

Monday, 3 July 2023

CABINET

A meeting of **Cabinet** will be held on

Tuesday, 11 July 2023

commencing at **5.30 pm**

The meeting will be held in the Burdett Room, Riviera International Conference Centre, Chestnut Avenue, Torquay TQ2 5LZ

Members of the Committee

Councillor David Thomas (Chairman)

Councillor Bye

Councillor Tranter

Councillor Chris Lewis

Councillor Tyerman

Together Torbay will thrive

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, Town Hall, Castle Circus, Torquay, TQ1 3DR

Email: governance.support@torbay.gov.uk - www.torbay.gov.uk

CABINET AGENDA

1. **Apologies**
To receive apologies for absence.
2. **Minutes** (Pages 4 - 12)
To confirm as a correct record the Minutes of the meeting of the Cabinet held on 13 June 2023.
3. **Disclosure of Interests**
 - (a) To receive declarations of non pecuniary interests in respect of items on this agenda.

For reference: Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
 - (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda.

For reference: Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(Please Note: If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)
4. **Urgent Items**
To consider any other items the Chairman decides are urgent.
5. **Matters for Consideration**
6. **Potential Disposal of Assets** (Pages 13 - 19)
To consider a report that seeks to dispose of a number of assets.
7. **Condom Distribution Service - Award of contract** (Pages 20 - 27)
To consider a report that seeks approval to award a contract for the Condom Distribution Service.
8. **LASER Energy Contract** (Pages 28 - 46)
To consider a report on the above.

9. Budget Monitoring - Outturn 2022/23

(Pages 47 - 64)

To consider a report which provides a high-level budget summary of the Council's revenue and capital position for the financial year 2022/23 which commenced on 1st April 2022.

Meeting Attendance

Please note that whilst the Council is no longer implementing Covid-19 secure arrangements attendees are encouraged to sit with space in between other people. Windows will be kept open to ensure good ventilation and therefore attendees are recommended to wear suitable clothing.

If you have symptoms, including runny nose, sore throat, fever, new continuous cough and loss of taste and smell please do not come to the meeting.

Live Streaming and Hybrid Arrangements

To encourage more people to engage in our public meetings the Council is trialling live streaming our Cabinet meetings on our YouTube channel in addition to recording the meetings and publishing the recording on our website. To watch the meeting live please visit <https://www.youtube.com/user/torbaycouncil>.

We are trialling hybrid meeting arrangements to enable officers and Councillors who are not members of the Cabinet to either attend the meeting in person or to attend the meeting remotely via Zoom. Anyone attending the meeting remotely must use their raise hand function when they wish to speak and to declare any interests at the appropriate time. As this is a trial if anyone attending the meeting remotely loses connection the meeting will continue and they will have the option to follow the meeting via the YouTube live stream.

Minutes of the Cabinet

13 June 2023

-: Present :-

Councillor David Thomas (Chairman)

Councillors Bye, Chris Lewis, Tranter and Tyerman

(Also in attendance: Councillors Amil, Billings, Brook, Bryant (virtual), Steve Darling, Law, Barbara Lewis (virtual), Long, Maddison (virtual), Penny (virtual), Spacagna (virtual), Stevens (virtual) and Jacqueline Thomas)

463. Matters for Consideration

The Cabinet considered the following matters, full details of which (including the Cabinet's decisions) are set out in the Record of Decisions appended to these Minutes.

464. Special Educational Needs and Disabilities (SEND) Local Area Strategy

465. Torbay Youth Justice Plan 2023-24

466. Needle and Syringe Provision - Award of Contract

467. Corporate Cleaning Contract

Chairman/woman

Record of Decisions

Special Educational Needs and Disabilities (SEND) Local Area Strategy

Decision Taker

Cabinet on 13 June 2023.

Decision

That the Torbay Special Educational Needs and Disabilities (SEND) Local Area Strategy be approved.

Reason for the Decision

The provision of services to support children and young people with SEND was a statutory duty for the local area (local authorities and ICB). Provision of such services is a cornerstone of enabling the local community to thrive, and to supporting children and young people in having high aspirations. For children looked after with SEND, such services play an integral role in the Council delivering its duties as corporate parent.

As a Local Area we needed to ensure that our SEND Strategy was fit for purpose and would enable us to work together as a whole Local Area to ensure Children and Young People with Special Educational Needs could thrive.

Implementation

This decision will come into force and may be implemented on 26 June 2023 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

Following the SEND inspection of the Local Area in November 2021, the inspection report issued in January 2022, requested that the Local Area develop a written statement of action showing how they intended to address the significant weaknesses outlined in the report. The Written Statement of Action, approved in May 2022, defined eight areas of improvement. A SEND Strategy for the whole Local Area was one of these eight areas.

The Local Area SEND Strategy was a collaborative piece of work which provided a direction of travel for SEND across the Local Area. It was a departure from the usual creation of strategies, having been completely coproduced with our children, young people and families.

At the meeting Councillor Bye proposed and Councillor Tyerman seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

No alternative options were considered.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

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

Councillor Tyerman declared a non-pecuniary interest as he is a Governor at Spires College.

Published

16 June 2023

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet

Record of Decisions

Torbay Youth Justice Plan 2023-24

Decision Taker

Cabinet on 13 June 2023.

Decision

That the Torbay Youth Justice Plan 2023-24 as set out at appendix 1 to the submitted report be approved and submitted to the Youth Justice Board.

Reason for the Decision

The local authority has a statutory duty to submit its Youth Justice Plan by 30 June 2023. Failure to do so may result in Youth Justice Board funding being withheld or delayed resulting in a reduced or delayed service as specified within the plan.

Implementation

The decision in respect of the Torbay Youth Justice Plan 2023-23 will come into force immediately as the decision maker has decided that any delay likely to be caused by the call-in process would prejudice the Council's interest. The Overview and Scrutiny Co-ordinator was consulted on 6 June 2023.

Information

Torbay Council was required by the Crime and Disorder Act 1998 to approve an annual Youth Justice Plan that had been prepared in consultation with its partner agencies, staff, and service users. The key outcomes for the Youth Justice Plan were to prevent children from offending, reduce re offending and prevent children entering custody.

The national Youth Justice Board (YJB) released new guidance on the production and contents of the [Youth Justice Plans for 2023-24](#), Torbay's plan has been updated in accordance with this guidance.

At the meeting Councillor Bye proposed and Councillor Chris Lewis seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

There was no other option considered as it was a legal requirement to deliver this service and produce this plan.

Is this a Key Decision?

No

Does the call-in procedure apply?

No

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

None.

Published

16 June 2023

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet

Record of Decisions

Needle and Syringe Provision - Award of Contract

Decision Taker

Cabinet on 13 June 2023.

Decision

That a three-year contract (plus a further three years) commencing in October 2023, to deliver Needle Exchange equipment and remove any used needles that have been returned to pharmacies be awarded to the preferred supplier for the contract value as set out in Exempt Appendix 1 to the submitted report.

Reason for the Decision

Following an open market procurement exercise the preferred supplier for both Devon and Torbay was awarded to the most economically advantageous tender.

Implementation

This decision will come into force and may be implemented on 26 June 2023 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

As part of an effective drug and alcohol treatment system, public health teams across the country commission organisations to deliver a range of clean injecting equipment and paraphernalia and to effectively dispose of this clinical waste when returned.

In Torbay, we have procured this service on the open market on two previous occasions jointly with colleagues in Devon County Council, successfully securing a national provider of these services, the most recent occasion was in 2018 where the contract was awarded to Orion Medical Supplies. This Provider has effectively delivered these services in the previous four years, but the natural end of their contract and all permissible extensions have been reached, therefore a procurement exercise and a decision to award the contract was required to continue this provision from October 2023.

At the meeting Councillor Tranter proposed and Councillor David Thomas seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

The following alternative options were considered and discounted:

- a direct award to the incumbent provider, this option was discounted as it was not permissible due to procurement regulations;
- Not awarding any contract was also discounted, as this would be failing to meet our duty to protect the public's health as a mandated requirement of the public health ring-fenced grant and would fail to deliver a comprehensive and effective drug treatment system as set out in the expectations of the Governments 10-year drugs plan 'From Harm to Hope';

and

- A limited or reduced scope service was considered and discounted because it would fail to meet the requirements of national standards (NICE guidance PH52 'Needle and syringe programmes').

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

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

None.

Published

16 June 2023

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet

Record of Decisions

Corporate Cleaning Contract

Decision Taker

Cabinet on 13 June 2023.

Decision

That tenders be sought for the corporate cleaning contract and that the final award of the contract to the successful bidder be delegated to the Director of Corporate Services.

Reason for the Decision

To ensure the Council's corporate buildings remain suitably hygienic for Torbay Council's staff and residents.

Implementation

This decision will come into force and may be implemented on 26 June 2023 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny).

Information

The Council has had a corporate cleaning contract in place since 2020 with the initial term ending on 31 March 2023; the decision was made to extend this contract for up to 12 months, with a proposal to retender the service within this extension time.

At the meeting Councillor Tyerman proposed and Councillor Tranter seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

In order for the Council to ensure that its corporate buildings remain suitably hygienic for Torbay Council's staff and residents the only option was to go out to the market to secure a new cleaning supplier from March 2024.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

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

None.

Published

16 June 2023

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet

Meeting: Cabinet **Date:** 11th July 2023

Wards affected: All

Report Title: Asset disposals

When does the decision need to be implemented? 17th July

Cabinet Member Contact Details: Councillor Chris Lewis, Cabinet Member for Places Services & Economic Growth, chris.lewis@torbay.gov.uk

Director/Divisional Director Contact Details: Alan Denby, Director of Pride in Place, alan.denby@torbay.gov.uk

1. Purpose of Report

- 1.1 To make recommendations relating to the disposal of 3 surplus assets to achieve capital receipts and cost savings in line with the Council's capital programme and the asset management strategy.
- 1.2 Disposal of these sites will also help reduce the Council's repair liability and associated expenditure and support the Council's ambition to use its assets to the best effect.

2. Reason for Proposal and its benefits

- 2.1 The proposals in this report help us to deliver this ambition, by supporting the Council in reviewing its asset base agreeing a further round of asset disposals, instructing the marketing of sites at Preston North, Corbyn Head and the Old Toll House in Torquay to achieve the highest possible receipt in line with the Council's asset management policy with net receipts after the cost of any sales committed to delivery of capital programme schemes across Torbay. In respect of the toilet blocks the Council would require that future owners make provision for public access toilets.
- 2.2 The reason for the decision is that the Council owns assets including land and buildings, investment assets, operational properties, those held for sale or under construction, intangible assets, infrastructure, plant and machinery, heritage and community assets. These assets are located both inside and outside of Torbay. While the estate is well let and returns to the Council a substantial annual income also achieving a high occupancy rate it is subject to periodic review to ensure that it is working to support the Council's objectives as best as it can.
- 2.3 The management of the asset portfolio is commissioned through to TDA. TDA was requested earlier in the year to review the Council's Torbay assets to consider whether there are opportunities for assets to be identified as surplus to the Council's operational requirements and disposed of. This in line with the principles set out in the asset management policy including:
- Rationalise the asset base by reviewing all non-operational and surplus assets to identify opportunities to create or increase revenue income, provide investment opportunities, or deliver capital receipts to stimulate development and growth.
 - Use our land and buildings to encourage development and growth, supporting local business needs and encouraging new business to Torbay.
- 2.4 That review has identified that there several assets which may be able to be released to support delivery of the Council's capital programme helping progress projects that the community wishes to see delivered.
- 2.5 The benefits of the proposal are initially financial. There would be a capital receipt obtained that, net of the disposal costs, will contribute to delivery of the Council's capital programme and support the objectives of the Community and Corporate Plan.

3. Recommendation(s) / Proposed Decision

1. That the Director of Pride in Place be requested to instruct preparation of an outline planning permission for the surplus toilet blocks at Preston North and Corbyn Head and disposal of these assets with outline planning consent via auction; and be given delegating authority, in consultation with the Director of Finance and the Cabinet Member for Place Services & Economic Growth responsibility, for ensuring that the assets are disposed of in line with the objectives set out in the submitted report.

1. That the Director of Pride in Place be requested to instruct the disposal of the Old Toll House in Torquay and be given delegating authority, in consultation with the Director of Finance and the Cabinet Member for Place Services & Economic Growth responsibility, for ensuring that the asset is disposed of in line with the objectives set out in the submitted report.
2. That the Director of Pride in Place be requested to instruct a strategic review of the Council's estate to identify other assets which could be disposed of to support the delivery of the Council's objectives.

Appendices

None

Background Documents

Torbay Council Strategic Asset Management Plan

<https://www.torbay.gov.uk/council/policies/corporate/amp/> including;

- Asset Management Policy <https://www.torbay.gov.uk/council/policies/corporate/amp/am-policy/>
- Asset Management Strategy <https://www.torbay.gov.uk/council/policies/corporate/amp/am-strategy/>

1. Introduction

- 1.1 The Council's capital programme is under acute pressure following the turbulent period experienced in the local, national and international economies. One consequence of this turbulence is increased costs being experienced across all sectors with the capital programme requiring additional funding to be able to deliver the projects and outcomes that the Council has committed to.
- 1.2 The Council's asset management strategy requires that the assets are supporting an identified end use and purpose, and where they are not or where the cost and performance of the asset suggests, that there may be opportunities for disposal. The principles of this process are set out in the Council's asset management policy and include a commitment to rationalise the asset base reviewing non operational and surplus assets to identify opportunities to create revenue income or a capital receipt to stimulate development and growth.
- 1.3 A further review of the Council's existing assets to identify further opportunities for disposal of under performing assets which are not helping the Council in providing services or meeting wider strategic objectives is likely to identify further assets which can be released.
- 1.4 Reducing the number of assets held is seen as an important element to achieving a sustainable maintenance regime and managing the overall financial commitment required on assets.

2. Options under consideration

- 2.1 Do nothing – the Council will continue to manage the assets being recommended for disposal. Costs will be incurred in the management of these assets including costs relating to staff, repair and maintenance. The potential for a capital receipt will be missed and this option will not support delivery of the Council's capital programme and wider objectives. It is not recommended.
- 2.2 Dispose of the toilet assets without an outline planning consent – it is expected that this will result in a lower receipt than is optimal as potential buyers will not have confidence that a development will be possible on the site. While this would be a faster route to disposal, the expectation is that there would be a lower receipt and for that reason this option is not recommended.
- 2.3 Recommended option – this provides for the best financial outcome with outline planning providing benefit to the Council and the market, with assurance that development can be

taken forward while also providing the opportunity for the Council to shape the nature of a future development.

3. Financial Opportunities and Implications

- 3.1 As set out elsewhere in the report. There is no forecast for the capital receipt that might be obtained from this work that can be put into the public .

4. Legal Implications

- 4.1 None

5. Engagement and Consultation

- 5.1 Engagement with Cabinet has been undertaken, in respect of the Old Toll House ongoing attempts to bring forward a development with a third party have not progressed and the adjoining landowner is aware of this position.
- 5.2 In respect of the toilet blocks it is expected that there will be engagement with community partnerships and others to inform the Council's development of an outline planning application.

6. Purchasing or Hiring of Goods and/or Services

- 6.1 Where required architects will be employed to obtain an alternative planning consent and external agents / auctioneers (as appropriate) will be appointed to affect a disposal.

7. Tackling Climate Change

- 7.1 No direct implications from the recommendations.

8. Associated Risks

- 8.1 The principal risk if the recommendations are not implemented is that the Council will continue to experience financial pressure on the capital programme which will slow delivery

of the corporate plan objectives and achievement of the outcomes that the community wishes to see in respect of town centre regeneration especially.

- 8.2 The key risks associated with implementing the decision is that there is opposition to the concept designs that come forward and that the assets do not achieve the level of receipt that is anticipated.

9. Equality Impacts - Identify the potential positive and negative impacts on specific groups

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			No discernible impact anticipated.
People with caring Responsibilities			No discernible impact anticipated.
People with a disability			No discernible impact anticipated.
Women or men			No discernible impact anticipated.
People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)			No discernible impact anticipated.
Religion or belief (including lack of belief)			No discernible impact anticipated.
People who are lesbian, gay or bisexual			No discernible impact anticipated.
People who are transgendered			No discernible impact anticipated.
People who are in a marriage or civil partnership			No discernible impact anticipated.
Women who are pregnant / on maternity leave			No discernible impact anticipated.
Socio-economic impacts (Including impact on child poverty issues and deprivation)			No discernible impact anticipated.

Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			No discernible impact anticipated.
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10. Cumulative Council Impact

10.1 None

11. Cumulative Community Impacts

11.1 None

Meeting: Cabinet **Date:** 11 July 2023

Wards affected: All

Report Title: Condom distribution service – Award of contract

When does the decision need to be implemented? 11/7/23 (after standstill period)

Cabinet Member Contact Details: Cllr Hayley Tranter, Cabinet Member for Public Health
Hayley.tranter@torbay.gov.uk

Director/Divisional Director Contact Details: Dr Lincoln Sargeant, Director of Public Health,
email: Lincoln.sargeant@torbay.gov.uk;

Sarah Aston, Public Health Specialist email: sarah.aston@torbay.gov.uk

1. Purpose of Report

- 1.1 To request that Cabinet endorse the decision to award a contract for a condom distribution scheme in Torbay, following a successful tender exercise completed in May 2023.
- 1.2 To note, this process has been a joint procurement exercise, led by Devon County Council. The same recommendation is being made to colleagues and leaders in Devon, with the intention of awarding and mobilising the service across both areas simultaneously.
- 1.3 The successful bidder for the services to be delivered across Torbay and Devon was selected because of the quality of the submission.
- 1.4 The renewed scheme intends to broaden access and improve engagement digitally, rather than purely relying on place-based settings and the need for registration to the scheme for 16+ target groups.
- 1.5 All 13–16-year-olds will continue to be able to speak to a trained and trusted professional and have an informed one-to-one discussion and will receive a ‘competency to consent’ assessment.
- 1.6 An intended short-term outcome is to improve access to contraception for young people. A further intended outcome includes a reduction in rates of teenage conceptions, and reduced incidence of sexually transmitted infections, including chlamydia and gonorrhoea.

2. Reason for Proposal and its benefits

- 2.1 The proposals in this report help to deliver local ambitions for Torbay residents by working differently to enable younger residents to have the resources to self-manage their health and wellbeing online as well as in person.
- 2.2 This proposal builds on feedback and consultation with young people, and therefore supports our ambitions for thriving people and having high aspirations for all our residents. The proposal particularly relates to Torbay Council's responsibilities as a corporate parent and has a deliberately strong social value component.
- 2.3 The recommendation to award to the preferred provider is because of the high quality of the bid, including the social value commitment to Torbay populations and organisations.

3. Recommendation(s) / Proposed Decision

1. That the contract for the provision of the condom distribution service be awarded to the preferred bidder as set out in Exempt Appendix 1.

Appendices

Appendix 1: Details of Preferred Bidder (Exempt)

Background Documents

None

Supporting Information

1. Introduction

- 1.1 A condom distribution scheme has existed in Torbay for over 15 years. This has supported a reduction in the teenage conception rate and been delivered via local NHS Trusts. Condoms are a highly effective way to manage sexual and reproductive health and are an essential part of a local effective prevention strategy. Unintended teenage conceptions and poor sexual health outcomes, including Sexually transmitted Infections (STI) and HIV (Human Immunodeficiency Virus) prevalence remain a key issue, particularly for 15–24-year-olds in Torbay.
- 1.2 The current contract has reached a natural end, which presents an opportunity to redesign the service, in response to changing needs of the target population (13–25-year-olds).
- 1.3 The new service will take a digital first approach, refocussing on supporting sexually active 16–24-year-old young adults to manage their sexual and reproductive health by ordering condoms and safer sex supplies to be directly delivered to them. Young people aged 13-18 will still be able to receive one to one advice, information and a safeguarding and competency assessment under this proposal.
- 1.4 Torbay Council has worked alongside Devon County Council and has jointly procured sexual health services for over 5 years. The benefit of jointly procuring is that services achieve a consistency of service delivery for residents who may work or study in Devon, but also a financial benefit in terms of economies of scale.

2. Options under consideration

- 2.1 Given the current delivery, availability of extensions and range of other contracts delivered by the incumbent provider to date, a direct award was considered, but this is not permissible to Devon County Council colleagues. In addition, due to the changing nature of 16- to 24-year-old needs and behaviours, it was concluded that a refreshed specification and service model was desirable.
- 2.2 Not awarding a contract was considered, but this course of action would result in a failure to meet the prevention needs of a significant group of residents who bear the burden of unintended conceptions and new Sexually Transmitted Infection (STI) diagnosis.
- 2.3 A limited or reduced scope was considered but would not achieve the ambitions and scale of need for Torbay residents.

3. Financial Opportunities and Implications

- 3.1 Funding for this service is already in place due to being an existing service whose budget is built into the baseline public health ring-fenced grant budget expenditure. The cost of this service in Torbay is £50,000 per annum.
- 3.2 The contract term is from 1st October 2023 until 30th June 2025 with provision for an extension of up to 24 months.

4. Legal Implications

- 4.1 There are no known legal implications other than a failure to award the contract without due justification which could result in a challenge to the procurement process by the successful bidder.

5. Engagement and Consultation

- 5.1 This service and decision takes account of engagement with local young people by the current provider. The initial development of online services has been extremely well received by young people, with elevated levels of demand.
- 5.2 National feedback about condom distribution services is indicating that young people expect to find services quickly and easily and online.

6. Purchasing or Hiring of Goods and/or Services

- 6.1 Social value was built into part of the tender for which the supplier was required to submit proposals on their social value commitments to Torbay.
- 6.2 This part of the tender submission was assessed by officers from Torbay Council and Devon County Council. The preferred supplier and was deemed to be excellent, due to the commitment specifically to Torbay organisations and young people, including Foster Carers and care experienced young people.
- 6.3 The monitoring of the social value commitments will be undertaken as part of the central contract monitoring process in Torbay through the Procurement, Contract Management and Commissioning team.

7. Tackling Climate Change

- 7.1 The preferred provider achieved an overall excellent score for its contribution to social value. This included explicit contributions and support for the local economy, environmental and local projects.

8. Associated Risks

- 8.1 Risks of failure to agree to award the contract centre on the significant risk of increased poor sexual and reproductive health outcomes to 13-to-24-year-olds in Torbay. This includes increases in rates of teenage conceptions, unintended conceptions, and STIs (Sexually Transmitted Infections), including HIV (Human Immunodeficiency Virus) incidence.
- 8.2 There is a risk that Torbay Council comes under significant scrutiny from the Office of Health Improvement and Disparities if a proven public health intervention is withdrawn with no legitimate or justifiable reasons for doing so.
- 8.3 Finally, there is a risk of legal challenge if the procurement is not concluded effectively, and the potential bidders decide that there are grounds for challenging the decision to not award.

9. Equality Impacts - Identify the potential positive and negative impacts on specific groups

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people	X - This proposal to award will benefit the general health of the target population by increasing access and visibility of preventative services.		X - Young people experiencing digital poverty or unable to use online, will remain able to access services face to face.
People with caring Responsibilities			X - there is no differential impact on this group of this decision
People with a disability	X - This proposal to award will benefit the general health of the target population by		

	increasing access and visibility of preventative services.		
Women or men			X - there is no differential impact on this group of this decision
People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)	X - This proposal to award will benefit the general health of the target population by increasing access and visibility of preventative services.		
Religion or belief (including lack of belief)			X - there is no differential impact on this group of this decision
People who are lesbian, gay, or bisexual	X - This proposal to award will benefit the general health of the target population by increasing access and visibility of preventative services.		
People who are transgendered	X - This proposal to award will benefit the general health of the target population by increasing access and visibility of preventative services.		
People who are in a marriage or civil partnership			X - there is no differential impact on this group of this decision
Women who are pregnant / on maternity leave			X - there is no differential impact on this group of this decision
Socio-economic impacts (Including impact on child poverty issues and deprivation)	X - This proposal to award will benefit the general health of the target population by increasing access and visibility of preventative services.		

Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	X - This proposal to award will benefit the general health of the target population by increasing access and visibility of preventative services.		
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10. Cumulative Council Impact

10.1 None

11. Cumulative Community Impacts

11.1 None

Document is Restricted

Meeting: Cabinet **Date:** 11 July 2023

Wards affected: All

Report Title: LASER Energy Contract

When does the decision need to be implemented? 01 August 2023

Cabinet Member Contact Details: Councillor Alan Tyerman, Cabinet Member for Corporate and Community Services, Alan.Tyerman@torbay.gov.uk

Director/Divisional Director Contact Details: Malcolm Coe, Director of Finance, malcolm.coe@torbay.gov.uk

1. Purpose of Report

1.1 Since April 2016 Torbay Council have procured its energy through LASER Energy Group who are part of Kent County Council. LASER are a specialist trading arm within their Council, dedicated to delivering gas, electricity and other utility value added services for the public sector. They are an established Public Buying Organisation (PBO) set up for this very purpose and recognised nationally.

The current contract is for the supply of gas and electricity supplies for 280, single or multiple meter points. The electricity portfolio consists of unmetered and metered supplies.:

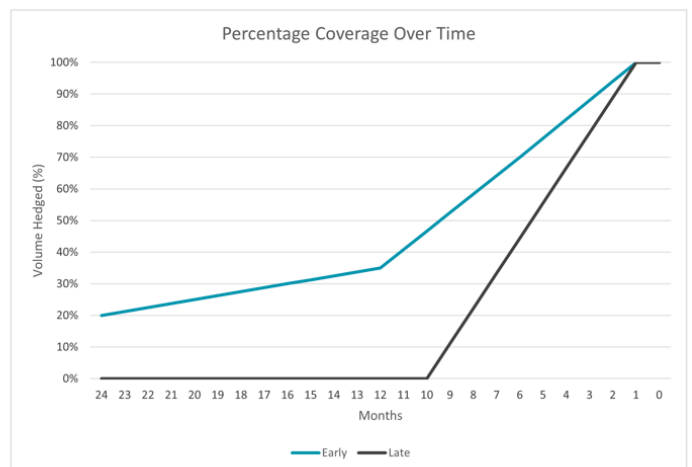
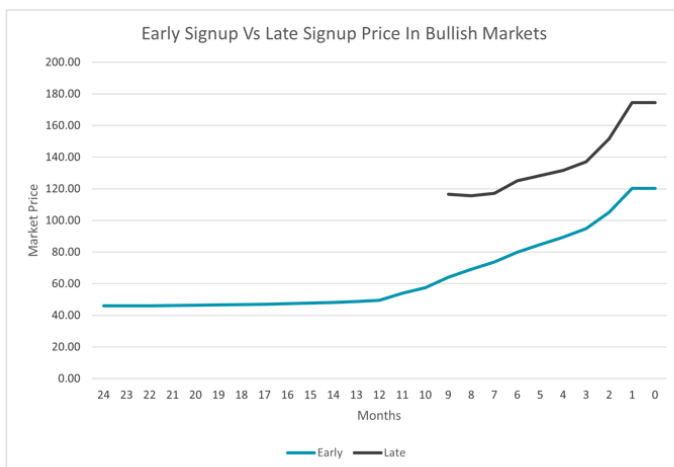
- Unmetered electricity (UMS) – supply of electricity that is connected to the Distribution Network without a meter, for example street lighting, traffic signals etc.
- Half Hourly (HH) supplies will relate to the large premises and will produce half hourly data for consumption.
- Non-Half Hourly (NHH) being the lower consuming sites, usually under 100kVA using standard meters which are read manually or may feature Automated Meter Reading (AMR) technology.
- Gas is billed using consumption only, similar to the NHH electricity supplies.

1.2 The current energy contract with LASER Energy Group ends on the 30th September 2024. However, to date LASER have purchased Torbay Council's energy requirements in advance of a year, 1st October to 30th September for the following energy supply year, known as PIA – purchase in advance model. This contrasts with PWP (Purchase within Period) model which allows for in energy year purchase of gas and electricity - this provides greater flexibility in being able to buy gas and electricity at variable prices but does not provide budget certainty. The table below outlines how each of the baskets compares against each.

Basket	Market Opportunity	Budget Certainty
PIA	Weak	Strong
PWP	Average	Average

- 1.3 Torbay Council need to consider the procurement options and next steps. This varies from undertaking a full OJEU procurement process to a direct award to one of the Public Buying Organisations. An early decision will allow the supplier around 16 months to procure energy in advance of the new energy supply period which might enable a better PIA price to be secured.
- 1.4 The contract is a collaboration of local Devon authorities so that aggregated volumes can be used to the maximum to achieve value for money. Indication of market conditions regarding early signup vs late signup can be seen below.

Guard Against Bullish Market Conditions



2. Reason for Proposal and its benefits

- 2.1 We want Torbay to be a premier resort in the UK, where our built and natural environment is celebrated and where we play our part in addressing the climate change emergency.

The proposals in this report help us to deliver this ambition by having a positive impact on identifying high usage energy areas, reducing energy waste consumption and reducing our carbon output.

The Public Buying Organisation's offer up various initiatives to assist Councils in meeting their carbon reduction aims. LASER offers a comprehensive set of initiatives with a significant focus on green initiatives with suppliers.

2.2 The Devon Energy Group is led by Devon County Council, who along with Torbay Council and several other Authorities, use the contract as a vehicle for their energy needs. Each of the participating authorities liaises and contracts directly with LASER. This is a good example of local public bodies collaborating for mutual gain. Further savings have been offered by LASER through the group committing to the contract.

3. Recommendation(s) / Proposed Decision

- 1 To continue to contract with LASER Energy Group (Kent County Council) to procure, manage and supply Torbay Council's gas and electricity (metered & unmetered) needs from 1st October 2024 for four-years.
- 2 To give delegated authority to the Director of Finance in consultation with Cabinet Member for Corporate and Community Services to ascertain which basket option, Purchase in Advance (PIA) or Purchase within Period (PWP) Torbay Council should adopt.
- 3 That Torbay Council remains part of the Devon Energy Group and sign up to Torbay Council's preferred solution.
- 4 To continue with the current Bureau Service at a cost of c£12k per annum, which includes monitoring, reviewing and reporting in respect of utilities consumption, which will provide a solution to data required to compile carbon footprint statistics and identify high usage area.

Appendices

Appendix 1: LASER's current flexible frameworks

Appendix 2: Example of Bureau reporting

Background Documents

None

Supporting Information

1. Introduction

1.1 Using the Purchase in Advance, (PIA), model LASER has delivered on or below average wholesale electricity prices, this is detailed in the table below for both gas & electricity.

All site volume purchased prior to delivery for a 12-month supply period. Pass through charges will be added to arrive at the delivered price in pence per kilowatt hour. The delivered price is fixed for the 12-month period. Key benefits include:

- Protects against any market increases during the delivery period
- More buying opportunities are available compared to short-term strategies.
- Premiums are kept to a minimum.
- We aren't tied to suboptimal pricing when markets change.

However, in order to adopt this model, the Council will need to seek evidence / reassurance that the current energy prices are not artificially high following the market turbulence over the last 18 months.

Power – 250 day benchmark				
Purchase	Period	Achieved Price	Market Average	% Difference
In Advance (PIA)	Oct 16 to Sept 17	39.65	39.23	1.07%
	Oct 17 to Sept 18	41.44	44.46	-6.79%
	Oct 18 to Sept 19	46.11	52.04	-11.40%
	Oct 19 to Sept 20	50.51	51.65	-2.20%
	Oct 20 to Sept 21	43.44	45.35	-4.22%
	Oct 21 to Sept 22	59.92	114.08	-47.48%
	Average %			
Gas – 250 day benchmark				
Purchase	Period	Achieved Price	Market Average	% Difference
In Advance (PIA)	Oct 16 to Sept 17	37.77	37.08	1.86%
	Oct 17 to Sept 18	41.99	45.69	-8.10%
	Oct 18 to Sept 19	49.78	54.75	-9.08%
	Oct 19 to Sept 20	53.8	49.98	7.64%
	Oct 20 to Sept 21	36.32	34.96	3.90%
	Oct 21 to Sept 22	55.28	106.82	-48.25%
	Average %			

1.2 Using the PWP model, LASER will purchase a proportion of the required volume prior to delivery for each 6 month supply period. The remainder is then purchased within this period. The full year price will be based on a 'reference price' averaged for the entire year. At the end of that period a reconciliation exercise would occur whereby Torbay Council would be credited, dependant on the cost of energy purchased within the remaining period. Key benefits include:

- PWP provides the chance to reduce costs if markets fall within period.
- By offering an extended purchase window, more buying opportunities are available compared to more short-term and purchase in advance strategies.
- Premiums associated with securing a fixed price are kept to a minimum.
- By purchasing within period, you aren't tied to suboptimal pricing when markets change.

It is worth noting that if Torbay Council decide on a particular model, this does not mean we are tied into that model for the length of the contract. A minimum of 6 months' notice must be given to change models for the forthcoming year.

1.2 LASER has mitigated against a large proportion of the market extremes through flexible procurement. However, it is important to note that prices remain elevated compared to levels prior to the energy crisis and the view will continue to vary where baskets are not 100% purchased.

Electricity and Gas Forecasts:

Table Key

1. The current and upcoming year in which the forecast represents
2. Length of time the forecast relates to
3. The proportion of total basket volume purchased to date for the upcoming year. The higher the percentage, the less exposure there is to current market price volatility
4. This low-case forecast shows the impact if the remaining energy is purchased at the lower of (i) lowest market price since May 2022 or (ii) current market price less 10%
5. This shows a mid-case delivered price change forecast, taking into account energy already purchased, plus the impact of buying the remaining energy at current market prices
6. This high-case forecast shows the impact if the remaining energy is purchased using the higher of (i) highest market price since May 2022 or (ii) current market price plus 10%

ELECTRICITY				Your year-on-year price forecast		
	Period	Timeframe	% Purchased	% Increase Low Case	% Increase Mid Case	% Increase High Case
PIA	Oct 22-Sept 23 → Oct 23-Sept 24	12 Month View	85%	6.9%	7.6%	26.5%
PWP	Apr 22-Mar 23 → Apr 23-Mar 24	12 Month View	67%	-5.8%	-4.7%	42.9%



Winter 2023-Winter 2024 electricity contracts have decreased by 5-9% since the start of May. Prices experienced four consecutive days of losses in mid-May, seeing increased convergence between Winter 2023 and Winter 2024 contracts.

GAS

				Your year-on-year price forecast		
	Period	Timeframe	% Purchased	% Increase Low Case	% Increase Mid Case	% Increase High Case
PIA	Oct 22-Sept 23 → Oct 23-Sept 24	12 Month View	85%	-12.7%	-12.2%	7.1%
PWP	Apr 22-Mar 23 → Apr 23-Mar 24	12 Month View	62%	-23.7%	-21.8%	37.6%



Gas seasonal contracts have displayed increased bearishness, decreasing by 11-16% since the start of May. Similar consecutive daily losses in mid-May were seen for gas with little change to fundamental drivers. The largest decreases in May of 12-24%, continue to be seen for electricity and gas forward month contracts driven by strong short-term bearishness from fundamentals.

1.3 Torbay energy spend with LASER over the last 3 years has seen a significant increase due to the turbulent market. The spend below includes both electricity and gas charges for the

sites listed on our portfolio and includes c£42k management and procurement costs per annum split between the Council and participating schools.

	Gross	Net
2020/21	£1,486,356	£1,252,473
2021/22	£1,611,659	£1,357,511
2022/23	£2,696,012	£2,264,103

There are a number of key elements that make up the billable rate. For gas a high percentage is still made up of wholesale energy cost, but electricity has seen other cost factors increase such as network costs (distribution and transmission) and green levy. This has reduced the impact that wholesale electricity changes may have in the billable rate. Over the coming years gas non commodity costs will also see increases whereas electricity non commodity costs are expected to stabilise.

The graph below shows the wholesale energy market had been relatively stable until the war in the Ukraine causing price volatility. Pass-through costs such as network and green levies have also increased significantly leading to high gas and electricity price increases especially in electricity. We are unable to influence the pass-through costs of the billable rate, the pass-through costs are fees paid for the operation and maintenance of the supply networks. These charges are approved each year by the energy regulator.

The South-West electricity distribution charges are higher than the national average, this is due to the electricity being transported over longer distances, using more of the transmission system to reach them.

Figure 1 - Historic Energy Market Price Volatility



Graph: Source LASER Energy 2022

2. Options under consideration

2.1 Procurement Options

	Advantages	Disadvantages
Continue the existing model of procuring energy (gas & electricity) requirements through a Public Buying Organisation (PBO)	Aggregated volumes will give more purchasing flexibility	Loss of control with public body buying our gas and electricity.
	Continued improved monitoring of markets will better inform purchasing decisions.	Issues in pricing transparency of PBO charges.
	Governance board in place with third party specialist organisation auditing and challenging.	Delegated authority would need to be given to the PBO to purchase energy on our behalf (although still within Public Sector). This is already taking place with Torbay energy contracts.
	Direct award can be made to a PBO subject to authorities being satisfied that it meets their own financial regulations and VFM	Cost of change unless incumbent.
	Central government are encouraging authorities to join PBO energy consortiums.	
	PBO's undertake UK compliant competitive procurement exercises with regulated energy providers.	
	PBO competitive procurement exercise to open market tests the market and demonstrates VFM.	
	Using aggregated volumes to drive cost savings and innovation.	
	Any profits reinvested into public services.	
	LASER undertake invoice validation on behalf of Torbay Council thus ensuring incorrect supplier invoices are held and queried for errors.	
	With the appointment of a Contracts Officer in November 2022, the supplier relationship has significantly improved reducing delays in queries and site additions.	
	LASER monitors overall performance of Suppliers. Service Level Agreements (SLAs) have been drawn up, with Key Performance Indicators (KPIs) to monitor performance. Regular reviews of supplier operation will be carried out during the framework's lifespan through reporting and regular meetings, which form our supplier management program.	

Carrying out a full OJEU procurement including utility brokers	Allows all organisations both public and private to bid providing greater competition and opportunities in delivering savings and innovation.	Delegated authority may need to be given for the private company (if successful) to purchase energy on Torbay's behalf. Torbay need to be comfortable with providing this.
		Limited governance on utility brokers compared to PBO's & the regulated energy companies.
		Brokers would apply a profit administration margin and would need to transact with one of the regulated energy companies who in turn would apply a management fee.
		Appointing a broker can involve extended times in resolution of account management queries.
		Pricing transparency with multiple suppliers in the chain is often difficult to obtain and monitor.
		Time and resource required to undertake the procurement and cost of change.
		Public authorities tend to have few HH sites but a high number of NHH which are less attractive to the market being low usage but still requires maintenance and support. Whereas a HH site is high volume and value which is more appealing to the market.
		The time and resource required to research, identify if the frameworks provide value for money. Potential cost of change with changing meters over to new suppliers/providers.
Procure using a PBO framework	Using a PBO framework would be OJEU compliant without Torbay having to run a further procurement process.	
	To establish a framework the PBO would have been through an OJEU compliant competitive process to demonstrate VFM.	
	Mutual public sector interest in supporting public bodies.	
	Profits are reinvested within the Public Sector.	
	Energy volumes aggregated to give better purchasing volumes.	

2.2 PBO Frameworks Available

PBO Frameworks available	Advantages	Disadvantages
Crown Commercial Services (CCS) – RM6011 CCS have two frameworks in place with two suppliers: Electricity - EDF Gas – TotalEnergies Gas & Power	UK procurement regulations compliant framework allowing for direct call off.	Change of supplier for electricity means cost of change plus additional administration and contract management. Taking away the advantages of a single point to call for any gas and electricity queries. There would be switching costs, time, resources and potential disruption to services.

<p>Eastern Shires Purchasing Organisation (ESPO)</p> <p>ESPO framework consists of two frameworks one for the supply of gas the other for electricity. The supplier for both is Total Gas & Power Ltd.</p>	<p>UK procurement regulations compliant framework allowing for direct call off.</p>	<p>Change of supplier for electricity means cost of change plus additional administration and contract management. Taking away the advantages of a single point to call for any gas and electricity queries.</p> <p>There would be switching costs, time, resources and potential disruption to services.</p>
<p>Yorkshire Purchasing Organisation (YPO).</p> <p>YPO framework consists of two frameworks: Electricity – Npower Gas – Corona.</p>	<p>UK procurement regulations compliant framework allowing for direct call off</p>	<p>Change of supplier for gas means cost of change plus additional administration and contract management. Taking away the advantages of a single point to call for any gas and electricity queries.</p> <p>There would be switching costs, time, resources and potential disruption to services.</p>
<p>LASER (Kent County Council)</p> <p>LASER framework consists of two frameworks although they act as the single point of contact with NPower and Total Gas & Power acting as sub-contractors. Electricity - Npower Gas – Total Gas & Power</p>	<p>UK procurement regulations compliant framework allowing for direct call off.</p> <p>No switching costs, time, resources or potential disruption to services.</p> <p>Currently level of service is good with Torbay and other Councils also content.</p> <p>LASER Identified £978.2k per year cost avoidance by being on a PBO framework and additional benefits offered by LASER.</p>	<p>None noted</p>

3. Financial Opportunities and Implications

3.1 Benchmarking Energy Costs

It is very difficult to benchmark energy costs especially for electricity. There are many variable factors that make up a meter point bill. To do an accurate benchmark an exact like for like comparison would need to be made at the same point in time against that same meter.

However, there are elements of the billable rate we are able to compare and contrast as detailed below.

Organisation	Call off method	Outcome of investigation	Recommendations
<p>Crown Commercial Services (CCS)</p>	<p>Framework</p>	<p>Costs not made available. Must go with price offered.</p> <p>Deal direct with energy supplier no direct account management support from CCS.</p>	<p>Not able to benchmark price. CCS do charge a flat supplier spend rebate fee assumed to be their standard 1%. In addition, there will also be a cost to serve fee applied by CCS or the contracted supplier. LASER charge around £42K per</p>

		Different approach to energy baskets.	annum management fee. This is based on current volumes.
The Yorkshire Purchasing Organisation (YPO)	Framework	Costs not made available. Must go with price offered. Deal direct with energy supplier no direct account management support from YPO. Different approach to energy baskets.	Not able to benchmark price. YPO do charge a flat supplier spend rebate fee assumed to be their standard 1%. In addition, there will also be a cost to serve fee applied by YPO or the contracted supplier.
Eastern Shires Purchasing Organisation (ESPO)	Framework	Costs not made available. Must go with price offered. Deal direct with energy supplier no direct account management support from YPO. Different approach to energy baskets.	Not able to benchmark price. ESPO do charge a flat supplier rebate fee but not clear what this is. In addition, there will be a cost to serve fee for managing the contract.

4. Legal Implications

4.1 No legal implications

5. Engagement and Consultation

5.1 No formal engagement or consultation process has been carried out due to the specialised nature of the commercial energy market and purchasing arrangements, which would make it difficult to hold effective resident and/or public consultation.

The core focus of this paper is to recommend the most effective commercial vehicle to source Torbay Council's energy and is therefore not focussed on energy usage or carbon footprint which would require public consultation.

6. Purchasing or Hiring of Goods and/or Services

6.1 The frameworks have been procured in accordance with the Public Contracts Regulations of 2015, as amended (PCR2015). Kent County Council remains the Contracting Authority for all LASER contracts. This permits a public body to access LASER's frameworks and services without the need to run a separate procurement process to do so. The contract and award notices can be viewed as follows:

- Y22008 Flexible Procurement and Supply of Natural Gas, Daily Metered and Non-Daily Metered with Additional Services:

- Y22009 Flexible Procurement and Supply of Half Hourly (HH), Non-Half Hourly (NHH), Metered and Unmetered (UMS) Electricity with Additional Service

6.2 The tender requirement for flexible procurement was thoroughly reviewed, in conjunction with customer feedback, prior to release with the aim of providing a framework that maintained the positives from previous framework arrangements but expanded certain categories that were important to our customer base and essential to allow ongoing improvement.

The 2024 -2028 Framework has a notable shift in emphasis with regards to:

- Social value
- Net zero
- Contract/performance management

6.3 Primary awarded suppliers for the contract are:

Gas Y22008 - Total Energies

- Total Energies provided a thorough response and supported many of their responses with samples and evidence. They were the overall first place supplier and scored particularly well in the following 3 areas:
 - Supplier Management Fees – quantitatively scored and Total Energies were in first place.
 - Social Value - A very good response which gave full recognition of the importance of social value with time and money committed going forward as well as a list of previous activities. It is evident that Social value has played a big part of Total's setup for some time and examples are provided across the board.
 - Procurement and Trading – This was a good response that addressed the demands of the practicalities behind flexible procurement.

Electricity Y22009 – Npower

- This was a well-presented tender submission by npower, with relevant additional attachments and some high-scoring categories in:
 - Supplier Management Fees - quantitatively scored and npower were in first place. LASER Flexible Procurement Framework Information Pack
 - Social Value - A full and encouraging response which gave full recognition to the importance of social value with time and money committed going forward.

A well laid out plan is provided with 4 key focus areas supported by KPIs to ensure progress.

- Procurement and Trading - This was a very good section for npower with the trading process in particular being covered thoroughly.

6.2 Social Value (Tender Weighting: 10%)

LASER's procurement requirement encompasses economic, environmental and social side of social values and highlights the framework providing an opportunity for suppliers to contribute to the expansion of social value. The projects are not specified but instead emphasis is placed on the geographical spread and range of customers and the importance of delivering value beyond the normal scope of the framework is noted. An essential part of the requirement relates to the ongoing reporting and appointment of a supplier contact responsible for ensuring continuous delivery of value throughout the contract period. A Social Value Plan is to be delivered by each supplier in January 2024.

Supplier questions concentrated on what they can deliver to customers beyond the normal scope of the framework and also how they could demonstrate that their own organisations promoted and succeeded in their goals for social value delivery.

Supplier responses were encouraging with regards to the ongoing internal achievements relating to social value but their offering of volunteer days and funding towards projects linked to customers is also going to have a significant positive outcome. Depending on customer uptake, a pot of up to £130k per annum will be available to spend across initiatives nominated by LASER customers.

Supplier responses and level of commitments to Social Value were encouraging, and includes:

- Offer of volunteering days and funding towards LASER customer projects
- A pot of up to £130k pa to spend across customer initiative.

7. Tackling Climate Change

7.1 Net Zero (Tender Weighting: 7%)

Net Zero now has a dedicated section in the requirement rather than being part of additional services.

Net Zero Carbon services to help to:

- Review our current carbon footprint and establish a plan to achieve net zero emissions.

- Reduce our carbon emissions through compliant procurement solutions and hands on project management of energy efficiency and renewable energy projects across your portfolio.
- Replace remaining sources of carbon emissions through renewable electricity and green gas procurement, Power Purchase Agreements and renewable energy investments, such as customer owned solar farms.

7.2 Bureau Service

A suite of 4 standard reports will be issued on a monthly basis to assist with cost, consumption and CO2 monitoring.

A suite of site and meter level reporting will be available via a web portal, allowing customers to download and extract invoice and consumption data. These widgets include:

- Two-week comparison charts – comparing usage, cost or CO2 for the current week with a previous week.
- Utility comparison chart – a pie chart displaying usage, cost or CO2 for each utility at the site.
- Two year comparison chart – a chart comparing usage, cost or CO2 for the current year with the previous year.
- Top sites percentage change.
- Top sites per unit of comparison.

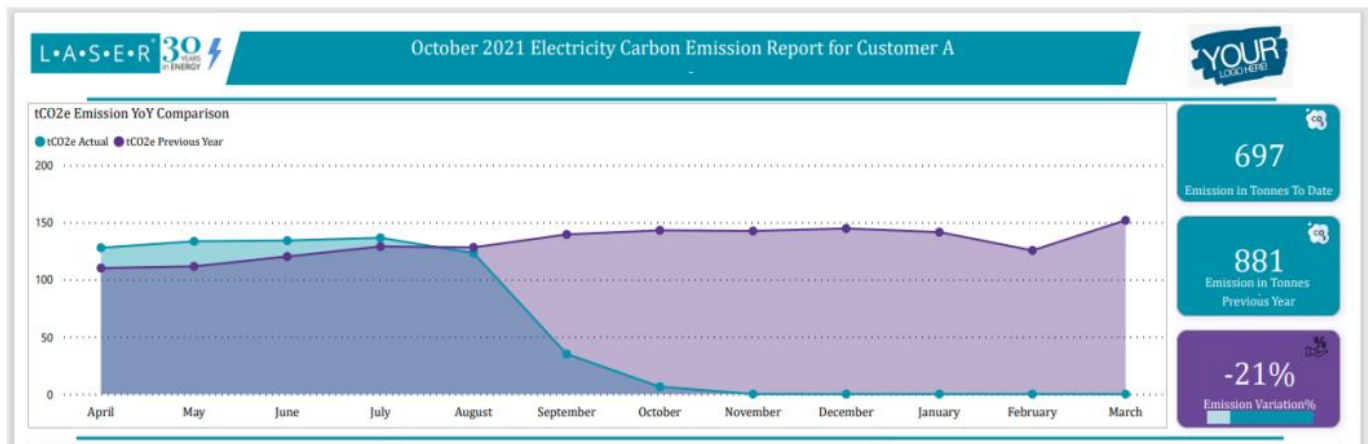
Invoices are validated using a 20+ point validation process which provides assurance that the invoiced consumption is in-line with expectations and helps to remove the uncertainty of estimated billing.

Additional Reporting (Gas, Electric) Includes:

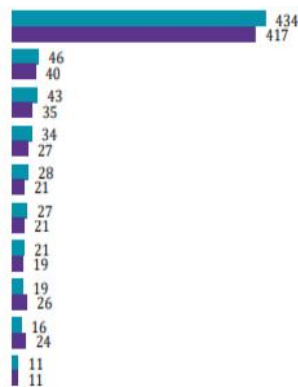
Carbon Reporting

LASER will support our carbon reduction initiatives by collecting, collating and presenting carbon data in a format to meet our needs.

Example of Electricity Carbon Emissions Report.



Month	tCO ₂ e Actual	tCO ₂ e Previous Year	YoY tCO ₂ e Variation
April	128	110	16%
May	133	112	20%
June	134	120	12%
July	137	129	6%
August	123	128	-4%
September	35	139	-75%
October	6	143	-96%
November	0	142	-100%
December	0	145	-100%
January	0	142	-100%
February	0	126	-100%
March	0	152	-100%
Total	697	1,587	-56%



⚡ Emission Report Summary

Based on current data, the highest carbon emission for the current year is July at 136.53 tCO₂e.

Lowest emission in the current year is December at 0.00 tCO₂e.

Current month emission is 6 tCO₂e while the same month in previous year was 143 tCO₂e.

The variation of the current month compared with the same period last year is -96%

Highest Emission Avg by Month 4 for June

Lowest Emission Avg by Month 0 for December

8. Associated Risks

8.1 If no organisation is contracted to deliver the service, Torbay will move on to default rates which would see a significant increase in energy costs as we are not in a position to undertake a tender process independently of the Devon Energy Group.

9. Equality Impacts - Identify the potential positive and negative impacts on specific groups

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			There is no differential impact
People with caring Responsibilities			There is no differential impact
People with a disability			There is no differential impact
Women or men			There is no differential impact

People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)			There is no differential impact
Religion or belief (including lack of belief)			There is no differential impact
People who are lesbian, gay or bisexual			There is no differential impact
People who are transgendered			There is no differential impact
People who are in a marriage or civil partnership			There is no differential impact
Women who are pregnant / on maternity leave			There is no differential impact
Socio-economic impacts (Including impact on child poverty issues and deprivation)			There is no differential impact
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			There is no differential impact

10. Cumulative Council Impact

10.1 None

11. Cumulative Community Impacts

11.1 None

Appendix 1: LASER’s current flexible frameworks have achieved significant cost avoidance for Torbay Council:

Description	Avoided Cost £/pa
LASER's purchasing performance - the prices achieved by LASER since the commencement of the framework are lower than the average market prices over this period.	£876.0k
Lower Supplier Management Fees - reduced fees from your gas and electricity suppliers compared to buying as a stand-alone customer.	£76.3k
Shaping Benefits - aggregating the volumes of multiple customers flattens the overall usage profile, allowing our traders to purchase at a lower price.	£6.8k
Entire Market Pricing - when LASER submits a bid to buy a block of energy, our suppliers are compelled to put this bid into the open market. This means we receive the lowest price anyone in the entire market is prepared to offer.	£3.2k
Flexibility of Trading - our large energy purchase volumes mean we can buy larger blocks of energy over the market, which come at a discount to buying smaller blocks of energy.	£0.8k
Volume Tolerance - LASER's volume tolerances apply at the aggregated customer level (rather than individual customer level) minimising the risk of load variance penalties. As an example, no penalties were incurred for reduced usage during Covid.	£0.6k
Transparency of pricing – LASER validates supplier’s flexible prices and corrects any errors prior to opening bills being issued for each pricing period.	£14.3k

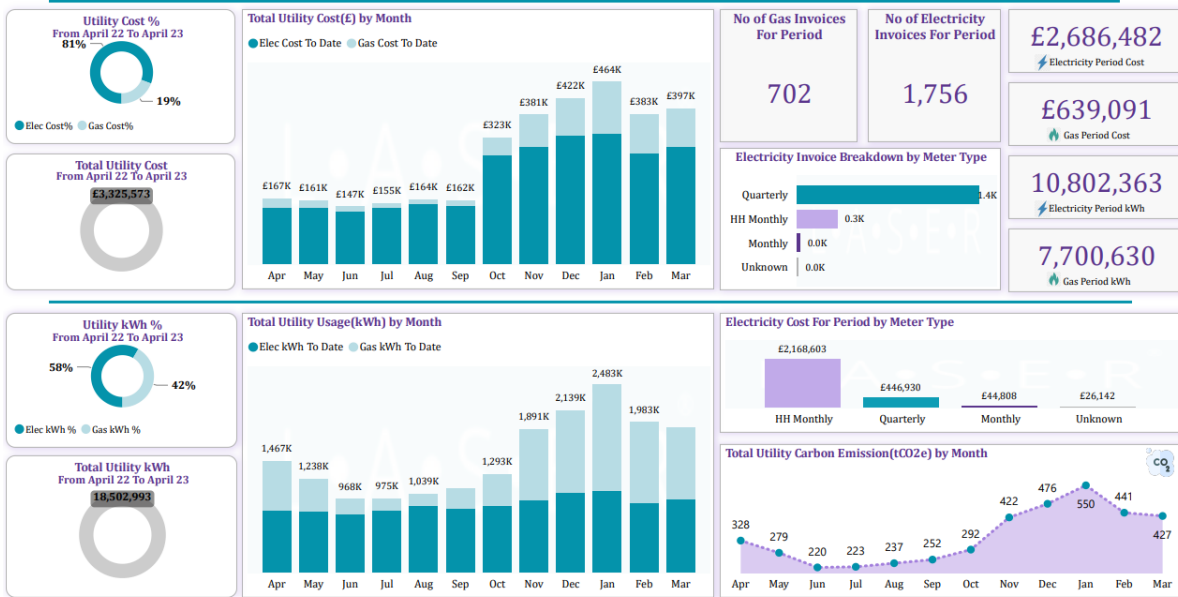
In total, LASER’s flexible frameworks have reduced the Torbay Council energy spend by £978.2k per annum. The new frameworks retain all the features and benefits of the existing frameworks in addition to a number of key enhancements with the new framework:

- Enhanced social value requirements with a pot of up to £130k per annum to spend across initiatives nominated by LASER customers.
- A suite of options to help your organisation achieve your net zero ambitions including:
 - Purchasing energy from Power Purchase Agreements
 - Sleeving in electricity from a customer’s own Power Purchase Agreement
 - Selling electricity and gas from customer owned generation
 - Implementation of Demand Side Response and Energy Efficiency projects LASER Flexible Procurement Framework Information Pack
 - Supply and install of on-site renewables or heat decarbonisation projects.
 - There is further support LASER can offer to assist your organisation to reach net zero.
- Additional protections against supplier failure – the option to switch between suppliers on the framework in the event of a supplier failing to deliver their contract commitments or going out of business.

- Enhanced trading strategies – the ability for LASER to amend and introduce new trading strategies to meet bespoke customer requirements and changing market conditions.
- Additional management information requirements – increased requirements on suppliers to provide meaningful management information to customers.
- Additional supplier Service Level Agreement requirements including enhanced KPIs and Poor Performance Remedies

Information provided by LASER 21/04/2023.

Appendix 2: Example of Bureau reporting (illustration only and not actual data – first report due June 2023)



3/4/2023 9:57:33 AM



Meeting: Overview & Scrutiny Board/Cabinet/Council

Date: 5 July /11 July/20 July 2023

Wards affected: All Wards

Report Title: Budget Monitoring – Outturn 2022/23

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

Cabinet Member Contact Details: Alan Tyerman, Cabinet Member for Finance
alan.tyerman@torbay.gov.uk

Supporting Officer Contact Details: Ian Rowswell, Deputy Director of Finance,
ian.rowswell@torbay.gov.uk,

1. Purpose and Introduction

- 1.1. This report provides a high-level budget summary of the Council's revenue and capital position for the financial year 2022/23 which commenced on 1st April 2022. This report is based on the budget and final outturn position for the year ended 31st March 2023.
- 1.2. The Council has delivered an underspend of £0.4m. It is proposed that this underspend is transferred to an earmarked capital reserve to assist with delivery of the Capital Investment Programme. This is an improved position on the breakeven forecast at Quarter 3 and the £1.7m overspend initially forecast at Quarter 2.
- 1.3. A total of £33m has been spent in this financial year against the revised Capital Plan budget of £44m. This spend is part of an overall 4-year programme totalling £305m, funded from capital receipts, grants and contributions, reserves and revenue budget contributions, and long-term borrowing.

2. Recommendation(s) / Proposed Decision

Recommendations for Overview & Scrutiny Board

- 2.1 That the Overview & Scrutiny Board notes the Council's revenue outturn position and mitigating action identified and make any comments and/or recommendations to the Cabinet.
- 2.2 That the Overview & Scrutiny Board notes the Council's Capital outturn position and make any comments and/or recommendations to the Cabinet.

Recommendation for Cabinet/Council

2.3 That Cabinet notes the report; and

2.4 That Cabinet Recommends to Council:

That the Council notes the revenue outturn position and approves the transfer of the £0.4m carry forward into earmarked capital reserves.

3. 2022/23 Budget Summary Position

3.1 As the Council continues to recover from the financial impact of the pandemic, it has instead had to manage the national “cost of living” issues, arising from inflationary pressures including utility and fuel increases and escalating housing rent costs.

3.2 The financial pressures on services and providers are the highest they've been for many years, with CPI inflation at 10.1% in Sept 2022 and an average impact from pay awards of over 6% on 2022/23 pay costs. Whilst the Bank of England forecasts inflation to reduce, these financial pressures will continue and have been reflected within the Council’s Medium Term Resource Plan.

3.3 Despite the continued uncertainty faced throughout the year, the approved budget set by the Council for 2022/23 effectively reallocated resources to meet the demands from these additional cost pressures, and through robust challenge and monitoring, Officers have managed to deliver a balanced budget with a small overall underspend.

3.4 The table below provides a summary of the Outturn position across Council Services, along with the movement from the figures reported in Quarter 3.

Service	Budget £m	Final Outturn £m	Variance £m	Movement since Q3
Adult Services	45.6	46.4	0.8	0.6
Executive	3.3	3.6	0.3	0
Children’s Services	45.9	47.8	1.9	0.1
Corporate Services	7.2	7.9	0.7	(0.1)
Finance	-8.3	-12.3	(4.0)	(0.3)
Investment Portfolio	-4.6	-4.6	0	0
Place	21.6	22.5	0.9	(0.3)
Public Health	10.1	10.1	0	0
Revenue sub-total	120.8	121.4	0.6	0

Sources of Finance	120.8	121.8	1.0	1.0
Revenue Over/Under spend	0	0.4		

- 3.5 At this summary level the outturn for the council in 2022/23 was broadly in line with the in-year monitoring, particularly the last forecast made at Quarter 3. Variances across services were fairly small, with increasing pressures on Temporary Accommodation accounting for the movement in Adult Services. The slightly improved position is primarily down to an increase in 'Sources of Funding' and the levels of NNDR income received on cash balances being greater than the levels forecast, due to interest rate increases.
- 3.6 The Council recognises that this has offset several overspends during the year, which are being managed to ensure a balanced budget and outturn position in 2023/24.
- 3.8 The cost of service delivery has continued to increase within Torbay and, like most Councils, significant increases have also been seen in the prices of services from third parties, such as children's and adult placements, transport, housing etc.
- 3.9 The continuous improvement journey within Children's Services remains crucial to the Council's medium term financial stability and will be required to mitigate national issues around increasing demand as well as increasing prices.
- 3.10 Our integrated Adult Social Care arrangements with Health continue to provide fair value for Torbay. However, the contract has increased in price for the 2-year extension and further work is planned to agree a longer-term sustainable partnership.
- 3.11 Funds carried forward from 21/22 and held in specific reserves have been deployed effectively to support the reduction of long-term costs, as well as providing a pathway to deliver on the approved 2023/24 budget and help address the budget gap in the Medium-Term Finance Plan.

4. Collection Fund

- 4.1. The establishment of the Collection Fund reserve formed part of the Budget 2022/23 to meet the future impact of carrying forward the shortfall from 2021/22.
- 4.2 Performance in 2022/23 was in line with forecast collection levels, namely a 1% reduction on pre Covid-19 collection rates. The impact of the rising cost of living, inflation and utility prices forms the majority of the reason for this reduction of collection rates in 2022/23. We will continue to explore opportunities to increase our overall collection rates moving forwards.
- 4.3 Revised NNDR bills incorporating the new 2022/23 reliefs were issued at the start of the year. The Covid-19 Additional Relief Fund also provided rate relief to businesses that had not qualified for the other mandatory rate relief schemes in 2022/23.

5. Wholly Owned Companies

- 5.1. This section contains an overview of the financial position for the Council's wholly owned companies.
- 5.2. SWISCo. continues to experience financial pressure in terms of operational delivery, mainly due to inflation related higher material and fuel costs and a decrease in the value and therefore income of recyclable materials. The pay award of a fixed £1,925 per full time employee has had a disproportionate percentage impact on SWISCo given the higher proportion of staff below average salary rates. As a result, as per the agreement at the beginning of the year, the Council provided an additional £0.565m of funding specifically to meet the shortfall in the pay award. Despite the additional pressures, the generation of external revenue sources and ongoing efficiency improvements produced a final 2022/23 position of £0.022m surplus.
- 5.3. The TDA Group profit and loss reported an unaudited net surplus of £0.485m for 2022/23, which included a reported loss in the subsidiary company, TorVista Homes of (£0.371m).
- 5.4. TorVista Homes has now accumulated a deficit in the TDA group accounts to March 2023 of £0.791m. Based on the forecast trading performance, a request to extend TorVista Homes' working capital loan facility from £1.0m to £1.5m was approved on 13 October 2022 at Full Council. The losses in TorVista Homes are not unexpected until such times as the number of properties it manages increases to the levels within its business plan.
- 5.5. More detailed financial reporting about the Council's wholly owned Companies will form part of the final statement of accounts when presented to Audit Committee.

6. Statement of Accounts – 2020/21 and 2021/22

- 6.1. The Council's Statement of Accounts for 20/21 were only signed off by Grant Thornton in April 2023, despite their findings being presented to Audit Committee in Dec 2021.
- 6.2. The Council's Statement of Accounts for 21/22 remain unaudited by Grant Thornton and not signed off by the Government's Statutory deadline. This is a national audit issue, partly due to lack of capacity in the market.
- 6.3. The protracted statement of accounts process has put significant pressure on the finance team, who continue to work concurrently on multiple financial years.
- 6.4. This has had an impact on preparation of the 2022/23 accounts and a number of Councils, including Torbay, were unable to publish their unaudited accounts for public inspection by 31 May. A notice was published on the Torbay website explaining the delay.

7. Service Budgets

Adult Services

Service	Budget £'000	Final Outturn £'000	Variance £'000	Movement since Q3
Adult Social Care	43.4	43.2	0.2	0
Community and Customer Services	2.2	3.2	1.0	0.6
Total	45.6	46.4	0.8	0.6

- 7.1 Overall Adults Services overspent by £0.8m, mainly due to increasing costs in the provision of temporary accommodation to individuals and families.
- 7.2 Within Adult Social Care the majority of spend is against a fixed price financial arrangement (contract) for the delivery of services provided by the Integrated Care Organisation (ICO). Currently due to these financial arrangements with the ICO there is no impact on the Council budget, despite the increasing pressures within the sector. Members should however be aware of the financial position of this key partner, delivering a statutory council service.
- 7.3 The current financial arrangement with the ICO has been “renewed” for two years from April 2023 - at an increased price to better reflect the cost of care and the current levels of demand. Collaborative work is underway between Council & NHS colleagues on the Adult Social Care Improvement Plan (ASCIP) to manage these pressures. however there remains significant pressures within the Adult Social Care system.
- 7.4 Within Community Services there was an overspend of £1m, mainly due to cost pressures within Temporary Housing. There remains considerable demand pressure in the local housing market and lack of affordable accommodation, which continues to increase with the 'cost of living' crisis. The number of people at risk of homelessness continues to rise, currently associated with loss of accommodation in the private rented sector, but a changing picture related to mortgage repossession is likely to emerge. The low availability of temporary options for individuals and family groups in need of temporary accommodation (TA) is currently resulting in cost increases and likely pressures into 2023/24 as the lack of affordable move on accommodation for households is difficult to obtain. At the end of Q4 there were 166 households in TA being accommodated.
- 7.5 Work is underway on directly procuring and leasing property to increase the stability and cost of accommodation options available to the Housing Options team. This stability will allow more work to be done to prevent homelessness and support households to find more permanent housing. Of the 36 homes planned to be purchased, a total of 21 homes have now been acquired, with a further 11 having offers accepted. This will ensure a more traditional 'home' setting for individuals currently in Temporary Accommodation which is predominantly spot purchased B&B type accommodation.
- 7.6 There was also an overspend of £140k on Licencing, due to a combination of income shortfalls and additional agency costs.
- 7.7 Within Customer Services additional staff costs to support administration of several key grant schemes (in addition to the usual support and advice provided by the service) were offset by

additional income from Household Support Fund. Implementation of the Council's Customer Relationship Management (CRM), system is expected to see more self-service options available for customers, which will help to streamline process in the future.

Children's Services

Service	Budget £'000	Final Outturn £'000	Variance £'000	Movement since Q3
Safeguarding Services	43.2	44.6	1.4	(0.5)
School Services	2.7	3.2	0.6	0.2
TOTAL	45.9	47.8	2.0	(0.3)

- 7.8 Overall Children's Services overspent by circa £2m.
- 7.9 Within Children's Safeguarding there is a net overspend of £1.376m, despite the continued oversight, challenge and support from colleagues within this area. Driving this forecast are high placement costs, that can average £20k – £25k per week. This serves as a reminder of the significance of the need for continued and rigorous whole Council support for this service given the financial impact of these placements.
- 7.10 Across the southwest Councils are seeing increased numbers of Cared for Children, reliance on agency staff and number of children and young people placed out of area. There are significant shortages of suitable placements available, meaning children & young people are unable to step down from residential to family-based settings such as fostering placements. This increased pressure is also driving up overall costs within the market. The legislation on unregulated placements changed in September 2022 and will result in further pressure on this budget into 2023/24.
- 7.11 Agency costs have been a significant financial pressure in recent years, but following successful recruitment and retention within the service, the total agency costs were at £2.3m this year compared with spend in 2021/22 of £4.9m. This demonstrates that Torbay Council has achieved significant improvements to influence spend where it can, including investment in newly qualified social workers. We are now seeing significantly increased salary expectations within the agency market and stiff competition from other Councils that are offering increased hourly rates to stabilise their own workforces.
- 7.12 Within Schools Services, Local Authority funded activities reported an overspend, mainly due to pressures within the provision of Home to School transport, with increasing fuel costs for transport providers as well as children and young people needing more bespoke arrangements to get to and from school.
- 7.13 The Nest nursery has been closed since Aug 22, and there is a potential overspend of £100k within 2023/34.
- 7.14. PFI costs for Homelands Primary & The Spires College continue until 2027/28, with an unfunded pressure each year estimated at £600k. It is intended that this, time limited,

pressure is funded through a comprehensive review of Torbay Council reserves which will be reported back in the next reporting cycle.

- 7.15 Outside of Local Authority funded activities, the schools' higher needs block in the Dedicated Schools Grant (DSG) remains under financial pressure because of the level of referrals from schools for higher needs support for children. The pace of demand over recent years has been outstripping increases in dedicated funding.
- 7.16 For 2022/23 the DSG overspent by £2.732m, increasing the DSG cumulative deficit to £11.731m. Until the end of 2025/26 additional legislation has been passed that, for accounting purposes, reclassifies the deficit on the Council's balance sheet.
- 7.17 The Council is part of the Education and Skills Funding Agency (ESFA) and Department for Education (DfE) Safety Valve programme, which supports councils in achieving future financial sustainability in this area - with a write off by Government of the cumulative DSG deficit. If the council can deliver on its recovery plan and achieve a balanced higher needs budget, all of the historic deficit will be written off, through additional funding by ESFA. Torbay Council has already received £5.160m from the ESFA in response to its recovery plan. It is of importance to the Council's future budget position that the Council delivers its recovery plan.

Corporate Services & Executive

Service	Budget £'000	Final Outturn £'000	Variance £'000	Movement since Q3
Executive Support	3.3	3.6	0.3	0
Corporate Services	7.2	7.9	0.7	(0.1)
Total	10.5	11.5	1.0	(0.1)

- 7.18 The Executive Support unit shows an overspend of £0.3m due to continued income shortfalls in traded services such as Human Resources which also have overspends on staffing costs.
- 7.19 Within Corporate Services there is an overspend of £0.7m. This is caused by significant continuing pressures within Legal Services from both challenges to recruit and retain suitably qualified staff and also reduced fee-earning work. Other pressures include increased IT spend on cyber security and historical pressured of the print service, which has since started a new service delivery model. The Divisional Director for Corporate Services is working closely with the Head of Legal to mitigate the ongoing impact of these pressures in 2023/24.

Finance

Service	Budget £'000	Final Outturn £'000	Outturn Variance £'000	Movement since Q3
Finance	(8.3)	(12.3)	(4.0)	(0.3)

- 7.20 Within Finance (including Central Government Grants), there is an underspend forecast as a result of the following:
- 7.21 Significantly increased interest rates in the second half of the financial year, the Council received additional interest on its cash balances and investments. In addition, given the current levels of spend on Capital projects, there is also a saving on interest payable as the Council has not had to borrow in 2022/23.
- 7.22 There is a £0.4m gainshare declared from the arrangements within the Devon-wide Business Rates Pool.
- 7.23 Improved NNDR income as a result of Business Rate relief & resultant Section 31 Grants enabled the release of £0.6m further NNDR income.

Investment Portfolio

Service	Budget £'000	Final Outturn £'000	Outturn Variance £'000	Movement since Q3
Investment Portfolio	(4.6)	(4.6)	0	0

- 7.24 The Council's Investment Portfolio reported a net revenue contribution, after the use of the investment property reserve to cover lost rent, holding costs of vacant premises and landlord' works.
- 7.25 This means the Council's investment portfolio has contributed £4.6m towards Council activity and has maintained its Investment Fund Reserve which will help offset future pressures as and when they arise.
- 7.26 Any tenants with arrears are actively engaging with colleagues in TDA and repayment plans have been agreed and adhered to throughout the 2022/23 year.

Place

Service	Budget £'000	Final Outturn £'000	Variance £'000	Movement since Q3
Place Operations	13.1	13.9	0.8	0.2
Place Commissioned	3.3	4.3	1.0	(0.2)
Planning & Transport	5.2	4.3	(0.9)	(0.3)
Total	21.6	22.5	0.90	(0.3)

- 7.27 Within the Place directorate there is a £0.90m overspend, due to a combination of factors that include the following:
- 7.28 Place Operations has a net cost pressure of £0.8m.

- a. Within Torre Abbey income, there was a £0.2m shortfall as a result of visitor numbers being lower than anticipated.
- b. Additional support for Torbay Coast and Countryside Trust has been provided totalling £0.3m, to support the Trust with spend pressures.
- c. Net overspend on Highways of £0.25m, due mainly to increased energy costs for Streetlighting and Traffic signals.
- d. Additional financial support was made available to SWISCo of £0.6m. This was a result of services being affected by the financial implication of the 22/23 pay award.
- e. The pressures within Place Operations are partially offset by a £0.5m underspend within Parking Services and £0.1m underspend for Resort Services.

7.29 Place Commissioned services overspent by £1m, mainly due to increased utility and other property related costs totalling £0.6m. Contract fees were £0.2m over budget, partially impacted by rising costs due to increased commissioned work and inflationary uplifts.

7.30 Within Planning and Transport there was a net underspend of £0.9m, due mainly to reduced costs for Concessionary Fares (£1.1m). This is in part contributed to by fewer journeys being taken by concessionary fare passengers after the pandemic. Overspends across Development Control of £0.2m were as a result of falling income, from the current economic climate.

Public Health

Service	Budget £'000	Final Outturn £'000	Outturn Variance £'000	Movement since Q3
Public Health	10.1	10.1	0	0

7.31 Overall Public Health is reporting a balanced position within its ring-fenced grant. There was an underspend of £517k in 2022/23, which will be carried forward to continue to fund Public Health priorities in future years.

7.32 A significant amount of spend relates to the provision of 0-19 services, which is expected to see increased spending pressures in future years, because of inflation and pay awards.

8. One off allocations and ring fenced reserves

8.1 At year end the Chief Finance Officer transferred unspent “one off” budget allocations to reserves to be spent in future years. In addition, funds unspent from other earmarked or ring-fenced funding streams were also carry forward such as funds held for Adult Social Care and Public Health.

- 8.2 The net 2022/23 underspend across the council enables the £0.4m out-turn surplus to be transferred to reserves to support future budget pressures. It is proposed that this is moved into a specific earmarked Capital Reserve which will assist the Council in the re-prioritisation, and ultimate delivery, of the Capital Investment Programme. Revenue costs will be required to continue with design and feasibility work for specific schemes alongside bolstering capacity, and skills, in project delivery.
- 8.3 The Section 151 Officer presented an update report on Reserves to Council, in March 2023, as part of the 2023/24 budget setting papers. These Reserves will be reviewed in more detail over the coming months and be reported back to Committee through budget monitoring ultimately feeding into the budget setting process for 2024/25.

9. Capital Outturn 2022/23

- 9.1. In 2022/23 the Council spent £33m on capital projects, compared with a revised budget of £44m. This spend is part of a wider 4-year capital programme totalling £305m. The Capital Plan is funded from capital receipts, capital grants and contributions, reserves and revenue budget contributions, and long-term borrowing to ensure a balanced budget over the life of the Plan.
- 9.2. The spend for each project compared to the last reported budget is shown in Appendix 1 to this report.
- 9.3. There were over 30 separate projects that incurred spend over £100k This demonstrates the breadth and scale of projects a unitary council like Torbay is involved with, over a wide range of services including highways, schools, housing and regeneration. Nine projects incurred spend greater than £1m, with the largest spend of £4.1m relating to the purchase of housing to relieve the pressures in Temporary Accommodation.
- 9.4. The level of cost inflation on construction contracts is significant - as high as 100% increase in some areas. This pressure combined with a significant increase in the costs of future borrowing will require original business cases for capital projects to be reassessed to ensure financial viability.
- 9.5. These re-assessments, along with supply chain issues have impacted on the “pace” of spend and capital expenditure in the year was less than originally forecast. The balance on unspent capital budgets will be transferred into future years. The additional ongoing revenue costs relating to these projects have also been included within the 2023/24 budget.
- 9.6. In 2022/23 the Council established a capital contingency fund, that was increased to £12m to enable four capital projects to proceed - Harbour View, Edginswell enabling works, Edginswell retail unit and Lyminster Road.
- 9.7. The funding of the capital spend on 2022/23 was in line with forecasts - primarily funded from capital grants (£18m) and from unsupported borrowing (£14m). These were supplemented by capital receipts, external contributions such as s106 payments and the use of reserves.

9.8 The Council, due to its cash flow did not borrow any additional funds during the year and remained within both its operational and authorised (borrowing) limits. Further detail will be included within a separate Treasury Management outturn report to Audit Committee.

10. Risks & Sensitivity

10.1. There are a number of financial risks facing the Council as shown below:

Risk	Impact	Mitigation
Financial sustainability and write off of the DSG Deficit	High	The Council has a recovery plan approved with the Department for Education's Safety Valve programme.
Adult Social Care funding is not sufficient to meet forecast costs	High	The Director of Adult Social Care is developing a range of intervention activity and savings plans, in collaboration with Health Trust colleagues
High inflation rates have major impact on both revenue and capital costs.	High	The 23/24 budget includes a higher than usual allowance for inflationary pressures, with contingencies also held for revenue and capital.
The "cost of living" economic impact on the Council's residents from higher fuel and utility costs is likely to impact on both demand for council services and may result in reduced income from council tax.	High	The Council will continue to mitigate where possible the impact on council services and support/signpost residents to support. The council will continue to administer payments under both the Household Support Fund and Council tax Rebates.
Collection Fund shortfall	High	Additional resources allocated to support the Revenues & Benefits team and a review of debt recovery will be undertaken.
Unable to recruit staff and need to use agency staff.	High	Work continues to identify solutions to these challenges which seem to be on a national scale. Recruitment & retention of Social Work staff, particularly in safeguarding is still one of the core priorities for the Senior management team within Children's Services.

Delivery of Children's Services cost reduction plan	High	Meetings continue to monitor the current rate of delivery against the identified actions from the Sufficiency Strategy.
Investment Property Income changes	High	The Investment Board will continue to review future leases and manage any potential break clause implications – maintaining appropriate balances within the Investment Reserve
Temporary Accommodation – increasing demand and cost pressures within the local housing market.	High	Work is underway on directly procuring and leasing property to increase the stability of accommodation options available to the Housing Options team

11. Appendices.

11.1. Appendix 1 – Capital Plan Summary – Outturn position for 2022/23

CAPITAL PLAN - OUTTURN 2022/23 - EXPENDITURE

Appendix 1

			Revised 4-year Plan						
	Latest Total Estimated Scheme Cost	Expend in Prev Years (active schemes only)	Total 2022/23 Revised	Outturn 2022/23	Slippage to c/f to 23/24	2023/24	2024/25	2025/26	Total for Plan Period
PB	£'000	£'000	£'000			£'000	£'000	£'000	£'000
Thriving People and Communities									
Capital Repairs & Maintenance 2020/21 & 2021/22	1,045	446	499	323	176	100			276
Capital Repairs & Maintenance 2022/23	377	0	177	0	177	200			377
Schools capital from revenue			212	212	0				0
Devolved Formula Capital			400	163	237				237
Education Review Projects			700	46	650	1,461			2,111
High Needs Capital Provision	530	27	503	330	173				173
High Needs Capital Provision	2,920	0	270	0	270	2,650			2,920
Mayfield Expansion	1,575	605	970	929	41				41
Medical Tuition Service - relocation	601	569	32	19	13				13
Pgn CS Academy Expansion	1,737	1,735	2	0	2				2
Roselands Primary - additional classroom	600	489	111	64	47				47
Special Provision Fund (SEND)	599	550	49	2	47				47
St Cuthbert Mayne Expansion	5,680	3,148	2,532	1,801	731				731
St Cuthbert Mayne Phase 2	1,000	0	250	34	216	750			966
Torbay School Relocation (Expansion Burton Acad H	1,267	1,262	0	5	0				0
Foster Homes Adaptations	300	5	195	46	149	100			249
Acorn Centre (Youth Investment Fund)	528	0	0	0	0	264	264		528
Adult Social Care			754	0	754	895			1,649
PB Crossways, Paignton - Regen and Extra Care Hsg	25,378	478	2,500	1,786	714	5,000	17,400		23,114
Extra Care Housing (Torre Marine)	4,115	1,415	547	0	547	2,153			2,700
Changing Places Toilets	180	0	0	0	0	180			180
Disabled Facilities Grants			700	849	(149)	1,295			1,146

	Affordable Housing	1,300	243	0	0	529	528		1,057
									0
PB	Tor Vista Homes re Preston Down Road	23,000	0	0	0	0	23,000		23,000
	St Kilda's, Brixham - Affordable Housing	338		0	0	338			338
PB	Temporary Accomodation	10,000	0	5,000	4,121	879	5,000		5,879
		83,070	10,972	16,403	10,730	5,674	20,915	41,192	0
Thriving Economy									
PB	Claylands Redevelopment	11,150	10,697	453	51	402			402
	DfT Better Bus Areas	1,336	1,225	39	111	0			0
PB	Edginswell Business Park Site 3	0	23	0	(23)	0	0		0
PB	Edginswell Business Park Unit 1	6,927	203	1,000	1,997	(997)	5,724		4,727
	Edginswell Station	12,395	33	1,000	580	420	5,000	6,262	100
PB	South Devon Highway - Council contribution	20,882	20,058	824	824	0			0
PB	TEDC Capital Loans/Grant	4,040	3,465	0		0	0	575	575
	Transport Highways Structural Maintenance			1,770	1,663	107	2,038	1,820	3,965
	Transport Integrated Transport Schemes			500	405	23	1,147	1,071	2,241
	Transport - Torquay Gateway Road Improvements	3,485	3,405	60	45	15	20		35
	Transport - Western Corridor	12,292	11,668	119	14	105	250	255	610
									0
	Babbacombe Beach Road	529	439	59	0	59	31		90
	Brixham Harbour - CCTV upgrade	86	79	7		7			7
	Brixham Harbour - Infrastructure Repairs	214	164	50		50			50
	Safer and Stronger Communities (Safer Streets)	354	0	354	354	0			0
	Clennon Valley Sport Improvements	69	32	37	0	37			37
	Flood Alleviation - Cockington	328	198	130	103	27			27
	Flood Alleviation - Monksbridge	412	61	56	25	31	295		326
	Paignton Coastal Defence Scheme	3,143	215	100	23	77	150	1,451	1,227
	Torquay Flood Alleviation	50	0	30	4	26	20		46

	Haldon & Princess Pier	95	0	45	7	38	50			88
	Paignton Flood Alleviation	60	0	20	10	10	40			50
	Brixham Flood Alleviation	45	0	20	10	10	25			35
	Princess Pier - Structural repair	1,665	818	15	0	15	60	540	232	847
PB	Torquay Town Dock - Infrastructure Improvements	1,201	264	726	477	249	211			460
	Harbour Patrol Boat	65	0	65	0	65				65
PB	Car Park Investment	1,000	0	500	54	446	500			946
PB	RICC Improvements - Backlog Repairs	1,250	401	849	534	315	0			315
	Pgn Velopark Cyclocross & Pump Tracks	61	3	58	57	1				1
	Torre Valley Sports Pavilion	57	28	29	3	26				26
	Park Tennis Renovation	504		0	0	0	504			504
PB	Regeneration Programme-Harbour View Hotel Devel	20,709	7,679	4,430	2,766	1,664	8,600			10,264
PB	Old Toll House (Econ Growth Fund)	1,200	186	10	5	5	0	1,004		1,009
	Torquay Towns Fund - Accelerated Funds	787	767	20	5	15				15
	Torquay Towns Fund (General)	157	87	18	(87)	105	52			157
	Torquay Town Deal - Union Square Ph.1	5,050	0	4,000	3,957	43	1,050			1,093
	Torquay Town Deal - Strand Land Assembly & Demol	231	18	213	143	70				70
	Torquay Town Deal - Harbour Public Realm	2,506	92	600	495	105	1,814			1,919
	Torquay Town Deal - Pavilion	2,000	0	700	57	643	1,300			1,943
	Torquay Town Deal - Union Square Ph.2	5,993	0	0	0	0	5,993			5,993
	Torquay Town Deal - Core Area Public Realm	600	2	0	58	(58)	598			540
	Paignton Future High Streets Fund - Torbay Road	668	29	213	48	165	426			591
	Paignton Future High Streets Fund - Station Square	2,259	6	226	196	30	2,027			2,057
	Paignton Future High Streets Fund - Victoria Centre	652	0	50	25	25	602			627
	Paignton Future High Streets Fund - Picture House	1,285	184	734	734	0	367			367
	Paignton Future High Streets Fund - Diversification	1,300	0	0	0	0	1,300			1,300
	Paignton Future High Streets Fund - Flood Defence	571	0	86	0	86	485			571
	Paignton Future High Streets Fund - Victoria Centre	3,862	0	550	55	495	3,312			3,807

PB	Lymington Rd Business Centre (LEP GBF/EGF)	5,373	173	1,214	897	317	3,986	0	4,303	
	Edginswell Enabling Works (LEP GBF)	4,209	207	1,752	2,282	(530)	2,250		1,720	
	EPIC and SD College (LEP GBF)	1,081	999	82	51	31			31	
PB	Corbyn Head - Development of former WCs	1,250	0	0	0	0	0	1,250	1,250	
PB	Preston (North) - Development of former WCs	717	0	0	47	(47)	717		670	
	Paignton Picture House	2,322	0	150	0	150	1,800	372	2,322	
PB	12-14 The Strand (former Debenhams Site)	9,600	0	600	0	600	2,500	6,500	9,600	
PB	Occombe Farm Development (Drake House (EGF))	144		110	144	0			0	
	UK Shared Prosperity Fund	406		45	8	37	139	222	398	
	Torre Abbey Gatehouse/SW Wing	964	0	160	54	106	707	97	910	
	Torre Abbey SE Wing/Courtyard/Tower	404	0	67	20	47	297	40	384	
PB	SWISCO Loan - Vehicle & Equipment Replacement	2,800	0	462	1,230	(768)	2,338		1,570	
PB	SWISCO Loan - Buildings	1,200	0	200	0	200	1,000		1,200	
		163,995	63,908	25,607	20,518	5,100	59,725	21,459	1,559	87,843

CAPITAL PLAN - OUTTURN 2022/23 - FUNDING

Unsupported Borrowing	17,228	13,923	3,305	38,346	152,002	750	194,403
Grants	24,158	17,922	6,236	45,953	14,480	1,327	67,996
Contributions	858	219	639	737	222		1,598
Revenue	1,074	716	358	1,035			1,393
Reserves	434	46	388	385	34		807
Capital Receipts	707	169	538	1,093	5,613	232	7,476
Total	44,459	32,995	11,464	87,549	172,351	2,309	273,673