options were set out in the submitted report.

**Is this a Key Decision?**

No

**Does the call-in procedure apply?**

Yes

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

None

**Published**

12 July 2019

Signed: \_\_\_\_\_

Date: 12 July 2019

Leader of Torbay Council on behalf of the Cabinet

## Record of Decision

### Enabling Communities and Delivering Services at a Local Level

#### Decision Taker

Cabinet at its meeting on 9 July 2019

#### Decision

- (i) that the following be recommended to Council to be agreed as the draft recommendations of the Community Governance Review of Torbay, to be the subject of a second phase of consultation with local electors, residents, organisations and interested parties to run for a period of 8 weeks, from Monday 2 September to Friday 25 October 2019:
  - (a) that two new parishes be created within Torbay – one entitled Torquay Parish covering the wards of Barton with Watcombe, Cockington with Chelston, Ellacombe, Shiphay, St Marychurch, Tormohun and Wellswood and the other entitled Paignton Parish covering the wards of Clifton with Maidenway, Collaton St Mary, Goodrington with Roselands, Kings Ash, Preston and Roundham with Hyde. For the ward of Churston with Galmpton, that further consultation be undertaken to determine whether it should be within the Paignton Parish, or whether it should be included within the boundaries for Brixham Town Council;
  - (b) that councils be established to serve the new parishes of Torquay and Paignton with effect from 1 April 2020 (note that once established a parish council may decide to call itself a town council);
  - (c) that the new parish/town councils for Torquay and Paignton each be divided into wards for the purposes of electing parish councillors – the ward boundaries and number of councillors to be elected for each ward to be the same as the existing arrangements for those wards on Torbay Council;
  - (d) that Torbay Council set a maximum Band D precept of no more than £90.00 per annum for each of the new parish/town councils in their first year of operation; and
  - (e) That no changes be made to the status or electoral arrangements for Brixham Town Council, with further consultation to be undertaken to determine whether the ward of Churston with Galmpton should be within the Paignton Parish, or whether it should be included within the boundaries for Brixham Town Council; and
- (ii) that the Council be recommended to amend the terms of reference for the community governance review by the adoption of the revised timetable attached at Appendix 1 to the submitted report and republished.

#### Reason for the Decision

To enable the second phase of consultation to proceed. By law a community governance review must be concluded within 12 months of its commencement.

The proposals are intended to facilitate further consultation on the potential benefits that could flow from the establishment of new parish/town councils whilst addressing some of the

concerns raised during the first phase of consultation in relation to costs and precept levels.

## **Implementation**

The recommendations of the Cabinet will be considered at the Council meeting on 18 July 2019.

## **Information**

On 14 January 2019 the Council launched a community governance review of the whole area of Torbay, to consider if any changes should be made to existing community governance arrangements including whether new parish/town councils should be created in areas of the authority that are currently unparished.

The Council decided to undertake the review because, not only was it considered that the establishment of parish/town councils have the ability to raise income through the precept mechanism which could allow for the continued provision of local services (that Torbay Council will be unable to sustain in the future due to resource and demand pressures), but also that Parish/town councils promote community engagement and effective local government at the most local level.

The proposals contained within the submitted report will commit the Council in respect of undertaking the second phase of consultation and the report outlined the proposed approach to the second phase to ensure that the public are fully informed as to the likely future of Council Services, and the wider community engagement benefits of Parish/Town Council.

At the Cabinet meeting on 9 July 2019, Councillor Steve Darling proposed and Councillor Cowell seconded a motion which was agreed by the Cabinet (unanimously) as set out above.

## **Alternative Options considered and rejected at the time of the decision**

Alternative options were set out in the submitted report.

### **Is this a Key Decision?**

No

### **Does the call-in procedure apply?**

No

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

None

**Published**

12 July 2019

Signed: \_\_\_\_\_ Date: 12 July 2019  
Leader of Torbay Council on behalf of the Cabinet

## Record of Decision

### Torbay Airshow

#### Decision Taker

Cabinet at its meeting on 9 July 2019

#### Decision

#### Cabinet Recommendation to Council:

- (i) that the Council be recommended that the Torbay Airshow 2020 (6 and 7 June) be supported and a revenue contribution of £25,000 towards the Airshow be approved;

#### Cabinet Decisions:

- (ii) that the Interim Director of Place be requested to work with Richmond Event Management along with the Commercial and Marketing Group, to engage with potential sponsors for the 2020 Torbay Airshow at the earliest opportunity;
- (iii) that the renaming of the Torbay Airshow to the 'English Riviera Airshow', be approved subject to the Interim Director of Place negotiating an appropriate level of sponsorship;
- (iv) that the Interim Director of Place and Chief Finance Officer be requested to negotiate a risk share arrangement that would see the Council and TDA share the burden of any unforeseen budget overspend, should the air show event not reach a break even position; and
- (v) that the Interim Director of Place be instructed to explore a range of options to offset the carbon dioxide produced by the air show and one such measure, which could also help to tackle fuel poverty, should include a higher standard of wall and roof insulation for new affordable homes commissioned by the Council.

#### Reason for the Decision

To continue to make Torbay Airshow an annual event will generate a potential substantial boost for Torbay's economy. The event is now established as one of the best coastal air shows in the country. The proposal will commit the Council to delivering the air show in 2020 and enable officers, REM and TDA at an early stage to engage with sponsors and other stakeholders ahead of their annual budget setting and enable early promotion/development of wider stakeholder business ideas to capitalise on the event for next year.

In recognition of the carbon footprint generated by the Airshow, the decision addresses the issue by exploring options to offset the carbon dioxide produced at the event through other Council activity.

#### Implementation

The Cabinet recommendation in (i) will be considered at the Council meeting on 18 July 2019.

The decisions in (ii) to (v) will come into force and may be implemented on Monday, 22 July 2019 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to

Overview and Scrutiny).

## **Information**

The submitted report provided a summary of the outcomes of the Torbay Airshow 2019 which took place on 1 and 2 June 2019 and sought a decision to support the Airshow again in 2020.

The Torbay Airshow helps position Torbay and the English Riviera as a destination of choice to a growing national and international audience. It also supports the local economy by boosting tourism and providing an incredible opportunity for local businesses and other organisations to showcase themselves through their involvement in the event. Furthermore the event allows the Council to build its commercial relationships with local businesses. This year the headline partners and official partners were all local businesses recognising the benefits of being involved with a signature event.

The new TDA Commercial and Marketing Group have indicated that an early decision by the Council to stage an Airshow in 2020 would allow additional sponsorship to be raised. This year they raised an additional £38,000 but this work only really started in January and many companies had already spent or committed their annual sponsorship budget. If discussions can commence with potential sponsors at an early stage (i.e. in July 2019), they are confident that the level of additional sponsorship can be raised by another £40,000 for 2020.

Discussions with the English Riviera BID Company (ERBID) have indicated that they would increase their level of sponsorship if the event was rebranded as the “English Riviera Airshow”.

Continuing to make the Torbay Airshow an annual event generates the potential for a substantial boost to Torbay’s economy by attracting new and repeat visitors and inward investment. This year it is estimated that the local economic benefit exceeded £7 million and this will grow over the next few years.

The submitted report also detailed the impact an air show event has on the environment and acknowledged that the new Cabinet have indicated that they wish to work towards ‘*A Climate Fit for the Future*’. Therefore, the report proposed that further work is undertaken to explore a range of options to offset the carbon dioxide produced by the air show.

At the Cabinet meeting on 9 July 2019, Councillor Morey proposed and Councillor Law seconded a motion which was agreed by the Cabinet (unanimously) as set out above.

## **Alternative Options considered and rejected at the time of the decision**

Alternative options were set out in the submitted report.

### **Is this a Key Decision?**

No

### **Does the call-in procedure apply?**

Yes

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

Councillor David Thomas declared a pecuniary interest and withdrew from the Cabinet meeting prior to this item being discussed.

**Published**

12 July 2019

Signed: \_\_\_\_\_ Date: 12 July 2019  
Leader of Torbay Council on behalf of the Cabinet



## Record of Decision

### The future of the Riviera International Conference Centre

#### Decision Taker

Cabinet at its meeting on 9 July 2019

#### Decision

The decision in respect of the future of the Riviera International Conference Centre is restricted due to exempt information contained within the decision.

#### Reason for the Decision

To appoint the Council's Strategic Delivery Partner for the Riviera International Conference Centre site to ensure that suitable arrangements are in place by April 2020 when the existing management contract ends.

#### Implementation

The exempt Cabinet decisions in (i) and (ii) will come into force and may be implemented on Monday, 22 July 2019 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

The exempt Cabinet recommendation in (iii) will be considered at the Council meeting on 18 July 2019.

#### Information

The Council needs to find a long-term solution for the management and development of the Riviera International Conference Centre (RICC) site. The current management arrangements end on the 31 March 2020.

On the 20 September 2018 the Council agreed the commencement of a procurement process to identify a preferred bidder to become the Council's Strategic Development Partner for the RICC.

A Strategic Development Partner is required to develop options for a vibrant, viable and creative redevelopment of the Riviera International Conference Centre (RICC) and bring forward development options and solutions for the RICC site, so as to determine the ultimate strategy for the site post April 2020.

The procurement process has now been completed and a preferred bidder, has been identified as the Council's Strategic Delivery Partner. Further details of the provider were set out in the submitted exempt report.

#### Alternative Options considered and rejected at the time of the decision

Alternative options were set out in the submitted exempt report.

#### Is this a Key Decision?

Yes – Reference Number: I060445

**Does the call-in procedure apply?**

Yes

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

None

**Published**

12 July 2019

Signed: \_\_\_\_\_ Date: 12 July 2019  
Leader of Torbay Council on behalf of the Cabinet