

Tuesday, 3 October 2023

OVERVIEW AND SCRUTINY BOARD

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

Wednesday, 11 October 2023

commencing at **5.30 pm**

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

Members of the Committee

Councillor Twelves (Chairwoman)

Councillor Brook

Councillor Cowell (Vice-Chair)

Councillor Douglas-Dunbar

Councillor Harvey

Councillor Hutchings

Councillor Law

Councillor Barbara Lewis

Councillor Maddison

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

OVERVIEW AND SCRUTINY BOARD AGENDA

1. **Apologies**
To receive apologies for absence, including notifications of any changes to the membership of the Board.
2. **Communications**
To receive communications from the Chairwoman.
3. **Declarations of Interest**
 - 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 that the Chairwoman decides are urgent.
5. **Community and Corporate Plan** (Pages 4 - 21)
To review the consultation draft Community and Corporate Plan and make recommendations to the Cabinet.
6. **Capital and Growth Highlight Report on Capital Programme Monitoring** (Pages 22 - 25)
To consider a report on the performance of the Council's capital projects and make recommendations to the Cabinet.
7. **Torbay Council Investment Portfolio - KPI Dashboard** (Pages 26 - 33)
To consider a report on the performance of the Council's investments and make recommendations to the Cabinet.

(Note: commercial information relating to investments is exempt and excluded from the press and public and discussed in private – this document has been circulated separately.)

- 8. Armed Forces Covenant and Military Compensation Call-in of Cabinet Decision** (Pages 34 - 39)
To consider the call-in of the Cabinet's decision in respect of the Armed Forces Covenant and Military Compensation.
- 9. Prostate Cancer UK Campaign 'Boys need bins' Call-in of Cabinet Decision** (Pages 40 - 43)
To consider the call-in of the Cabinet's decision in respect of the Prostate Cancer UK Campaign 'Boys need bins'.

Meeting: Overview and Scrutiny Board

Date: 11 October 2023

Wards affected: All Wards

Report Title: Draft Community and Corporate Plan 2023-2043

Cabinet Member Contact Details: Cllr David Thomas, Leader of the Council,
david.thomas@torbay.gov.uk

Director Contact Details: Anne-Marie Bond, Chief Executive, anne-marie.bond@torbay.gov.uk

1. Purpose of Report

- 1.1 The Cabinet has published the draft Community and Corporate Plan which sets out the vision of a healthy, happy and prosperous Torbay. The Plan sets out with the priorities of the Council for the next twenty years and the approach we will take in delivering against the vision.
- 1.2 The consultation period runs from 21 September to 29 October 2023. As part of that consultation, the views of the Overview and Scrutiny Board are sought.

2. Reason for Proposal and its benefits

- 2.1 The Community and Corporate Plan is the overarching document within the Council's Policy Framework setting out the Council's vision and priorities for the next twenty years. The Cabinet now wishes to gather feedback from the Overview and Scrutiny Board as well as the wider community in Torbay on the draft Plan and the outcomes the Council should be seeking to achieve.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Overview and Scrutiny Board consider the draft Community and Corporate Plan and provide feedback to the Cabinet for its consideration.

Appendices

Appendix 1: Draft Community and Corporate Plan

Background Documents

None

Supporting Information

1. Introduction

- 1.1 Following the Local Elections in May 2023, work has been underway to set out the vision and priorities of the Council for the next twenty years. Consideration has been given to the Torbay Profile which describes the opportunities and challenges which are facing Torbay in terms of demographic, economic, social and environmental issues.
- 1.2 During the summer of 2023, the Council undertook its first Resident Satisfaction Survey based on the Local Government Association's "Are you being served?" methodology. The results from the Survey were presented to the Cabinet at its meeting held on 19 September 2023. In preparing the draft Community and Corporate Plan consideration has been given to addressing the issues with which residents are less satisfied.
- 1.3 The Community and Corporate Plan is the overarching document within the Council's Policy Framework. Given the issues which are identified within the Torbay Profile (a summary of which is included as an appendix to the draft Plan), it has been recognised that the vision and priorities can only be delivered over a longer time period than the Community and Corporate Plan has previously covered. It is felt that a twenty-year time period is a realistic timeframe to achieve our most significant challenges. A set of long term indicators is included within the Community and Corporate Plan which will be used to measure and track the progress of moving towards the Council's vision. The draft Community and Corporate Plan is included at Appendix 1.
- 1.4 In order to provide focus for delivery over the next four years, the Cabinet is also developing a Council Business Plan. This will provide details of the specific actions which will be taken to deliver the priorities within the Community and Corporate Plan together with milestones and/or targets. The Council Business Plan is due to be considered by the Cabinet at its meeting in December 2023.
- 1.5 The Council's performance framework will be updated so that the progress in meeting both the Council Business Plan and the longer-term Community and Corporate Plan can be managed.

2. Financial Opportunities and Implications

- 2.1 The proposals contained in this report do not commit the Council financially. As each aspect of the Plan is progressed, due consideration will be given to the financial impacts of each decision.
- 2.2 As part of the proposed approach within the draft Plan, there is a recognition that the Council needs to continue to reduce the cost-drivers of our high-cost services, deliver efficiencies and increase the Council's income, where possible.

3. Legal Implications

- 3.1 There is no statutory requirement to have a Community or Corporate Plan. However, being clear about our ambitions gives the Council, our staff, partners and the community a clear understanding of what we seek to achieve and how to prioritise our spending.
- 3.2 The Council's Constitution sets out that the Community and Corporate Plan is part of the Policy Framework and that, as such, should be subject to consultation.

4. Engagement and Consultation

- 4.1 The aim of this Plan is to impact on everyone in Torbay and therefore the draft will be subject to as wide a consultation as possible. An Engagement and Communications Plan has been developed which utilises existing channels, partnerships and meetings to reach as broad a group of residents and stakeholders as possible.
- 4.2 As part of the consultation the Overview and Scrutiny Board is asked to consider the draft Plan and provide its views on whether the Plan sets out the right vision for Torbay in 2043 and whether the priorities identified will help us to achieve it.
- 4.2 As previously stated the Plan is the overarching document within the Policy Framework. A review of any subsequent changes which may need to be made to other plans and strategies within the Policy Framework will be undertaken. Consultation on those changes will, if appropriate, take place alongside the consultation of the draft Community and Corporate Plan.

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

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
People with caring Responsibilities	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
People with a disability	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		

Women or men	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community)	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
Religion or belief (including lack of belief)	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
People who are lesbian, gay or bisexual	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
People who are transgendered	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
People who are in a marriage or civil partnership	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
Women who are pregnant / on maternity leave	The aim of the Plan is to have a positive impact on this group. This will be tested through the consultation period.		
Socio-economic impacts (Including impact on child poverty issues and deprivation)	The aim of the Plan is to have a positive socio-economic impact. This will be tested through the consultation period.		
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	The aim of the Plan is to have a positive impact on the general health of the population of Torbay. This will be tested through the consultation period.		

6. Cumulative Council Impact

- 6.1 Consideration of the cumulative impacts across the Council will be undertaken during the consultation process and through the review and development of the rest of the Council's Policy Framework.

7. Cumulative Community Impacts

- 7.1 Consideration of the cumulative impacts across public services in Torbay will be undertaken during the consultation process and through the review and development of the rest of the Council's Policy Framework.

DRAFT FOR CONSULTATION: Community and Corporate Plan

2023-2043

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Version control

Date	Details	Updated by
8 September 2023	Draft for consultation	Kate Spencer
21 September 2023	Re-order of sentences in opening paragraphs of "Community and People"	Kate Spencer

The vision for Torbay

We want to see a healthy, happy and prosperous Torbay.

Torbay is a glorious part of Devon with an inspiring natural environment. We are a magnet for tourists and known as the English Riviera. We are home to globally significant technology businesses and have a rich leisure and cultural scene.

We want to deliver for our people and our place. We know we have challenges, but we have high aspirations. By continuing to work closely with our communities and partners and capitalising on our strengths, we want to make Torbay a great place to do business – a place where everyone is able to live their best life.

A healthy, happy and prosperous Torbay for all.

Our Mission

We will put our residents at the heart of everything we do. We will ensure a strong grip on finance, working with our communities and partners, to deliver a sustainable future. We will deliver quality services, improve our economy and protect and enhance our built and natural environments, so that we are all proud of our Bay.

Themes

To bring our vision to life, we have identified three strategic themes. Within this Community and Corporate Plan we describe what each theme means to us and our communities, the priorities we will focus on and the outcomes we want to achieve.

Our strategic themes are:

- Community and People
- Pride in Place
- Economic Growth

The approach we will take

In delivering our Community and Corporate Plan and in our day-to-day activity, we will work in the following ways.

Evidence based

We will focus on the evidence, balancing local knowledge and resident experience. We want to ensure that we have a strong evidence base for identifying needs, setting common priorities and responding collaboratively.

Make the most of our assets

We will use our assets – across our place and our people – to the best advantage.

Our towns sit on the beautiful Tor Bay, we are a magnet for tourism and host globally significant technology businesses, a wonderfully mild climate and an inspiring natural environment.

Each town has its own identity, sense of place, assets and distinctiveness. Coming together as Torbay gives us huge opportunities which we need to seize.

There are a vast number of community and voluntary groups in Torbay, both formal and informal, all trying to do their best for the communities they serve. We are committed to an Asset Based Community Development approach.

Working together

Putting our residents at the heart, we will recognise what is strong in our communities. We will be open to ideas and always seek to understand what the community is asking for, rather than making assumptions based on existing ways of working. We will seek out a range of different voices which are reflective of the community and create space for conversations to happen.

Working with the public, private and community and voluntary sectors, we will make sure that our partnership working is streamlined and efficient. We will all know Torbay's story and we will tell it with pride.

Efficient and enabling Council

We will provide efficient and effective services and be open and transparent with our communities. Our regulatory functions will enable businesses and residents to prosper. We will tell customers what to expect and keep them up to date along the way.

We will modernise, simplify and standardise how we work so we can support the communities of Torbay. We will deliver the best outcomes for our customers, innovating and using technology to transform services.

Strong grip on finance

We will continue to work to reduce the cost drivers of our high-cost services, deliver efficiencies and increase the Council's income where possible. Ensuring the Council is financially sustainable, we will carefully manage our finances to deliver the services our community expects.

Community and People

We want people across Torbay to celebrate success and feel part of their community

Torbay will be recognised as a child friendly place. We want all residents, including our children and young people, to feel and be safe and to live well within their communities. We will build strong working relationships with our community police.

Everyone will have access to support, information, advice and guidance so they can meet their aspirations. With the best possible education and training, people will be allowed to fulfil their potential.

Our communities will be encouraged and supported to bring about positive change for the good of Torbay. People will have a better sense of ownership of the services and activities available to them. We will minimise barriers for community service delivery whilst maintaining our duty of care and legal requirements.

Our Priorities

We will:

- Ensure our town centres are safe and welcoming for all.
- Keep children safe in their communities and provide safe environments for our young people to thrive in.
- Ensure early intervention is effective and targeted.
- Provide the best care and support available so that residents are empowered to achieve what matters most to them.
- Provide clear signposting for those needing our help.
- Support and encourage community action.
- Improve wellbeing and reduce social isolation.

The outcomes we want to see

- People feel safe in their local area, during the day and after dark.
- Fewer children need to be cared for by the Council.
- All residents are supported to live independent, healthy, active lives, without the need for long-term services.
- Young people in receipt of services from children's services are prepared for adulthood.
- People with care and support needs feel empowered and can access good or outstanding quality and tailored care and support.
- Carers are identified quickly and provided with the information, advice and support services they need.
- People feel they belong to their local area.
- Gaps in healthy life expectancy between affluent and deprived areas of Torbay are reduced.

- People feel that their physical and mental wellbeing is as good as possible.

How we'll measure progress

- Number of people feeling safe in their local area after dark and during the day
- Number of unique anti-social behaviour police reported incidents
- Rate per 10,000 children of cared for children
- Percentage of former cared for children who are now aged 19-21 and in employment, education or training
- Differential in life expectancy
- Number of children with an Education, Health and Care Plan as a proportion of others in the area
- Number of people in most deprived wards and number of children living in poverty
- Number of people who feel they belong to their local area
- Rates of suicide in Torbay

Pride in Place

We will invest in our three towns to enable them to develop their own distinct identities and roles. Using Torbay's unified and complementary offer as a UNESCO Geopark and a premier marine and natural experience, we will attract, retain, and grow leading edge technology businesses. We want Torbay to be a place where people of all ages want to live as well as visit. A place where everyone benefits from and enjoys a premier resort experience.

There will be more good quality, affordable and permanent properties that people, including those who are vulnerable or care experienced, can call their home. We will work with landlords and developers to maximise the use of suitable housing stock and create decent accommodation across Torbay. We want this to be an even better place for people to live in whilst protecting our environment.

We will work to get the basics right, so that our town centres, seafronts and residential areas are clean, safe and well-maintained.

We will celebrate and protect the places that make Torbay special, maximising the cultural, heritage and event opportunities for our residents and visitors alike. Working in partnership we will continue to address the climate emergency so as to create a sustainable future.

Our Priorities

We will:

- Draw investment into our towns and breathe life into our town centres, partnering with the private sector to deliver major projects
- Maximise heritage and cultural opportunities for the enjoyment and benefit of residents and visitors
- Ensure the effective operation of SWISCo to have resources to reinvest in Torbay
- Deliver priority capital projects within the Council's Capital Programme
- Improve the delivery, affordability and quality of housing for residents in Torbay
- Improve the delivery of our planning service
- Protect and enhance our lived, built and natural environments, including our green spaces

The outcomes we want to see

- Enhanced high streets that attract long-term tenants and an increased number of visitors.
- An enhanced and coherent culture, heritage and events offer with increased engagement and participation.
- Increased customer satisfaction with our parks, green spaces and streets
- More equitable access to warm, healthy, affordable homes for all people in Torbay
- Younger, skilled people are attracted and retained to live and/or work in Torbay
- Increased customer satisfaction with the Council's planning service

- Increased resident satisfaction with the local area

How we will measure progress

- Delivery of town centre regeneration programmes
- Net additional homes provided
- Size of the working age population of Torbay
- Number of affordable homes delivered
- Number of social rented housing available
- Engagement in cultural, heritage and events
- Proportion of economically active people in Torbay
- Resident satisfaction with the local area as a place to live

Economic Growth

We will attract, retain and grow our economic specialisms so we have growth which builds on our reputation. There will be good employment and learning opportunities that enhance the potential for our residents and our communities. Residents will be able to access those opportunities because of the improved connectivity to, from and within Torbay.

Torbay is looking to the future and reaching out to collaborate, attract more investment and make the most of the considerable assets and opportunities it has.

We want to create the conditions for a strong and sustainable economy that supports a diverse mix of industries and jobs that inspire, providing equality of opportunity. We will support businesses to flourish and grow as well as attracting new businesses to the Bay.

Our priorities

We will:

- Raise skill levels, particularly in high value careers.
- Improve transport links to and within Torbay.
- Develop a year-round economy.
- Increase in the amount of full-time employment opportunities within Torbay.
- Focus on inclusive growth, with opportunities which benefit everyone.

The outcomes we want to see

- Established pathways for young people, including those with SEND, and unemployed to employment opportunities with skills levels moving toward national averages.
- People have better transport and digital connections to jobs and amenities.
- Vacancy rates falling year on year with business reporting they can find talent.
- Improved productivity in Torbay which closes the gap compared to the national data.
- The number of businesses and jobs in Torbay increases.
- Better balance of full-time to part-time opportunities.
- Targeted approach to inward investment which attracts new high-tech companies.

How we will measure progress

- Average weekly wage for residents
- Percentage of working age people in employment
- Rate of full time employment
- Rate of business rate growth
- Skill levels of care experienced young people
- Proportion of employment in specific sectors

- Rate of in-work poverty
- Numbers of people receiving Universal Credit
- Rates of transition into work for young people with SEND
- Sustainable transport use
- Gross Value Added per head of population

Appendix 1: The Torbay Profile

The following facts and figures are a summary of the Torbay Profile in 2023. In developing the Community and Corporate Plan we have considered the needs of the community in Torbay and the challenges that they are facing.

Our population

Total population = 139,322

Male population = 67,830 (49%)

Female population = 71,492 (51%)

96.1% of Torbay's population are white, 1.6% Asian, 1.5% mixed ethnicity, 0.3% black and 0.4% other

62,992 households of which 64% owned, 27% private rented and 8% social rented

Higher numbers of older people compared with the England average

Far fewer people in their 20s and 30s

Highest number of residents living in deprived areas and the highest numbers of children living in income deprived areas when compared with all other councils in the South-West

27% of our residents live in the 20% most deprived areas in England

Approximately double the number of cared for children compared to other areas in England and the South-West

1 in 4 residents say they have a long term illness or disability

Outlier for needing to support higher levels of need in the 18 to 64 age group

Productivity, pay, jobs, living standards and connectivity

Average weekly earnings = £467 (£123 less than the England average) (2020)

57% of our population is of working age and of those 78% are economically active

Estimated 16,000 unpaid carers in Torbay

12.4% of households are in fuel poverty

329 miles of highway - 332 registered electric vehicles

Best broadband rate in Devon (339 premises unable to receive 10 Mbps)

Education, skills, health and wellbeing

29% have a diploma level qualification

75% have the equivalent of 5 GCSEs at grades A-C

24% of our cared for children achieve a GCSE pass in English and maths

Over 1 in 3 children with EHCPs have been excluded from school for a fixed period

Life expectancy gap = 9 years males and 8 years females

Those born into deprived families are more likely to have worse educational and health outcomes

When compared with the South West and England, a larger proportion of Torbay residents report their health as being bad or very bad

Pride in place, housing and crime

Highest number of residents living in private rented accommodation in Devon

Rents higher than Local Housing Allowance and are a challenge for many based on the average weekly wage

The number of homes being built in total is much lower than the Government targets

2290 residents supported through public funding with a range of services including nursing, residential and domiciliary care

Torbay crime rate reported as 10,470 – 50% higher than the overall average for Devon and Cornwall force area:

- Domestic Abuse
- Violence with no injury
- Violence with Injury
- Criminal Damage
- Public Order

This document can be made available in other languages and formats.
For more information please contact engagement@torbay.gov.uk

Highlight Report from the Capital and Growth Board on Capital Programme Monitoring

1 Introduction

This highlight report summarises the performance against the Council's Capital Programme and is intended to provide the Council's Cabinet and Senior Leadership Team (SLT) with an overview of the capital projects with a focus on those which have been identified as priorities and where there are higher risks.

The Capital and Growth Board (CGB) meet monthly to provide oversight and strategic management of the council's corporate capital programme. Many capital projects have a specific project board, which is responsible for the more detailed delivery of the scheme. This report highlights those schemes that are of concern or particular interest, as well as those given a particular priority by the administration.

2 Key issues

2.1 Market conditions and inflation

The current market conditions are causing significant delays and extensive cost increases leading to significant viability issues across much of the capital programme which is reflected within a majority of the projects listed below within section 4. Individual project teams are addressing respective cost and budget issues and where appropriate are providing enhanced options appraisals for initial consideration from the CGB.

2.2 Resourcing

Torbay Council project delivery teams are facing internal resourcing constraints which is affecting the speed in which we are able to deliver projects and react to issues. The issue is principally brought about by the size of the capital programme and the complexity of the schemes which are included in the programme. To address this there has been a prioritisation of schemes to ensure schedules are maintained on key projects. The organisational capacity to deliver is also being reviewed alongside the processes and systems we are using for programme governance which is covered below.

2.3 Programme governance improvements

There has been a focus this quarter on refining the process of how and when new business cases are generated and new templates are about to be brought into use which will inform project options going forward.

We are proposing a 3 tiered approach to projects in line with the government commercial Green Book methodology which breaks projects down into three tiers. Tier 1 projects will be defined as low risk and value (<£250k), Tier 2 being medium risk and value (£250k-£2M) and Tier 3 being more complex, high risk and higher value (£2M+).

Low and medium tier projects will have a single stage business case which will be refreshed and reviewed at key project approval stages and for more complex or high value projects we will have a 3 stage business case which will follow the development of:

- Strategic Outline Case (SoC) – Approval to start a project and develop a preferred option (design, planning etc).
- Outline Business Case (OBC) – Approval to proceed through a formal procurement based on a preferred option.
- Full Business Case (FBC) - Approval to contract and deliver the preferred option.

The new project and business case templates have been reviewed by legal, finance and also procurement as part of their transforming procurement workflow, to align projects with the procurement process in a more effective way.

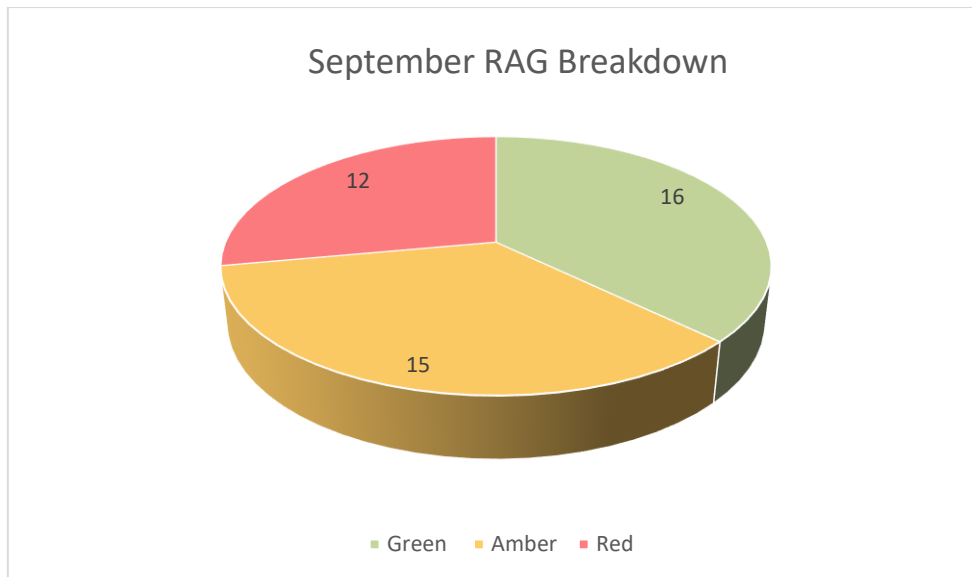
The next steps will be to formalise the approvals process in which the business cases will be used as well as the wider project approach and governance.

Content for a new projects process guide has been drafted and is now with the web team to produce a draft guide which can be tested before being presented as a final approach to CGB/SLT and members. Aiming to complete by late November / early December but begin working to the principles that are proposed from this point forward. The CGB will be the custodians of the process and will be responsible for a consistent application of this methodology.

2.4 Capital programme RAG breakdown

The Capital Programme monitoring through the Capital & Growth Board has now been reduced to omit the business-as-usual projects (approved programme of works for schools, highways, generic budgets etc) as well as the small projects which fall in line with what we will consider to be Tier 1 projects (Low cost £0-250K and low risk). These smaller projects will be on a report by exception basis and will not be captured monthly unless the respective Project Manager wishes it to be reviewed by CGB that month.

Applying the above reductions has enabled us to consolidate our scope of oversight from 82 projects down to a more manageable 43 active projects. The breakdown of the overall RAG of these projects are detailed in the graph below.



The red assessed projects include some of the projects within the Towns Fund programme (Torquay Town Deal and Paignton Future High Streets) such as Torquay Strand/Debenhams, Pavilion and Crossways. In the case of Debenhams and Crossways there are planning consents however costs have escalated to a degree which presents viability challenges. Other red assessed projects include the Harbour View hotel scheme owing to the challenges created by the financial failure of the initial contractor (Midas) and also Torre Marine where again cost escalation means that funding and delivery options are being retested.

3 Emerging issues

3.1 Reports reviewed this month

Torquay Harbour Public realm

The options paper for this scheme was reviewed again this month focusing on 2 new options which focused on mitigating the issues which were of concern in the previous C&G Board review.

Option 8 included a full scheme of works across 5 phases, culminating in a 46wks overall programme. There were concerns over highway and cost implications of this option.

Option 9 presented a slightly reduced scope of works with an improved programme but closer to the anticipated available funding.

Following the review it was provisionally agreed to proceed with option 9 but to seek improvements to address outstanding concerns on programme and phasing.

3.2 Timetable of reports

The below table outlines the reports expected into Capital Growth Board in the upcoming months.

Project	Description	Expected date
Crossways	Strategic Outline Case – options review	October CGB
St Kilda	Full Business Case	November CGB
Electronics, Photonics production park	Options paper for land acquisition	October CGB
Debenhams	Strategic Outline Case – options review	November CGB
Solar Farm – Nightingale	Outline Business Case	December CGB



Report Title: Torbay Council Investment Portfolio – KPI Dashboard

To: Overview and Scrutiny Board

Date: 11 October 2023

1. Introduction

The Torbay Council £212m investment fund has been in place for several years now, with the first investments in 2017. The purpose of this investment fund is to generate income which can then be used to help fund local services. Since the creation of the fund a diverse range of investments in a range of different sectors and locations have been acquired by the Council.

The KPI Dashboard is maintained to continually review the performance of the portfolio which will assist in informed decision making.

2. Current global economics and market conditions:

The wider global economy continues to face challenges that cumulatively contribute to cost inflation, interest rate changes and consumer confidence thereby resulting in a more volatile transactional market. This volatility coupled with changes in debt costs, will have a direct impact on pricing as yields continue to evolve, and this results in the falling capital values that we are currently experiencing within the investment portfolio.

3. Key Performance Indicators:

3.1. KPI 1 - Total Annual Rental Income

The total annual rental income as at 1st July 2023 is £13,507,461 p.a., with the total annual rental income when fully let at £13,532,461 p.a.

At acquisition the total annual rental income across the portfolio was £12,711,207 p.a. This represents a gross rental growth of £796,254 p.a., with the logistics and distribution sector performing exceptionally well against falling rents within the office and retail sectors since acquisition.

3.2. KPI 2 – Rental Arrears 3+ Months

The current debt across the portfolio that is greater than 3 months old stands at £59,821 as at July 2023 and this relates to non-paid rent by Wincanton due to the sum owed being in dispute. We expect to resolve this shortly.

This level of debt accounts for 0.4% of the total annual rental income received.

Through careful management of the debt, sums previously owed by Amazon, Travelodge and Odeon Cinema have been recovered in full.

3.3. KPI 3 – Occupancy Levels

Across the portfolio there are 21 'lettable units', of which 1 is vacant. This equates to a 99.8% occupancy level.

The letting of Unit 2 Wren Park to Cancer Research has reduced the voids to 1 and contributed towards current income levels. The single vacant unit is a ground floor retail shell of a unit which formed part of the Travelodge development in Chippenham. The estimated rental value is £35,000 p.a. and we are actively seeking temporary uses to reduce void costs in the interim.

3.4. KPI 4 – Voids Length

The single void is the ground floor retail unit within the Travelodge development in Chippenham. This unit has been vacant for in excess of 12 months.

3.5. Asset Management Reserve Balance

The Council maintains an asset management reserve with funds for this reserve generated from rental income. The asset management reserve is ringfenced for use in managing the investment assets with future lease events, potential void costs, reductions in rental income due to market conditions prevalent at the time and other likely future costs associated with the assets.

The asset management reserve balance has increased from year to year and stands at £3,011,000 as of 31st March 2023.

Projections on the asset management reserve over the next 5 years with known significant lease events and reductions in rental income in mind, suggest that the reserve is insufficient and by March 2028 the reserve will be in negative figures. Notable lease events over the next 5 years which we project will require substantial drawdown from the reserve include:

- Gadeon House – 3 floors becoming vacant in 2024, loss of rental income and void costs plus incentives to attract new tenants.
- Wren Park – Units 1 & 4 lease expiries in 2024 and 2026 – both are considered to be over-rented currently and lease renewals will involve incentives.
- Woodwater House lease expiry Nov 2025 and the tenant will likely wish to remain, but to downsize.
- Wincanton lease expiry Dec 2026 – lease renewal is considered probable but the tenant may require incentivising.
- Booker, Didcot lease expiry Jun 2027 – lease renewal is probable but the tenant will need incentivising and the unit is currently considered to be over-rented.
- Twyver House break clause 2028 – in the event the tenant terminates the lease the building will require either sub-dividing so it is capable of multi-occupation, or more likely, re-developing.

3.6. Capital Value

The total capital value for the investment portfolio is £174,521,000 as at 31st March 2023, this is compared to £212,046,125 on acquisition.

Capital values have fallen since acquisition due to a number of factors but principally the effect of COVID on the office market, the poor performance of the retail market and this year in particular, through the effects of wider global economics.

Current global economics have created a more volatile transactional market and this has directly affected yields, resulting in falling capital values across the various property sectors.

3.7. Yields

The portfolio as a whole is operating at a 7.6% average as at 31st March 2023 compared to 6.0% on acquisition. This links back to current global economics and the effect on the transactional market across the sectors and ultimately a softening of yields. The strongest performing assets sit within the industrial or logistics sector, with office and retail performing generally less well.

At 16.6% Gadeon House represents the highest risk for the Council in terms of return, this is a consequence of the lease events affecting the building, with EDF reducing their occupation to just 1 floor towards the end of the calendar year, resulting in impending voids within the remainder of the building. A national agent has been appointed to secure new tenants and on letting the space the yield will harden substantially resulting in a materially higher capital value.

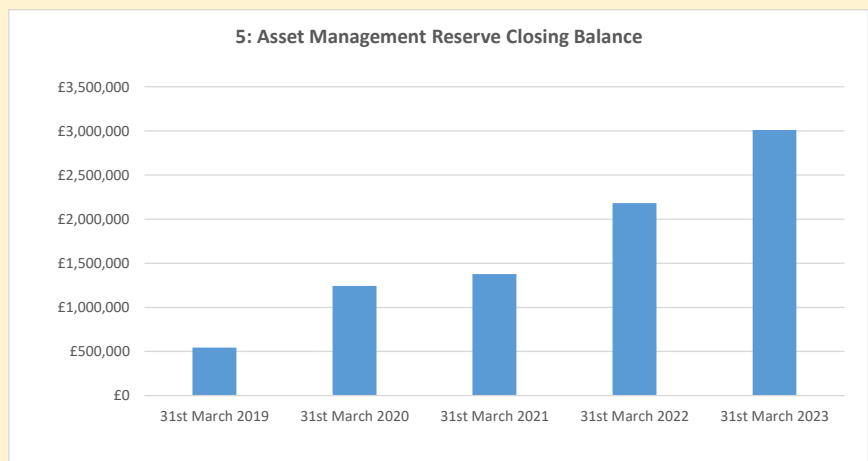
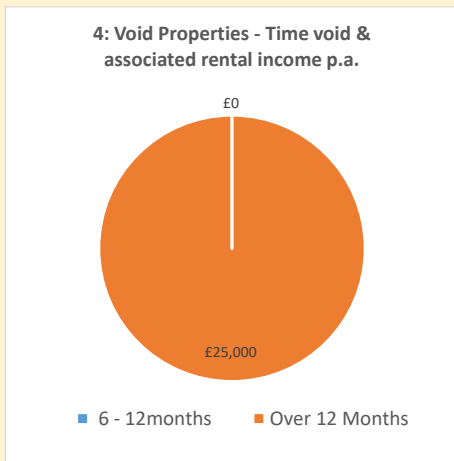
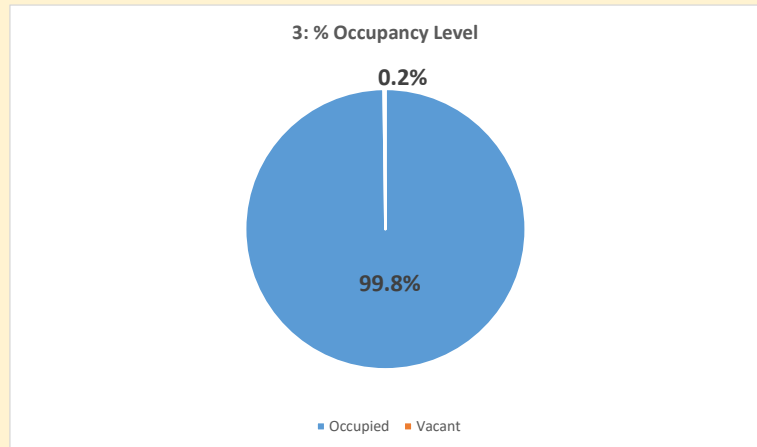
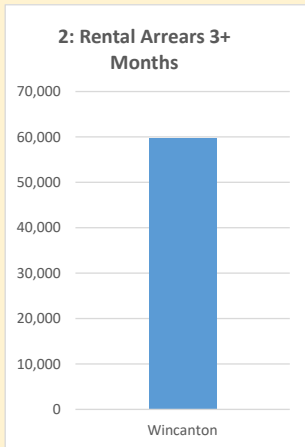
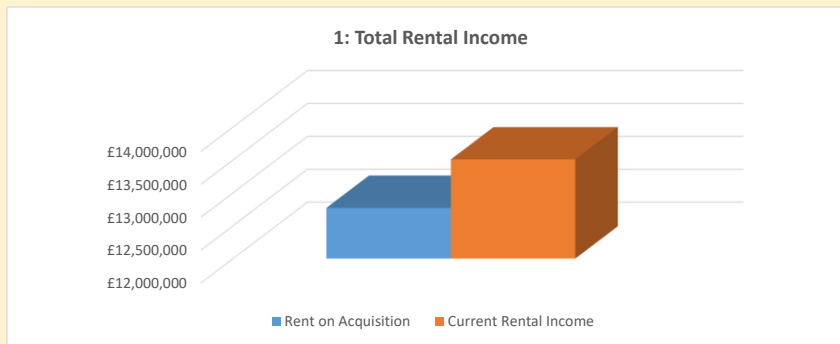
**Jon Veale MRICS, TDA Estates Manager
September 2023**



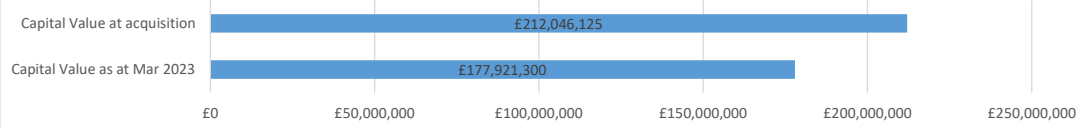
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Investment Portfolio: Executive Summary

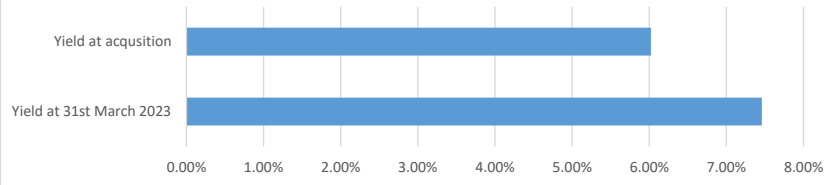
1. Total Annual Rental Income as at July 2023 - **£13,507,461 p.a.** which is a 6% increase on rental levels at acquisition date.
2. Debt + 3 months - **£59,821** as at July 2023.
3. Occupancy - Total Units on Portfolio - 21.
Voids - 1 unit (**99.8% occupancy**).
4. Voids length - 1 lettable units above 12 months: Cafe premises at Chippenham.
5. Asset Management Reserve Closing Balance - **£3m** as at 31st March 2023 which represents an 450% increase on March 2019 closing balance.
6. Capital Value - **£174,521,000** as at 31st March 2023 compared to **£212,046,125** on acquisition.
7. Yield - **7.6%** average as at 31st March 2023 compared to **6.0%** on acquisition.



6: Capital Value



7: Yield



Document is Restricted

Armed Forces Covenant and Military Compensation Reasons for Call-In

1. The notice of motion asked Torbay Council to erect a plaque to commemorate the national servicemen of Torbay. The Cabinet failed to give any tangible reason not to do so. A simple search on the Imperial War Museum website will demonstrate that Torbay as a whole has a significantly lower number of war memorials in comparison to other similarly sized communities, such as Exeter or Portsmouth.
2. Cabinet appears to have completely misunderstood the Royal British Legion Credit Their Service campaign which has requested that local authorities disregard compensation payments made to service personnel when calculating benefits such as Discretionary Housing Benefit and Disabled Facilities Grants etc. Since submitting the notice of motion, we have become aware that in Torbay Disabled Facilities Grants were the only grant where such disregards were not applied. These benefits were clearly stated within the notice of motion. Cllr Thomas suggested that there was no mention of DFGs and asked to be 'jumped upon' if there was a mention in the notice of motion. Cabinet remained silent and so was complicit in misleading the meeting on this point. Cllr Billings also suggested that DFGs did not feature within the notice of motion, compounding the confusion. In fact, he stated it was "only raised during debate". In light of the above, we would ask that Overview and Scrutiny request that Cabinet reconsider their decision.

Proposer: Councillor Steve Darling

Seconder: Councillor Harvey

Appendix 1 – Original Motion

Appendix 2 – Cabinet Record of Decision

Notice of Motion – Armed Forces Covenant and Military Compensation

Cabinet

19 September 2023

Armed Forces Covenant and Military Compensation

Torbay Council notes:

- More than 2.2 million national servicemen served the country between 1947-1963. This Council acknowledges that 395 national servicemen sadly lost their lives on active service.
- Earlier this year, Torbay reconfirmed its support to the Armed Forces on 22nd March 2023 with a ceremony held at the Commando Training Centre in Lymestone to signify our continued commitment of the Armed Forces Covenant.
- The obligations it owes to the Armed Forces community within Torbay as enshrined in the Armed Forces Covenant; that the Armed Forces community should not face disadvantage in the provision of services and that special consideration is appropriate in some cases, especially for those who have given the most.
- That in the course of their service in His Majesty's Armed Forces, some members of the Armed Forces Community, by virtue of the often dangerous and risky nature of their work, or environments in which they are required to operate, become wounded, injured or sick in such a way that affects their life in a permanent or significant way.
- That a number of military compensation schemes exist to recognise and compensate Service Personnel and sometimes their families, for the hardship, inconvenience or ongoing impact conditions such as PTSD, limb loss, hearing loss etc.
- Military compensation can be awarded through the War Pension Scheme (WPS), Armed Forces Compensation Scheme (AFCS) or through a veteran's occupational Armed Forces Pension Scheme (AFPS), known as Service Invaliding Pensions (SIPs) or Service Attributable Pensions (SAPs). Compensation awards under these schemes may also include supplementary payments. This compensation often interacts with benefits issued through Local Authorities and may impact a veteran's entitlement to such benefits.
- That whilst some benefits such as Universal Credit rightly disregard military compensation as income, others administered by or subject to the discretion of Local Authorities do not always do so, meaning that some veterans must give up their compensation in order to access essential financial support.
- A 2022 Freedom of Information request by the Royal British Legion showed that only one in five (19%) of Local Authorities in Great Britain rightly disregarded all military compensation when assessing local benefits claims for

Housing Benefit, Council Tax Support, Discretionary Housing Payments and Disabled Facilities Grants.

Torbay Council believes that no member of the Armed Forces Community should be forced to give up their military compensation to access the same welfare support as their civilian counterparts and supports the Royal British Legion's call for all forms of military compensation to be disregarded as income in the assessment and administration of locally administered benefits over which this council exercises discretion.

In light of the above, the Cabinet resolves:

1. That the Director of Pride in Place in consultation with the Armed Forces Member Champion identify an appropriate location and funding to facilitate a plaque to commemorate this public service that millions undertook.
2. That the Director of Finance reviews the Council Tax Support Scheme, Housing Benefit, Discretionary Housing Payments and Disabled Facilities Grants to understand whether compensation paid under any of the relevant military compensation schemes are treated as income on applications in order to allow Cabinet to make a decision on implementation of this as a part of the draft budget proposals for 2024/2025.
3. That Cabinet request the Overview and Scrutiny Board to monitor the progress of the review of (2) above.

Proposer Councillor Steve Darling
Secunder Councillor Harvey

Record of Decisions

Notice of Motion - Armed Forces Covenant and Military Compensation

Decision Taker

Cabinet on 19 September 2023.

Decision

That the Director of Finance update the relevant policy documents (as they are rewritten) to take account of our current working practice.

Reason for the Decision

To respond to the Motion in respect of the armed forces covenant and military compensation.

Implementation

This decision will come into force and may be implemented on 2 October 2023 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

Information

The Cabinet considered a motion in relation to the armed forces covenant and military compensation notice of which was given in accordance with Standing Order A14.

The Cabinet provided the following response:

The Cabinet support all serving and ex-serving personnel and especially all those that made the ultimate sacrifice.

Within Torbay we have a cenotaph in each of the bay's three towns Torquay, Paignton and Brixham. In addition, War Memorials online informs us that Brixham has at least 12 memorials, Paignton features 12 memorials and Torquay has a further 47 memorials. These additional memorials are in multiple forms, anything from Limestone and granite tributes, framed brass tablets, church clocks, benches, crosses and includes many plaques.

On 22nd March 2023, Torbay reconfirmed its support to the Armed Forces with a ceremony held at the Commando Training Centre in Lypstone to signify our continued commitment of the Armed Forces Covenant. The covenant includes the commitment that the Armed Forces community should not face disadvantage in the provision of services and access to benefit support.

The Council acknowledge the 'Credit their service' campaign and confirm we do not discriminate against veterans, and we disregard all military payments including the War Pension Scheme, Veterans Occupational Armed Forces Pension Scheme, Service Invaliding Pension, Service Attributable Pensions and any supplementary military payments. Indeed we do proactively ask residents to inform us if they are in receipt of any of these and in some cases it may actually increase the level of benefit support provided. Whilst this is our standard working practise, we do recognise that this process and current practice is not consistently written into our policy documents.

In light of the above, Councillor Tranter proposed and Councillor Tyerman seconded a motion

that was agreed unanimously, as set out above.

Alternative Options considered and rejected at the time of the decision

None.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

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

None.

Published

22 September 2023

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

Items 8 and 9 - Options Available for Call-In

1. The call-in promoter will present their reasons for call-in as set out in the submitted paper.
2. The Cabinet Member(s) will provide a verbal response to the issues raised.
4. The Overview and Scrutiny Board will discuss the issues raised and then has the following options available:
 - A. **Take no further action.** The original decision will take effect from the date of the meeting of the committee.
 - B. **Refer the decision back to the decision maker for reconsideration, setting out in writing the nature of the committee's concerns.** Within a further ten working days, the decision maker will resolve to either:
 - (i) confirm the decision without modification; or
 - (ii) confirm the decision with modification; or
 - (iii) rescind the decision.

If the decision maker does none of the above within ten working days, the decision shall be deemed to have been rescinded.

- C. **In exceptional circumstances, refer the matter to the Council for scrutiny, giving reasons for why the matter is being referred to Council.** Upon such request, the proper officer shall arrange a meeting of the Council within 20 working days (excluding the day of receipt or the day of the meeting) or as soon thereafter, as is reasonably practicable, unless:
 - (i) a normal Council meeting is scheduled within 30 working days (excluding the day of receipt or the day of the meeting) in which case the matter shall be referred to that meeting; or
 - (ii) if a normal Council meeting is not scheduled within 30 working days and the decision-maker confirms to the proper officer that he/she is content for the matter to be referred to the next normal Council meeting.

At the Council meeting, if the Council does not object to the decision, no further action is necessary and the decision will be effective from the date of the Council meeting.

Provided the decision has been made in accordance with the Policy Framework and the Budget, the Council has no power to amend the decision but may refer any decision to which it objects back to the decision maker together with the Council's views on that decision and the Subsequent Action referred to in Option B shall apply.

Prostate Cancer UK Campaign 'Boys need bins' Reasons for Call-In

1. The message from Cabinet is that people who are suffering incontinence as a result of Prostate Cancer should use a disabled toilet.

Prostate Cancer UK does not describe people who are suffering incontinence as a result of Prostate Cancer as disabled. Indeed quite the opposite.

The Prostate Cancer UK 'Boys need Bins' campaign calls for parity between everyone in relation to the disposal of incontinence pads and other hygiene waste products. The Prostate Cancer UK website says: "Boys need Bins is asking for existing legislation, which relates to female toilets, to be updated to give parity to everyone. This will allow men to correctly dispose of incontinence pads, stoma bag by/ products and associated hygiene waste items in a dedicated male hygiene bin.

It's not satisfactory that men are told to use a disabled toilet to accommodate their needs. Men need their own provision.

Telling men to use disabled toilets, but providing bins in female toilets does not provide parity. The logic of the Cabinet's position is that female users of the public toilets who need to dispose of sanitary products is that they should also use disabled toilets. The Cabinet's position also perpetuates stigma rather than challenges it.

We urge the Cabinet to think again.

2. Two Cabinet Members at the Cabinet Meeting advised that they had written to the two MP's who cover Torbay in support of the 'Boys Need Bins' campaign. However, as can be seen from point (1) what the Cabinet have agreed is at odds with the Prostate Cancer UK campaign. Can the Cabinet clarify exactly what they have asked the MP's to support?

Proposer: Councillor Long
Secunder: Councillor Penny

Appendix 1 – Original Motion
Appendix 2 – Cabinet Record of Decision

Notice of Motion – Prostate Cancer UK Campaign ‘Boys need bins’

Cabinet

19 September 2023

Prostate Cancer UK Campaign ‘Boys need bins’

Torbay Council notes Prostate Cancer UK’s campaign of “boys need bins” which highlights the growing numbers of those who suffer with incontinence issues as a result of prostate treatment. Prostate Cancer UK cites that 1 in 8 men will get prostate cancer and that 1 in 3 men over 65 are estimated to have a urinary incontinence problem.

Torbay Council believes that it is important to make life more comfortable and dignified for those who suffer such problems.

The Cabinet supports the provision of sanitary bins in all toilets so that waste products can be disposed of in a discreet and hygienic manner.

The Cabinet resolves:

- 1) that the Chief Executive be requested to work with Officers of the Council to roll out a programme to provide sanitary bins, in Torbay Council contracted male toilets by the end of 2023; and
- 2) that the Leader writes to Torbay’s MPs Kevin Foster and Anthony Mangnall to ask them to publicly back the campaign, as found on the Prostate Cancer UK website.

Proposer Councillor Long
Secunder Councillor Penny

Record of Decisions

Notice of Motion - Prostate Cancer UK Campaign 'Boys need bins'

Decision Taker

Cabinet on 19 September 2023.

Decision

To take no further action in light of the existing service provision for bins in toilets.

Reason for the Decision

To respond to the Motion in respect of the Prostate Cancer UK Campaign 'Boys need bins'.

Implementation

This decision will come into force and may be implemented on 2 October 2023 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

Information

The Cabinet considered a motion in relation to the armed forces covenant and military compensation notice of which was given in accordance with Standing Order A14.

The Cabinet provided the following response:

The Cabinet notes that Torbay Council provides 23 public toilet blocks across the bay, many of those are disabled toilets and have bins in them. These public toilets can be used by anyone with any kind of disability including hidden disabilities. We understand how vital it is that we have these toilets as the latest data tells us there are 1368 men living with and beyond prostate cancer in Torbay. It is in fact the second most common cancer after breast cancer. We should remember that incontinence affects males and females, younger and older. The Healthmatic App contains the details and locations for the public toilet facilities in Torbay.

In light of the above, Councillor Tranter proposed and Councillor Tyerman seconded a motion that was agreed unanimously, as set out above.

Alternative Options considered and rejected at the time of the decision

None.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

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

None.

Published

22 September 2023

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