



Monday, 18 July 2011

OVERVIEW AND SCRUTINY BOARD

A meeting of **Overview and Scrutiny Board** will be held on

Thursday, 28 July 2011

commencing at **5.30 pm**

The meeting will be held in the Meadfoot Room, Town Hall, Castle Circus,
Torquay, TQ1 3DR

Members of the Committee

Councillor Thomas (J) (Chairman)

Councillor Barnby	Councillor Kingscote
Councillor Bent	Councillor Parrott
Councillor Butt	Councillor Pentney
Councillor Darling (Vice-Chair)	Councillor James

Co-opted Members of the Board

Leon Butler
Penny Burnside, Diocese of Exeter

Our vision is for a cleaner, safer, prosperous Bay

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

James Dearling, Town Hall, Castle Circus, Torquay, TQ1 3DR
01803 207035

Email: scrutiny@torbay.gov.uk

OVERVIEW AND SCRUTINY BOARD AGENDA

1. **Apologies**
To receive apologies for absence, including notifications of any changes to the membership of the Committee.
2. **Minutes** (Pages 1 - 4)
To confirm as a correct record the minutes of the meeting of the Board held on 29 June 2011.
3. **Declarations of Interest**
 - (a) To receive declarations of personal interests in respect of items on this agenda.

For reference: Having declared their personal interest members and officers may remain in the meeting and speak (and, in the case of Members, vote on the matter in question). If the Member's interest only arises because they have been appointed to an outside body by the Council (or if the interest is as a member of another public body) then the interest need only be declared if the Member wishes to speak and/or vote on the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
 - (b) To receive declarations of personal prejudicial interests in respect of items on this agenda.

For reference: A Member with a personal interest also has a prejudicial interest in that matter if a member of the public (with knowledge of the relevant facts) would reasonably regard the interest as so significant that it is likely to influence their judgement of the public interest. Where a Member has a personal prejudicial 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 Democratic Services or Legal Services prior to the meeting.)
4. **Urgent Items**
To consider any other items that the Chairman decides are urgent.
5. **Active Ageing Strategy Progress report** (Pages 5 - 12)
To consider a progress report on the above matter.
6. **Performance Overview and Monitoring** (Pages 13 - 68)

To consider:

- (a) the performance of the Council for the first quarter of 2011/2012;
- (b) the current position of the Revenue Budget for 2011/2012;
and
- (c) the current position of the Capital Plan Budget for 2011/2012.

7. Torbay Economic Development Company Business Plan 2011/12

(Pages 69 - 102)

To consider the above matter.

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Minutes of the Overview and Scrutiny Board

29 June 2011

-: Present :-

Councillors Addis, Baldrey, Barnby, Butt, James, Kingscote, Parrott, Pentney and Thomas (J)

(Also in attendance: Councillor Nicole Amil, Councillor Darren Cowell and Councillor Michael Hytche)

98. Election of Chairman

Councillor Thomas (J) was elected Chairman of the Overview and Scrutiny Board for the 2011/2012 Municipal Year.

Councillor Thomas (J) in the Chair

99. Apologies

Apologies for absence were received from Penny Burnside.

In accordance with the respective wishes of the Conservative Group and the Liberal Democrat Group, the membership of the Board had been amended for this meeting by including Councillor Addis instead of Councillor Bent and Councillor Baldry instead of Councillor Darling..

100. Appointment of Vice-Chairman

Councillor Darling was appointed Vice Chairman of the Overview and Scrutiny Board for the 2011/2012 Municipal Year.

101. Minutes

The Minutes of the meeting of the Board held on 13 April 2011 were confirmed as a correct record and signed by the Chairman.

102. Appointment of Health Scrutiny Board

Resolved:

Overview and Scrutiny Board

Wednesday, 29 June 2011

That a Health Scrutiny Board with the terms of reference and membership as laid out in the 'Appointment of Health Scrutiny Board' report be appointed for the 2011/2012 Municipal Year.

103. Update on Bathing Water Quality and the revised Bathing Water Directive

The Board considered an update on the Bathing Water Quality and Torbay's response to the revised Bathing Water Directive. The Council's Resort Services Manager and Nick Smart, an officer from the Environment Agency, were in attendance. The Board was advised of partnership working between the Council, the Environment Agency, and South West Water, with particular reference to the Torbay Project. Members were informed that the Project had been extended to March 2012.

The Board was advised of the requirement for information about water quality and potential sources of pollution to be displayed at beaches designated as bathing waters, including the timeframe for such signage. Members were informed that detailed recommendations concerning the implementation of the Directive, and the funding from DEFRA (Department for Environment, Food and Rural Affairs) to assist with compliance were unconfirmed.

In response to members' questions, the Board was advised that potential problems would be addressed after the Torbay Project had finished and a watching brief would be maintained by all partners. Members questioned the possible inclusion of climate change in sewerage system modelling, the decline in Blue Flags likely under the revised Bathing Water Directive, and the sanctions available to the Environment Agency in dealing with misconnections affecting catchments draining into the Bay's bathing water. The Board was advised that nationally the number of Blue Flags awarded was predicted to drop from seventy-three to approximately thirty once the Directive came into force, with Torbay predicted to retain four of its current six.

In response to questions concerning the impact of new housing on water quality, the Board was informed that the adverse affects upon the sewerage system were particularly noticeable with regard to misconnections from home improvements and subsequent extensions rather than the initial build.

Members discussed the possible adverse affects of bathing water signage and the value of disassociating the Council from such signs.

In reply to questions on achieving the highest standard under the new Directive, the Board was advised that the focus of resources was on avoiding any classifications of Torbay's bathing waters as poor.

Members thanked the Council's Resort Services Manager and the officer from the Environment Agency for attending to provide further clarification and information.

Overview and Scrutiny Board

Wednesday, 29 June 2011

Resolved:

That the Overview and Scrutiny Board receive a further update on Bathing Water Quality and the revised Bathing Water Directive nine months hence.

104. Revenue Outturn 2010/11 - Subject to Audit

The Board considered the final revenue position for the Council for the financial year 2010/11. The report summarised an underspend of £1.35m. and indicated the main variations in the Council's expenditure for 2010/11. Members were advised of the recommendation to Council to transfer funds to reserves. The Board was advised of the timetable for the statutory auditing of the Council's annual accounts.

In response to questions, the Board was advised that given the financial challenges facing the Council the use of the General Fund Balance was not recommended by the Responsible Financial Officer. Board members discussed the merit of directing some of the underspend for 2010/11 into service provision rather than allocating it all to reserves.

Members discussed whether the £1.35m surplus was attributable to over-budgeting, prudent management, or good fortune. In response, the Board was informed of the Council's vacancy-freeze, the pay-freeze for all staff, and the main variations within each directorate.

Members discussed the Council's past approach toward zero based budgeting and the amount of resource and time necessary to undertake such an exercise. Members suggested the value of time-charging across the Council or for individual teams to both ascertain costs and obtain additional revenue.

Resolved: (i) That a feasibility review of time-charging within the Council be added to the Overview and Scrutiny work programme for 2011/12.

(ii) That the Overview and Scrutiny Board note with approval the Revenue Outturn for 2010/11 and commends officers and all elected members for the position identified on 29 June 2011.

105. Capital Plan Budget Monitoring – 2010/11 Outturn (Subject to Audit)

The Board considered the final Capital Monitoring report for 2010/11 which provided high-level information on capital expenditure and income for the year.

Overview and Scrutiny Board

Wednesday, 29 June 2011

Members questioned the capital receipt sale target to fund the Capital Budget, completion of the Council's approved disposals, and the Council's rationalisation policy. In response to questions, the Board was advised concerning expenditure on TOR2 and that it was unlikely any dividend would result from TOR2 for the past financial year.

Resolved: That the Capital Plan Outturn report for 2010/11 be noted.

106. Overview and Scrutiny Work Programme 2011/2012

The Board considered the draft Overview and Scrutiny work programme for 2011/12.

Resolved: That subject to amendments proposed by members, the draft work programme set out in Appendix One to the Overview and Scrutiny Work Programme 2011/2012 report be approved.



Title: **Active Ageing Strategy Progress report**

Public Agenda **Yes**
Item:

Wards Affected: **All wards in Torbay**

To: **Overview & Scrutiny Board** On: **28 July 2011**

Contact Officer: **Tim Nand-Lal**
Telephone: **01803 210593**
E.mail: **timothy.nand-lal@nhs.net**

1. Key points and Summary

1.1 At the Overview and Scrutiny Board meeting on 13 April 2011 progress report 87/2011 was considered and it was resolved:-

- (i) that the Board was pleased to note that the Director of Public Health would now be leading on this project and would be looking for a Strategy to be in place in accordance with the timetable shared at the meeting;
- (ii) that, at its meeting in July 2011, the Board consider the results of the consultation in relation to the emerging Active Ageing Strategy together with a framework for the Strategy;
- (iii) that the Board has concerns about the definition of an "older person" being over 50 but looks forward to hearing the views on this issue as expressed in the consultation; and
- (iv) that the Board would like to see a wider proportion of the population included within the consultation so that a greater degree of confidence could be placed on the results.

1.2 This report has been prepared to provide Members with an update on progress with developing the Active Ageing Strategy and in particular to provide information in relation to the actions resolved in 1.1 above.

2 Engagement

2.1 There were 605 questionnaires issued to Viewpoint panellists to obtain their views. As Members know the Viewpoint panel is representative of the community of Torbay and so is very helpful in giving an insight into the views of the population. In addition 100 questionnaires were issued at the Torbay Older Citizens Forum AGM, copies were sent to people on the mailing list of Community and Voluntary Action (CVA) Torbay, the mailing list of LINKs and the mailing list of Age UK. In addition 20 were issued to the Inter Faith forum, 20 to the BME group and 20 to the Domestic Violence Forum.

2.2 In total 446 people responded to the surveys with 40% from males and 60% from females. 44% of the responses came from the viewpoint panellists through the post, 33% came from viewpoint panellists on-line and 23% came from the other questionnaires that were issued. 39% of respondents were under 60 years old and 61% over 60. The response rates broken down by town were as follows:-

- Brixham 13%
- Paignton 36%
- Torquay 51%

2.3 In line with 1.1 (iii) above the questionnaire asked what age people described someone as being “older”. The results from this question are shown below:-

Age (years)	Number of respondents	Percentage
50	9	2%
55	11	3%
60	58	14%
65	62	15%
70	87	21%
75	32	8%
80+	26	6%
Age is not a relevant measure	129	31%
Total	414	100%

It is significant that 31% of respondents felt that age was not a relevant measure. This consultation suggests that there is no arbitrary age for being older and so this strategy will be aimed at people moving towards retirement or in retirement. The strategy will focus on providing support and opportunities to keep our population both physically and socially active. The action plan that supports the Strategy will though be influenced by key national milestones, such as the retirement age, and a number of actions will need to be specifically aimed at targeted populations.

2.4 The questionnaire asked what things people thought would be needed to live well in later life. The results from this question are shown below:-

Factors	Percentage
Good health	93%
Financial security	88%
Friends/relatives	76%
Easy access to public transport	65%
Health Food	62%
Make choices about self	50%
Help at home	49%
Being able to contribute to society	47%
Sheltered accommodation	27%
Single level accommodation	23%

It may not be surprising that the highest factor was good health. It is also

interesting to note that financial security and friends/relatives score highly followed by easy access to public transport.

- 2.5 The questionnaire asked people to say what they thought was important for creating an age friendly society. The results for this question were:-

Factors	Percentage
Public transport	67%
Community activities	60%
Neighbours of all ages	55%
Visible policing	49%
Day centres	41%
No enforced retirement age	39%
Sheltered accommodation	34%

It is interesting to note that public transport came out top on the above questionnaire, closely followed by community activities and having neighbours of all ages.

3 Town Workshops

- 3.1 Three town workshops were held on 27th and 28th June with one being in Brixham, one in Torquay and one in Paignton. Approximately 130 stakeholder organisations were invited to the workshops and appendix 1 provides a list of those stakeholder organisations that were represented at the workshops. There were a total of 62 people who attended the workshops.
- 3.2 The workshops shared with attendees the outcomes of the engagement activity and the key statistical data from the Joint Strategic Needs Assessment for older people. The workshops were led by the Local Government Improvement and Development team, which is funded by the national Ageing Well programme, with support from the Care Trust and Council. The engagement activity led to a number of draft outcomes which were discussed at the workshops, as follows:-

Older people in communities

Are able to access transportation to get to the places they want to in and around Torbay

Are socially integrated with their community and not isolated

Feel financially secure

Are making a positive contribution and experiencing fulfilment as a result

Are in good health in mind and body

Feel safe and secure

Have dignity, choice and control throughout their life

Have the information and support that they need to stay independent

Have housing that is suitable for their needs

- 3.3 The workshop attendees prioritised the outcomes shown in 3.2 above and the results are shown below. All three workshops identified the “good health in mind and body” as the top priority and this was followed closely by “social integration”, “dignity, choice and control”, “financial security” and “access to transportation”.

	Brixham	Torquay	Paignton
1 st	Good health in mind and body	Good health in mind and body	Good health in mind and body
2 nd	Dignity, choice and control	Socially integrated Dignity choice and control Financially secure Information and support	Dignity choice and control
3 rd	Socially integrated	Access to transportation	Access to transportation Financially secure

- 3.4 At the workshops people worked in groups on one of their top priorities and in particular what the achievement of the outcome would look like, how progress would be measured, how people felt that we were doing against each priority and their “low cost” or “no cost” ideas for these outcomes. This information will be crucial in developing the draft strategy.

4 The next stages

- 4.1 The surveys took longer to be returned than expected and the surveys took longer to analyse than had been planned. This has affected the timetable for the project but it has ensured that we have had a significant number of views.
- 4.2 Appendix 2 provides the framework that will be used as the basis for the draft Active Ageing Strategy. The output from the engagement activity and the town workshops will be used to drive the contents of the strategy. It is considered that the outcomes, from the engagement work and the town workshops, can be grouped in the draft strategy under four priorities, as follows:-
- Good health in mind and body.
 - Dignity choice and control.
 - Social integration.
 - Safe and secure.
- 4.3 The draft will be worked up over the summer with the intention that the draft will go through the Council decision making process in the autumn. The strategy can then be printed and distributed once approval has been given to the draft strategy.

Debbie Stark
Director of Public Health

Appendices

- 1 – Stakeholders attending the Town workshops
- 2 - Framework for Active Ageing Strategy

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report :-

- Report from the Local Government Improvement and Development team on the town workshops

Stakeholders attending the Town Workshops

- Sanctuary Housing
- Brixham Town Council
- United Reform Church
- Brixham Does Care
- Sandwell
- Torbay Council
- GP Carer Support Worker
- Age UK
- Somerset care at Home
- RNID
- Torbay Older Citizens Forum
- Adult and Community Learning
- Care Quality Group
- Community Partnerships
- Stagecoach
- WRVS
- Leonard Stocks Centre
- Carers
- Hele's Angels
- Westcountry Housing
- Folks at home
- Care Support Forum
- Third Phase Ltd
- Devon & Somerset Fire & Rescue Service
- Agincare
- Torbay Care Trust
- AG care
- Alchem
- PLUSS
- Independent Futures
- Royal British Legion

Draft framework for Active Ageing Strategy

1. Introduction/foreword
2. Explanation of how Active Ageing Strategy fits with other strategies/projects such as economic regeneration, personalisation, the Big Society, Closing the Gap etc.
3. Major policy initiatives
4. Consultation results
5. The priorities
 - Good health in mind and body
 - Dignity, choice and control
 - Social integration
 - Safe and secure
6. Demographic changes and associated costing information
7. How the strategy is being funded
8. How the strategy is being implemented, e.g. a detailed action plan

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Strategic Scorecard Performance Summary

Report for Quarter One – 2011/12

Presented to:

Overview & Scrutiny Board – Thursday 28th July 2011

Prepared by
the Performance & Partnerships Team, Business Services.



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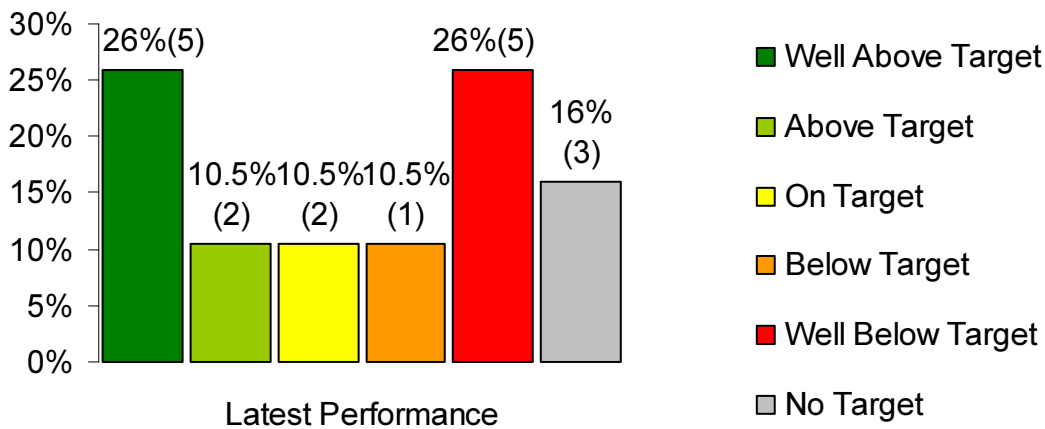
Performance Summary

This report is to summarise the performance of the Performance Indicators and Projects in the Strategic Balanced Scorecard. The Performance Overview and Monitoring Report will look in more depth at the Council's performance and include Human Resources, Information Governance Statistics, Customer Contact, Torbay Strategic Partnership, Vacancies and recovery plans for those performance indicators currently performing behind target.

The Performance Overview and Monitoring Report will be available prior to the Overview and Scrutiny Meeting at the end of July and will be made available on the intranet or through the Performance and Partnership Team directly (performance@torbay.gov.uk).

Strategic Scorecard Latest Performance up to Quarter One 2011-12

This is a break down of the latest status available for the 19 performance indicators linked to the Strategic Scorecard.



Strategic Scorecard 2011/12 – Objectives

Colours represent overall status for each objective – this could include performance indicators or projects that fall below each objective.

Finance	Customer	Internal Processes	Learning and Innovation
01. Deliver a reduced budget and maximise revenue			
02. Managing our assets	05. Securing a cleaner Bay and improving its appearance for both residents and visitors	08. Delivering the People, Place, Partnership and Productivity Programme	11. Highly skilled and valued employees and councillors
03. Delivering value for money	06. Ensuring the safety of our most vulnerable children and adults	09. Effective commissioning, contract, performance and risk management	12. Strengthen community leadership and partnership working
04. Torbay Care Trust Financial Performance	07. Regeneration and Economic Prosperity	10. Develop radical solutions for service delivery over the next four years	13. Targeted and integrated service delivery

■ = Well Above Target
 ■ = Above Target
 ■ = On Target (Possibly Data not Due)
 ■ = Below Target,
■ = Well Below Target (Possibly No Target)
 ■ = No Entities (Possibly No Data)

Strategic Scorecard 2011/12 – Entities

Below is a break down of the Performance Indicators and Projects that form the Strategic Balance Scorecard.

Entity	Code	Title	Reporting Frequency
Deliver a reduced budget and maximise revenue			
PI	FCF8	Degree of variance from approved budget	Quarterly
PI	HRC Sec 2f	Total cost of Core Council, Casual Staff and Agency Staff	Monthly
PI	FS002	Total revenue income across the Council	Quarterly
PI	BS001	Surplus on staff spend from budget	Monthly
Managing our Assets			
PI	FS001	Capital Funding	Quarterly
Project	CCRP-01	Castle Circus Regeneration Project	
Project	ASM001	Asset Rationalisation	
Value for Money			
Project	V4M001	Deliver Value for Money through a comprehensive corporate approach	Monthly
Torbay Care Trust Financial Performance			
Securing a cleaner Bay and improving its appearance for both residents and visitors			
PI	NI192	% of household waste sent for reuse, recycling and composting	Quarterly
PI	NI195a	Improved street and environmental cleanliness (litter)	Quarterly
Ensuring the safety of our most vulnerable children and adults			
PI	NI032	Repeat incidents of domestic violence	Quarterly
PI	NI059	% of initial assessments for Childrens Social Care carried out within 7 working days	Monthly
PI	NI060	% of core assessments for children's social care carried out within 35 working days	Monthly
PI	NI062	Stability of placements of looked after children: number of moves	Monthly
PI	NI130	Social care clients receiving self directed support per 100,000 population	Monthly
PI	NI132	Timeliness of social care assessment (all adults)	Quarterly
PI	NI133	Timeliness of social care packages following assessment	Quarterly

Regeneration and Economic Prosperity			
PI	NI166	Median earnings of employees in the area	Annually
PI	PPsc4	Proportion of working age residents claiming Job Seekers Allowance in Torbay	Monthly
PI	PPsc5	Key out of work benefits claimants	Monthly
PI	PPsc7	Job Seekers Allowance claimants per unfilled jobcentre vacancy	Monthly
Project	ERP-00	Employment & Regeneration Programme Delivery	
Delivering the People, Place, Partnership and Productivity Programme			
Effective commissioning, contract, performance & risk management			
PI	TCT01	% of Torbay Care Trust Indicators Performing on or above target from SLA	Monthly
PI	EDC01	% of Economic Development Company Indicators Performing on or above target from SLA	Monthly
PI	TOR201	% of TOR2 Indicators Performing on or above target from SLA	Monthly
Deliver radical solutions for service delivery over the next four years			
Highly skilled and valued employees and councillors			
Project	DS-PA-1999	Develop and Deliver an annual Members Development Programme	
Project	PPrc08	Undertake Staff Satisfaction Survey	
Strengthen community leadership and partnership working			
Project	PP001	Closing the GAP / Hele Project	
Targeted and integrated service delivery			

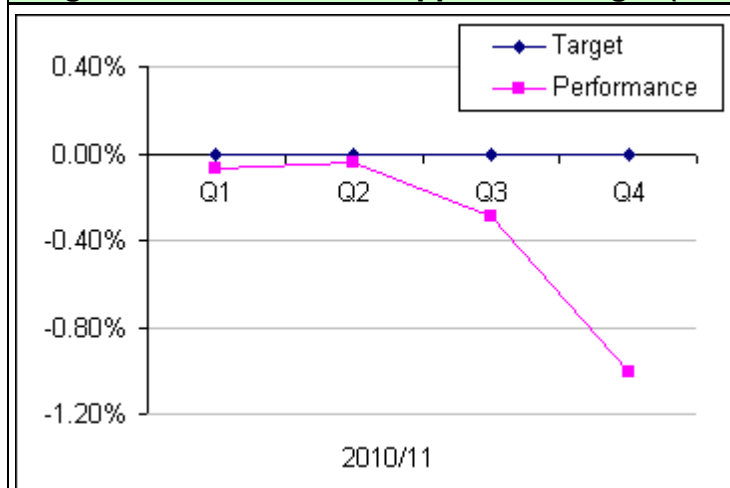
Strategic Scorecard 2011/12 – Latest Performance up to Quarter 1

Colours are representative of overall status for each objective – this could include performance indicators and projects that form the Strategic Balanced Scorecard.

FINANCE

01 - Deliver a reduced budget and maximise revenue

Degree of variance from approved budget (FCF8)



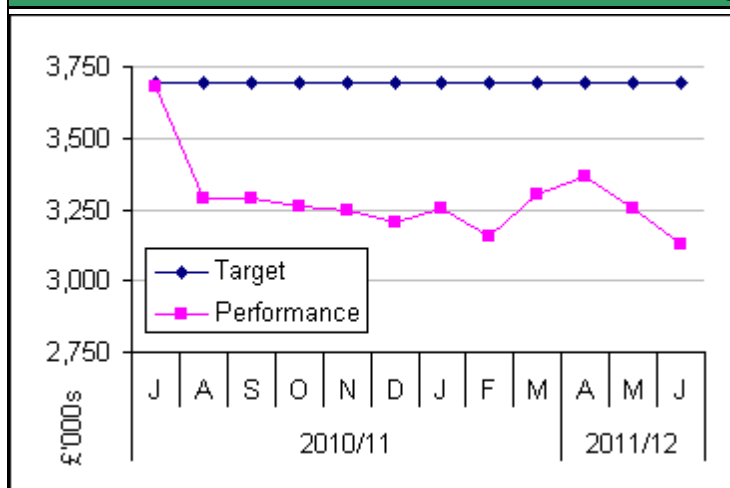
Current Status:	Above Target
Since last month:	Improved
Target:	0.00%
Latest Performance:	-1.01%
Responsible Officer:	Paul Looby

It's best to be low

Variance calculated by finance teams based upon actual expenditure to date and projected spend to the end of the financial year.

Budget monitoring and Outturn reported a £1.351m underspend for the 2010/11 financial year.

Total cost of Core Council, Casual Staff and Agency Staff (HRC Sec 2f)



Current Status:	Well Above Target
Since last month:	Improved
Target:	£3,696,000
Latest Performance:	£3,124,550
Responsible Officer:	Mark Bennett

It's best to be low

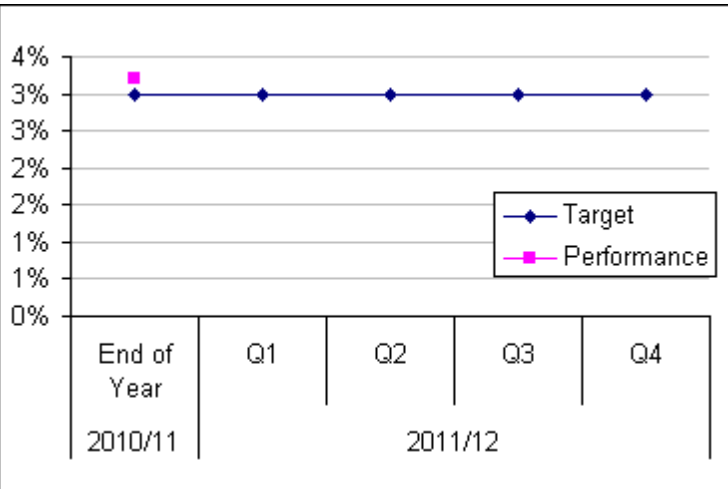
The total cost of Core Council, casual staff and Agency Staff wages and allowances in period. The target is the sum of the individual targets for each of the three elements; these were set using the baseline data as at 2008/09.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

FINANCE

01 - Deliver a reduced budget and maximise revenue

General Fund Reserve (FS001)



Current Status: Above Target

Since last month: N/A

Target: 3.0%

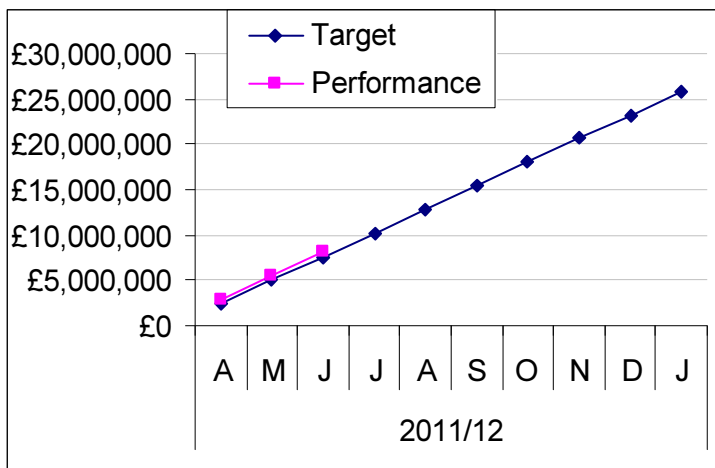
Latest Performance: 3.2%

Responsible Officer: Paul Looby

It's best to be high

This indicator shows what percentage of the net revenue budget the Council has in its General Fund Reserve. The Council's Target is to always have 3% of net revenue budget in the general reserves.

Surplus on staff spend from budget (BS001)



Current Status: Below Target

Since last month: Improved

Target (Monthly): £7,577,062

Latest Performance: £8,269,083.

Responsible Officer: Mark Bennett

Its best to be low

This Indicator shows the budget for staff basic pay and additional hours against the actual spend taken from the Financial Information Management System (FIMS) for the 2011-12 financial period to date. This is a new indicator that has not been collected before.

The target is equally proportionate over the year and is not adjusted to account for seasonal fluctuations.

The first three months of the financial year show an overspend of the budget, £692,021 overspend.

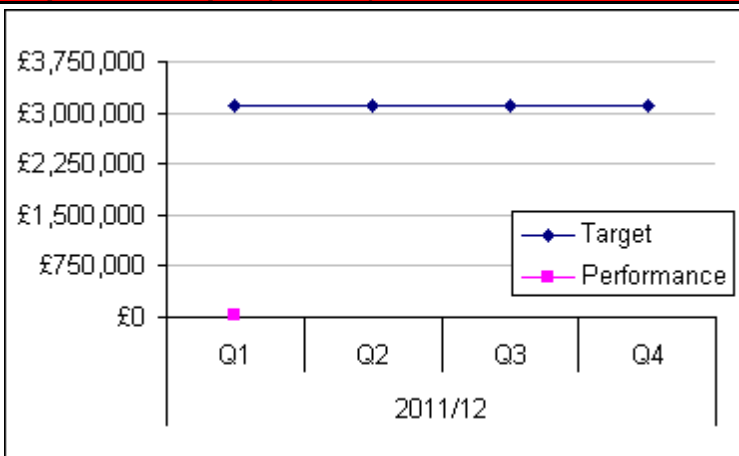
This is raw data that has been pulled from FIMS and is subject to exceptions.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

FINANCE

02 - Managing our assets

Capital Receipts (FS002)



Current Status: Well Below Target

Since last month: N/A

Target: £3,100,000

Latest Performance: £31,000

Responsible Officer: Paul Looby

Its best to be High

This Indicator shows the amount received through Capital Receipts which is the money received from selling fixed assets such as land, buildings, vehicles, plant & equipment. Capital Plan Four Year Target £3.1m

Castle Circus Regeneration Project (CCRP-01)

Review Date: 10th July 2011 Current Status: On Target

Responsible Officer: Mark Hammett Previous Status: On Target

Achieved:

Plan A and a Plan B business cases for the CCRP have now been drafted in preparation for the new Mayor and the new political administration. Plan A proceeds with the sale of Oldway Mansion, whilst Plan B is a scheme that retains Oldway as a community space and office accommodation for the Authority. A political decision is now required from the Mayor and the ruling administration about which plan to proceed with.

Missed:
N/A

Arising:

The refurbishment of Tor Hill House is now well into phase 2 and the full refurbishment will be complete by October 2011.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

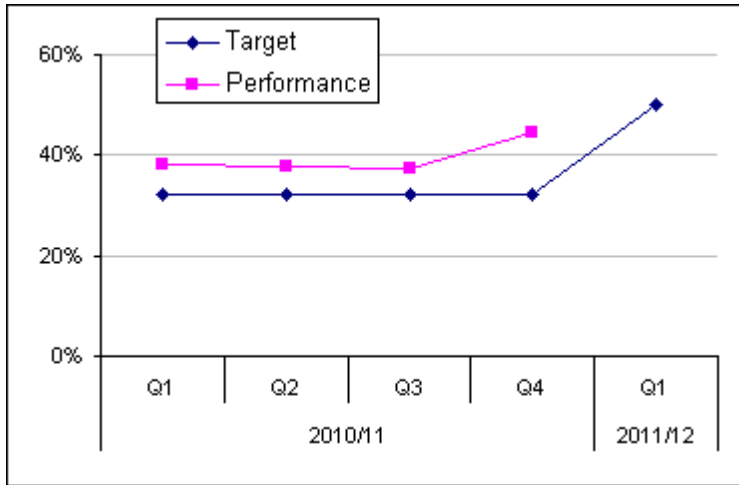
FINANCE			
02 - Managing our assets			
Asset Rationalisation Project (ASM001)			
Review Date:	4th July 2011	Current Status:	On Target
Responsible Officer:	Sally Billingham	Previous Status:	On Target
Achieved:			
Five Assets are currently under offer, and a further five assets are currently being marketed with a tender deadline of 18th July 2011.			
Missed: N/A			
Arising: Sale of land is a complex process which is very timely. The sales can be subject to Legal and Planning issues and also issues on the buyer's side.			
03 - Delivering value for money			
Deliver value for money through a comprehensive corporate approach (V4M001)			
Review Date:	1st July 2011	Current Status:	On Target
Responsible Officer:	John Grange	Previous Status:	On Target
Achieved:			
Since the completion of the Pilot Housing VFM exercise, a corporate approach to assessing VFM has been put in place based on the 3 Es: Economy, Efficiency, and Effectiveness. A VFM review has commenced in the Spatial Planning Business Unit where initial meetings have established baseline data, alongside initial benchmarking of cost and performance profiles. A desktop prioritisation exercise has also been started to identify efficiency issues throughout other areas of the council to identify where further VFM investigations should take place. Value For Money (VFM) review with Spatial Planning continuing. Future focus for VFM work to move from business unit based to issue based reviews organisation-wide e.g. management overheads, quality of service/cost effectiveness.			
Missed: N/A			
Arising: Specific milestones need to be established for this project based on the VFM work to date, the completion of the Spatial Planning VFM exercise and identification of issues for future VFM investigations.			
04 - Care Trust Financial Performance			
Needs to be developed			

■ = Well Above Target,
 ■ = Above Target,
 ■ = On Target,
 ■ = Below Target,
 ■ = Well Below Target,
 ■ = No Data

CUSTOMER

05 - Securing a cleaner Bay and improving its appearance for both residents and visitors

% of household waste sent for reuse, recycling and composting (NI192)



Current Status:	Well Above Target
Since last quarter:	Improved
Target:	32.0%
Latest Performance:	44.5%
Responsible Officer:	Les Crump

It's best to be high

The percentage of household waste arising which have been sent by the authority for reuse, recycling, composting or anaerobic digestion.

Targets have been amended for 2011/12 onwards to take account of higher recycling targets which form part of the performance based contract with TOR2.

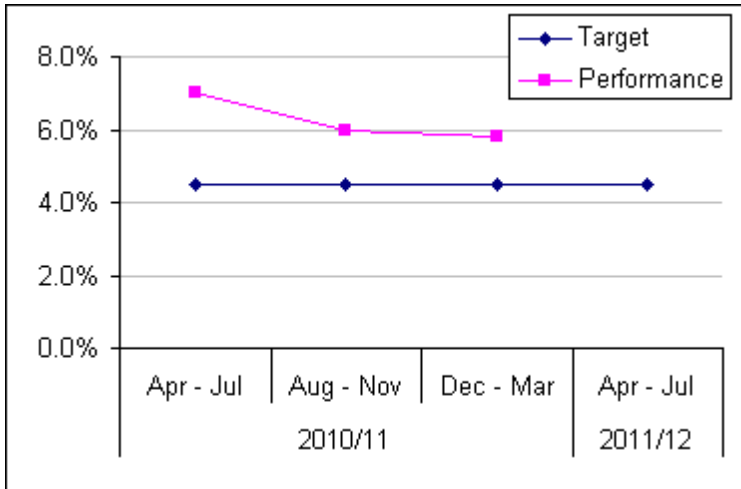
Major changes to the household waste collection regime in Torbay have been in place since September 2010 with the introduction of TOR2. This has led to significantly increased performance against this indicator compared to 2009/10.

■ = Well Above Target,
 ■ = Above Target,
 ■ = On Target,
 ■ = Below Target,
 ■ = Well Below Target,
 ■ = No Data

CUSTOMER

05 - Securing a cleaner Bay and improving its appearance for both residents and visitors

Improved street and environmental cleanliness (litter) (NI195a)



Current Status: Well Below Target
 Since last quarter: Improved
 Target: 4.5%
 Latest Performance: 5.8%
 Responsible Officer: Patrick Carney

It's best to be low

The percentage of relevant land and highways that is assessed as having deposits of litter that fall below an acceptable level.

62 segments scored a B, 21 segments scored a C or below

The performance for levels of litter and detritus are below the targets set. This is partly due to the poor performance of Direct Services and Waste within the first four months of the year during the JVCo transition period.

TOR2 have shown an improvement on these standards and have invested in a number of new road sweepers and street washing machines. The issuing of a performance penalty to TOR2 will depend on the nationally published benchmarking data, as the contract standard is for TOR2 to remain in the top quartile.

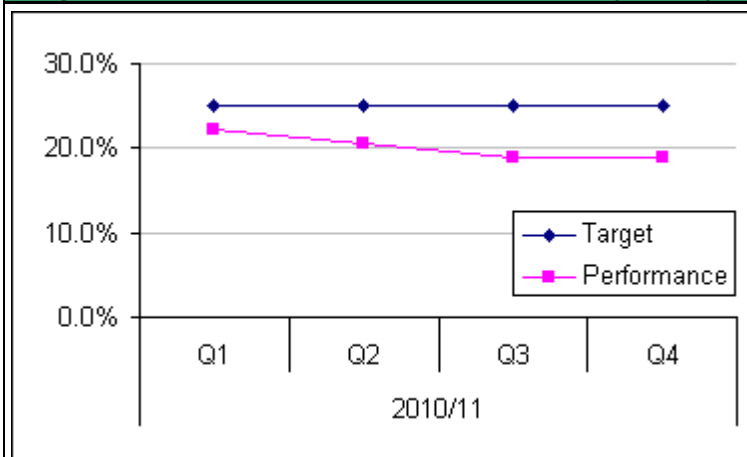
The survey data is being provided to TOR2 to allow them to target areas of failure and amend their cleansing schedules; performance is being monitored through the TOR2 liaison meetings. Officers from Community Safety are also working with TOR2 in relation to any required enforcement.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

CUSTOMER

06 - Ensuring the safety of our most vulnerable children and adults

Repeat incidents of domestic violence (NI032)



Current Status: Well Above Target

Since last quarter: Static

Target: 25.0%

Latest Performance: 19.0%

Responsible Officer: Sally Bullingham-Taylor

It's best to be low

Percentage reduction of repeat victimisation for those domestic violence cases reviewed by a MARAC (Multi-Agency Risk Assessment Conference).

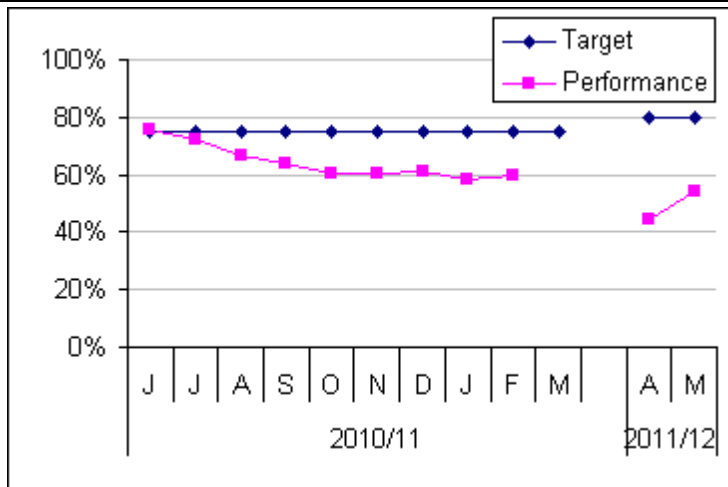
NI 32 was above target because there is a wrap around support service which includes the co-location of specialist domestic abuse local authority staff with the Police Domestic Abuse Unit. This enables the timely exchange of information and engenders joined up working practices. Furthermore the DASH (Domestic Abuse, Stalking and Harassment and Honour Based Violence) risk assessment was adopted across Devon and Cornwall police force in 2010-11, this has resulted in improved identification of domestic abuse risk levels and appropriate referrals to MARAC (Multi Agency Risk Assessment Conference).

■ = Well Above Target,
 ■ = Above Target,
 ■ = On Target,
 ■ = Below Target,
 ■ = Well Below Target,
 ■ = No Data

CUSTOMER

06 - Ensuring the safety of our most vulnerable children and adults

% of initial assessments for Childrens Social Care within 10 working days (NI059)



Current Status:	Well Below Target
Since last month:	Improved
Target	80.0%
Latest Performance:	54.5%
Responsible Officer:	John Skinner

It's best to be high

The number of initial assessments completed in the period between 1 April and 31 March, within seven working days of referral, as a percentage of the number of initial assessments completed in the period between 1 April and 31 March.

The in month performance for March was 55.8%; short of the DfE Improvement notice target of 70%. This decreased to 44.4% for April but has increased significantly to 63.1% (77/122) for May. Performance against the improvement notice must be 80% for the period 1st April to 30th September 2011.

This decline in performance also includes completion of a significant number of assessments which had been left open for some time. Of 99 initial assessments completed in April, 44 were within 10 working days. Of the other 55, 21 had been open for between 50 and 205 working days. In May, 122 were completed, 77 in 10 working days and 17 which had been open for between 50 and 194 working days.

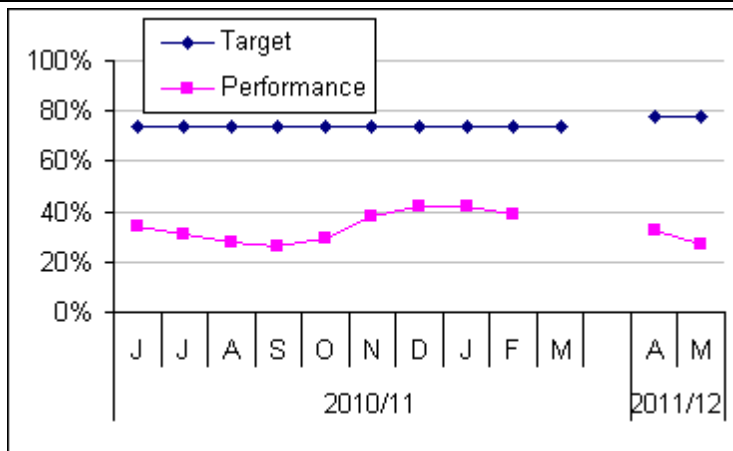
The detailed action plan based on the outcome of the Ofsted Inspection to improve performance is currently being reviewed, please refer to the Safeguarding Action Plan once it has been finalised for more detail.

■ = Well Above Target,
 ■ = Above Target,
 ■ = On Target,
 ■ = Below Target,
 ■ = Well Below Target,
 ■ = No Data

CUSTOMER

06 - Ensuring the safety of our most vulnerable children and adults

% of core assessments for children's social care carried out within 35 working days (NI060)



Current Status:	Well Below Target
Since last month:	Worsened
Target	78%
Latest Performance:	27.1%
Responsible Officer:	John Skinner

It's best to be high

The percentage of core assessments that were completed within 35 working days of their commencement.

The percentage completed in April was 34.9% and this decreased to 27.1% in May (26 of 96). However, of the 43 core assessments completed in April, 15 were within 35 working days and 12 had been open for between 100 and 292 days. In May, 53 core assessments were completed; 11 within 35 working days and 22 had been open for between 100 and 511 working days. This shows that staff members are tackling the backlog of assessments on the system.

The improvement notice requires 75% of core assessment to be completed on time between 1 April and 30 September 2011. The backlog of assessments open on the Paris system will need to be tackled at the same time as improving performance for the percentage completed on time.

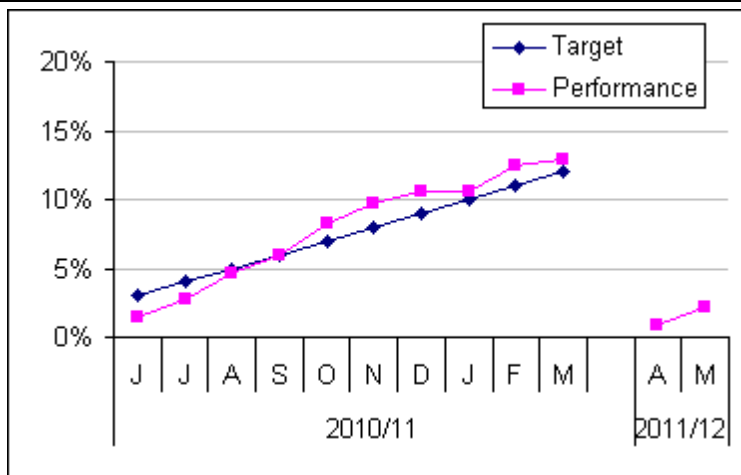
The detailed action plan based on the outcome of the Ofsted Inspection to improve performance is currently being reviewed, please refer to the Safeguarding Action Plan once it has been finalised for more detail.

■ = Well Above Target,
 ■ = Above Target,
 ■ = On Target,
 ■ = Below Target,
 ■ = Well Below Target,
 ■ = No Data

CUSTOMER

06 - Ensuring the safety of our most vulnerable children and adults

Stability of placements of looked after children: number of moves (NI062)



Current Status:	No Target
Since last month:	N/A
Previous Year Target:	12.0%
Latest Performance:	0.9%
Responsible Officer:	John Skinner

It's best to be low

The percentage of children looked after at 31 March with three or more placements during the year.

NI 62 has been affected by Operation Mansfield (OM). The impact of OM has coincided with a pre-existing and well established increase in the numbers of children being brought to the attention of the local authority. This upward trend is mirrored across the country.

The need to secure placements at short notice sometimes leads to interim placements whilst a longer term one can be found. The shortage of local foster care is being addressed through a change to the way the foster care recruitment is handled.

The detailed action plan based on the outcome of the Ofsted Inspection to improve performance is currently being reviewed, please refer to the Safeguarding Action Plan once it has been finalised for more detail.

Children Services has taken action to address the increases in demand for placements by:

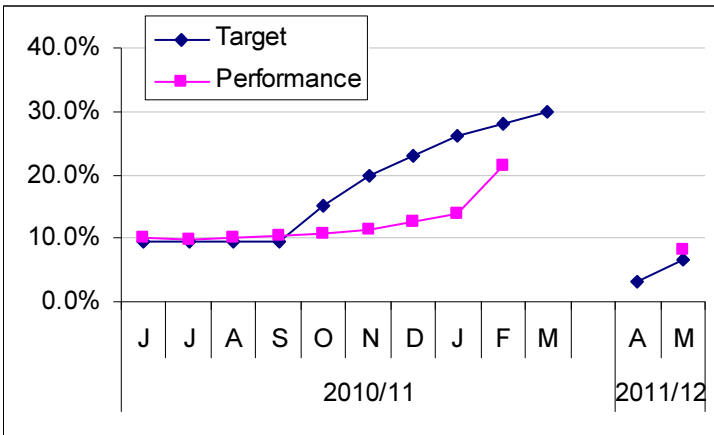
- improving its recruitment of in-house foster carers
- working with regional colleagues to improve the quality and cost of independent foster carers

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

CUSTOMER

06 - Ensuring the safety of our most vulnerable children and adults

Social care clients receiving self directed support per 100,000 population (NI130)



Current Status: Well Above Target

Since last month: Improved

Target: 6.7%

Latest Performance: 8.1%

Responsible Officer: Trudy Corsellis

It's best to be high

Number of adults, older people and carers receiving social care through a Direct Payment in the year to 31st March per 100,000 population aged 18 or over (age standardised) (for population 18-64 and 65-74, 75-84 and 85+).

Activity for this indicator was delayed than originally planned for a number of reasons including the roll out of training to staff. The whole process including capturing and recording of activity did not happen until part way through last year. This meant that a smaller than initially anticipated numerator was used to calculate this indicator.

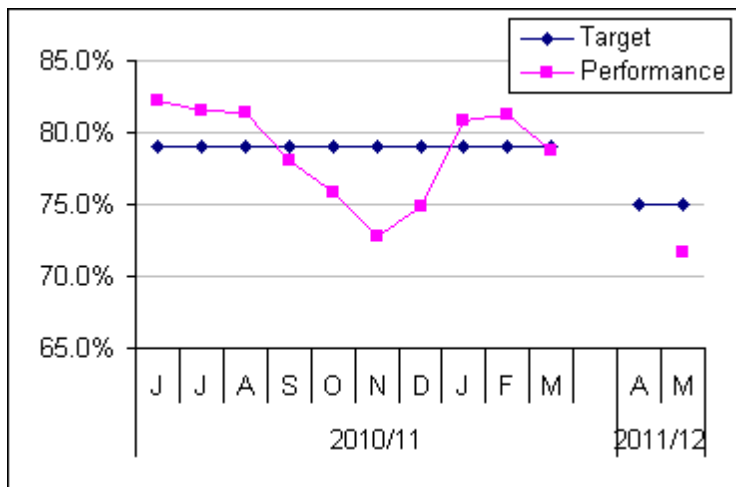
Additional capacity is being put in place, relying on close working relationships between frontline staff, the Community Equipment Store & Community Alarms. Letters will be circulated to clients detailing the indicative value of their personal budget. The letters will be followed up explaining the PB process and offering the opportunity of using the funding differently.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

CUSTOMER

06 - Ensuring the safety of our most vulnerable children and adults

Timeliness of social care assessment (all adults) (NI132)



Current Status: On Target

Since last month: N/A

Target: 75.0%

Latest Performance: 71.7%

Responsible Officer: Trudy Corsellis

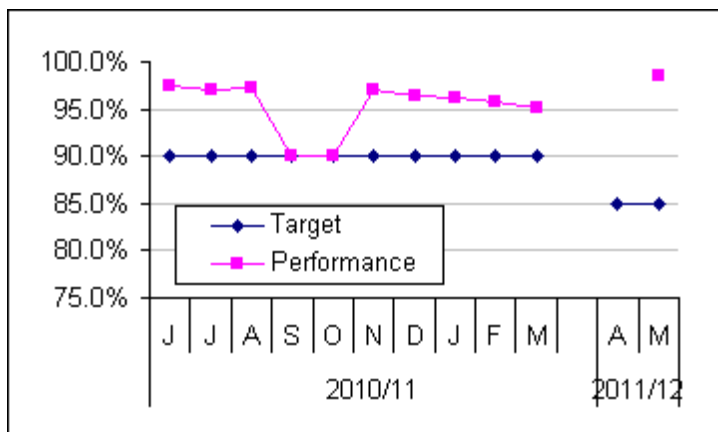
It's best to be high

Users and carers should expect practical help and other support to arrive in a timely fashion soon after their problems have been referred to social services. Acceptable waiting times for assessments: for new clients (aged 18+), the percentage from where the time from first contact to completion of assessment is less than or equal to four weeks.

Referrals, Assessment and Packages of Care Data (RAP).

NHS Information Centre for Health and Social Care based on information provided by Councils with Social Services Responsibilities.

Timeliness of social care packages following assessment (NI133)



Current Status: Well Above Target

Since last quarter: Worsened

Target: 85.0%

Latest Performance: 98.6%

Responsible Officer: Trudy Corsellis

It's high

Acceptable waiting times for delivery of care packages following assessment: For new clients (For 2008/09: Adults aged 65+, from 2009/10 Adults all ages 18+) the percentage for whom the time from completion of assessment to provision of all services in the care package is less than or equal to 4 weeks.

Referrals, Assessment and Packages of Care Data (RAP).

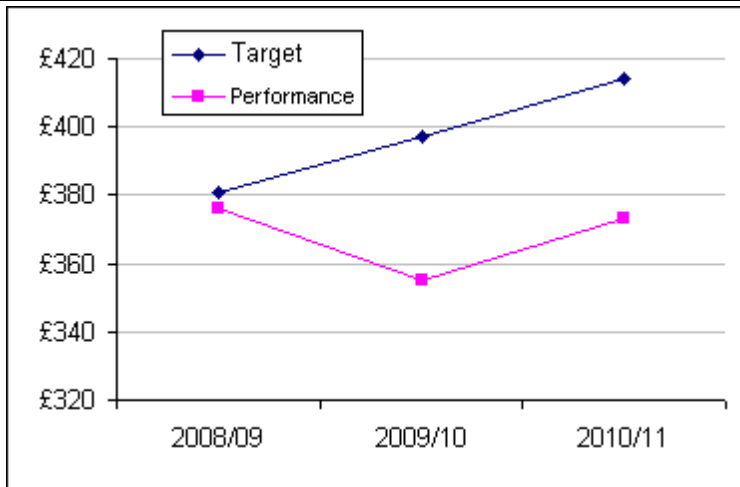
NHS Information Centre for Health and Social Care based on information supplied by Councils with Adult Social Services Responsibilities.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

CUSTOMER

07 - Regeneration and Economic Prosperity

Median earnings of employees in the area (NI166)



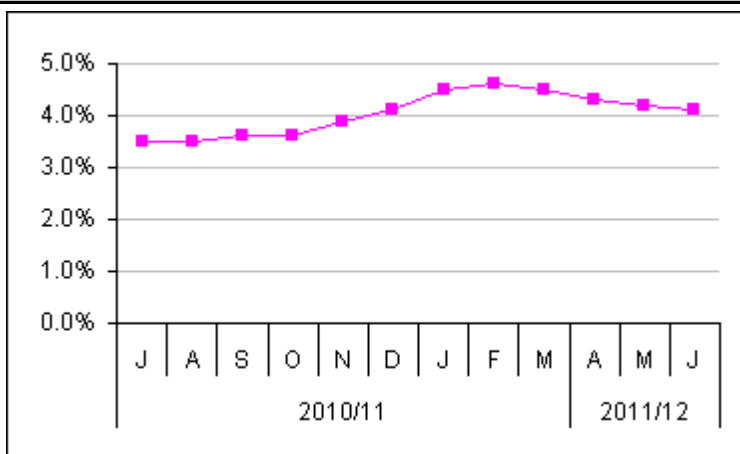
Current Status:	Below Target
Since last year:	Improved
Previous Years Target:	£414
Latest Performance:	£372.80
Responsible Officer:	Alan Denby

It's best to be high

Several measures of earnings are available. The one used here, as the most appropriate indicator of average earnings, is median gross weekly pay of full-time employees on a workplace basis. This measure is available directly in the results of the Annual Survey of Hours and Earnings.

Heavy sectoral reliance on low paid sectors including tourism, retail and personal care. These sectors are also associated with part time and seasonal employment. Tourism has declined at a faster rate than in the wider South West. There is an Economic Development Strategy in Place which includes the Hi Tech Forum established in order to encourage and support development of this sector to provide higher paid employment. Also an Inward Investment officer now in post to attract companies offering higher paid employment.

Proportion of working age residents claiming Job Seekers Allowance in Torbay (PPsc4)



Current Status:	N/A
Since last month:	Improved
Target:	N/A
Latest Performance:	4.1%
Responsible Officer:	Jo Beer

It's best to be low

The proportion of working age residents claiming Job Seekers Allowance in Torbay, as published on the NOMIS.

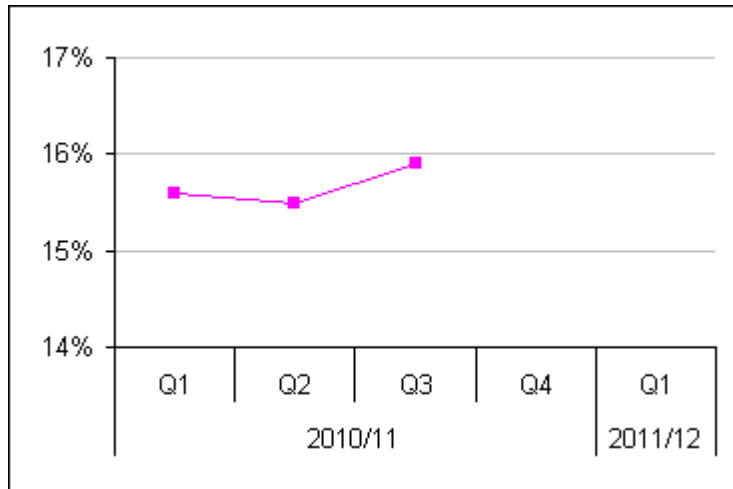
This is an increase on the same period last year of 0.6%. The proportion of working age population claiming JSA in Torbay is higher than both regional (2.4%) and national rates (3.7%). The proportion claiming appears to be decreasing as we enter the summer period.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

CUSTOMER

07 - Regeneration and Economic Prosperity

Key out of work benefits claimants (PPsc5)



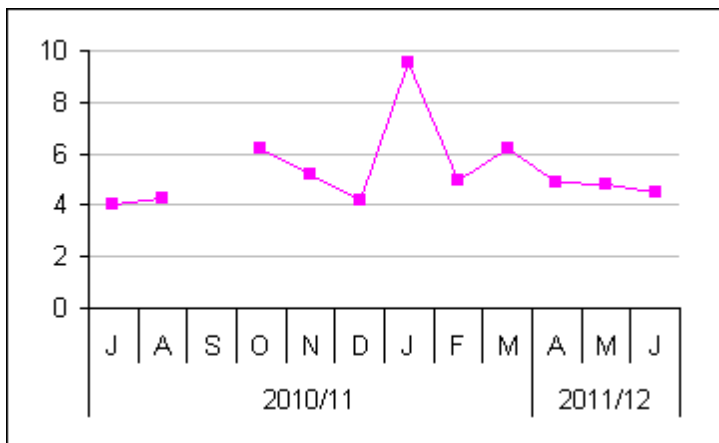
Current Status:	N/A
Since last quarter:	Worsened
Latest Target:	N/A
Latest Performance:	15.9%
Responsible Officer:	Jo Beer

It's best to be low

The proportion of people in Torbay who are claiming key out of work benefits (job seekers, ESA and incapacity benefits, lone parents and others on income related benefits) as published on the NOMIS - Official Labour Market Statistics - website.

The proportion of the working age population claiming key out work benefits is lower than the same period last year (Nov 2009 = 16.4%). Rates throughout 2010 to date have been slightly lower than 2009. The higher rates in 2009 could be an impact of the recession.

JSA Claimants per unfilled jobcentre vacancy (PPsc7)



Current Status:	N/A
Since last month:	Improvement
Previous Years Target:	N/A
Latest Performance:	4.5
Responsible Officer:	Jo Beer
South West Average	3.2

It's best to be low

The number of Job Seekers Allowance claimants per unfilled job centre vacancy. The number of JSA Claimants per unfilled jobcentre vacancy is higher than the same period last year (June 2010 = 3.2). This is higher than the South West Region average 3.2, and lower than the Great Britain Average of 5.6.

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data

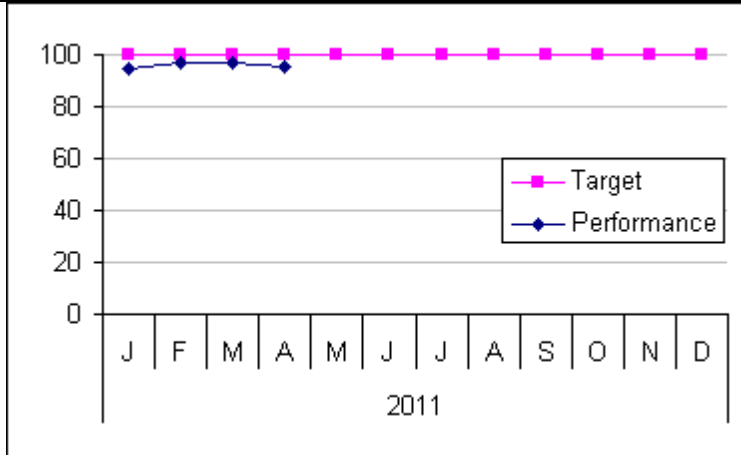
CUSTOMER	
07 - Regeneration and Economic Prosperity	
Employment and Regeneration Programme Delivery Implementation (ERP-00)	
Review Date:	10th June 2011
Responsible Officer:	Norma Paynton
Current Status:	On Target
Previous Status:	On Target
<p>Achieved:</p> <p>Building Heights Strategy completed</p> <p>Strategic Car Park Strategy Phases 1, 2 & 3 completed. Awaiting Local Asset Backed Vehicle (LABV) partner selection to continue to Phase 4. Board to agree to continue on with the final stage. LABV partner selected.</p> <p>New Mayor in place and programme undergoing a re-structure/re-phasing.</p> <p>Missed:</p> <p>N/A</p> <p>Arising:</p> <p>Change in political administration will mean changes to the overall delivery programme. Different projects will be taken forward for delivery and a restructure will be required.</p>	
INTERNAL PROCESSES	
08 - Delivering the People, Place, Partnership and Productivity Programme	
To be developed	
INTERNAL PROCESSES	
09 - Effective commissioning, contract, performance and risk management	
% of TCT indicators performing on or above target	
<p>Current Status:</p> <p>Since last month:</p> <p>Latest Target:</p> <p>Latest Performance:</p> <p>Responsible Officer:</p> <p>It's best to be high</p> <p>New Indicator to be collected once Torbay Care Trust have started to collect all performance indicators as set out in the Annual Service Agreement (ASA) on the Council's Performance and Monitoring System - SPAR.net.</p>	

■ = Well Above Target,
 ■ = Above Target,
 ■ = On Target,
 ■ = Below Target,
 ■ = Well Below Target,
 ■ = No Data

INTERNAL PROCESSES

09 - Effective commissioning, contract, performance and risk management

% of TOR2 indicators performing on or above target



Current Status:	On Target
Since last month:	Worsened
Latest Target:	100.0%
Latest Performance:	95.6%
Responsible Officer:	Steve Hurley

It's best to be high

There are **209** performance indicators that monitor the performance of the TOR2 contract, this indicator shows the percentage of indicators that have met or exceeded target. Performance data will always be at least a month behind due to the timings in the contract and time needed to challenge the data.

In partnership with TOR 2 continued improvement at these current levels within the waste contract, should see Torbay achieving its 2020 recycling targets well ahead of time. It will also mean that Torbay should meet all the Landfill Allowance Trading Scheme (LATS) targets up to 2012/13 when this scheme is to be discontinued, thus avoiding any financial penalties.

TOR2 did not complete the street washing schedule for 2010/11, the officers have agreed a recovery plan to complete the schedule by July 2011 and then complete the 2011/12 schedule by March 2012.

% of EDC indicators performing on or above target

Current Status:
Since last month:
Latest Target:
Latest Performance:
Responsible Officer:

It's best to be high

New Indicator to be collected once the Service Level Agreement (SLA) has been set up

■ = Well Above Target,
 ■ = Above Target,
 ■ = On Target,
 ■ = Below Target,
 ■ = Well Below Target,
 ■ = No Data

INTERNAL PROCESSES

10 - Develop radical solutions for service delivery over the next four years

To be agreed

LEARNING AND INNOVATION

11 - Highly skilled and valued employees and councillors

Develop and Deliver an annual Members Development Programme (DS-PA-1999)

Review Date:	6th July 2011	Current Status:	On Target
Responsible Officer:	June Gurry	Previous Status:	On Target

Achieved:

The Induction Programme is near to completion. Repeat sessions for Core training are being arranged. One to one personal development sessions are being organised for September.

Missed:
N/A

Arising:
N/A

Undertake Staff Satisfaction Survey (PPrc08)

Review Date:	1st July 2011	Current Status:	On Hold
Responsible Officer:	Jo Beer	Previous Status:	On Hold

Achieved:

The last staff survey was carried out in 2009 and the results were reported to COG.

Missed:
N/A.

Arising:
The project is due to be started pending a decision from SLT

LEARNING AND INNOVATION

12 - Strengthen community leadership and partnership working

Closing the Gap / Hele Project (PP001)

Review Date:		Current Status:	
Responsible Officer:	Tracey Cabache	Previous Status:	N/A
Achieved:	Awaiting Details from Responsible Officer		
Missed:	Awaiting Details from Responsible Officer		
Arising:	Awaiting Details from Responsible Officer		

13 - Targeted and integrated service delivery

To be Developed

■ = Well Above Target, ■ = Above Target, ■ = On Target, ■ = Below Target, ■ = Well Below Target, ■ = No Data



Title: **Revenue Budget Monitoring 2011/12**

Public Agenda **Yes**
Item:

Wards Affected: **All Wards in Torbay**

To: **Overview and Scrutiny Board** On: **28 July 2011**

Contact Officer: **Paul Looby**
Telephone: **01803 207283**
E.mail: **paul.looby@torbay.gov.uk**

1. Key points and Summary

1.1 The Council is projecting an overspend of £3m at the end of the financial year based upon the latest information available to finance officers. This is a large projected overspend at such an early part of the financial year but not unusual. There is time to take corrective action to address the position. Where significant overspends have been identified services will be required to monitor progress against their recovery plans to ensure expenditure is contained within the approved budget. In addition, Commissioners and Executive Heads will be working with Executive Leads to consider all options for addressing the projected overspend including the continuation of the vacancy freeze and possible extension to posts currently protected and putting an embargo on expenditure not yet been committed and bringing forward proposed budget savings currently being proposed for the next financial year.

1.2 The key variations identified to date area:

- Children's Services are projected to overspend by £1.5m. The overspend is primarily within the Safeguarding and Wellbeing service due to increasing numbers and the costs for looking after Children and the costs for the continued use of agency social workers within the Children In Need service. (see paragraph A2.3 to A2.7).
- Adult Social Care is projected to overspend by £1.5m. This is due to pressures within Learning disability and Older People (see paragraph A2.10 – A2.12).

- 1.3 As part of the financial outturn for 2010/11 the Council approved the transfer of £0.576m to the Budget Pressures Reserve. This reserve can be used to support budget pressures that emerge during 2011/12 and support the council manage the challenging financial position it is faced with over the next few years. The budget pressures reserve remains uncommitted. A summary of the council's uncommitted reserves are set out in this report in section A.4.
- 1.4 Commissioners and Business Unit Managers will be working hard to ensure they fulfil their responsibility to deliver services within their approved budgets. This includes developing robust plans to ensure in year savings are made to deliver a balanced budget and reporting at regular intervals to the Commissioners, Executive Leads and the Overview and Scrutiny Board.
- 1.5 Members will note that, as a comparator, the position at this time last year was a projected underspend of £0.095m.
- 1.6 At this stage of the financial year the council has an opportunity to ensure robust recovery plans are implemented to ensure expenditure is contained within budgets. In addition, the Commissioners, Executive Heads and Executive Leads will be exploring all opportunities to identify where other efficiencies can be made to ensure a balanced budget is achieved. In the current financial climate Officers and Members must ensure that any new initiatives that emerge throughout the year are fully costed and resources have been identified before any commitment to incur expenditure has been made. It is essential that where possible expenditure is contained within the approved budget, and preferable below the approved budget, due to the difficult financial challenges faced by the council in 2012/13 and beyond.

2. Introduction

- 2.1 The Council, at its meeting on the 24 February 2011, approved spending levels for all Business Units for Torbay. The approved budget for 2011/12 is £125.8m. The purpose of this report is to provide Members with a summary of the projections of income and expenditure for all Business Units within the Council.
- 2.2. The revenue monitoring statement shows the expenditure and projected outturn position based upon the latest information available to finance officers in consultation with service departments. Where possible, the implications or consequences arising from the variations are reflected in the key performance indicators for that service.
- 2.3 Ongoing performance and financial monitoring will be provided to Members through the SPAR system and quarterly updates of performance management will be reported to Overview and Scrutiny Board.

Paul Looby
Executive Head of Finance and Chief Finance Officer

Appendices

Appendix 1 Summary of Main Variations

Appendix 2 Children's Services Recovery Plan

Appendix 3 Pooled Budget with Torbay Care Trust

Appendix 4 Torbay Care Trust Recovery Plan

Appendix 5 Write-Off's over £5,000 (Exempt Appendix)

Documents available in Members' rooms

None

Background Papers:

The following documents/files were used to compile this report:

Torbay Council's Financial Information and Management System (FIMS)

Budget Digest 2011/12.

Appendix 1 to Report /2011

Summary of Main Variations

A. Performance

A1.1 The table below provides a summary of the projected outturn position for Council services based upon the four Commissioning areas.

Business Unit/Service	A 2011/12 Budget	B Spend to Date	C Variance to Date	D Projected Out-turn	E Variation at Out-turn
	£'000	£'000	£'000	£'000	£'000
Adults & Operations					
- Adult Social Care	41,952	6,615	575	43,452	1,500
- Business Services	2,621	1,009	0	2,621	0
- Chief Information Officer	4,096	1,363	0	4,096	0
- Commercial Services	2,255	823	0	2,255	0
- Finance	11,199	(747)	0	11,199	0
- Supporting People	6,380	1,652	0	6,380	0
	68,503	10,715	575	70,003	1,500
Children Services	21,865	(3,659)	270	23,408	1,543
Communities & Local Democracy					
- Community Safety	3,096	132	0	3,096	0
- Community Engagement	1,473	461	0	1,473	0
	4,569	593	0	4,569	0
Place & Environment					
- Residents & Visitors	9,887	2,873	0	9,887	0
- Spatial Planning	5,574	538	0	5,574	0
- Torbay Development Agency	4,871	1,584	0	4,871	0
- Torbay Harbour Authority	0	(469)	0	0	0
- Waste & Cleaning	10,518	6,872	0	10,518	0
	30,850	11,398	0	30,850	0
Sub Total	125,787	19,047	975	128,830	3,043

A2. Main Variations

A2.1 The following paragraphs identify, within each Commissioning area, identified variations against the approved budgets or concerns about emerging issues and risks in that area. Service managers consider the sensitivity of budget variations and the projected outturn position which is based on the most likely position at the time of writing this report.

Environment

A2.2 Services within the Environment portfolio are projecting to spend within their approved budget. However there are a number of emerging issues which are putting pressure on the budget which will need to be monitored closely over the next quarter.

(a) Resident's and Visitors

The amount of car park income will be heavily influenced by seasonal variations such as the summer holiday season which will be reflected in the quarter 2 monitoring position. Due to its volatility, car parking income is monitored on a weekly basis. At the moment, projections indicate that the service should achieve the overall level of budgeted income for on and off-street car parking of £5.230m.

(b) Waste and Cleaning

Early indications are that the costs for Waste disposal are expected to remain with the overall budget allocation.

(c) Spatial Planning

The costs for Concessionary Fares remained within the approved budget last year, however, this is one of the Council's volatile budgets and is subject to significant variations as it is influenced by the number of visitors to the Bay. Increased demand and associated costs within this budget (which stands at £4.208m) are outside of the control of Torbay and will be monitored closely throughout the year.

With the demise of Planning Delivery Grant, the planning department has seen a significant reduction in its budgeted grant income of £145,000 this year. In addition, planning and building control income is heavily influenced by the state of the local economy and there is potential for this to also fall below budgeted levels. Current predictions suggest this could amount to a further £90,000 shortfall in income, giving an overall budget pressure of £235,000. The Environment Commissioner and the Executive Head for Spatial Planning are looking closely at this issue and are working to ensure offsetting savings are found across the Environment portfolio to bring the overall budget back into balance.

Children's Services

A2.3 Children's Services are projecting an overspend of £1.5m. The net overspend represents 5.6% of the total net revenue budget for Children's Services.

A2.4 Children's Services can be split into three main areas:

- Children's, Schools and Communities.
- Commissioning and Performance.
- Safeguarding and Wellbeing.

A2.5 The overspend is primarily within Safeguarding and Wellbeing, due to increasing numbers and costs for Children In Care and the costs for the continued use of agency social workers within the Children in Need service.

A2.6 A breakdown of the projected position is summarised below:

- (i) Children's, Schools and Communities are projecting an overspend of £0.443m which is primarily due to the difficulty in achieving its vacancy management factor which has been built into the 2011/12 budget and additional costs within Governor services.
- (ii) Commissioning and Performance is projecting a balanced budget position at year end.
- (iii) Safeguarding and Wellbeing is the most volatile budget within Children's and covers placements for vulnerable children and is projected to overspend by £1.1m. This is based upon current commitments and placement numbers and the projected duration of placements and related costs. The latest figures for the number of looked after children as at the end of May was 223 which have increased from 213 as at 31 March 2011. The number of Children looked after has to be set in the context of the difficulties the Service has had in recruiting qualified staff and the need to cover this through the employment of agency social workers.

A2.7 Children's Services recovery plan to address the current position is shown in appendix 2.

Communities and Local Democracy

A2.8 Services within Communities and Local Democracy are projecting to spend within their budget allocation.

Adults and Operations

A2.9 Services within Adults and Operational Support are projected to over spend by £1.5m. The projected overspend is within Adult Social Care and the main variations are summarised below.

Adult Social Care

A2.10 Adult Social Care is a Commissioned service and is provided in partnership with Torbay Care Trust. The partnership is managed through a pooled budget - a summary of the latest pooled budget is attached in appendix 3. The Pool budget comprises 3 elements, Community Based Teams, Commissioned Social Care and Management and Support Services.

A2.11 Within the Social Care Commissioned areas there are two material areas reporting budget pressures which are summarised below:

(a) Learning Disability

The budget pressures within this client group are personal budgets and domiciliary care (supported living). With the personalisation agenda it should be anticipated that costs will increase in these areas but unfortunately to date there has not been corresponding decreases in residential care which would have allowed for budget to be transferred. Underpinning the cost pressures within this client group are a number of factors such as transitional cases from children services, ordinary residency issues, older family carers and costs relating to clients at risk of offending.

(b) Older People and Physical Disability

The budget pressures within this client group is domiciliary care. Whilst the Trust over the last five years has been successful in reducing traditional residential and nursing placements it has seen a movement of clients and cost to domiciliary care. Underpinning this cost pressure and older people in general is the demographic pressures of an ageing local population.

A2.12 The Torbay Care Trust's recovery plan to address the overspend is shown in appendix 4.

Strategy For in Year Budget Management

A2.13 The key pressures identified to date are for services provided to the most vulnerable residents within the Bay and these are some of the council's most volatile budgets. Executive Leads and their respective managers will be working hard to ensure the measures set out in the recovery plans will address the budget pressures identified to date. These plans will be monitored closely by Executive Leads and managers and an update on progress against these plans will be provided to members of the Board in the autumn.

A2.14 In addition, by the end of August, Executive Heads and Commissioners will have taken a council wide view as to what other efficiency savings, or reductions in uncommitted expenditure can be made up until the end of the financial year. This will include:

- what areas of budgeted expenditure could be ceased and an assessment of the services consequences.
- a review on all non front line expenditure to identify whether any expenditure in these areas could be reduced and the implications of any reductions will be assessed.
- further controls upon vacancy management.
- consideration of cross council reductions including an assessment of a reduction in council office opening times, a managed reduction in the number of printers within the council, a review of meetings and associated costs such as travel costs, a restriction on attendance at external conferences.
- Identification of any invest to save schemes that will have an immediate or cost savings in 2012/13.

A2.15 Commissioners and Executive Heads will continue to scrutinise all areas of expenditure and assess the sensitivity of outturn projections by working closely with service managers to ensure expenditure is maintained within existing budgets.

A2.16 As mentioned above one immediate response could be to place a freeze on all external recruitment subject to individual cases presented to and scrutinised by the Establishment Control Board. These vacancies will only be filled where this is a strong business case and is approved by the relevant Commissioner in consultation with the Executive Lead.

A2.17 The council is already faced with an extremely challenging financial outlook in the context of reducing government grant and increasing service demands over the next few years. It is therefore essential that services maintain expenditure within their approved budget otherwise the financial challenge will become harder in 2012/13 and beyond. The actions outlined above and the implementation of the action plans will enable the Council to address the in-year pressures.

A4. Reserves

A4.1 As reported to Council on 14 July 2011 a summary of the Council's reserves are shown in the table below. These are the only uncommitted reserves held by the Council. In addition, the Council has its general fund balance which is £4.0m. In response to concerns raised by our external auditors as to the level of the general fund balance, the Council set an internal target to reach 3% of its net revenue budget. As result of the contribution to the general fund balance as approved by Council on 14 July, the current level is 3.2% which I consider to be a prudent level.

A4.2 The annual review of all reserves will be undertaken as part of the budget preparation process and will be reported to Members in the autumn. This process will allow the existing earmarked reserves to be challenged to ensure they are still

required and to what level. This may allow any surplus monies to be recycled as part of the budget setting process for the following year or to address any in year pressures.

- A4.3 Members will be aware that all reserves are earmarked for specific purposes with the exception of the General Fund Reserve which remains the only fund the Council holds to meet emergency costs. The government has focused its attention on the level of Council reserves held within the council. It should be noted that any release of monies from reserves should only be used for one off purposes and cannot be used to sustain ongoing expenditure.

Reserve	Balance at 1 April 2011 £'m
Comprehensive Spending Review Reserve	3.100
Budget Pressures Reserve	0.943
Credit Crunch Reserve	0.109
LABGI Reserve	0.045
Seaside Towns Reserve	0.042
Financial Strategy and Change Management Reserve	0.399
Total	4.638

A.5 Dedicated Schools Grant (DSG)

- A.5.1 The Dedicated Schools Grant in 2010/11 is estimated to be £84m – the final allocation will be confirmed at the end of July. The DSG is currently reporting a small projected underspend of £0.064m subject to confirmation of the final grant allocation.

A6. Debtors Monitoring

- A6.1 This section of the report provides Members with an update for the first quarter of 2011/12 in respect of council tax and business rate collection. It also sets the background and benchmarks against which future performance will be monitored and assessed during the current financial year.
- A6.2 In common with previous reports to Members, the Councils debtors are broken down into a number of groups and these will be dealt with individually, relating at the same time to key indicators.

Council Tax

- A6.3 In 2011/12 the targets for council tax are:
- (i) collect 96.5% of the Council Tax due within the 12 months of the financial year (i.e. April to March); and
 - (ii) collect 50% of the arrears brought forward from previous years.

A6.4 The Council is due to collect £59.2m after the granting of statutory exemptions and reductions and Council Tax Benefit in the period April 2011 to March 2012. To date the Council has collected £16.1m which is about 27.3% of the Council Tax due in year. The collection level is in line with last year's performance.

A6.5 The total arrears outstanding at 31 March 2011 was £3.7m and this has been reduced by £0.636m which is about 17.1% of the total arrears due.

A6.5 There is one write over £5,000 to report listed in Appendix A.

Non-Domestic Rates

A6.7 The targets collection rates for 2011/12 are:

(i) collect 98.0% of the business rates due within the 12 months of the financial year (i.e. April to March); and

(iii) collect 50% of the arrears brought forward from previous years.

A6.8 The Council is due to collect £36.9m after the granting of mandatory relief in the period April 2011 to March 2012. To date the Council has collected £11.1m which is about 30.9% of the business rates due in year. The collection level is down compared to this point last year.

A6.9 The total arrears outstanding were £1.49m and this has been reduced by £0.314m which is about 21.0% of the total arrears due.

The write-offs in respect of debts over £5,000 are listed in Appendix 5

CHILDREN, SCHOOLS AND FAMILIES RECOVERY PLAN 2011 ONWARDS

The projected £1.5 million overspend is in large part a continuation of the pressure in children's social care for the last few years. At the end of 2010/11 social care for children overspent by £1m. However, this was to offset by underspends elsewhere within Children's services and the use of grants.

Proposed Long term Changes

1. Identification of the on going pressures

The number of children that are being brought into the care system is now at unsustainable levels. The Munro report is now suggesting that working with children in their family setting is more beneficial. Plans are currently being developed to create an Intensive Family Support service. This approach will have both financial benefits and better outcomes for the child and family and will act as a bridge between Early Intervention Services and Specialist Social Care Services.

2. Changes needed for pressure to be met

A shifting of social care practice and emphasis is required. The bigger the resource the quicker the impact is felt.

3. Timescale of impact

This approach will need investment initially in training and mentoring but over a period of 2/3 years should result in fewer children in care.

Short to Medium term Plans

4. Vacancy Management

Of the £1.5m overspend, £0.6m relates to the vacancy target; savings achieved by delaying appointments or keeping vacant posts empty. The action here is to achieve staffing savings on non social work posts of at least £0.2m. It is unlikely that any staffing savings can be achieved in Safeguarding and Wellbeing due to the increased costs of employing agency social workers. However, when the backlog of cases to be reviewed is back down at acceptable levels plus the appointment of permanent staff this should, over the next 12 months, result in lower staffing costs and therefore reduction in the overspend.

5. Proposed Reshaping of the Safeguarding and Wellbeing Service

The Executive Head for Safeguarding and Wellbeing proposed a reshaping of the Safeguarding and Wellbeing service that will see changes to the teams contained within that service. This proposed reshaping will be supported by an evidence based paper which

will lay out the pressures on the “intake” team in dealing with the increasing backlog of cases. The work of the Family Intervention Team (FIT) will also be explored.

6. Projected Savings elsewhere in Children’s Services

The initial analysis of other services unrelated to Children Looked After has indicated that a further £0.4m of savings could be made this financial year, an element of this could come from administrative and management savings, however any major contribution will inevitably have an impact on front line services. As from 25th July a spending moratorium has been implemented similar to that which was in force for the last 3 months of the last financial year, any spend over £500 will need to be authorised at Executive Head level and there will be a moratorium on attendance at conferences. All vacancies will be held vacant unless it is considered that none replacement would be detrimental to the management of the caseload backlog in the Children in Need intake team.

7. Bringing Forward 2012/13 Saving Proposals

Where it is possible to do so, a number of proposals put forward in the 2012/13 budget setting exercise will be implemented as soon as possible in this financial year, this is likely to generate savings from February 2012.

5. Revision of the Safeguarding Improvement Plan (SIP)

The Executive Heads for Safeguarding and Wellbeing and Children, Schools and Communities are in the process of revising the SIP; this will include a financial plan incorporating the above actions and should be available for the next monitoring report. The impact of the changes is unlikely to be fully embedded in this financial year but should begin to have an impact in the next financial year, whilst retaining the council within its statutory safeguarding responsibilities.

Appendix 3

Torbay Care Trust Pooled Budget

	Year to Date			Year End		
	Budget	Actual	Variance (Under)/ Over	Budget	Actual	Variance (Under)/ Over
	£000	£000	£000	£000	£000	£000
Funding from Torbay Council	9,772	10,347	575	39,089	39,089	-
Torbay Care Trust Contract Income	6,367	6,367	-	25,467	25,467	-
NHS Devon Contract Income	8,474	8,474	-	33,897	33,897	-
Total Contract Income	24,613	25,188	575	98,453	98,453	-
Torquay North Zone	1,019	1,021	2	4,077	4,077	-
Torquay South Zone	911	911	-	3,643	3,643	-
Paignton North Zone	899	913	14	3,595	3,595	-
Paignton South Zone	577	574	(3)	2,308	2,308	-
Brixham Zone	765	799	34	3,061	3,061	-
Baywide Enabling Services Team (BEST)	1,138	1,170	32	4,550	4,550	-
Professional Practice (Clinical Services)	910	898	(12)	3,639	3,639	-
South - Darnmouth and Totnes	1,106	1,101	(5)	4,424	4,424	-
South - Ivybridge and Kingsbridge	1,020	1,006	(14)	4,079	4,079	-
South - Tavistock	858	876	18	3,430	3,430	-
South - Coastal	1,078	1,095	17	4,311	4,311	-
South - Newton Abbot	1,968	1,958	(10)	7,870	7,870	-
South - Moorland	583	573	(10)	2,330	2,330	-
South - Other Clinical Services	729	718	(11)	2,914	2,914	-
Community Based Teams/Clinical Services	13,558	13,610	52	54,231	54,231	-
Older People	4,018	4,262	244	16,072	16,072	-
Learning Disabled	1,735	2,029	294	6,939	6,939	-
Mental Health	675	718	43	2,701	2,701	-
Preserved Rights	539	533	(6)	2,157	2,157	-
Commissioned Social Care (Net of charges)	6,967	7,542	575	27,869	27,869	-
Operations Management	1,382	1,330	(52)	5,526	5,526	-
Board, Executive and Support Services	2,707	2,707	-	10,827	10,827	-
Management/Support Services	4,088	4,036	(52)	16,353	16,353	-
Total Provider Services	24,613	25,188	575	98,453	98,453	-
(Surplus)/Deficit	-	-	-	-	-	-

Appendix 4

Torbay Care Trust Recovery Plan

The Care Trusts assessment of the forecast projected overspend is between £1m and £1.5m (after considering the current expenditure profile and the risks to delivery of the savings plan).

Action Plan

Given the in year position and the outlook for next year's settlement the Care Trust presented an assessment of indicative service reductions to the Policy Development Group on 19th July.

The potential service reductions and consequences are detailed below. These proposals need to be balanced against Statutory duties, Market stabilisation, the quality of care and the impact on partner organisations.

Financial figures stated below can only be indicative given the nature and scale of the proposals and as such the timing of any implementation.

Potential	Comments/Risks	Min £000	Max £000	FYE £000
Review cost, choice and risk policy to ensure adherence to threshold guidelines for the cost of supporting people to remain in their own homes.	Risk to quality of service, client safety and increased need to use residential care	50	100	165
Reduce social care contribution to LD clients at risk of offending where contribution not related to social care, but due to their high risk behaviour	Impact on partner agencies requiring multi-agency agreement.	40	80	200
Reduction in care packages through, increased reliance on family/other support mechanisms, stricter application of the RAS to reduce variation and increase frequency of reviews.	Risk to quality of service, client safety and increased need to use residential care	150	250	500
Reduce access to short stay/respite care by increasing threshold for access or limiting frequency.	Likely to be resisted by existing clients/families/carers	30	50	75
Reduce access to day care by increasing threshold or limiting frequency	Likely to be resisted by existing clients/families/carers.	60	100	100
		330	580	1040

The Policy Development Group have asked that these schemes be set out more fully for the next meeting in August to include case study type examples to illustrate the impact on individual clients.



Report No: **xxx/2011** Public Agenda Item: **Yes**

Title: **Capital Budget Monitoring 2011/12 (1st Quarter)**

Wards Affected: **All Wards in Torbay**

To: **Overview & Scrutiny Board Council** On: 28th July 2011
29th September 2011

Contact Officer: **Martin Phillips**
Telephone: **(01803) 207285**
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1. What we are trying to achieve

- 1.1 This report is an overview of the Council's approved Capital Programme for the quarter ending June 2011 incorporating capital project approvals from Council meeting on 13th July 2011. The report provides details of expenditure and funding of service and community assets within the Council's approved Capital Plan and is a key element of meeting the Council's aims and objectives.

2. Recommendation(s) for decision

Overview and Scrutiny Board

- 2.1 That Members note the latest position on the Capital Programme and make recommendations to Council as appropriate.

Council

- 2.2 That Members allocate two unring fenced capital grants of £778,000 to Disabled Facilities Grants and £77,000 to Short Breaks for Disabled Children in line with central government intentions.

3. Key points and reasons for recommendations

- 3.1 This report incorporates the 4-year Capital Plan Budget for 2011/12 – 2014/15 approved by Council in February 2011, adjusted for slippage arising in 2010/11 and amended by any further revision to both projects and timing.
- 3.2 This report includes £18 million of additional capital allocations approved by Council on 13th July 2011 – schemes approved for Solar Panels, increase in Council's contribution to the South Devon Link Road (SDLR) and initial feasibility works for Princess Promenade structural works. All three schemes to be funded from prudential borrowing unless alternative funding can be identified.

- 3.3 The Council has been notified of two grants in 2011/12 of £778,000 million for Disabled Facilities Grants and £76,000 for Short Breaks for Disabled Children. Both these grants are now unring fenced so allocation of these grants is a Council decision. It is recommended that these grants are allocated to services in line with the central government indicated intentions for the use of the grants.
- 3.4 The overall funding position of the 4-year Capital Plan Budget of £97.5 million, covering the period 2011/12 – 2014/15, is in balance but still relies upon the generation of £3.2 million of capital receipts before the end of the current Plan period. Of this sum £0.4 million was received before 2011/12. The balance of £2.8 million is due from –
- £0.4 million from the sale of other surplus (not specific) assets
 - £2.4 million from sale of sites currently earmarked for service use – such as Paignton Library and Brixham Town Centre car park.
- 3.5 Of the total £97.5 million of the 4 year programme, £35.0 million is currently scheduled to be spent in 2011/12.
- 3.6 It should be noted that slippage or re profiling can be the result of valid project management reasons such as scheme re engineering, further consultation and clarification with users or detailed tendering.
- 3.7 Project Managers have revised the allocation of “general” funding to a number of specific schemes particularly in relation to schools. In addition a number of new projects have been approved since the programme was originally approved and these have been included.
- 3.8 The movements in the estimate of expenditure on the capital plan in 2011/12 between the estimate as at quarter one 2011/12 and the approved budget for 2011/12 are as follows:

Scheme	Variation in 2011/12	Change £m	Reason
Estimate as at Budget Setting – February 2011		42.0	Capital Plan 2011/12 (Report 10/2011)
Schemes brought forward from 2010/11 to 2011/12		4.0	See 2010/11 Capital Outturn Report (Council 13 th July 2011)
Haldon Pier	Increase in budget	1.3	New Environment Agency grant
Solar Panels	New scheme	1.8	Funded from Unsupported Borrow
Childrens' projects	Slippage to future years	(3.9)	See table in para A2.3 of this report.
CCRP	Slippage to future years	(9.0)	Scheme being reviewed
Affordable Housing	Increase in budget	0.2	Additional Right to Buy

			capital receipts
Short Breaks Disabled Children	Increase in budget	0.1	Grant allocation
Disabled Facilities Grants	Increase in budget	0.8	Grant allocation
Princess Pier	Slippage to future years	(1.4)	Scheme start date to be confirmed
South Devon Link Road	Slippage to future years	(0.9)	Profile based on Council report 13 th July 2011
Estimate – Quarter One 2011/12		35.0	

For more detailed information on this proposal please refer to the supporting information attached.

**Paul Looby
Executive Head - Finance (S151 Officer)**

Appendices

Appendix 1 Supporting Information to Capital Budget Monitoring
Annex 1 Capital Plan Budget 2011/12 - 2014/15 (July 2011)

Capital Plan Budget Monitoring Statement – 1st Quarter 2011/12

Supporting information to Report xxx/2011

A1. Introduction and history

- A1.1 The Council approved the original 4-year Capital Plan Budget for the period 2011/12 – 2014/15 in February 2011. This plan has been subsequently adjusted for slippage arising in 2010/11 of £4.0 million, (Capital Outturn Report Council 13th July – agenda item 11 refers), and amended by any further revision to both projects and timing resulting in the latest revision attached to Annex 1. The Plan totals £97.5 million over the 4 year period of which £35.0 million relates to 2011/12.
- A1.2 The purpose of this report, and the Monitoring statement attached, is to highlight any existing or potential issues which may affect the delivery of the major projects included in the Plan, on time and within budget and to consider any potential effect on corporate resources.
- A1.3 Details by “Theme” are provided based upon the latest information available to finance officers, in consultation with services and project managers are shown in Appendix One.
- A1.4 Expenditure to the end of this first quarter was £3.1 million, which is less than 8% of the latest budget for 2011/12. This compares with £10 million (or 23% of outturn) for the 1st quarter last year.

A2. Main Variations & Management Action

Overviews by Theme of the key issues are as follows:

A2.1 **Pride in the Bay –**

Changes/Significant Revision of timing/budget

Torre Abbey Mansion Phase 2

Grant monies from Heritage Lottery for design works were initially thought to be part of overall funding however it has been confirmed that this is, in fact, additional funding so the budget for the main works can increase by £0.130m to match additional resources.

South Devon Link Road

This scheme, along with other proposed national road schemes, is now under review by Central Government as part of the overall review of capital funding allocations. Following a report to Council on 13 July 2011 on this scheme, further approval for £11.5 m unsupported borrowing was approved. This additional funding has been added to the project budget in future years. The final announcement on the scheme is expected to be December 2011.

Princess Promenade Structural Repairs

Possible options for the repair to this important area were reported to Council on 13 July 2011. As a result resources of £4.0m of unsupported borrowing have been added to the Capital Plan to provide funding to address the structural problems. The £4.0 million is an indicative figure at this stage, further work will be undertaken by officers to investigate options and seek estimates for the work.

A2.2 New Economy –

Changes/Significant Revision of timing/budget

Haldon Pier Structure

Following completion of Phase 1 of the necessary repairs to Haldon Pier, the Environment Agency has confirmed a grant allocation of £1.3m to fund works for Phase 2 of the project. This has been added to the Capital Plan.

A2.3 Learning and Skills–

New Schemes

Following the announcement of (mostly unring fenced) Government grant support for 2011/12 capital projects for schools, which the Council allocated to Children's Services in the Capital Plan approved in February 2011, proposals have now been developed to allocate the funds to particular school developments as follows:

Capital Repairs & Maintenance Allocation 2011/12 = £1.8m:

Schools Access/Disability Discrimination Act 2011/12	0.150m
School Security 2011/12	0.075m
Adaptations to Homes 2011/12	0.050m
Additional resources for My Place Parkfield	0.400m
Mayfield Expansion	0.250m
EOTAS Halswell House	0.060m
Capital Repairs & Maintenance 2011/12	0.800m

Basic Need 2011/12 = £ 1.35m:

Primary Places 2011/12	0.200m
Additional resources for Preston Primary	1.000m
Mayfield Expansion	0.150m

Short Breaks for Disabled Children Capital Grant 2011/12 –

Department of Education have recently announced a capital allocation of £0.076m. This grant is now unring fenced so allocation of this grant is a Council decision.

Officers are requesting that Members allocate it for its intended purpose i.e. Short Breaks for Disabled Children.

Changes/Significant Revision of timing/budget

Re Profiling of Expenditure:

Project	Slippage proposed £m	Reason
Curledge Street Primary School Remodelling	0.700	Further delays in agreeing a design solution have resulted in slippage. The enabling contract has recently been let so work is now underway. Revised completion date is likely to be Sept 2012.
Barton Primary Project	1.800	Insufficient funds for the preferred scheme so whole scheme reconsidered/redesigned to focus on refurbishment as opposed to new build. This has resulted in significant delays. Revised completion date is likely to be Dec 2012.
Preston Primary School ASD Unit	0.800	Some delay as a result of process of securing additional funds required to deliver preferred scheme. Revised completion date is likely to be Sept 2012
PCSC Replace mobiles 14-19 project	0.580	To minimise disruption project has had to be phased to fit in with school holidays.
Total	3.880	

Completed Projects

Torquay Community College BSF Rebuild -

Achieved practical completion on 11th February 2011. The project was delivered on time and within budget.

Queensway Primary Capital Programme (PCP) Project

Achieved practical completion on 9th March 2011. The project was delivered on time and within budget.

Roselands Primary School Remodelling

Achieved practical completion on 8th April 2011. The project was delivered on time and within budget.

Other Issues

My Place - Parkfield

This project has experienced significant difficulties with the discovery of protected wildlife that necessitates a re-design. The additional cost consumes the original

client contingency and requires an additional £0.4 million which includes a re-established contingency to cover the remainder of the project.

A2.4 Stronger Communities –

New Schemes

Disabled Facilities Grants

The Council has been notified of a capital grant of £778,000 million for Disabled Facilities Grants. This grant is now an unring fenced so allocation of this grant is a Council decision. It is recommended that this grant is allocated to services in line with the central government indicated intentions for the use of the grant.

Changes/Significant Revision of timing/budget

Grants to Housing Providers

The Council has received some Right to Buy Clawback receipts from Sanctuary Housing Association arising from sales of former Council houses in 2010/11. In accordance with the Council Capital Strategy these resources have been allocated to Affordable Housing capital projects so that £0.220m has been added to the Capital Plan to be allocated to appropriate housing schemes.

There have been some minor adjustments of the level of Council support required to some housing schemes being progressed by Registered Social Landlords. These changes are similarly adjusted with the remaining unallocated budget so there is no overall impact on the programme from these adjustments.

A2.5 Corporate Health –

New Schemes

Solar Panels on Council Properties

Council approved in July a capital budget of £1.8m to enable the provision of solar panels on various Council properties. This is an invest to save scheme (self financing) and will be funded initially by unsupported borrowing to be repaid from future income streams. Actual spend could be lower than the approved figure subject to a more detailed business case and the agreement with certain locations to have these panels installed under the Council project.

Changes/Significant Revision of timing/budget

Office Accommodation Strategy

This project is currently paused for a review of future options. The works to Torhill House phase one have now been completed and the Economic Development Company has relocated to the third floor. Additional works will be undertaken at Torhill House to enable staff from other office accommodation to relocate during 2011/12. When the options for the scheme are resolved the

capital plan and the funding will be adjusted accordingly with an impact on the Council's Treasury Management strategy.

Performance Reward Grant

The remaining unused resources from this funding stream have been transferred to revenue to facilitate some schemes which were short of revenue resources. The Torbay Strategic Partnership (TSP), who oversee this grant, decided to allocate the remaining funds on a project by project basis.

A3. Income Monitoring

A3.1 The funding identified for the latest Capital Plan budget is shown in Annex 1. This is based on the latest prediction of capital resources available to fund the budgeted expenditure over the next 4 years.

A summary of the funding of the Capital plan is shown in the Table below:

	2011/12	2012/13	2013/14	2014/15	Total
Funding	£m	£m	£m	£m	£m
Supported Borrowing	2	1	0	0	3
Unsupported Borrowing	4	30	4	14	52
Grants	25	8	5	0	38
Contributions	0	0	0	0	0
Reserves	1	0	0	0	1
Revenue	0	1	0	0	1
Capital Receipts	3	0	0	0	3
Total	35	40	9	14	98

A3.2 Capital Receipts

There have been minimal Capital Receipts in the year to date (£31,000) although there are a few disposals "in the pipeline". The balance of receipts at the start of the year of £0.4m leaves an outstanding overall target of £2.8 million over the four years of the capital plan. Although the expected capital receipt from Tesco has not yet been received the Council and Tesco have now exchanged contracts for proposed the Brixham store.

It is still anticipated that successful marketing of the earmarked sites and the remaining assets on the approved disposal list will eventually generate sufficient receipts to meet the overall sales target. The Council has its Asset Rationalisation Board to encourage services to identify surplus assets for disposal and to generate resources to fund investment in the remaining assets.

The Community Asset Transfer Strategy means that some assets which previously would have been sold are now transferred to Community groups, thereby reducing the amount of achievable capital receipts

In May 2011 a number of properties, including industrial units and innovation centres, were transferred to the new Economic Development Company at nil consideration.

A4. Prudential Indicators

A4.1 The Council set its Prudential Indicators and monitoring arrangements for affordable borrowing in February 2011. (Report 10/2011 refers). The Authorised Limit for External Debt including long term liabilities (the maximum borrowing the Council can legally undertake) and the Operational Boundary (the day-to-day limit for cash management purpose) are monitored on a daily basis by the Executive Head- Finance and reported to this Board quarterly.

A4.2 The limits are as follows

• Authorised Limit	£228 m
• Operational Boundary	£201 m

External Debt, and long term liabilities, such as the PFI liability, as at end of June 2011 was £173 million. No borrowing was undertaken during the first quarter of 2011/12. The current level of debt is within the Operational Boundary and the Authorised Limit set for the year. No management action has been required during the quarter.

A4.3 The Council's capital expenditure has an overall positive impact on the Council's Balance Sheet. The majority of expenditure in the Capital Plan is on the Council's own assets which will therefore increase the value attached to the Council's fixed assets. This also applies to investment in assets funded from borrowing where the increase in asset value will exceed any increase in the Council's long term liabilities. As at 31 March 2011 the Council's Fixed Assets were valued at over £337 million.

A5. Outline of significant key risks

That capital receipts will be not be generated to support the plan.

The contingency is only 1% of total planned expenditure on a total programme of £98 million. There could be inflationary cost pressures on the programme thus increasing expenditure.

A6. Other Options

Council could consider alternative funding for the schemes recommended to be funded from prudential borrowing. Council could consider reducing the capital programme to reflect any potential reduction in capital receipts or other capital resources particularly in the light of Government spending announcements.

A7. Summary of resource implications

Resources implications are outlined in the report with a summary of funding in paragraph A3.1.

Schemes funded from prudential borrowing have a revenue impact until the borrowing is "repaid". Unless the scheme is an invest to save scheme, the costs of interest and repayment of principal (MRP) will need to be funded from the Council's revenue budget.

A8. What impact will there be on equalities, environmental sustainability and crime and disorder?

No direct impact but the Capital programme supports all Council priorities and complies with Council policies.

A9. Consultation and Customer Focus

Where appropriate capital schemes have public consultation and negotiation with stakeholders.

A10. Are there any implications for other Business Units?

The Capital programme supports all Council priorities thus will directly impact on service delivery.

SUMMARY :	Revised 4-year Plan July 2011				
	2011/12	2012/13	2013/14	2014/15	Total for Plan Period
<i>PROGRAMME :</i>	£'000	£'000	£'000	£'000	£'000
PRIDE IN THE BAY	6,837	10,221	7,270	13,935	38,263
NEW ECONOMY	2,747	1,400	0	0	4,147
LEARNING & SKILLS	15,860	4,880	1,000	0	21,740
STRONGER COMMUNITIES	4,971	1,318	125	0	6,414
CORPORATE HEALTH	4,670	22,050	230	0	26,950
TOTAL APPROVED PROGRAMME	35,085	39,869	8,625	13,935	97,514

<i>FUNDING SOURCES :</i>					
BORROWING					
Supported	2,165	700	0	0	2,865
Unsupported (Prudential)	4,005	30,112	3,588	11,200	48,905
GRANTS	24,939	8,376	4,807	2,735	40,857
CONTRIBUTIONS	309	138	0	0	447
RESERVES	628	300	54	0	982
REVENUE CONTRIBUTIONS	250	0	0	0	250
CAPITAL RECEIPTS					
Earmarked Asset Sales	2,437	0	0	0	2,437
Corporate/General Asset Sales	352	243	176	0	771
TOTAL FUNDING SOURCES	35,085	39,869	8,625	13,935	97,514

PRIDE IN THE BAY	Revised 4-year Plan July 2011								
	2011/12 Original	2010/11 Slippage b/f	2011/12 Adjustm'ts	New Schemes 2011/12	Total 2011/12 Revised	2012/13	2013/14	2014/15	Total for Plan Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HIGHWAYS & ENGINEERING									
<u>Local Transport Plan</u>									
Highway Capital Maintenance annual programme	1,346	(159)	(14)	0	1,173	1,288	1,161	1,094	4,716
Integrated Transport programme	910	(156)	(1)	0	753	971	971	1,365	4,060
RFA Tweenaway Cross Junction	612	412	0	0	1,024	0	0	0	1,024
Blackball Lane Bxm	0	(14)	14	0	0	0	0	0	0
Integrated Transport programme - Trips	0	(1)	1	0	0	0	0	0	0
Bridges	0	0	0	0	0	0	0	0	0
South Devon Link Rd - Council contribution	1,383	40	(782)	0	641	2,462	2,838	11,200	17,141
<u>Other infrastructure</u>									
Babbacombe Beach Road	70	0	0	0	70	0	0	0	70
<u>Drainage & Coast Protection</u>									
Princess Promenade (Western Section) Repairs	0	(3)	3	0	0	4,000	0	0	4,000
Torre Abbey Sands steps - substantial repair	45	0	0	0	45	0	0	0	45
<u>Car Parks</u>									
Multi-Storey Car Parks Refurb Programme - Phase I	0	1	0	0	1	0	0	0	1
<u>New Growth Points Funding</u>									
NGP - South of Tweenaway, Lane Improvement	1,084	0	0	0	1,084	0	0	0	1,084
NGP - Windy Corner Junction	185	5	0	0	190	0	0	0	190
NGP - Strategic Cycleway	316	(29)	0	0	287	0	0	0	287
NGP - Great Parks Access	467	0	0	0	467	0	0	0	467
	6,418	96	(779)	0	5,735	8,721	4,970	13,659	33,085
DIRECT SERVICES & WASTE									
<u>Other</u>									
Barton Gas Safety Works	0	1	0	0	1	0	0	0	1
Waste Infrastructure	0	200	(200)	0	0	0	0	0	0
Tqy Townscape Heritage Initiative	0	(1)	1	0	0	0	0	0	0
	0	200	(199)	0	1	0	0	0	1
CULTURAL SERVICES									
<u>Libraries</u>									
Paignton Library Re-build	0	37	0	0	37	0	0	0	37
<u>Museums</u>									
Torre Abbey Renovation - Phase 2 Design	0	17	0	0	17	0	0	0	17
Torre Abbey Renovation - Phase 2	750	0	0	0	750	1,500	2,300	276	4,826
<u>Sport & Leisure</u>									
Illuminations - replacement of Festoon Lighting	0	4	0	0	4	0	0	0	4
Barton Playing Fields	0	22	0	0	22	0	0	0	22
Barton Infrastructure	105	0	0	0	105	0	0	0	105
Children's Playgrounds Renewal Programme	0	(32)	32	0	0	0	0	0	0
Rock Walk Enhancement	0	0	60	0	60	0	0	0	60
Oddicombe Cliff stabilisation	30	49	0	0	79	0	0	0	79
Fitbay Projects	0	27	0	0	27	0	0	0	27
	885	124	92	0	1,101	1,500	2,300	276	5,177
Total PRIDE IN THE BAY programme	7,303	420	(886)	0	6,837	10,221	7,270	13,935	38,263
FUNDING SOURCES :									
BORROWING									
Supported					0	0	0	0	0
Unsupported (Prudential)					996	6,962	3,588	11,200	22,746
GRANTS					5,102	3,259	3,682	2,735	14,778
CONTRIBUTIONS					0	0	0	0	0
RESERVES					152	0	0	0	152
REVENUE CONTRIBUTIONS					0	0	0	0	0
CAPITAL RECEIPTS									
Earmarked Asset Sales					437	0	0	0	437
Corporate/General Asset Sales					150	0	0	0	150
TOTAL FUNDING SOURCES	0				6,837	10,221	7,270	13,935	38,263

NEW ECONOMY	Revised 4-year Plan July 2011								
	2011/12 Original	2010/11 Slippage b/f	2011/12 Adjustm'ts	New Schemes 2011/12	Total 2011/12 Revised	2012/13	2013/14	2014/15	Total for Plan Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
TORBAY DEVELOPMENT AGENCY									
REGENERATION									
<u>Brixham Regeneration</u>									
Harbour Development Phase 1&2 (Quay & Buildings)	323	313	(75)	0	561	0	0	0	561
<u>Business Development</u>									
NGP - Torbay Innovation Centre Ph 3	442	1	0	0	443	0	0	0	443
Sea Change - Cockington Court	185	280	0	0	465	0	0	0	465
	950	594	(75)	0	1,469	0	0	0	1,469
MARINE SERVICES									
<u>Torquay Harbour</u>									
Town Dock	0	0	0	0	0	0	0	0	0
Haldon Pier - Structural repair Phase I/2	0	6	1,272	0	1,278	0	0	0	1,278
Princess Pier - Structural repair	1,400	0	(1,400)	0	0	1,400	0	0	1,400
<u>Brixham Harbour</u>									
	1,400	6	(128)	0	1,278	1,400	0	0	2,678
Total NEW ECONOMY programme	2,350	600	(203)	0	2,747	1,400	0	0	4,147
FUNDING SOURCES :									
<u>Confirmed</u>									
BORROWING									
Supported					0	0	0	0	0
Unsupported (Prudential)					(791)	1,400	0	0	609
GRANTS									
					2,136	0	0	0	2,136
CONTRIBUTIONS									
					22	0	0	0	22
RESERVES									
					50	0	0	0	50
REVENUE CONTRIBUTIONS									
					50	0	0	0	50
CAPITAL RECEIPTS									
Earmarked Asset Sales					1,280	0	0	0	1,280
Corporate/General Asset Sales					0	0	0	0	0
TOTAL FUNDING SOURCES					2,747	1,400	0	0	4,147

LEARNING & SKILLS	Revised 4-year Plan July 2011								
	2011/12 Original	2010/11 Slippage b/f	2011/12 Adjustm'ts	New Schemes 2011/12	Total 2011/12 Revised	2012/13	2013/14	2014/15	Total for Plan Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CHILDREN'S SERVICES									
<u>Pre-Primary & Primary</u>									
Foxhole Schools - Amalgamation	0	(5)	50	0	45	0	0	0	45
Primary Places 2011/12	0	0	0	200	200	0	0	0	200
Bxm CoE Prim - Ph 2			1		1	0	0	0	1
Curledge St - Remodelling	1,480	276	(700)	0	1,056	700	0	0	1,756
Roselands - Remodelling	430	(229)	0	0	201	0	0	0	201
Ellacombe - Remodelling	0	17	(7)	0	10	0	0	0	10
Shiphay Primary - Mobiles & SEN	0	7	0	0	7	0	0	0	7
Sherwell Valley Primary	0	70	0	0	70	0	0	0	70
Cockington Primary-Ch Cen & mobiles	0	5	0	0	5	0	0	0	5
Barton Primary Cap Project	4,325	92	(1,800)	0	2,617	1,800	0	0	4,417
Preston Primary - ASD Unit	530	10	200	0	740	800	0	0	1,540
Queensway RC Primary - Prim proj	0	0	4	0	4	0	0	0	4
Oldway Primary Disabled Changing Rooms	0	16	0	0	16	0	0	0	16
Oldway Primary Hall	800	90	0	0	890	0	0	0	890
SureStart/Early Years 2008/09 - 2010/11	0	21	(21)	0	0	0	0	0	0
Early Years Capital Grants	0	(17)	17	0	0	0	0	0	0
Centenary Way Childrens Centre	295	147	0	0	442	0	0	0	442
<u>Secondary Schools</u>									
Torquay Community College Re-build (Building Schools for the Future)	1,350	(470)	0	0	880	0	0	0	880
Torquay Girls Grammar Astroturf Fencing	0	10	0	0	10	0	0	0	10
Paignton Community Sports College - Astroturf pitch	0	64	0	0	64	0	0	0	64
Paignton Community Sports College Mobile Replce 14-19 Project	1,165	0	(753)	0	412	580	0	0	992
Paignton Community Sports College - Sports Hub	0	(23)	23	0	0	0	0	0	0
Cuthbert Mayne 14-19 Project	770	(164)	0	0	606	0	0	0	606
Westlands 14-19 Project	650	66	0	0	716	0	0	0	716
Education Review Projects	1,347	166	(1,159)	(350)	4	1,000	1,000	0	2,004
<u>Special Schools</u>									
Combe Pafford Business Enterprise	0	6	0	0	6	0	0	0	6
Combe Pafford Construction Workshop	0	3	0	0	3	0	0	0	3
Mayfield expansion	0	0	0	400	400	0	0	0	400

LEARNING & SKILLS	Revised 4-year Plan July 2011								
	2011/12 Original	2010/11 Slippage b/f	2011/12 Adjustm'ts	New Schemes 2011/12	Total 2011/12 Revised	2012/13	2013/14	2014/15	Total for Plan Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>"All School" Initiatives</u>									
Condition & Modernisation Funding/Basic Need									
- Modernisation 2009/10	0	47	(47)	0	0	0	0	0	0
- Capital Repairs & Maintenance 2008/09	0	2	0	0	2	0	0	0	2
- Capital Repairs & Maintenance 2009/10	0	17	0	0	17	0	0	0	17
- Capital Repairs & Maintenance 2010/11	90	147	0	0	237	0	0	0	237
- Capital Repairs & Maintenance 2011/12	1,783	0	(982)	0	801	0	0	0	801
- Feasibilities	0	31	0	0	31	0	0	0	31
- Schools Access	0	23	157	0	180	0	0	0	180
- Special Education Needs - reactive works	0	4	0	0	4	0	0	0	4
- School Security	0	11	75	0	86	0	0	0	86
- Asbestos Removal	0	14	0	0	14	0	0	0	14
- 14-19 Diploma Delivery	20	49	(20)	0	49	0	0	0	49
Harnessing Technology	0	(12)	12	0	0	0	0	0	0
Short Breaks for Disabled Children	0	0	0	76	76	0	0	0	76
Play Builder (DCSF Grant)	150	(118)	(32)	0	0	0	0	0	0
Devolved Formula Capital	313	1,276	0	0	1,589	0	0	0	1,589
<u>Other Facilities</u>									
Youth Service schemes	0	57	0	0	57	0	0	0	57
Youth Capital Fund projects	0	0	0	0	0	0	0	0	0
Youth Modular Projects	70	13	0	0	83	0	0	0	83
My Place Parkfield	3,075	(449)	397	0	3,023	0	0	0	3,023
Foxhole Community Campus (contribution)	0	4	(2)	0	2	0	0	0	2
Foxhole Community Multi Use Games Area	0	23	(1)	0	22	0	0	0	22
EOTAS Halswell House	0	0	0	60	60	0	0	0	60
Children's care homes & facilities (public & private adaptations)	0	0	0	0	0	0	0	0	0
Minor Adaptations Childcare	10	62	50	0	122	0	0	0	122
Total LEARNING & SKILLS programme	18,653	1,359	(4,538)	386	15,860	4,880	1,000	0	21,740
<u>FUNDING SOURCES :</u>									
<u>Confirmed</u>									
BORROWING									
Supported					2,034	700	0	0	2,734
Unsupported (Prudential)					0	0	0	0	0
GRANTS					13,741	4,180	1,000	0	18,921
CONTRIBUTIONS					63	0	0	0	63
RESERVES					10	0	0	0	10
REVENUE CONTRIBUTIONS					0	0	0	0	0
CAPITAL RECEIPTS									
Earmarked Asset Sales					0	0	0	0	0
Corporate/General Asset Sales					12	0	0	0	12
TOTAL FUNDING SOURCES					15,860	4,880	1,000	0	21,740

STRONGER COMMUNITIES	Revised 4-year Plan July 2011								
	2011/12 Original	2010/11 Slippage b/f	2011/12 Adjustm'ts	New Schemes 2011/12	Total 2011/12 Revised	2012/13	2013/14	2014/15	Total for Plan Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HOUSING									
Private Sector Support									
Private Sector Renewal	115	2	78	0	195	0	0	0	195
Security for Vulnerables	0	1	0	0	1	0	0	0	1
Insulation Scheme	20	(20)	0	0	0	0	0	0	0
Disabled Facilities Grants	0	139	700	0	839	0	0	0	839
	135	122	778	0	1,035	0	0	0	1,035
Grants to Housing Providers									
Sanctuary - Dunboyne 39 Extra Care Units	620	0	0	0	620	0	0	0	620
WCHA - Foxhole School site (30 units)	11	0	0	0	11	0	0	0	11
Sovereign HA - Beechfield (102 units)	0	0	0	0	0	140	0	0	140
Signpost HA - Rock Road (30 units)	100	0	0	0	100	100	0	0	200
Hayes Road	0	0	0	0	0	375	0	0	375
Hatchcombe Nurseries	182	0	0	0	182	0	0	0	182
Torbay Enterprise Project	150	(35)	0	0	115	250	0	0	365
NGP - HCA Match Land Acquisitions	1,908	(4)	0	0	1,904	0	0	0	1,904
New Advances Budget to be allocated	0	35	0	220	255	0	125	0	380
	2,971	(4)	0	220	3,187	865	125	0	4,177
	3,106	118	778	220	4,222	865	125	0	5,212
ADULT HEALTH & SOCIAL CARE									
Facilities									
Care Homes and Facilities	45	(51)	6	0	0	0	0	0	0
Mental Health Care Initiatives	0	188	0	0	188	0	0	0	188
NGP - Education, Innovation & Research Centre	0	100	0	0	100	0	0	0	100
Social Care Reform Grant	0	0	0	0	0	0	0	0	0
Adult Personnel Social Serv	443	0	0	0	443	453	0	0	896
IT									
Adult Social Care IT Infrastructure	0	24	(6)	0	18	0	0	0	18
	488	261	0	0	749	453	0	0	1,202
Total STRONGER COMMUNITIES programme	3,594	379	778	220	4,971	1,318	125	0	6,414
FUNDING SOURCES :									
BORROWING									
Supported					131	0	0	0	131
Unsupported (Prudential)					0	0	0	0	0
GRANTS					3896	937	125	0	4,958
CONTRIBUTIONS					224	138	0	0	362
RESERVES					0	0	0	0	0
REVENUE CONTRIBUTIONS					0	0	0	0	0
CAPITAL RECEIPTS									
Earmarked Asset Sales					720	0	0	0	720
Corporate/General Asset Sales					0	243	0	0	243
TOTAL FUNDING SOURCES					4,971	1,318	125	0	6,414

CORPORATE HEALTH (ALL - SERVICE)	Revised 4-year Plan July 2011								
	2011/12 Original	2010/11 Slippage b/f	2011/12 Adjustm'ts	New Schemes 2011/12	Total 2011/12 Revised	2012/13	2013/14	2014/15	Total for Plan Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNICATIONS & CUSTOMER FOCUS									
<u>IT Developments</u>									
Single Person View (IT)	200	0	0	0	200	0	0	0	200
<u>Central Property issues</u>									
DDA adaptations to Council property	0	(2)	2	0	0	0	0	0	0
Castle Circus Regeneration Project Ph 2 - Project Remainder	10,000	1,001	(9,001)	0	2,000	21,750	0	0	23,750
Solar Panels for Council Properties	0	0	0	1,800	1,800	0	0	0	1,800
<u>Schemes funded from LPSA Performance Reward Grant</u>									
Comino DIPS system	0	1	0	0	1	0	0	0	1
Customer First Telephony	0	13	0	0	13	0	0	0	13
Libraries ICT renewal	0	3	0	0	3	0	0	0	3
Partnership shared capital	0	2	0	0	2	0	0	0	2
IT Infrastructure	0	46	0	0	46	0	0	0	46
Balance unallocated	500	0	(500)	0	0	0	0	0	0
	10,700	1,064	(9,499)	1,800	4,065	21,750	0	0	25,815
OTHER CORPORATE & CROSS-SERVICE ISSUES									
<u>Enhancement Prior to Sale</u>									
Works required prior to disposal of surplus assets	0	4	0	0	4	0	0	0	4
	0	4	0	0	4	0	0	0	4
GENERAL CONTINGENCY									
General Capital Contingency	416	185	0	0	601	300	230	0	1,131
	416	185	0	0	601	300	230	0	1,131
Total CORPORATE HEALTH programme	11,116	1,253	(9,499)	1,800	4,670	22,050	230	0	26,950
FUNDING SOURCES :									
BORROWING									
Supported					0	0	0	0	0
Unsupported (Prudential)					3,800	21,750	0	0	25,550
GRANTS					64	0	0	0	64
CONTRIBUTIONS					0	0	0	0	0
RESERVES					416	300	54	0	770
REVENUE CONTRIBUTIONS					200	0	0	0	200
CAPITAL RECEIPTS									
Earmarked Asset Sales					0	0	0	0	0
Corporate/General Asset Sales					190	0	176	0	366
TOTAL FUNDING SOURCES					4,670	22,050	230	0	26,950

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Torbay Economic Development Company

Draft Business Plan

2011 - 2012



DRAFT

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EXECUTIVE SUMMARY

The Directors and Executive of the Torbay Economic Development Company Limited (TEDC) are pleased to present their business plan covering the period from summer 2011 to March 2012.

Torbay Council has established and commissioned the Torbay Economic Development Company to promote the physical and economic development of Torbay and deliver the benefits to the local community. This business plan is focused on the mission of achieving economic prosperity for Torbay, with the TEDC charged with delivering employment and regeneration through inward investment, physical regeneration, business support, improved asset management services which in turn generate improved public finances.

This Business Plan addresses Torbay Council's objectives, more fully articulated in Torbay's Economic Strategy, and summarises the high level challenges that the TEDC will respond to over the coming year, and outlines probable challenges to be faced in the medium term.

It sets out the Key Performance Indicators that Torbay Council has asked the TEDC to report against and the indicators that the TEDC will use to monitor our own performance. (Workplans contained in the Appendices set out the on-going and future activities that the TEDC will be engaged in.)

Torbay's economy remains extremely weak and the activities of the TEDC alone are unlikely to lead to a significant or immediate improvement in economic performance. However, the TEDC can be very effective in bringing about change, improving skills and influencing others.

For the coming year the key challenges relate to the identification of employment related programmes to reflect Torbay Council's emphasis on job creation, and adjusting to the impact of a significant reduction in public and private sector funding, whilst continuing to deliver a varied and demanding asset management and capital works programme.

As well as managing these challenges, the TEDC needs to harness the opportunities presented by the changing economic environment and new initiatives such as the Local Economic Partnership. The TEDC must lobby national opinion formers to make the right decisions about the Bay that could affect our future prosperity, such as the establishment of Enterprise Zones and the South Devon Link Road.

Historically the TEDC has achieved for Torbay:

- In excess of £30 million of external funding received for delivery of economic development projects, plus funds for other projects such as the restoration of Torre Abbey
- Safeguarded over 500 jobs
- Created over 150 jobs through the Innovation Centre project generating over £4.5 million in value added for the Torbay economy
- Assisted over 200 businesses
- Delivered an improved asset base for Torbay Council
- Delivered a substantial capital works programme
- Taken an 'asset backed' joint venture proposal to the market which has the capability to lever in significant private sector funding

Moving forward the TEDC can offer its expertise in property services, asset management and economic development to other partners, and because the TEDC is a 'not for profit' company it can re-invest income into the delivery of its strategic plans for regeneration, that will further benefit the prosperity of the local community.

BUSINESS OVERVIEW & STRATEGY

Introduction

The Torbay Economic Development Company (TEDC) was incorporated in February 2010. It is wholly owned by Torbay Council and established for the purposes of leading economic development and regeneration for the Torbay area. This includes the promotion of economic development, physical regeneration, the renewal of infrastructure, socio-economic improvements and business growth. Torbay Council has also asked through the Commissioning Agreement that the TEDC identifies ways of generating new income or efficiencies.

The TEDC is known locally and trades as the Torbay Development Agency (TDA).

The TEDC has a board of twelve directors and is chaired by John Richards. There are seven private sector board members and three elected Councillors on the board alongside the TEDC's Chief Executive¹. The TEDC Board meets quarterly and it is proposed to hold an Annual General Meeting in March.

Torbay Council (TDA) staff transferred to the TEDC on the 1st May 2011 under TUPE and a number of assets were also transferred to the TEDC. Following the May 2011 Local Election the executive team has worked alongside the new Mayor and Council to understand their aspirations and to identify any changes that might be required to the work programme.

The TEDC as separate body commissioned by Torbay Council is now coming out of its 'set up' up phase; however the services which it provides are well established. This provides an opportunity for the business to develop within Torbay and to build on its reputation outside of Torbay very quickly.

¹ <http://www.torbaydevelopmentagency.co.uk/tda-index/tda-aboutus/tda-edc.htm>

This Business Plan is developed against a backdrop of considerable change to the public sector framework for the delivery of economic development and regeneration and against financial restrictions which are likely to face the public sector in the medium to long term. The impact of these issues, such as the closure of Business Link and Regional Development Agencies, is likely to present opportunities for the TEDC over this financial year and into the medium term.

This Plan includes details on the individual service areas which the TEDC is responsible for, the performance indicators which the TEDC has been requested to deliver against planned actions for the year alongside further detail on the budget and structure. The Business Plan is based upon the following documents, which have already been consulted on, approved and adopted:

- Torbay Community Plan
- Torbay Economic Strategy
- Torbay Council & TEDC Ltd Commissioning Agreement.

Current position & objectives

Torbay's economy continues to be one of the weakest in the country with a real need for rebalancing with an increase in private sector employment a critical issue. This is against a changing local and national political landscape where acute financial pressures will continue to present policy makers with challenging decisions over the availability of resources. These are strategic areas which are likely to have an impact on delivery of the work programme so in anticipation of these issues the TEDC's immediate objectives within the current financial year are to;

- Effectively and efficiently deliver the work programmes set out in the appendices of this document in particular concentrating on business growth, inward investment, physical regeneration and effective asset management
- Continue to develop the TEDC as a credible and effective economic delivery vehicle for Torbay
- Identify prospective funding source, powers and revenue streams from the private and public sectors

- Identify the markets and customers where the TEDC will be able to develop a commercial offer and prioritise those customers
- Deliver the cultural changes that are required to deliver the business plan
- Improve data collection and management systems
- Responding to the localism agenda
- Promote the services and work of the TEDC
- Work with the Heart of the SW local enterprise partnership to ensure that the TEDC and Torbay is a full partner to the work of that body.

Growth plan & competitive advantage

The TEDC has the opportunity to grow, it is well positioned to work with businesses and with a variety of customers in Torbay including the growing number of academy schools and is also well positioned to work with neighbouring authorities and others such as the Heart of the South West partnership in delivery of services. The development of shared services possibly across the economic sub region is the most realistic and cost effective way to become more efficient in the short term.

The TEDC has a range of services it can offer to others:

- Property Services - highly experienced Building Surveyors, Engineers and Our team of qualified Building Surveyors; Engineers provide peace of mind by delivering a comprehensive building support service to our clients.
- Project Managers to provide peace of mind by delivering a comprehensive building support service to our clients from business cases, maintenance, refurbishments and new builds.
- Estates - Professional management of Torbay Council Property Assets Portfolio - maintaining and maximising value and revenue whilst facilitating the delivery of individual services, asset management planning, disposals
- Facilities Management – Managing corporate assets to deliver quality service and driving revenue from all spaces
- Regeneration – Experienced development surveyors and programme managers that can deliver site and programme appraisals
- Partnerships – Experienced experts in public private partnerships

- Business Advice and Innovation Centres – Experienced in helping business start up and small and larger businesses to grow
- Economy, Research and Funding – Experienced in bid writing, project development, economic strategy and assessment
- Inward Investment – promoting the area for new employment

The TEDC is focused on the primary objective of creating and sustaining employment and regeneration of the local economy. It also needs to explore options to improve its efficiency and diversify its income. Over the period of the business plan it is therefore proposed that the TEDC will dedicate some resource on soft market testing of the opportunities to work with others. There will be discussions with partners around collaborative working on inward investment delivery as a result of the process that the TEDC has introduced over the past 12 months including improved customer relationship management systems, better data on local business base and a clear proposition for marketing Torbay. This business plan proposes the following principles;

- Establishing the product. This will identify the services and activities that the TEDC can deliver.
- Telling the Market about the TEDC. This will be a process of informing potential customers that we can offer services.
- Team Building. This will review the skills and capacity of the relevant teams to equip the organisation for commercial fee work and will include development of management systems and accreditations. Work begins in summer 2011 and will be on-going.
- Procurement. Helping others understand how they can procure services through the TEDC
- Ensure that relationships are built or enhanced with public and private sector organisations that might want to work with the TEDC
- Identification of the appropriate medium term income target for the TEDC and to identify other income streams in support of that target and reducing Torbay Council's fee paid to the TEDC.

Over the period of this business plan and into the medium term the TEDC will continue to develop appropriate relationships with other organisations that will support delivery of the TEDC objectives. These relationships are expected to be with the proposed Local Asset Backed Vehicle, with the Heart of SW Local Enterprise Partnership approved in April 2011 and with potential customers through the South West Consultants Framework.

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MARKETING OF THE TEDC AND TORBAY

There is a separate marketing strategy which goes into more detail and the business plan presents a summary of the key issues and actions set out in that document. The aims of the marketing strategy are to:

- Reposition Torbay as a business location and promote the destination to generate inward investment
- Raise awareness and enhance the reputation of Torbay Economic Development TEDC as an effective delivery vehicle for delivering economic development activities.
- Promote TEDC projects and services to generate maximum benefits to local resident and the business community

The strategy identifies the target audiences that we need to reach in order to generate awareness of Torbay as an excellent place to live, work, visit and invest in. The key messages for each target audience, set out below, underpin all of the TEDC's marketing and communication activity.

<p>Torbay Businesses</p> <ul style="list-style-type: none">● Supporting Enterprise in Torbay● Nurturing new businesses, providing support and advice.● Help the TDA shape and influence the economic development of the Bay.● Driving business growth in Torbay● Working together to maximise your business potential.● Business Information Service, bringing you the essential knowledge to develop and grow.● Sharing expertise, striving for excellence, promoting success.● Low cost, contemporary workspace for start ups, expansion or relocation.● Creating networking forum for sharing expertise.● Be part of a Brighter Bay.	<p>Potential Investors</p> <ul style="list-style-type: none">● A thriving business location with unique opportunities, excellence quality of life and competitive costs.● Be part of a Brighter Bay● Major regeneration opportunities● A highly skilled workforce● Unique geographical location on the New English Riviera● Excellent healthcare and education● At the heart of the south west, mainline rail link, close to 2 international airports and motorway network.● Home to a thriving electronics sector.	<p>Residents</p> <ul style="list-style-type: none">● Creating the new economy at the heart of the Torbay Community Plan.● Delivering the physical and economic regeneration of Torbay for the benefit of the local community.● Committed to improving employment and skills opportunities for local people.● Providing essential business expertise in the Bay.● Creating a thriving destination to live, work, visit and invest in
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A portfolio of communications tools including publicity materials, virtual tools and advertising is proposed to reach our target sectors. This marketing activity will be backed up by consistent public relations and engagement that will generate awareness and word of mouth endorsement of Torbay as a prime contender for investment and development.

Distribution channels

The TEDC trades as the Torbay Development Agency (TDA) and it is known under that name, marketing and more general information on the work of the TEDC has been distributed via a variety of sources which include the following;

- Website www.torbaydevelopmentagency.co.uk
- Monthly newsletter
- CRM Database
- Media communications
- Specific Promotional materials
- Advertising

The period of the business plan will see additional social media routes explored to increase interest in and awareness of the TEDC and its work programme. Twitter accounts for the TEDC and the inward investment programme have now been established.

The purpose of this is to ensure that more of the key audience in particular businesses and prospective customers develop a greater affinity with the work of the TEDC and leading to increased interest in supporting or working with the TEDC.

FINANCIAL BUDGETS AND FORECASTS

The TEDC budget is separated into two parts. The first deals with TEDC activity and the second deals with Torbay Council 'client side' activity. Employee costs are held in the TEDC side following the transfer of employees from the Torbay Council to the TEDC in May 2011.

TEDC Budget for fy11/12

Description	Income	Expenditure
Government Grants	17,000	
Fees & Charges - Sr Vat	672,000	
Sub Total Property Income	537,392	
From Reserves	1,431,696	
Torbay Council Contract Fee	2,085,100	
Total Income	4,743,188	
Employees		2,404,652
Premises		100,260
Transport		54,170
Equipment & Office Supplies		78,021
Project Costs		1,942,325
Postage		4,855
Telecoms		77,739
Publicity Advertising		29,600
Misc Costs		16,242
Finance Lease Rentals		5,224
Bad debt provision		30,100
Total Spend		4,743,188

Torbay Council 'Client Side' Budget for fy11/12

Description	Income	Expenditure
Property Income	1,236,200	
Suspense Accounts ATL	100,000	
Torbay Council Budget	2,785,900	
Total Income	4,122,100	
Employees		99,300
Premises		3,153,900
Supplies & Services		699,400
Tor2		19,500
Capital Charges/Financing		150,000
Total Spend		4,122,100

With inflation and other staffing increments agreed prior to TUPE it means to standstill additional income or efficiency savings need to be found. Opportunities to generate additional income are therefore being developed.

In the short to medium term the pressures on the Council's budget are likely to be acute and it is envisaged that Torbay Council will seek to reduce its contract's fee payable to the TEDC.

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PERFORMANCE MANAGEMENT

Torbay Council's Commissioning Agreement confirms the indicators which Torbay Council wishes the TEDC to deliver against:

Commissioning Agreement Indicators	Frequency
Submission of approved Economic Strategies and Plans	Annual
Gross new jobs & jobs safeguarded both the aggregate of jobs created from all activities and specifically those key sectors identified in the economic strategy	Annual
Qualitative assessment of Inward Investment activities	Annual
Delivery of the physical regeneration projects	Annual
Investment in infrastructure levered in through physical regeneration projects	Annual
Increase in earnings	Annual
Variance from budget	Annual
Up to date Workforce Plan in place	Annual
Risk Management	Annual

Outside of these main indicators there will be a number of project related performance indicators and projects that the TEDC will report on internally. The TEDC's key performance indicators will include:

- Number of businesses supported
- Jobs created
- Number of Inward Investment enquires
- % of business space occupied
- % of variance from budget and fee income generation
- % of asset valuations completed per quarter in accordance with rolling programme

These will continue to be managed through the Torbay Council performance system SPAR and reported against to the TEDC board, the Torbay Council's Environment Commissioner at the programmed review meetings and to Overview and Scrutiny where required. There will also be a written Annual Progress Report, produced by the TEDC for the Torbay Council. The TEDC shall also host Annual General Meetings to which the public will be invited where appropriate and where the annual progress report will be presented and discussed.

Appendix 1 – Workplans

Economy, Investment & Enterprise Development

The creation of a strong enterprise culture in Torbay is vital to reduce business failures and encourage business growth.

Specific efforts will be made to support sectors which have shown growth in advance of regional and national trends which may indicate sector strengths for Torbay. If developed successfully the culture will also stimulate demand for improved transport and ICT connectivity, greater skills within the labour market and will encourage new investors to invest or locate in Torbay.

The TEDC will also support business growth and the development of the area through the provision of purpose built workspace and allocations brought forward through the Local Development Framework.

Other outputs include:

- Innovation Centre network - The Innovation Centres currently operate from four sites: Vantage Point (Paignton), Lymington Road (Torquay), Cockington Court (Torquay) and the Watermark Centre (Ivybridge). The centres have been a tremendous success with near full occupancy being achieved well ahead of plan.
- Opportunities to expand the existing network will be explored with partners and offer the potential to develop an income stream for the TEDC.
- Networking - for example, breakfast networking events have set a high standard for the quality of networking around South Devon. These events are regularly attended by 60 to 70 business representatives from all sectors, banks, accountants and solicitors.
- Mentoring - South Devon Business Mentors are a successful deliverer of business support by experienced business professionals who work on a voluntary basis visiting early stage companies who are referred onto them by Business Link or through the Innovation Centre network. Mentors may visit 'mentees' up to once a fortnight to reassure and 'handhold' the business through early teething problems and issues that their owners are inexperienced to handle without guidance. The success rate is considerable and helps sustain many companies during their early stages of development.
- Inward Investment Promotion - Torbay needs to be recognised as an investment friendly location and build on its quality of life advantages to attract and support new business investment. The TEDC will aggressively focus on this requirement and will develop a targeted response towards inward investment for the area. In doing this the TEDC will develop a clear brand with its partners and will ensure that clear brand guidelines are generated and used by the TEDC and its partners to increase investment.

The service will be responsible for development of the Torbay Economic Strategy; this will include either commissioning or delivering in-house preparation of the evidence base, analysis and policy recommendations for the economic strategy. Responding to relevant policy consultations from regional, national and European bodies and advising Torbay Council of the potential impact on Torbay's economic objectives.

The service will be responsible for monitoring performance against the Economic strategy across the TEDC and will be the main point of contact with partner organisations in and outside of Torbay including the Heart of SW Local Enterprise Partnership, Homes & Communities Agency and other relevant regional, national and European bodies to influence their plans and strategies.

The service will develop effective decision making, forward planning and delivery programmes across TEDC's activities.

The unit's workplan for 2011/12 will see the following activities taken forward

- Supporting delivery of the EU Competitiveness programme in Torbay
- Delivery of the inward investment strategy
- Development of the Business Boost workshop programme to take into account of new opportunities such as the potential for face to face business support provision
- Completing a study into the maritime economy potential of Torbay
- Completing a study into the viability of establishing a workhub or hubs in Torbay
- Working with Torbay Council to secure Tax Increment Finance status for Torbay in support of regeneration proposals
- Identifying further opportunities to bid for Regional Growth Fund assistance for delivery of key projects in Torbay
- Working with partners to bid for Broadband UK funding for super fast broadband speeds
- To work with Torbay Council to establish the benefits of a simplified planning zone or enterprise zone at a location in Torbay.
- Working with regional Universities to increase the take-up of graduate placement and internship programmes
- Working with local School and other partners to encourage young enterprise and graduates back to Torbay and South Devon
- Increasing opportunities for training and employment for over 50s
- promoting the provision of affordable housing & improve quality of private rented stock
- Work with partners to ensure better public transport links to centres of employment
- Work with partners to determine the feasibility of and pilot a community economic development trust in one of the most deprived areas in Torbay
- Support social enterprise and community led development in particular for most disadvantaged areas
- Develop and implement a worklessness strategy & action plan

Asset Management

Reinforcing the link between the physical development of Torbay Council assets and the regeneration of Torbay, the TEDC will proactively manage, on behalf of Torbay Council, its assets. The benefits of this approach will be to maximise economic growth and ensure that the Torbay Council's substantial assets are proactively used to support of the economic outcomes required by Torbay Council and the Strategic Partnership. Also potential to provide asset management function for Torbay Strategic Partnership members and other organisations within the Torbay travel to work area.

It will ensure that Council business units have asset plans in place which support the regeneration objectives of Torbay Council and satisfy the needs of users. The TEDC will deliver the outcomes of Torbay Council's Accommodation Review and continue to provide comprehensive office related facilities management through the provision of: building security, cleaning and catering etc.

This will deliver improved public finances through more efficient management of Torbay Council's estate, the identification of assets that can be disposed of to achieve an income, through the uplift in development values and through other benefits such as section 106 or community infrastructure levy payments.

Estates Function

- Valuations and Property advice
- Acquisitions and Disposals
- Rating
- Property Insurance
- Property Management – Let Portfolio (including 'leased out' & 'leased in' properties)
- Property Income Management
- Vacant Property Management
- Compliance with RICS Red Book
- Estates quality standards (ISO 9000 Equivalent)

Corporate Asset Management Function:

- Annual review, preparation and implementation of the Corporate Asset Management Plan
- Condition surveys of corporate assets on a rolling 5-year programme
- Repairs and maintenance programme based upon condition survey results
- Reactive repairs and maintenance upon corporate assets
- Type 2 asbestos surveys of assets (including tenanted estate)
- Annual re-inspection of assets with ACMs
- Water hygiene risk assessments within corporate assets every 2 years.
- Water hygiene maintenance contract for corporate and TCT assets
- Radon surveys for assets in high risk areas with remedial work if needed
- DDA surveys and works

Data Management Function:

- Maintenance of property data on TOAD and National Land and Property Gazetteer
- Property data enquiries
- Updating Service Performance and Risk Database (SPAR)
- Audit high risk area

Energy Management Function:

- Monitor and manage energy and water consumption on Torbay Council's estate
- Deliver the Local Authority Carbon Management Plan
- Determine Torbay Council's carbon footprint bi-annually
- Reduce consumption by 5% per annum (measured from 06/07 baseline)
- Deliver efficiency savings of £1,750,000 over 5 years
- Reduce carbon emissions by 25% over 5 years
- Meet government targets on emissions reductions
- Ensure compliance with the Carbon Reduction Commitment
- Data gathering for reporting to central government, e.g. NI's 185 and 186
- Assist Procurement with the development of energy supply contracts
- Provide technical advice and support to all services on energy and water efficiency
- Manage the Building Management System to achieve best operation of corporate property
- Manage the TEAM monitoring and targeting software
- Ensure timely production of energy certificates required of corporate property
- Provide conditional interest free loans to services and schools for energy and carbon saving initiatives

Asset Management Workplan

Action	Timescale
To provide a Strategic Asset Management Plan to Torbay Council for annual review	Sept 2011
To provide a Repairs and Maintenance Plan to Torbay Council for annual review	Sept 2011
Work with IT to further develop TOAD	Ongoing
To review data on TOAD to ensure accuracy	Ongoing
To manage Salix Fund for 'Invest to Save' energy schemes	Ongoing
To seek finance for non-Salix funded energy schemes	Ongoing
To seek advantageous energy supply contractors	Ongoing
To commission property re-instatement valuations for insurance purposes as part of 5-yearly rolling programme	Ongoing
To procure Rating Surveyors to review and challenge Torbay Council's non-domestic rates liability	April – October
To develop and populate a new software system to help identify future R&M liabilities	April – October
To manage and dispose of surplus assets as part of the	Ongoing

Asset Rationalisation Project	
To provide of condition, asbestos and Legionella surveys on Torbay Council properties	Ongoing
To deliver Torbay Council's repairs and maintenance programme.	Ongoing
To work with other public sector partners to explore the possibility of rationalising the public sector estate.	Ongoing
To explore feasibility of expanding the functions with the likely re-organisation of the Torbay Care Trust.	April 2012
To work with other departments to consider the consolidation of minor leases and concessions	April 2012
To work with other departments to consider the feasibility of redeveloping / upgrading assets to generate higher yields	April 2012
To work with Torbay Council to identify opportunities to generate energy	April 2012
To consider ways to reduce the number of invoices being sent and to consider the creation of charities or trusts for low rent / service charge	April 2012
To explore opportunities to charge fees for estate management work	April - October
To generate opportunities for generating additional income through the consolidation of other service providers	April 2012
To identify future opportunities to acquire or develop assets to generate future revenue income streams	Ongoing

Facilities Management Workplan

The refurbishment of all floors Tor Hill House.	March 2011
Upgrade to the CAFM helpdesk system. All scheduled surveys, works issued through the FM helpdesk	April – June
To coordinate the clearance and relocation of all staff currently occupying Oldway Mansion. Tor Hill House has been identified as final location	July – Sept
New Facilities Management framework to be procured. To include all ME works to be undertaken with Property Services team	Ongoing
All room bookings with in the authority to be channeled through the corporate bookings system. To include libraries	Oct – Dec

Business Services

The Business Services team provides management and direction to the business, administration and financial functions of the TEDC; provides guidance and support in these functions to all activities and departments of the TEDC

This includes:

- Seeking budget proposals from all budget holders, arranging for this detail to be loaded to FIMS, subsequent monitoring and reporting of performance to plan, seeking proactive action to address deviations from budget to ensure balanced budget by year end.
- Recommendation, agreement monitoring and reporting of efficiency targets and vacancy management.
- For externally funded projects, ensuring all claims submitted in timely and accurate fashion; monitoring receipt of claim payments, ensuring projects have sufficient funding to meet expenditure plans and meeting all audit requirements for projects.
- Taking responsibility for the establishment, development, refinement and implementation of financial and administrative procedures for all functions of the TEDC.
- Ensuring probity and compliance by the TEDC with all regulations including Financial Regulations/Standing Orders.
- Retaining registers such as for contracts, gifts, and absence.
- Authorisations for all claims and maintenance of authorisation lists for all functions
- Liaison with all appropriate council functions
- Management of the effective operation of the business and financial aspects of all “trading” and other revenue generating operations.
- Effective development of sound efficient administrative systems including the provision of co-ordination, avoidance of duplication, and the effective use of ITC support.
- Development and operation of all office functions for the TEDC including, procurement, security, Human Resources, health & safety, effective risk management, equality & diversity etc and remote centres.
- Provision of all administrative support to the teams

The Business Manager also performs the TEDC Secretary role covering all aspects of Board meetings as they relate to compliance to constitution, maintenance of the TEDC’s House register and submission of returns to critical deadlines.

Key actions

- Review the potential for a quality management system for the TEDC
- Ensure that the TEDC budget is managed properly and reaches balanced budget by year end, with the management team and Board alerted where appropriate.
- Meet all deadlines for TEDC house submissions.

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Physical Regeneration

The TEDC will promote sympathetic physical regeneration projects across the Bay to improve Torbay's competitiveness, enhance visitor and resident's experiences, attract inward investment and create permanent jobs. Sample projects include:

- Torquay Harbourside, including Harbour expansion feasibility
- Torquay Town Centre – Retail and Offices
- Riviera International Conference Centre - Capital works
- Paignton Victoria Centre
- Paignton Station Road
- Brixham Town Centre
- Brixham Northern Arm feasibility
- Clennon Valley and Goodrington replacement sports provision
- Oldway Mansion
- Third Phase Innovation Centre
- Cockington Craft Centre
- Whiterock
- Claylands
- MyPlace development for Children's Services
- Torre Abbey Phase II for Resident and Visitor Services
- Managing the South West Consultants Framework on behalf of Torbay and eight other local authorities
- Schools Capital Programme for Children's Services
- South Devon Link Road (support)

To ensure that these projects are well managed and deliver the expected outcomes the TEDC will operate as a Centre of Excellence for Project Management. It will also offer Prince2 training to clients and maintain Torbay Council's Prince2 methodology.

It is proposed that the TEDC will represent Torbay Council in the proposed Local Asset Backed Vehicle and provide services to it. The TEDC will ensure that the Joint Venture is successful and delivers the economic outcomes that Torbay Council requires.

Recognising that all major construction projects have regenerative benefits the TEDC will monitor Torbay Council's Capital Expenditure and submit a Capital Programme Monitoring Report to Torbay Council four times a year.

Appendix 2 Risks & Controls

Customer Focused		Current Risk Scoring			
		within 'existing measures' tab on SPAR			
Aim	Risk Description ("why?") If.....due to..... ("what?") There is a risk that..... ("so what?") This will/may result in....	Impact of Risk	Current settings : Risk Status	Existing/ New control measures	Additional control measures (mitigation) required (How will this reduce the probability and/or impact)
Encouraging a more diverse economic base.	If there is a lack of finance or change in regeneration policy due to budget cuts or policy change, then there is a risk that there will be failure to stimulate business growth creation and inability to diversify Which will result in a continual narrow and weak economy.	Will cause a major impact as business growth and stimulation will be affected.	High	Develop support structures for businesses	<ol style="list-style-type: none"> 1. Develop Innovation centre programme. 2. Work to increase public sector business support availability and access in Torbay. 3. Potential for more innovative solutions around s106 and business rate treatments
Encouraging a more diverse economic base.	If there was a lack of opportunity exploitation due to lack of investment, skills or lack of relocation opportunities, Then there is a risk that there will be failure to position the economy to exploit key opportunities? Which will result in a continual narrow and weak economy	Will see business productivity and wages fall further. There will be increased disparities and associated social problems	Medium	Develop investment programme	<ol style="list-style-type: none"> 1. Develop Inward investment programme, 2. identify public sector relocation opportunities, 3. develop skills and retraining opportunities

Ensuring the community benefits from economic regeneration.	If we are unable to respond to increased competition from global & surrounding regional centres, due to lack of skills, sites etc Then there is a risk that there will be further business loss Which will result in increased unemployment and decreased quality of life for all residents.	Will see business productivity and wages fall further. There will be increased disparities and associated social problems	Medium	Delivery of inward investment	1. Develop Inward investment programme, 2. Deliver sites and premises for growth, 3. lobby for better infrastructure, 4. identify public sector relocation opportunities, 5. develop skills and retraining opportunities
Improving the performance of Torbay's traditional sectors	If the outdated tourism product & lack of innovation continues, due to lack of inward investment or global recession Then there is a risk that there will be a continual decline in comparative position of the Bay as visitor destination. Which will result in significant decline in prosperity of Torbay	Continuing falling visitor numbers and spend per head leading to lack of investment, fewer jobs, shorter season and degradation of resort	Low	Delivery of a new tourism strategy.	1. Delivery of the new tourism strategy including attraction of new hotels, visitor attractions, 2. delivery of skills and business support activity
Raising GVA per head through development of higher value industries.	If there is fragmentation of initiatives / failure to develop an holistic, integrated approach to address attracting higher value industries, due to lack of skills, R&D and application of new technologies or processes, Then there is a risk that there will be failure to develop skills required to exploit key business opportunities. Which will/could result in negative impact on enhancement of average earnings, unemployment & (what?) other factors.	Would see sub optimal economic base continue with attendant problems around wages, business growth, full time employment	Medium	Develop sector networks and links.	1. Develop sector networks, develop links between health, education and business to develop new technologies, to identify ways to develop low carbon economy in the Bay i.e. around the growth of housing

Supporting business growth and innovation.	If there is failure to secure grant funding to improve transport infrastructure, due to grant cuts, then there is a risk that there will be restricted growth and potential loss of larger employers Which will result in inability to raise the prosperity of the Bay to at least the national average	Would see sub optimal economic base continue with attendant problems around wages, business growth, full time employment	High	Delivery of identified transport plan.	1. Delivery of identified transport plan and growth point schemes. 2. Lobbying of government and transport providers and work with business community for them to lobby directly
Supporting business growth and innovation.	If there is failure to secure sites for business growth and their supporting infrastructure, due to lack of funding, Then there is a risk that employers will not be attracted to the area Which will result in continued narrow employment base and current poor prosperity status	Would see sub optimal economic base continue with attendant problems around wages, business growth, full time employment	Medium	Identification of business growth & attraction of public money.	1. Identification of grow on space for businesses, innovation centre phase 3, core sectors development (i.e. tourism & retail). 2. Attraction of available public funding and lobbying for innovative measures
Reduce revenue costs and maximise income	If our options and/or our ability to respond to the current economic climate are inadequate due to insufficient funds, then there is a risk that our funding to support projects will be significantly reduced Which will result in a need to consider our options to reprioritise/ reschedule our Programme to manage within budget	Will cause a Major impact as business growth and stimulation will be affected.	Medium	Ensure existing processes and Finance are maintained	1. Ensure existing processes to ensure avoidance of voids is robustly maintained. 2. Provide finance contingency funding to provide for lost income or increased costs from inflation
Effective management of the Business Unit's assets	If we are unable to retain our estate in a usable condition due to the high costs of repair. Then there is a risk that the available funding will not secure occupancy/ usage Which will result in reduced income and thus budget to retain the estates and a spiralling decline of the resident and tourist environment.	Will cause a Major impact as business growth and stimulation will be affected.	Medium	Continue to maintain close management of repair bills.	1. Continue to maintain close management of repair bills to anticipate increased costs. 2. Provide contingency funding to cover R & M bills

Effective management of the Business Unit's Budget	If there is a lack of human resource due to budget cuts, Then there is a risk that there will be insufficient access to appropriately skilled human resource Which will result in an inability to deliver the TEDC Programme for the Community	Will cause a Major impact as business growth and stimulation will be affected.	Low	Insufficient staff resource	None at present. (Loss of key staff would have a significant impact)
Effective delivery of Project Management	If the skills are not available or in place due to lack of budget/ courses or complacency there is a risk that there will be failure to develop PRINCE2 training + skills or to properly implement. Which will/could result in inability to deliver the TEDC Programme to the time/quality/budget requirements	Could result in inability to deliver the TEDC Programme to the time/quality/budget requirements	Low	TEDC organizing PRINCE2 courses.	TEDC organizing PRINCE2 courses and training support for TEDC & other business units
Clear understanding of customers' needs and aspirations	If there is an ineffective consultation processes due to inexperienced/wrong staff there is a risk that there will be failure to understand partners & councils expectations and business needs. Which will result in Community requirements not being met	Would lead to services and projects being delivered out of sync with customer needs and perceptions	Low	Development of Business awareness	1. Development of our awareness of business and wider community expectations. 2. Briefings with Commissioner and other strategic influencers i.e. SWRDA and economic partnership
Effective information management	If staff are inadequately trained due to restraints, lack of courses, high staff turnover Then there is a risk that the information management systems are ineffective Which will result in poor timeliness and decision making delaying and adding cost into TEDC Programme	Will cause a high impact as business growth and stimulation will be affected.	Low	Retain relevant records	None - existing process has been implemented to retain contract documents
Effective risk management & H & S in place	If managers are not committed to H&S due to lack of buy in to training. Then there is a risk that Health and Safety risks are not identified and managed Which will result in Health and Safety of employees and visitors compromised - impacting on delivery of TEDC Programme.	Consider this will have a low to medium impact on operational effectiveness	Low	Effective planning and management	No - just need to ensure that nominated staff set up and follow planned activities

Ensuring equality and diversity in service delivery	If owing to high volumes of information and inadequate training due to insufficient training or high staff turnover Then there is a risk that there will be lack of compliance with equality and diversity policy/legislation Which will result in discrimination and consequent legal effects - resulting in additional cost to the business	Will cause a Major impact as compliance & risks would be increased.	Low	Early identification of issues	Nothing specific - Ongoing close monitoring is required to ensure continued compliance
Motivated employees with the right skills	If management/ leadership style/ competencies are inadequate due to people management skills, Then there is a risk that staff will not be motivated to have the required approach to work Which will result in poor service delivery	Underperformance in delivery or no delivery.	Medium	RADAR Process & team meetings	1 RADAR process & business planning process to identify emerging pressures. 2. Review JD and re-evaluate.
Effective workforce and workforce planning	If there is inadequate workforce planning due to lack of training or resources, Then there is a risk that there will be insufficient skilled resource Which will result in poor delivery of the TEDC Programme	Failure to ensure that the spread of skills is equal across the team would lead to underperformance	Low	RADAR Process & team meetings	1. RADAR process & business planning process to identify emerging pressures. 2. Team and Unit meetings and communications to ensure all aware of outcomes and programme.
Objectives - 16. Managing our Assets	If we do not improve the management of corporate buildings, property and land assets, then we may fail to fulfil our statutory duties to ensure buildings are fit for purpose, so assets may become unusable and we may see health and safety legal action taken against us.	Major	Medium	Corporate Asset Management team	
Objectives - 04. Economic Regeneration	If we fail to provide adequate support to local businesses, then local business may fail, so the local economy may be negatively affected	Impact on the diversity of the local economy and especially owners of small businesses	Medium	Regular performance management of internal controls and regular liaison with external bodies.	Regular performance management of internal controls and regular liaison with external bodies.

Appendix 3 Equalities

Our service will support equality and diversity ensuring inclusion, fairness and equality of access. Our key actions for our in relation to equality and diversity are as follows: -

- In reviewing tenders and contracts we will include equality and diversity issues to ensure that our prospective partners adopt policies consistent with Torbay Council's corporate approach.
- Ensuring that the whole community benefits from regeneration projects and working with partners to minimise the barriers that can prevent individuals from fulfilling their economic potential.
- We will deliver services that do not discriminate against any sector of the community but at the same time we recognise the need to reflect cultural differences in our services.
- Ensuring that our services understand and meet the needs of different groups of customers so that are services are accessible to all sections of the community. In particular we will ensure that alternative formats of our communications are available as required and will advertise the availability of the different formats. Where necessary we will ensure that staff is aware of the availability of the translation service.
- We will apply equality of opportunity in our employment practices and we will ensure that anti discriminatory (including race) perspectives are integrated into all processes.
- We aim to ensure that all staff are treated fairly and are not discriminated against in the provision of training, opportunities for personal development and promotion. Current strategies include part-time and disabled employees.
- We will attend meetings of the Equalities Action Group so that staff throughout the TEDC can be kept informed of policy changes and have the opportunity to contribute to the formulation and evolution of such policy.
- We will carry out and update our Equality Impact Assessments on an annual basis.

Appendix 4 Workforce Plan 2011/12

Key Objectives

1. Build capacity and capability

This requires development of our people and engaging them in the continual process of developing the TEDC. All local government bodies are being expected to work differently with a clear focus on partnership working and the development of non-traditional local government roles that encompass commercial and flexible approaches to management and delivery.

The TEDC will have a strong focus on working flexibly and providing employees with the support, training and technology to do this. TEDC employees will serve as advocates for flexible working. It is imperative that equal opportunities to work flexibly are applied.

The TEDC will continue to use and apply Torbay Council's Human Resources policies, and in areas of capability and performance, line managers will utilise these to performance manage their teams.

In terms of capacity, a skills audit has been conducted across the TEDC to identify what skills are held within the TEDC in order to identify areas which need to be developed, and also where people's skills can be shared to help cover in times of need. (Please see appendix A for summary of the skills audit with recommendations).

All TEDC managers need to be trained in the application of HR policies and keep up to date with any changes to these. They must also ensure they are being followed. This includes holding regular appraisals with their team and recording any issues/needs arising from these. Any issues of performance management must be captured and dealt with appropriately. Changes to HR policies and legislation should be discussed at Management Team meetings and a record of managers' training should be held centrally.

2. Recognise reward and success

We will attract, retain and motivate our staff by managing rewards in a more flexible way; responding to market conditions, learning from other employers and using innovation to develop the TEDC as employers of choice in the South West of England. The TEDC will ensure that employee pay is in line with Torbay Council policies and the single status agreement. The TEDC Finance and Governance sub-committee should review its pay and grading structure and remuneration policies from time

to time, to ensure they are both fair and equitable and also in line with market conditions.

There need to be career development opportunities to help attract and retain employees. It is imperative that employees are performance managed and exceptional performance is acknowledged, recognised and rewarded appropriately.

The TEDC also needs to ensure that its employees are given training and development opportunities in order to enhance their skills and allow career development within the TEDC. Managers must identify training needs and notify the Business Manager of budget requirements to cover staff training with as much advance notice as is possible.

3. Developing people and talent

The TEDC aims to achieve a number of key objectives which will require a workforce that has the appropriate knowledge, skills and behaviours. Delivery of the TEDC's goals will require a workforce that has the right skills and attitudes and we are committed to the continuous development of our people. The skills audit identifies the key skills and knowledge required to deliver the TEDC's goals.

Further to the above objective, the TEDC needs to ensure that employees are given the opportunity to discuss their training needs with their manager, and that they are given opportunities to develop within their role. This involves up-skilling current staff to aid career development, and commitment to this will improve recruitment and retention of staff. Managers need to ensure that the staff appraisal process is being properly applied and that appropriate training needs are being identified.

4. Resource the right people

In order to ensure that the local area receives the best quality services, we need to attract and retain high quality people. We will be required to proactively manage the workforce, anticipating changes in the job market, effectively addressing equality and diversity and modernising pay and reward systems that reflect local and national market trends. This is in line with the Torbay Council's HR policies.

Managers need to ensure that due care and attention is paid to the recruitment process, and that relevant selection methods are utilised to maximise the effective recruitment of staff.

The skills audit conducted across the TEDC identifies areas where there may be a need to recruit in the future, and these should be closely monitored to ensure the TEDC is not left with gaps in key roles which could impact on service delivery.

5. Enhance employee engagement

The TEDC must be a stimulating, rewarding and supportive place to work, with opportunities to influence, innovate and impact on the design and delivery of services to help regenerate the local area. In order to achieve this, visionary leadership is key. All managers need to inspire confidence in their teams and engage employees in decision-making which affects their service delivery.

Training and development opportunities; clear communication and transparency; and effective change management can help to raise morale within the workplace. Managers need to be approachable, available and supportive to their teams in order to achieve this.

Managers should be trained in management skills to cover coaching; performance management; motivational skills etc. and to be trained in the application of HR policies.

New line managers should also be mentored by an existing manager to provide support and pass on key skills.

To ensure that managers within the TEDC have the right skills balance, promotion opportunities within the TEDC should be considered in order to develop and reward high performing staff before externally recruiting to positions. This should be based on skills and attitudes as opposed to target-hitting and outcomes. However all recruitment to the TEDC must be open, transparent and carried out fairly and equitably.

SUMMARY OF SKILLS AUDIT

Statistical breakdown of TEDC staff:

TEDC Staff Statistics	No.	%
Total number of staff	67	100%
Gender		
Total number of male staff	43	64.2%
Total number of female staff	24	35.8%
Age		
20 or under	1	1.5%
21-30	8	11.9%
31-40	18	26.9%
41-50	18	26.9%
51-60	16	23.9%
61-70	5	7.5%
71 and over	1	1.5%
Working hours		
Full time	56	83.6%

Part time	11	16.4%
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TEDC Staff - skills and qualifications	No.	% *
5 GCSE or O levels A-C or 5 CSE's grade 1 (or equivalent)	33	75%
1 or more A level or 2 AS levels (or equivalent)	26	57.8%
Degree (or equivalent)	24	54.5%
ECDL (or equivalent IT qualification)	15	34.1%
Advanced ECDL	3	6.7%
ILM level 2 Team Leader	5	11.1%
ILM level 3 First Line Manager	5	11.1%
ILM other (or equivalent management qualification)	3	6.7%
NVQ	15	33.3%
PRINCE2 Foundation	15	33.3%
PRINCE2 Practitioner	1	2.2%
Managing Successful Programmes Foundation	1	2.2%
Managing Successful Programmes Practitioner	0	0.0%
RICS Membership	6	13.3%

*N.B. the % calculated is of total employees for whom information is held, not total number of employees.

- **Please note that workforce data is accurate as of 8th April 2011.**

Key Issues:

1. The TEDC has an extremely high proportion of staff over the age of 31 (86.7%). Whilst this in theory brings a wealth of experience to the TEDC, it must be noted that younger staff can be essential to provide new and innovative ideas and ways of working to a TEDC.

Action needed: Whilst age should not be a factor in recruitment – the TEDC should actively encourage people from all age groups to apply for positions, and consider a way of attracting graduates and school leavers to work for the TEDC. This should be considered in vacancy management including considering apprenticeships, utilising work experience placements, and considering reviewing the TEDC structure to allow for career progression within the TEDC.

2. The TEDC has a number of employees who are approaching or are beyond the former default retirement age. Whilst as of April 2011 the default retirement age has been abolished, it should be noted that there will be key staff members who may be considering retirement in the not too distant future.

Action needed: Managers should ensure that they communicate with their team members regularly and are aware in advance of any staff who may be considering retirement. Managers must ensure that key

skills and knowledge are not lost through retirement and that knowledge-sharing is encouraged. When a member of staff declares their intention to retire, their line manager should immediately put in place steps to ensure that the role and responsibilities of that staff member are covered by another member of the team who can shadow them. If it is felt that the position needs to be recruited to, this process should happen immediately to ensure there is adequate time for the new employee to shadow the retiree and ensure a smooth handover. If this is not possible, then an alternative member of the team should be brought up to speed in the handover process which can then be passed on once a new employee commences the position.

3. The TEDC is responsible for project and programme management functions. The TEDC adopts PRINCE2™ project management methodology as the preferred methodology for project management, and Managing Successful Programmes™ (MSP™) for programme management. At present, the TEDC has approximately a third of its workforce qualified in PRINCE2™ foundation level. However, only one member of staff is qualified in MSP™.

Action needed: The TEDC staff structure should be reviewed to consider which roles require MSP™ training/awareness and relevant training should be arranged and allocated within the appropriate budget.