

OVERVIEW AND SCRUTINY BOARD

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

Wednesday, 18 February 2015

commencing at **5.30 pm**

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

Members of the Board

Councillor Thomas (J) (Chairman)

Councillor Bent
Councillor Darling (Vice-Chair)
Councillor Pentney
Councillor Stockman

Councillor Davies
Councillor Kingscote
Councillor Tyerman
Councillor Hernandez

Co-opted Members of the Board

Penny Burnside, Diocese of Exeter

Working for a healthy, prosperous and happy Bay

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

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OVERVIEW AND SCRUTINY BOARD AGENDA

1. Apologies

To receive apologies for absence, including notifications of any changes to the membership of the Committee.

2. Minutes

To confirm as a correct record the minutes of the meetings of the Board held on 28 January 2015.

(Page 1)

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 Chairman decides are urgent.

5. Revenue Budget Monitoring - Quarter 3

To consider the Quarter 3 position for the Revenue Budget for the current financial year.

(Pages 2 - 14)

6. Capital Plan Budget Monitoring - Quarter 3

To consider the Quarter 3 position in relation to the Capital Plan Budget.

(To Follow)

7. Torbay Growth Fund

To consider the attached report on the Torbay Growth Fund.

(Pages 15 - 25)

- 8. Review of Corporate Plan** (Pages 26 - 49)
To consider the attached document which outlines the achievements of the Council against the current Corporate Plan.
- 9. Scrutiny Development Area - Principles of Overview and Scrutiny** (Pages 50 - 64)
To consider the report prepared following the work undertaken as a Scrutiny Development Area and consider making any further comments.



Minutes of the Overview and Scrutiny Board

28 January 2015

-: Present :-

Councillor Thomas (J) (Chairman)

Councillors Addis, Bent, Darling (Vice-Chair), Davies, Kingscote, Pountney,
Stockman and Tyerman

(Also in attendance: Councillors Cowell, Hytche and Morey)

38. Apologies

It was reported that, in accordance with the wishes of the Conservative and Liberal Democrat Groups, the membership of the Board had been amended to include Councillors Addis and Pountney in place of Councillors Hernandez and Pentney respectively.

39. Minutes

The minutes of the meetings of the Overview and Scrutiny Board held on 26 November 2014 and 11 December 2014 were confirmed as a correct record and signed by the Chairman.

40. Review of Priorities and Resources 2015/2016

The Board considered the draft report from the recent review of Priorities and Resources.

Resolved: that, subject to the amendments to the report made at the meeting, the report and recommendations from the Priorities and Resources Review be agreed and forwarded to the Mayor.

Chairman

Agenda Item 5



Title: **Revenue Budget Monitoring 2014/15 – Quarter 3**

Wards Affected: **All Wards in Torbay**

To: **Overview and Scrutiny Board** On: **18 February 2015**
Council On: **26 February 2015**

Contact Officer: **Paul Looby**

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✉ E.mail: **paul.looby@torbay.gov.uk**

1. **Key Points and Summary**

- 1.1 At the end of December 2014 the latest projected forecast for council services is an overspend of £1.5m. This compares to a £1.6m projected overspend at the end of quarter 2 and £1.2m at the same time last year.
- 1.2 There are a number of variations to the approved budget across services with Children's - Safeguarding and Wellbeing facing the largest forecast overspend at year end.
- 1.3 Members were advised of the challenging financial climate it faced when the 2014/15 budget was set in February 2014. The inherent risks faced by the Council when the budget proposals were approved were set out in the report and these risks were accepted by Members. They arise from the ongoing austerity measures from the coalition government and demand pressures across a number of services.
- 1.4 Due to the size of the projected overspend and the minimal amount of time to make further savings there is a risk that there will be a call made upon Council reserves to ensure a balanced budget is declared at year end.
- 1.5 The Senior Leadership Team and Executive Lead Members have taken corrective action where appropriate and, as previously reported, identified savings proposals that were due to be implemented from April 2015 which have been implemented in the current year amounting to £0.6m. This amount has been included within the forecast outturn position.

1.6 The key variations within services are summarised below:

- Children's Services: The Director of Children's Services forecast a projected overspend of £1.4m at the end of the first quarter. Based upon existing client numbers and associated staffing costs (including the continued use of agency staff) the forecast overspend at the end of the second quarter has increased to £2.8m. This is after the application of the earmarked contingency for Safeguarding and Wellbeing, one off support from earmarked reserves and savings derived to date from the recovery plan.
- Adult Social Care: £0.455m projected overspend. The forecast overspend for Adults services (provided by the Torbay and Southern Devon Care and Health NHS Trust) continues to fall and is now £0.253m. There are budget pressures amounting to £0.300m (Torbay's share) within the Torbay Community Equipment Service for adaptations and equipment for clients. This service is commissioned jointly with the Clinical Commissioning Group (CCG). These overspends have been partly offset by savings within Other Adult Care Services.
- Residents and Visitors: projected overspend of £0.102m. There continues to be an improving position compared to the previous quarter due to the actions taken by the Executive Head for Residents and Visitors.

1.7 In response to the projected outturn position within Children's Services, a 5 year Cost Reduction Plan has been developed and was approved by Council in October 2014. The plan is designed to manage existing and future pressures and has identified work packages as part of a cost reduction programme. This work was supported by Social Finance.

1.8 With respect to Adult Social Care a recovery plan has been circulated to Members at the end of quarter 2 which set out the actions taken to reduce spend and there is a recovery plan to address the pressures within the Torbay Community Equipment Service.

1.9 Members will be aware that the Council must achieve a balanced budget at year end. This will be achieved by either:

- a) those services overspending producing in-year recovery plans which reduces or removes the projected overspend;
- b) all other services deliver in year savings resulting in an underspend at year end;
- c) if insufficient savings can be made there is a risk that, as a last resort, uncommitted reserves or uncommitted budgets will be required to ensure a balanced budget can be achieved at the end of the year.

1.10 Members will be aware the Council does hold reserves. These should only be used for one off purposes or for invest to save initiatives and is not a solution to supporting ongoing financial commitments. Members should note that due to the size of the projected overspend and limited time available to take action to reduce spend there is a risk that the council will have to draw down monies from the Comprehensive Spending Review Reserve in 2014/15 to ensure a balanced position is achieved. This will have significant implications for future years as this reserve was created to fund the costs for restructuring services and invest to save projects.

Strategy for in Year Budget Management

1.11 The Council will continue with its adopted ongoing Strategy in response to the coalition government's austerity programme and to address its own financial challenges. Fundamentally the Senior Leadership Team and Executive Lead Members must maintain strict financial management and control over all services areas. The Senior Leadership have agreed on all of the following measures:

- a moratorium on all non essential expenditure and a reduction in all other expenditure with an assessment of the services consequences.
- a freeze on all non essential recruitment.
- a review of budgeted expenditure that could be ceased and an assessment of the service consequences including reshaping of services where possible.
- where possible identification of any further savings proposals for 2015/16 agreed at Council in October 2014 and implementing these to derive in-year savings.
- Redeployment of staff directly affected by any restructuring proposals where vacancies exist.
- identification of any invest to save schemes that will have immediate cost savings in 2014/15 and beyond.

Paul Looby

Executive Head of Finance and Chief Finance Officer

Appendices

Appendix 1 Summary of Main Variations

Exempt Appendix 2 Write offs above £5,000.

A.1 Report Overview

- A1.1 The purpose of this report is to provide Members with a summary of the projections of income and expenditure for all Business Units within the Council and to set out how the Council will maintain expenditure within its approved budget of £115.8m.
- A1.2 The revenue monitoring statement shows the expenditure and projected outturn position based upon the latest information available to finance officers in consultation with service departments. Where possible, the implications or consequences arising from the variations are reflected in the key performance indicators for that service.
- A1.3. Ongoing financial monitoring will be provided to Members quarterly.

A.2 Financial Performance

A2.1 Table 1 below provides a summary of the projected outturn position for Council services. The 2014/15 budget has been revised to reflect changes to services within individual Business Units.

Table 1: Projected Outturn Position – Quarter 3

Business Unit/Service	2014/15 Budget	Net Spend to Date	Projected Out-turn	Variation at Out-turn
	£'000	£'000	£'000	£'000
Director of Adults				
Adult Social Care	41,733	32,553	42,286	553
Other Adult Care Services	1,878	1,041	1,780	(98)
	43,611	33,594	44,066	455
Director of Children's Services	25,333	20,737	28,120	2,787
Director of Operations and Finance				
Commercial Services	4,601	3,750	4,611	10
Finance	8,565	(53)	6,789	(1,776)
Information Services	3,273	2,141	3,209	(64)
	16,439	5,838	14,609	(1,830)
Director of Place				
Residents & Visitors	7,293	3,943	7,395	102
Spatial Planning	5,521	4,502	5,586	65
TDA - Clientside	2,206	1,393	2,206	0
TDA – TEDC	1,557	2,774	1,465	(92)
Torbay Harbour Authority	26	(73)	42	16
Waste & Cleaning	11,499	10,839	11,499	0
	28,102	23,378	28,193	91
Director of Public Health				
Community Safety	2,271	1,956	2,220	(51)
Public Health	0	1,305	0	0
	2,271	3,261	2,220	(51)
Total	115,756	86,808	117,208	1,452

Main Variations

A2.2 A summary of the main variances and the principal reasons for any underspends or overspends and any emerging issues within each directorate are explained below.

Adults

A2.3 This portfolio covers Adult Social Care, Joint Equipment Store and Other Adult Care Services and is projecting to overspend by £0.455m.

Adult Social Care

The provision of Adult Social Care is a commissioned service provided by the Torbay and Southern Devon Health and Care NHS Trust. The Trust are forecasting a £0.253m overspend for the year at the end of quarter 3 – a £0.240m reduction compared to quarter 2.

The Torbay Community Equipment Service is forecasting a projected overspend of £0.3m at the end of the third quarter. This is a jointly Commissioned Service with the CCG providing adaptations and equipment to clients. Unless the profile of spend reduces over the coming months there is a risk the outturn position could be an overspend of £0.4m.

Based upon latest projections from the Trust the budget pressures are within the Independent Sector where there is a forecast overspend of £0.196m and in – house Learning Disability of £0.057m.

The main pressures in the independent sector are within mental health services specifically related to expenditure pressures. For the under 65s client group the direct payments budget was set on approximately 15 clients per week receiving a direct payment. This figure has consistently been exceeded by an average of 13 clients.

When direct payment numbers increase normally you would anticipate a drop in clients elsewhere: preferably in long stay residential care. This has not been the case this financial year.

For the over 65s client group long stay residential care is overspending due to approximately 13 clients more in the system than budgeted for and long stay nursing care has 7 clients more in the system than budgeted for.

Domiciliary care is the final area experiencing budget pressures within this client group. Based on current commitments there are 6 additional clients in the system compounded by an increase in the average weekly cost.

Members will be aware there has been an extensive Cost Improvement Programme (CIP) managed by the Trust for Adult Social Care. The total CIP target was £2.888m of which £2.582m of estimated savings have been delivered to date. Key areas to note include.

1. under delivery against CIP Plan to date on Packages of Care (POC) under £70.
2. non-residential POC £70.01 to £606 is estimated to deliver 42% of its CIP target.
3. good progress has been made on the other main schemes including Residential Based under £606 and POC over £606 where the CIP has been exceeded.

The Trust has advised that as the latest forecast is based on 9 months data the overall financial challenges are becoming clearer. The forecast is based on the current client base and there could be further changes to the forecast outturn position due to the nature of the service, demands placed upon it as there are a number of volatile factors that could influence the forecast.

The Torbay Community Equipment Service is projecting an overspend of £0.300m due to increased demand for adaptations and equipment in the first half of the year. However pressures remain in the system and there is risk the forecast outturn position will increase.

Other Adults Social Care is projecting to underspend by £0.098m due to a combination of contractual and vacancy management savings.

A2.4 Children, Schools & Families

At the end of quarter one the Director of Children's Services was forecasting a projected overspend of £1.4m after the application of the £2m contingency for Children's Social Care and £1.5m from earmarked reserves which was agreed as part of the budget proposals in February 2014. The forecast position at the end of quarter 3 is a £2.787m overspend which is after the delivery of anticipated savings from their recovery plan. The forecast overspend has increased by £0.533m compared to the quarter 2 position.

A summary of the budget pressures within Children's Services are shown below:

	£'m
Children's Services Projected Overspend	6.287
Less:	
Use of Contingency	2.000
Use of one off PFI sinking reserve (approved by Council Feb 14)	1.500
Forecast Outturn Position	2.787

The projected overspend is primarily due to budget pressures within Safeguarding and Wellbeing due to the number, length of placements and cost of independent sector placements (ISP) and residential placements and increased staffing costs due to the ongoing use of agency social workers within the Safeguarding and Wellbeing service.

The headline position for Safeguarding and Wellbeing after the application of the contingency, reserves and the recovery plan is a forecast overspend of £3.0m. The overall forecast position for Children's Services is partly offset by a projected underspend within Schools Services of £0.2m and a small projected underspend within the Commissioning and Performance service.

The number of looked after children at the end of December 2014 is 302, an increase of 8 since the end of quarter 2 but a decrease of 12 since the end of March 2014. The number of children on Child Protection Plans at the end of December is 170, an increase of 33 since the end of quarter 2 and a decrease of 3 since the end of March 2014.

Members approved a 5 year cost reduction plan to address the budget pressures within Children's Services in October 2014. This report set out the work undertaken by Social Finance who have been supporting Children's Services in the delivery of new operational working practices to ensure the costs for the service are brought in line with the average cost when compared to other local authorities.

The plan requires investment over the next three years which will be funded from earmarked reserves as set out in the Review of Reserves report which Council approved in October 2014. These reserves will have to be replenished from the forecast savings achieved within the service. If these savings are not delivered this will impact upon all other services within the council as the reserves are earmarked for specific purposes in the future.

As previously mentioned the programme of activities currently in place and being developed will continue to remodel the service and are required to reduce the number of Looked After Children and the amount of time they spend in care. The programme will include embedding a more robust and assertive Fostering Strategy, which will have to increase the number of in-house foster carers and move Children from Independent Sector Placements without affecting outcomes if savings are to be delivered. The implementation of a residential migration project must be achieved if it is to be a cost effective alternative to residential care.

Council approved that the Director of Children's Services bring separate monitoring reports on progress of the programme of activities which will deliver the Cost Reduction Plan. The Director of Children's Services provided an update to the Overview and Scrutiny Board on progress against the plan in December 2014. Members of the Board will continue to receive regular quarterly reports from the Director of Children's Services to review and assess the costs reductions required for this service.

Place

A2.5 There is a projected overspend of £0.091m a fall of £0.119m compared to quarter 2. A summary of the main variations are identified below:

Residents and Visitor Services is projecting an overspend of £0.102m at the end of the third quarter, a fall of £0.108m compared to quarter 2.

This is due primarily to:

- spending pressures within Parking Services where there is a projected budget pressure of £0.2m. This is a combination of on and off street parking and a reduction in enforcement income.
- Torre Abbey is reporting a projected overspend of £0.075m due to lower than anticipated visitor numbers and operational pressures.
- Sports Services are projected a shortfall in income of £0.110m.
- Corporate security costs (CCTV) are projected to overspend by £0.03m due to a shortfall in forecast income partly offset by vacancy management savings.
- These overspend have been partly offset by administrative savings and vacancy management across Residents and Visitors service, strict financial control across all services and a moratorium on spending to maintain spend within the approved budget and receipt of additional income e.g. engineering team.

Waste and Cleaning is projecting to spend within its approved budget. The impact of waste tonnages and recycling is a volatile area and will continue to be monitored closely in the last quarter of the financial year.

Spatial Planning – is projected to overspend by £0.065m. This is primarily due to lower than budgeted building control income.

Economic Development Company is projecting a £0.092m underspend due to a return of unspent funds for regeneration projects.

Torbay Harbour Authority – includes the management of beach services is projecting an overspend of £0.016m due to budget pressures within the beaches service.

A2.6 Public Health

Services within Public Health and Community Safety are projecting an underspend of £0.051m. This relates to Community Safety where budget pressures within the Housing Options service, due to increased costs for temporary accommodation, have been offset by savings within Environmental Health and other services due to vacancy management.

A2.7 Operations and Finance

Operations and Finance is projected to underspend by £1.830m.

Commercial Services is projecting a small overspend of £0.01m due to a delay in realising savings from the new combined Coroner area.

Finance is projected to underspend by £1.776m. The main variations are summarised below.

Financial Services is projecting to underspend by £0.2m due to vacancy management savings within Financial Services and lower external audit inspection fees.

A number of corporate budgets are “accounted for” within the Finance budget. Due to the council projected overspend where possible any potential underspend from these have been identified and will be used to offset the overspend and include a council contingency (£0.5m).

In addition savings have been identified with, reduced pensions costs (£0.3m) and the forecast surplus for Torbay’s share of the Devon Wide Business Rates Pool (£0.4m) and higher than budgeted for NNDR section 31 grant income (£0.2m).

Information Services is projecting an underspend of £0.064m due to vacancy management.

A3 Reserves

- A3.1 The Comprehensive Spending Review (CSR) reserve is the Council’s uncommitted reserve which was set up to meet the financial challenges it faces over the next few years. Its main purpose is to fund the costs for restructuring and for invest to save initiatives. As a last resort it may be called upon to fund unforeseen events and any overspend to ensure a balanced budget can be delivered at year end.
- A3.2 The Chief Finance Officer has advised that where possible reserves should only be used to support one off initiatives as it is not sustainable to use reserves to support ongoing commitments. As identified within the 2013/14 outturn report the balance for the CSR reserve was £3.8m as at April 2014.
- A3.3 Council approved budget savings proposals at its meeting on 30 October 2014. These will form the basis of the 2015/16 budget. It is too early to confirm the final costs for restructuring arising from these proposals but based upon previous years costs it was prudent to assume these could be approximately £1m – for comparative purposes redundancy and associated costs for the 2014/15 budget round was £0.8m. As any decisions with respect to the 2015/16 savings proposals will be made in the current financial year all associated restructuring costs will be a charge in 2014/15. To date restructure costs of £0.1m have been incurred but this is expected to rise in the last quarter of the financial year.

- A3.4 As part of the approved budget savings proposals, transitional funding was approved to support services in 2015/16 which will be funded from the CSR reserve.
- A3.5 The Council must declare a balanced budget at year. If after the application of uncommitted budgets and savings the current forecast overspend cannot be resolved any overspend will have to be funded from reserves. This will reduce the Council's uncommitted reserves and impact upon how the Council manages further reductions in government grant in future years.
- A3.6 Members will note there has been a small fall in the forecast overspend in the current financial year. However due to increasing demands upon services and increased costs (in particular within Children's Safeguarding and Wellbeing), the use of earmarked reserves for invest to save initiatives within Children's Safeguarding and Wellbeing and the affect of reduced budgets for all Business Units, there is a risk that the CSR reserve may be required to balance the budget in 2014/15.
- A3.7 Members will be aware that the council lost a Judicial Review (JR) on Care Home Fees. Due to the complexity of the case and at the time of writing this report the council was considering its approach and response. Members will be aware that the JR is effective from April 2014 and therefore any costs associated with the final outcome for the JR will be a call upon the CSR reserve.
- A3.8 Due to the issues outlined above there is a significant risk the CSR will be reduced at the end of March 2015 by a larger amount than previously forecast and there is a risk the balance could be zero from April 2015.
- A3.8 A summary of the Council's uncommitted reserve is shown below in table 2.

Table 2 - Uncommitted Reserves

Comprehensive Spending Review Reserve	Working Balance £'m
Balance as at 1 April	3.8
Transitional Funding (14/15 and 15/16)	0.4
	3.4
Potential Calls on CSR Reserve	
Estimated Redundancy Costs arising from 2015/16 budget	1.0
2014/15 Budget Pressures (current overspend £1.5m)	tbc
Judicial Review	tbc
Estimated Balance	tbc

A3.8 The Council also has its General Fund balance. Since Torbay became a Unitary authority in 1998 there has not been a call on the general fund balances. The current balance is £4.4m and represents 3.8% of the Council's net budget.

A3.9 Members will be aware that that the general fund balance is uncommitted (unlike other earmarked reserves) and provides funds that would only be used for any unforeseen or unexpected expenditure that could not be managed within service budgets or earmarked reserves. With this in mind and in light of the difficult financial climate faced by the Council and reduction to the Council's net budget, the Chief Finance Officer believes that a cash balance of £4.4m is the minimum level required to protect the Council from the increased risks it faces with respect to the ongoing grant reductions from Government and increased demand for some services. This will be monitored closely over the remaining months of the financial year taking into account the forecast overspend and the delivery of recovery plans within Children's and Adult Services. Members should note the Council's external auditors will have a view as to the level of the Council's General Fund Balance and the implications upon the council's short term financial position.

A.4 Dedicated Schools Grant (DSG)

A.4.1 DSG funded activities is currently reporting an underspend of £0.185m. The DSG is a ring fenced grant and can only be used to fund schools and education related activities.

A.5 Debtors

A5.1 This section of the report provides Members with an update for the third quarter in 2014/15 in respect of council tax and business rate collection.

Council Tax

A5.2 The targets for the collection of Council Tax in 2014/15 are:

- (i) collect 96.5% of the Council Tax due within the 12 months of the financial year (i.e. April to March); and
- (ii) collect 50% of the arrears brought forward from previous years.

A5.3 The Council is due to collect £66.0m after the granting of statutory exemptions and reductions and Local Council Tax Support in the period April 2014 to March 2015. To date the Council has collected £52.4m which is 79.4% of the Council Tax due in year. The collection level is lower than last year when 81.96 was collected.

A5.4 The total arrears outstanding at 31 March 2014 were £4.89m and this has been reduced by £1.57m which is about 32.2% of the total arrears due. At the equivalent time last year the Council had collected £1.3m of arrears of £3.67m, which equates to around 35.5%.

A5.5 The Council has written off in this quarter 298 accounts with a value of £0.077m. There are no Council Tax write off's over £5,000 to report

Non-Domestic Rates

A5.6 The targets for the collection of NNDR (business rates) re:

- (i) collect 97% of the business rates due within the 12 months of the financial year (i.e. April to March); and
- (ii) collect 50% of the arrears brought forward from previous years.

A5.7 The Council is due to collect £36.1m after the granting of mandatory relief in the period April 2014 to March 2015. To date the Council has collected £28.5m which is 83.1% of the business rates due in year. In the equivalent period last year the Council had collected £32.0m which equates to 88.6%.

A5.8 The total arrears outstanding at 31 March 2014 were £1.53m and this has been reduced by £0.7m which is about 45.6% of the total arrears due. Last year the Council had collected £0.6m off arrears of £1.55m which equates to around 38.7%

A5.9 The Council has written off with a value of £0.195m and there are nine write offs above £5,000.

Housing Benefit Overpayments

A5.11 There are five write off's over £5,000 which have been written off on the Benefits Debtors System.

A5.12 The total debt written off in quarter 3 on the Benefits Debtors system is £31,815.82 relating to 71 records.

Torbay Growth Fund: Report to Overview and Scrutiny Board on 18th February 2015 **Contact Officer: Alan Denby**

Background

1. In February 2013 Council approved the establishment of the Torbay Growth Fund to support investment, business growth and job creation in Torbay.
2. The Fund was launched in April 2013 with a budget of £1m to create a minimum of 250 jobs. Businesses already in Torbay and those looking to move into the area were invited to apply for funding to support them on a grant or loan basis to create jobs in Torbay. The fund has committed that budget and will create and safeguard in excess of 250 jobs in Torbay.
3. Investments made by the Fund are paid across three years to reduce the risk to the Council and ensure companies remain with Torbay. Payments can be withheld if job targets are not met.

Application & Appraisal process

4. Applications were appraised by the TDA, using the criteria set out in the application guidance and appended to this report to determine whether or not the application should be supported and if so at what level.
5. The TDA offered reasonable assistance to applicants to support them through the process and some applicants used agents to develop their application. As part of the appraisal all applications were reviewed by the TDA's business advisers. Once reviewed the applicant was written to seeking clarification or any points or asking questions about any area of the application that was required further information or testing. Checks were also carried out on the businesses using the Mint database were relevant to cross check information in the applications and the Council's Chief Accountant also reviewed applications.
6. Following appraisal, recommendations will be brought to the Panel by the TDA. The Panel could decide to:
 - a. Approve an application
 - b. Reject an application
 - c. Approve an application subject to additional information or contractual obligations
7. Once approved by the Panel, awards are made via an offer letter setting out the terms and conditions with the investment payable by the Torbay Growth Fund in 3 instalments, 40% in year 1, and 30% in years 2 and 3. In exceptional circumstances or high risk investments instalment intervals may be varied at the Decision Panel's discretion.
8. Following award all applications are subject to monitoring and review with payment of the further instalments subject to the contracted number of jobs having been created. The Panel have been informed of progress at the

meetings particularly where any application has been deemed at risk i.e. contractual obligations have not been met by the applicant or there is deemed to be significant risk to further investment.

9. Members may recall that paragraph 3.3 of the report to Council of February 2013 set out that “up to 50% of the fund will operate on a loan basis, creating a revolving fund which can continue to support business growth into the future making this a sustainable option.”. The fund was marketed and promoted on that basis however all initial applications came in seeking grant investment not loans. Appraisal of the applications demonstrated that the overwhelming majority included debt finance already and discussions with applicants did not result in any applications for loans rather than grants.
10. The fund initially offered applicants between £1,000 and £4,000 per job created based on a number of factors including location, sector and qualification level of the jobs created. The maximum award for any business was set at £150,000. However despite high levels of enquiries very few converted to applications as the investment available through the fund was seen as too low compared to other funding opportunities available at that time.
11. As a result a recommendation was made to review the criteria with the award levels were amended in January 2014 to offer between £4,000 and £12,000 per job (the £150,000 cap remained). There is a report from the Monitoring Officer appended to this document on the adoption of these criteria.
12. Following this revision the fund saw an increased number of applications and as a result was fully committed and closed to new applications in December 2014.

Outcomes

13. The Growth Fund has invested in 15 companies who have been contracted to create 286 jobs across the lifetime of their award (3 years). To date 155 of these jobs have been created. Despite increased award levels the fund offers very good value for money with the average investment per job of £3,500. This compares favourably to other funds:

Fund	Cost per job
Torbay Growth Fund	£3,500
Plymouth Western Morning News Growth Fund 1	£10,800
Plymouth Western Morning News Growth Fund 2	£8,250
GAIN Growth Fund (to date)	£6,500

14. Nationally the Government’s Regional Growth Fund is averaging £25-30,000 per job. Even with this higher intervention rate nationally the RGF is under-committed, meaning the Torbay Growth Fund has outperformed other, nationally schemes in getting investment into businesses.

Leveraged Investment

15. While the grants did not specifically require match funding the fund has leveraged additional investment in addition to jobs from a number of applicants. This includes:
- Significant investment in new equipment and refurbishing the former Creative Foods site in Watcombe
 - Investment in the Brixham Environmental Laboratory
 - Rental and business rate income from home based and businesses previously external to Torbay
 - Significant investment at Oxen Cove (subject to agreement)
16. More detail is included in the project summaries at the end of this document.

Inward Investment

17. Investment by the fund is supporting 3 notable inward investment opportunities for Torbay; Ministry of Cake who have already moved into their site and are creating jobs alongside two other businesses who are expecting to move to Brixham.
18. The fund has been a crucial part of the support package which has encouraged these businesses to explore Torbay as a new location. Without this there is a strong likelihood these enquires would not have progressed.

Awards

19. The Growth Fund has invested in companies at varying stages of development and across a number of sectors. Two of these are subject to businesses relocating to Torbay so are agreements in principle. Feedback from recipients has been positive and demonstrates the fund is making a difference to those businesses.

Company	Contracted jobs created
Hamish Renton Associates	2
Advanced Technical Recruitment	6
Torquay International School	4
SJG Energy Solutions	6
The Select Group	45
Rainbow Skips & Recycling	3
Red Bay Design	4
Investment Casting	5

Systems	
Ministry of Cake	30
Plymouth University	12
South West Polymer Supplies	3
Suttons Seeds (jobs safeguarded)	107
Inward investor	40
Inward Investor	14
Alpha Contract Engineering	5
Total to date	286

20. A brief summary of progress made by successful applicants is set out below.

Hamish Renton Associates (August 2013)

21. HRA were the first company to benefit from the Growth Fund and have now received their second payment. The 2 contracted jobs have been created and the company have relocated to new offices at Rockwood House. Their turnover has doubled since the investment was made and the business is certain that without growth fund support they would not have created the jobs.

Advanced Technical Recruitment (October 2013)

22. ATR were awarded funding to support their transition from home based business to employer. Their first grant payment facilitated a move from their home to new offices on Vaughan Parade and immediately created 1 of the graduate jobs set in their application. The company created a second job in September 2014 and 2 further roles in January 2015. This extra capacity is enabling them to build the business and engage better with networks such as the Hi Tech Forum.

Torquay International School (November 2013)

23. Since receiving their award TIS have had a change in leadership so the project has taken a little longer than originally planned to get underway. A site visit in June 2014 confirmed the refurbishment work and new teaching space funded by the Growth Fund are now largely complete. The company has seen an increase in student numbers of approx 15%, and are extending their season.

24. The company has created 2 jobs with a Managing Director appointed on 5th January 2015 and role split between marketing and teaching.

SJG Energy (December 2013)

25. Since receiving the grant SJG have been growing steadily and being located in the SW Energy Centre is working well for them. Various government incentive schemes to encourage energy saving have been slow coming forward so the company have secured other work. The company created 2 jobs in year one, although finding suitable candidates was challenging, and have recently taken on an administrator.
26. Within the first quarter of 2015 they are looking to employ another field based operative, and by the end of 2015 anticipate having another member of administrative staff and the final field based operative, meeting their full job creation target.

The Select Group (December 2013)

27. Select's award was to part fund a £450,000 renovation of their factory to enable production of a new range of early asbestos detection products. The project start was delayed but is now underway, and a clean room has been installed. 1 job has been created to date, with a further 2 sales positions currently being interviewed for.

Rainbow Skips & Recycling (March 2014)

28. While the fund criteria are designed to favour businesses creating higher skilled jobs there is scope to invest in those creating employment in deprived areas. Rainbow Skips & Recycling are a small firm based in Watcombe who demonstrated they had plans for growth. Alongside their grant they have also received support from one of the TDA's business advisors. The owner of the businesses has been highly complementary of the fund and support received which has enabled them to create 3 jobs since receiving the first instalment of their grant.

Redbay Design (April 2014)

29. Since receiving funding Redbay have recruited their first employee, a finance and administration manager. Business has been brisk and the company are in the process of recruiting their second new employee, a landscape architect.

Investment Casting Systems (May 2014)

30. Since receiving funding in June ICS have acquired a second building and are currently in the process of separating ICS from the Casting Support Systems and moving it into the new premises. The move should be complete by February.
31. The tooling machine funded by the Growth Fund was purchased in November 2014, and since receiving their first payment the company have taken on two additional staff. Their contract requires an additional three jobs to be created in year one which they are on track to do.

Ministry of Cake (June 2014)

32. Ministry of Cake were awarded the maximum investment of £150,000 to support the opening of their new factory, Ministry of Puddings, in Watcombe in August 2014. Investment from the fund also leveraged approximately £350,000 of investment in the refurbishment from the company in addition to the site purchase costs and created 30 jobs when the factory opened.
33. Feedback from the company is that the Torquay factory is going very well and recently passed an important quality and food safety inspection which they feel is a fantastic achievement given the short time it has been open. They have also just won a significant contract with Starbucks which is likely to increase the levels of production in Torquay. The company plan to either move more of their traditional Taunton products down to Torquay or to put in new lines. This should result in the factory producing considerably more than it currently does, resulting in more jobs being created.

Plymouth University (November 2014)

34. The University were awarded £144,000 to support their new facility at the former Astra Zeneca site in Brixham to which they have committed to provide working capital and improvements of approximately £750,000 over the first four years. 12 jobs are planned to be created by the University, this is in addition to any jobs created by tenants moving into the lettable laboratory space at the site.
35. The process of identifying an anchor tenant has taken longer than expected, however heads of terms are currently being developed with the preferred anchor tenant. Once this is finalised, the University is confident other tenants will follow.

South West Polymer Supplies (December 2014)

36. South West Polymer Supplies was awarded investment subject to relocating to Torbay. The company has moved into Torbay and took a lease at the Torquay Business Centre in December 2014. The company are exploring a number of different product development opportunities and the potential to apply for funding from Innovate UK.

Suttons Seeds (December 2014)

37. Suttons Seeds are a key brand in Torbay, and received £150,000 to support a new company, Barnfield 2014 Ltd, created through the management buyout of Suttons Consumer Products Limited. Investment will be used to contribute towards purchase of equipment to facilitate improved marketing to reach new customers and support the cost reduction programme.
38. The creation of the new company safeguarded 107 jobs immediately that the management buyout was finalised. Without the buyout proceeding these jobs

would have been lost to Torbay. As the business delivers its business plan over the coming three years there will be more jobs created.

Inward investors (Approved but pending move to Torbay)

39. There are two applications for a total of £275,500 to create 60 new jobs in Brixham. One award is subject to the company signing a lease for the anchor tenant space at Brixham Environmental Laboratory and another for a marine engineering use at Oxen Cove.

Alpha Contract Engineering (January 2015)

40. Alpha's proposal to move to larger premises was dependent on number of funding sources and they were conditionally awarded funding in May 2014. The company submitted a revised proposal in December 2015 removing the need for venture capital investment to enable the project to go ahead. The project was subsequently approved for funding in January 2015.

Conclusion

41. The Torbay Growth Fund has created 155 jobs in the Bay to date, with a further 131 contracted over the life of the grants. It has supported a number of small local companies who lacked the capital required to invest in equipment or premises to support increased staff numbers and enabled them to grow. Feedback from these businesses is that without the fund they would not have experienced the same levels of growth.
42. In addition the fund has formed an invaluable part of the inward investment offer for Torbay, securing interest from a number of employers in key sectors and leading to businesses moving to Torbay. At a cost per job of £3,500 the fund has offered strong value for money when compared to other grant funds in addition to leveraging private sector investment.

Appendix 1 – Monitoring Officers Report

Torbay Growth Fund

Background

On 28 February 2013 the meeting of the Full Council considered the proposal to approve the investment of £1million into a growth fund, with the aim of generating employment opportunities through business growth in Torbay.

The report set out;

“It is proposed that Torbay Council should be the grant awarding body and that the growth fund will offer a combination of grants and loans. The split between grant funding and repayable loan will be determined on a case by case basis [my emphasis], but it is proposed that the loan proportion could be up to 50%.”

“All monies repaid will be recycled within the growth fund in order to create a sustainable revolving fund. It is proposed that interest rates are set at 1.5% above base rate with a 5 year repayment period.”

“The growth fund will offer funding to businesses based on a set amount per new job created. Businesses moving to new and/or growing within their existing premises will be eligible provided they can demonstrate they will meet the fund criteria and will create jobs in Torbay.”

“To ensure best value for money in terms of jobs achieved, the fund will focus specifically on companies/projects which can deliver growth and jobs.”

“It is essential that the criteria for the fund are set to optimise job creation.”

“It is recommended that the final criteria are determined by the Council’s Chief Operating Officer in consultation with the Mayor and the selection panel. “

Decision of Council meeting

Full Council approved the investment of £1million into the growth fund, and the composition of the selection panel who would determine applications. Full Council did not however approve the criteria for awarding the same, instead they decided;

“the Chief Operating Officer, in consultation with the Mayor and selection panel, be authorised to finalise the criteria on which funding will be awarded.”

Approval of criteria

Original

The decision of Full Council meant that the criteria should have been presented to the Chief Operating Officer, Caroline Taylor, for a formal decision to have been taken. This was never done. Instead, the Selection Panel adopted the selection criteria as was contained within the report to Full Council.

The Selection Panel, comprised of;

1. Mayor Oliver,
2. Cllr David Thomas,
3. Martin Phillips,
4. Alan Denby, TDA.

This criteria was used to use award grants until the criteria were changed in February 2014.

Revised

In January 2014 a report was prepared suggesting that the criteria be changed in light of application and investment levels being much lower than anticipated.

This report was considered at the Selection Panel on 3 February 2014. The Panel comprised of;

1. Mayor Oliver,
2. Cllr David Thomas,
3. Alan Denby, TDA,
4. Suzie Masterman, TDA.

Despite the report referring to the delegation for approval of the criteria to the COO, the revised criteria were not presented to Executive Director (following removal of the role of the COO) for a decision to be taken.

The Panel approved the following revisions to the selection criteria;

1. The award per job increased to £4,000 - £12,000 (from £1,000 - £4,000)
2. That a minimum threshold for applications be introduced requiring applications to be for a minimum of £15,000.

Impact upon decisions already taken

The governance arrangements for the decision as to the original and the revised criteria were not appropriately followed.

Whilst ordinarily a decision in such circumstances would be deemed to be void, **case law is clear that when other parties have acted innocently in reliance on a decision, they are entitled to protection. Therefore in respect of the Fund, there is no doubt that recipients of the Fund would have believed that the same was being granted to them with the authority to do so. Further the recipients will have acted with reliance upon the same. Therefore the decisions will be deemed to have legal effect, irrespective of the failings in respect of approving the award criteria.**

Suggested action

The criteria currently in use (or as appropriate any further revised criteria) should urgently be presented to the Executive Director for a formal decision on the same to be taken. A record of decision in this respect should be completed.

The report to Full Council indicated that the performance of the Growth Fund would be reported on SPAR and reported annually to Full Council. This was not a formal decision of Council, however there should be urgent consideration of how the performance of the Growth Fund is monitored and reported to Members.

Whilst concerns were raised with me as to the lack of loans (as opposed to grants) having been approved by the Selection Panel , it was not a decision of Full Council that there has to be loans. Indeed it should be noted that the report to Council set out *“The split between grant funding and repayable loan will be determined on a case by case basis.”* I am advised that loans have been actively promoted, however no businesses have wanted to pursue the same. On this basis, and given the wide remit as set out within the report to Council, there are not any Governance issues in this respect.

Anne-Marie Bond
Monitoring Officer
15 January 2015

Torbay Growth Fund - Criteria

1. The criteria were designed to enable the fund to be accessible to all businesses regardless of size and the numbers of jobs proposed to be created.
2. There are a number of sectoral exclusions which applied to the fund, namely accommodation, retail and sectors exempt from support under EU state aid law (De minimis aid cannot be given for export related activities, agriculture and fisheries).
3. Businesses are awarded an amount per job created dependent on skill level, location and sector. The current maximum investment is £150,000 per businesses in order to remain below the de minimis state aid threshold.
4. The proposed investment level set out above is in line with University of Plymouth & Western Morning News growth fund. This fund is available across Devon & Somerset and is administered by the University and funded by the Government's Regional Growth Fund. In its first round the fund made 20 awards averaging £46,000 each and created 71 jobs giving an average cost per job of £13,000 which is in line with the proposed maximum per job for the Torbay Fund. It is currently closed to new applications as it is oversubscribed.

Torbay Growth Fund Appraisal Matrix

Score	1	3	5
Sector – encouraging investment in key sectors	Any (aside from exclusions noted above)	Priority sectors: Professional services Manufacturing Call Centres	Priority inward investment sectors: Advanced electronics Medical / Healthcare Research / Technologies Marine Industries
Location/clustering – encouraging investment from businesses in key sectors at key locations.	Located outside identified key sites	Key development site - Business not specifically linked to cluster in that area	Key development site or deprived area. Business specifically linked to cluster in that area
Section Total - /10			
Score	1	2	3
Skill level of jobs created	NVQ1 and NVQ2+	NVQ3+	NVQ4+
Section Total - /3			
Grand Total - /13			

Investing in the future: Develop a successful economy and improve job prospects

We will achieve this through:	Update Position (November 2014)
<p>1. Jobs-led regeneration focusing on specific sectors</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Outline business cases prepared for further investment in innovation centres. ○ An increase in new business start ups ○ Maximise opportunities for job creation including through joint planning with neighbouring authorities, and investing in a “Jobs Fund” 	<p>There continues to be a focus on the creation of new businesses with a number of publicly funded start up programmes active in Torbay including Outset Torbay and while at a project level outcomes are strong there is some evidence of a falling number of start ups. However this will continue to be a focus alongside deepening the work with businesses to enable more rapid growth such as through exposure to export markets (where TDA was awarded the Enterprising Britain award for South Devon export network) and through e commerce. Again the LEP is an important partner here in accessing important European funding which will support these aspirations.</p>
<p>2. Creating the right environment for inward investment</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Completion of a feasibility study for a third harbour ○ Increased investment from businesses, Government and the European Union ○ An adopted Local Plan by September 2013 ○ Adopted Neighbourhood Plans for Torquay, Paignton and Brixham by September 2013 	<p>The Council has also worked with partners in the LEP and across the Peninsula to maximise opportunities for Torbay to benefit from the Peninsula Deal where Brixham has been designated a strategic site for the marine economy across the far South West. This is expected to help enable funding opportunities to bring forward marine employment in the town. A further approach has been made to Government, with the LEP, to invest in a number of projects in Torbay including the proposed Business Centre (Innovation Centre 3), Claylands, Oxen Cove and other supporting infrastructure to meet general needs for business space and to support important local sectors including marine and hi tech sector’s which have the potential for high value employment. This infrastructure continues to be highlighted by business as being of critical importance in determining whether to stay and invest in the Bay or move elsewhere and what is good for our indigenous businesses is also good for inward investors where we are on track to receive in excess of 100 enquiries in this calendar year.</p> <p>The Local Plan and Neighbourhood Plan process nears a conclusion and there a further masterplanning process currently being consulted on for Torquay & Paignton Town centres, Collaton St Mary and for the Torquay Gateway site. These master plans have been conceived to stimulate investment in our place and have been driven by significant community input since the process began in April 2014.</p>
<p>3. Continuing to work towards completion of the South Devon Link Road</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Completion of highways capital projects – including South Devon Link road by the end of 2015 	<p>The contract to construct the South Devon Link Road was awarded in May 2012 and works on site commenced in October 2012. The project is now well progressed with the vast majority of earthworks complete and the spans being completed on all structures. One of the biggest milestones completed is the placing of the beams on the Penn Inn Flyover which was carried out in November 2014.</p> <p>The contractor Galliford Try has stated that as the weather from Jan to April 2015 can have a significant effect on progress it is too early to accurately predict a completion date, However, both the Contractor and the Project Team are confident the scheme is on programme to be completed before the end of 2015. The project also has a significant number of risks outstanding but based on current expenditure forecasts it is also on target to be constructed within the existing budget allocation.</p> <p>Use of local labour continues to be between 50 and 60% of the workforce on site the contractor has estimated they would have spent up to £40million in the local economy by completion of the project.</p>

	<p>The next phase of construction will see the completion of the ramp to the south of Penn Inn and installation of the drainage before construction of the kerbing and the highway surface will commence in the Spring</p>
<p>4. Lobbying to improve rail services</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Peninsula Rail Task Force ○ Rail Service Enhancements ○ Edginswell Station ○ Station Improvements 	<p>Torbay has had success in improving both stations and rail services recently but the disruptions due to the collapse of the sea wall at Dawlish have shown how vulnerable Torbay is to the effects of extreme weather throughout the South West region. Therefore working in partnership is essential to protect this vital lifeline and Torbay is part of the Peninsula Rail Task force covering Devon, Torbay, Somerset, Plymouth and Cornwall.</p> <p>Continued lobbying through the Peninsula Rail Task Force for greater connectivity & service enhancements in Torbay</p> <p>Lobby DfT to continue to support the new rail services from Paignton to Newton Abbot post expiry of Citizen's Rail/INTERREG funding.</p> <p>Edginswell Station (15/16 measures of success):</p> <ul style="list-style-type: none"> • GRIP 3 Network Rail approval for the station 15/16 • Gain Planning Approval 15/16 • Gain Funding from HoTSW LEP - LTB 15/16 • Award of contract to build Edginswell Station programmed for 2016/17. <p>Station Improvements:</p> <ul style="list-style-type: none"> • Torre - New waiting shelter & platform enhancements 14/15 & 15/16 from Citizens Rail/INTERREG funding • Torquay - New Station Lifts – Access for All Funding, Network Rail 2015-19 • Paignton – seek funding support for station enhancements from Train Operating Company, Network Rail and HoTSW LEP.
<p>5. Continuing to support town centres Business Improvement Districts</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Increasing business in our three towns 	
<p>6. Revitalising the retail offer in the town centres</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Increasing business in our three towns 	<p>The existing business centres continue to see strong occupancy rates and good outcomes with tenant businesses reporting strong turnover growth and employment growth over the past two years to April 2014. Also applications for Torbay Growth Fund investment which will create 130 jobs have been approved with applications pending which are expected to take the total number of jobs created to 240-250.</p>
<p>7. Working towards creating a sustainable and flourishing leisure, culture and tourism sector that is open to residents and visitors</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Completion of Torre Abbey Phase Two ○ Keeping our key public spaces clean 	<p>Torre Abbey Phase Two project was completed before time and on budget. Since a soft reopening in the summer of 2013, the venue continues to grow the audience and has received many great reports. It is currently 3rd plac on the Trip Advisor site out of the 33 local attractions in term of quality and experience. It has also won a number of excellence awards including the winner of Michelmores Property Award for Heritage Project of the Year in 2014 which was given to the TDA who managed the Phase 2 project. The re-interpretation part of the project has delighted visitors and makes it a compelling attraction for Torbay. Audience numbers are growing but still need to increase further to maximise the attraction. The commercial side of hiring the venue has exceeded expectations with a booming wedding business which supports the overall operation of the museum.</p>

	<p>The improvements to the Banjo at Princess Gardens and other landscape enhancement projects have improve the overall impression of the public spaces. TOR2 continue to strive to keep the bay clean and the beaches have maintained Blue Flag and Seaside Awards which in part is due to the beach and water quality.</p>
<p>8. Making it easier to get around the Bay by developing integrated transport where feasible</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Completion of Growth Deal Schemes 	<p>Access to sites, markets, labour and finance are important for all businesses to that end the Mayor and officers have worked to influence development of the LEP’s strategic economic plan¹ and EU investment strategy². Both of these have scope to support economic infrastructure including transport links and business incubation space.</p> <p>The following transport schemes are identified for potential funding through the approved Growth Deal awarded to the Heart of the SW LEP:</p> <ul style="list-style-type: none"> ○ Torquay Gateway (15/16) ○ Edginswell Station (15/16) ○ Torquay town centre and harbour side ○ A385 Totnes Road, west of Paignton

¹ <http://www.heartofswlep.co.uk/strategic-economic-plan>

² <http://www.heartofswlep.co.uk/SIFfinaldraft>

Investing in the future: Ensure that every child has access to a good school and target support to ensure all young people reach their potential

We will achieve this through:	Update Position (November 2014)																																																																																				
<p>1. Raising skills levels by working with schools, South Devon College and Universities to meet the standards set by Department for Education for attainment and attendance</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Improvements in the attainment of children and young people at Key Stage 2 and GCSE 	<p>The Schools and Early Years Data are included below. The LA continues to support schools through the Schools Supporting Schools process utilising the successful Teaching School to achieve this. The Director is currently in discussion with schools and the Regional Director of Academies to develop this system further within existing resources. Further details will be available in the New Year.</p> <p>2014 Local Authority Early Years Foundation Stage Profile results demonstrate a significant increase in the number of children achieving a good level of development. 61% of children achieved a good level of development representing an additional 10% compared to the previous year. The Torbay results for the first time also slightly exceed the national good level of development at 60%.</p> <p>% of KS4 pupils achieving 5+A*-C (and equivalent) including English and maths GCSEs *Not validated</p> <table border="1" data-bbox="1210 848 2220 1003"> <thead> <tr> <th></th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>England average</td> <td>58.2</td> <td>58.8</td> <td>60.6</td> <td>N/A</td> </tr> <tr> <td>LA average</td> <td>57.2</td> <td>60.5</td> <td>60.9</td> <td>59%*</td> </tr> <tr> <td>Pupils attracting pupil premium</td> <td>N/A</td> <td>32.3</td> <td>38.9</td> <td>N/A</td> </tr> </tbody> </table> <p>% of Key stage 2 pupils achieving level 4+</p> <table border="1" data-bbox="1222 1108 2249 1738"> <thead> <tr> <th></th> <th>2012</th> <th>2103</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Read write maths combined</td> <td></td> <td></td> <td></td> </tr> <tr> <td>National</td> <td>75</td> <td>76</td> <td>78*</td> </tr> <tr> <td>Torbay</td> <td>72</td> <td>77</td> <td>73*</td> </tr> <tr> <td>Reading</td> <td></td> <td></td> <td></td> </tr> <tr> <td>National</td> <td>87</td> <td>86</td> <td>89*</td> </tr> <tr> <td>Torbay</td> <td>83</td> <td>87</td> <td>82*</td> </tr> <tr> <td>Grammar Punctuation and Spelling</td> <td></td> <td></td> <td></td> </tr> <tr> <td>National</td> <td>N/A</td> <td>74</td> <td>76*</td> </tr> <tr> <td>Torbay</td> <td>N/A</td> <td>75</td> <td>70*</td> </tr> <tr> <td>Maths</td> <td></td> <td></td> <td></td> </tr> <tr> <td>National</td> <td>84</td> <td>85</td> <td>86*</td> </tr> <tr> <td>Torbay</td> <td>84</td> <td>86</td> <td>82*</td> </tr> <tr> <td>Writing</td> <td></td> <td></td> <td></td> </tr> <tr> <td>National</td> <td>81</td> <td>83</td> <td>85*</td> </tr> <tr> <td>Torbay</td> <td>80</td> <td>83</td> <td>83*</td> </tr> </tbody> </table> <p style="text-align: right;">Torbay Virtual School</p>		2011	2012	2013	2014	England average	58.2	58.8	60.6	N/A	LA average	57.2	60.5	60.9	59%*	Pupils attracting pupil premium	N/A	32.3	38.9	N/A		2012	2103	2014	Read write maths combined				National	75	76	78*	Torbay	72	77	73*	Reading				National	87	86	89*	Torbay	83	87	82*	Grammar Punctuation and Spelling				National	N/A	74	76*	Torbay	N/A	75	70*	Maths				National	84	85	86*	Torbay	84	86	82*	Writing				National	81	83	85*	Torbay	80	83	83*
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Summary of Performance Data at end of KS2 and KS4
(12 months continuous care)

KS2 % reaching L4 in English

	09/10	10/11	11/12	12/13
Torbay CLA	11.11%	50%	50%	83%
National CLA	45%	50%	60%	55%
All Torbay children	79%	77%	84%	87.7%

KS2 % reaching L4 in Maths

	09/10	10/11	11/12	12/13
Torbay CLA	22.22%	33.3%	50%	83%
National CLA	44%	48%	56%	59%
All Torbay children	80%	79%	88%	87.3%

KS2 % reaching L4 in English and Maths

	09/10	10/11	11/12	12/13
Torbay CLA	11.11%	33.3%	33.3%	66.6%
National CLA	36%	40%	50%	Not available
All Torbay children	79%	77%	84%	77%

KS2 % reaching L4 in July 2014

	L4 Reading	L4 Writing	L4 Grammar, Punctuation and Spelling	L4 Maths	L4 in Reading, Writing and Maths
Torbay CLA	69%	56.25%	43.75%	56.25%	56.25%
All Torbay children (2013)	87%	NA	75%	86%	77%
SW Region CLA	61%	54%	42%	52%	NA
National CLA (2013)	63%	55%	45%	59%	NA
All Children – England 2013	86%	NA	74%	85%	75%

KS4 % achieving 5+ A* - C including English and Maths

	09/10	10/11	11/12	12/13	13/14
Torbay CLA	6.3%	38.5%	16.5%	0%	0%
National CLA	11.6%	12.8%	14.6%	15.3%	NA
All Torbay children	54.1%	57.2%	60.5%	60.9% (national figure 59.2%)	59% (provisional)

KS4 % achieving 5+ A* - C

	09/10	10/11	11/12	12/13	13/14
Torbay CLA	6.3%	46.1%	33%	21.4%	8%
National CLA	26.1%	31.2%	36.8%	36.6%	NA
All Torbay children	75.1%	80.9%	82.4%	TBC (national figure 81.1%)	NA

	<p>KS4 % achieving 5+ A* - G</p> <table border="1"> <thead> <tr> <th></th> <th>09/10</th> <th>10/11</th> <th>11/12</th> <th>12/13</th> <th>13/14</th> </tr> </thead> <tbody> <tr> <td>Torbay CLA</td> <td>18.8%</td> <td>76.9%</td> <td>88%</td> <td>64.3%</td> <td>76%</td> </tr> <tr> <td>National CLA</td> <td>72.6%</td> <td>na</td> <td>na</td> <td>Not available</td> <td>NA</td> </tr> <tr> <td>All Torbay children</td> <td>94%</td> <td>95.2%</td> <td>93.8%</td> <td>95.5%</td> <td>NA</td> </tr> </tbody> </table>		09/10	10/11	11/12	12/13	13/14	Torbay CLA	18.8%	76.9%	88%	64.3%	76%	National CLA	72.6%	na	na	Not available	NA	All Torbay children	94%	95.2%	93.8%	95.5%	NA
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National CLA	72.6%	na	na	Not available	NA																				
All Torbay children	94%	95.2%	93.8%	95.5%	NA																				
<p>2. Working with partners, encourage public and private sectors to develop employment of apprentices</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ After statutory school age, young people are either in further education, training or employment 	<p>After statutory school age, young people are either in further education, training or employment</p> <p>NEETS</p> <p>November – January (3 Month Averages – Based on Academic Age and Residency)</p> <p>2011/12 - 5.1%</p> <p>2012/13 – 5.1%</p> <p>2013/14 – 5.7%</p>																								
<p>3. Supporting early years settings and schools to improves standards</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Improvements in the attainment of children and young people at Key Stage 2 and GCSE 	<p>As above in 1.</p>																								
<p>4. Providing support to children and young people who at risk of underachievement</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Improvement in the attainment of vulnerable children and young people 	<p>In addition to increasing the overall outcomes for children Torbay has narrowed the gap between the those pupils eligible for FSM and all of the other pupils to 17 points compared to the national figure of 19. These results indicate that outcomes for all groups of children have been improved during the year 2013 - 2014.</p>																								
<p>5. Supporting schools to become academies where they choose to do so</p> <ul style="list-style-type: none"> • Measures for success: 	<p>6 Secondary Schools now converted – 1 in process</p> <p>18 Primary Schools now converted</p> <p>1 Special School converted</p>																								

Investing in the future: Invest to improve quality of life and reduce long term costs to the community

We will achieve this through;	Update Position (November 2014)
<p>1. Adhering to sympathetic regeneration</p> <ul style="list-style-type: none"> • Measures for success: 	<p>Sympathetic regeneration</p> <p>Between 1998 – 2008 around 3,000 net new jobs were created. Some examples of more recent job creation are as follows:</p> <p>White Rock 1135 jobs, 350 homes and an estimated £60M investment; development has started</p> <p>Palace Hotel 130 jobs, around £100M investment, £4.5M visitor spend and 137 apartments</p> <p>Abbey Sands Around 70 jobs, £10M investment and an iconic development. The development is close to completion</p> <p>Yannons Farm / Parkbay Including £2.5M investment in Western Corridor improvements and a new Pharmaceutical Manufacturing Unit (PMU). The development is well underway, with the PMU built and new homes under construction</p> <p>Energy Centre, White Rock This development is complete and operational</p> <p>Beechfield, Torquay Won gold in the Best Starter Home category at the What House? Awards: Development Project of the Year, Michelmores Property Awards; 50 Best Housing Developments, Inside Housing. built by Leadbitter and in partnership with Torbay Council, which gave the land and £570,000 in funding, and the HCA, which contributed £7.2 million in funding.</p> <p>Currently under consideration New hotel, apartments and commercial space at the Pavilion, Torquay New hotel, office space and commercial space at Torwood Street, Torquay Mixed use development (Business and commercial space, new homes), former Bookhams site, Paignton Mixed use development (business space and new homes), Yalberton / Yannons, Paignton Torbay Hospital Critical Care Unit</p>
<p>2. Continuing to work on the Closing the Gap Strategy and roll out to other areas by involving communities</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Increase in healthy life expectancy, particularly in our most deprived wards 	<p>An Integrated Prevention Strategy has been developed to focus on Health Inequality and preventing early deaths.</p>

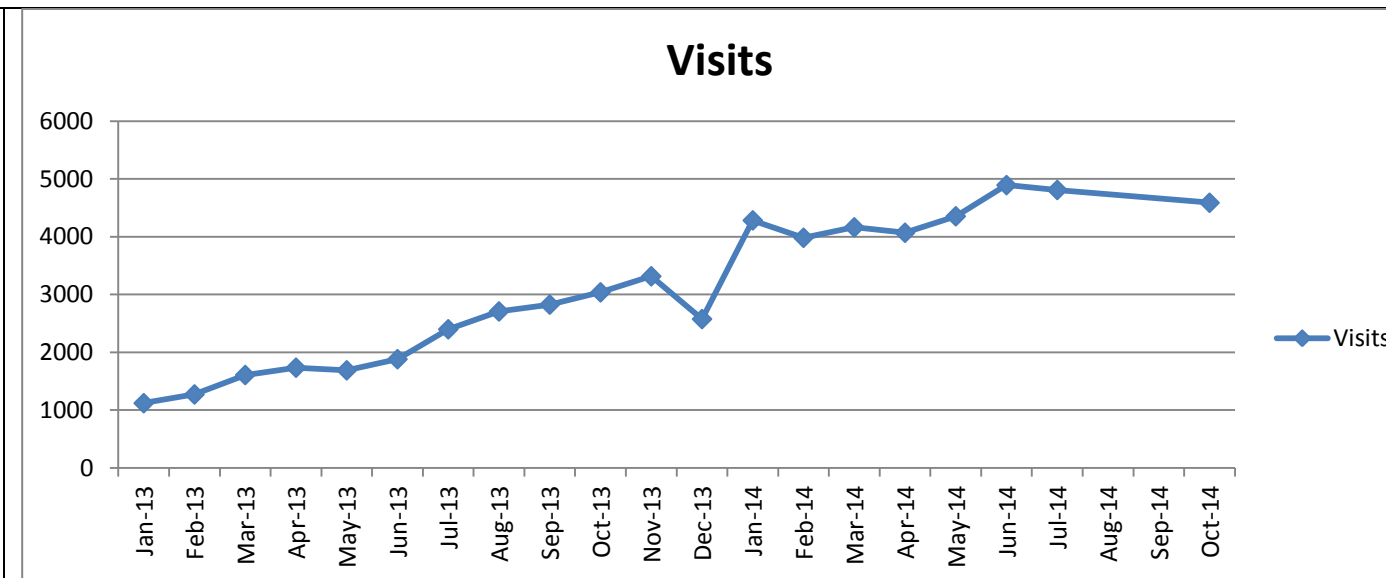
<p>3. Reducing the negative impact of alcohol, obesity, tobacco and drugs on our communities</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Reduce smoking during pregnancy ○ Reduce levels of obesity 	<p>Developed an obesity strategy and action plan and are delivering through a steering group Begun to revise the Alcohol strategy Worked with the hospital on its alcohol services Worked within the new maternity strategy to focus on such areas as smoking in pregnancy, maternal well-being and obesity in pregnancy</p>																																													
<p>4. Reducing teenage pregnancy</p> <ul style="list-style-type: none"> • Measures for success: 	<p>Revised the teenage pregnancy strategy and action plan</p> <table border="1" data-bbox="1193 562 2083 898"> <thead> <tr> <th colspan="4">2011</th> <th>Average</th> </tr> <tr> <th>Qtr 1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th></th> </tr> </thead> <tbody> <tr> <td>39.3</td> <td>58.8</td> <td>51.4</td> <td>62.1</td> <td>52.9</td> </tr> <tr> <th colspan="4">2012</th> <th></th> </tr> <tr> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th>39.4</th> </tr> <tr> <td>57.6</td> <td>34.2</td> <td>33.9</td> <td>32.2</td> <td></td> </tr> <tr> <th colspan="4">2013</th> <th></th> </tr> <tr> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th>28.5 (so far)</th> </tr> <tr> <td>36.6</td> <td>34.5</td> <td>14.4</td> <td></td> <td></td> </tr> </tbody> </table>	2011				Average	Qtr 1	Q2	Q3	Q4		39.3	58.8	51.4	62.1	52.9	2012					Q1	Q2	Q3	Q4	39.4	57.6	34.2	33.9	32.2		2013					Q1	Q2	Q3	Q4	28.5 (so far)	36.6	34.5	14.4		
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<p>5. Promoting sport and outdoor activity to improve health and wellbeing.</p> <ul style="list-style-type: none"> • Measures for success: 	<p>Planned to work with one of the sports development managers to focus remit on increasing physical activity</p> <p>Working across sport and physical activity through the development of the Velopark, the GP Referral and other one off projects has resulted in more people becoming active who have not been active before. The focus has been on raising people up the scale of activity level – example non active to 30 minutes per week. Work has also taken place to assist those with mental health issues in libraries for example the stoke rehabilitation group in Paignton. A Physical Activity Co-ordinator in development which will focus specifically on getting more people active and health across the bay. This will be in place by next April.</p> <p>The Breezers Cycling scheme has been extremely successful in Torbay, with us having the highest numbers of women taking part regularly from across the UK. Social running and cycling groups have been expanding with less formal sessions attracting more participants. The opening of the Velopark has been critical in getting more nervous a cyclist participating as this is a safe and enclosed environment.</p> <p>External funding for Swim Torquay and Torre Valley North has helped secure the clubs using this facility. Most clubs now have leases or in the process of obtaining leases which will open up more opportunities for external funding to be sourced.</p> <p>% of those on low incomes participating in sports – 20.9% - Below target % of over 55's participating in sport – 14.6% - well above target National indicator - Adult participation in sport and active recreation -20.5% - well below target</p>																																													
<p>6. Working towards keeping crime low by:</p> <ul style="list-style-type: none"> ○ Maintaining focus on the night-time economy ○ Working with the Police Commissioner for resources to ensure crime levels remain low and people feel safe ○ Jointly engaging and involving communities to resolve local issues in neighbourhoods <ul style="list-style-type: none"> • Measures for success: 	<p>We have worked to review the work of street wardens</p>																																													

<ul style="list-style-type: none"> ○ Keep levels of crime low to enable people to feel safe in their homes and in public places ○ Ensure fatalities and serious injuries from road traffic accidents remain low 																																											
<p>7. Planning for the future supply and demand of energy for the Bay</p> <ul style="list-style-type: none"> ● Measures for success: <ul style="list-style-type: none"> ○ Establish Energy Board ○ Develop Action Plan 	<p>In Addition to the existing Energy and Climate Change Strategy the Council is establishing an Energy Board The Board will develop an action plan in 2015 specifically to address energy security concerns. This plan will focus on developing local energy production to provide a boost to the local economy, raise skills and provide jobs.</p>																																										
<p>8. Reducing local greenhouse gas emissions</p> <ul style="list-style-type: none"> ● Measures for success: <ul style="list-style-type: none"> ○ Reduce Torbay’s Carbon Footprint ○ Reduce Torbay Council’s GHG emissions 	<p>Reduce Torbay’s Carbon Footprint</p> <p>In July 2014 Torbay Council unanimously adopted its second Energy and Climate Change Strategy (2014-19). The Council continues to lead on reductions to Torbay’s carbon footprint in line with the adopted 1.6% annual reduction target to achieve the national target of a 34% reduction by 2020 as shown below.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th colspan="6"><u>Torbay Five Year Carbon Target</u></th> </tr> <tr> <th></th> <th><i>2014</i></th> <th><i>2015</i></th> <th><i>2016</i></th> <th><i>2017</i></th> <th><i>2018</i></th> <th><i>2019</i></th> </tr> </thead> <tbody> <tr> <td>Torbay carbon emissions (KtCO₂e)</td> <td>557</td> <td>548</td> <td>539</td> <td>530</td> <td>518</td> <td>505</td> </tr> </tbody> </table> <p>Reduce Torbay Council’s Green House Gas (GHG) Emissions</p> <p>The Councils commitment to managing and reducing emissions is reflected in the delivery and development of Energy and Climate Change projects (2014 -19). The published GHG report 2013/14 details emissions and provides a baseline for the 1.6% annual reduction target as shown below.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th colspan="6"><u>Torbay Council Five Year Carbon Target</u></th> </tr> <tr> <th></th> <th><i>2014</i></th> <th><i>2015</i></th> <th><i>2016</i></th> <th><i>2017</i></th> <th><i>2018</i></th> <th><i>2019</i></th> </tr> </thead> <tbody> <tr> <td>Torbay Council carbon emissions (KtCO₂e)</td> <td>7.06</td> <td>6.95</td> <td>6.84</td> <td>6.72</td> <td>6.61</td> <td>6.49</td> </tr> </tbody> </table>		<u>Torbay Five Year Carbon Target</u>							<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	Torbay carbon emissions (KtCO ₂ e)	557	548	539	530	518	505		<u>Torbay Council Five Year Carbon Target</u>							<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	Torbay Council carbon emissions (KtCO ₂ e)	7.06	6.95	6.84	6.72	6.61	6.49
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<p>9. Ensuring an appropriate supply of quality housing within communities</p> <ul style="list-style-type: none"> ● Measures for success: 	<p>Supply of Quality Homes</p> <p>Between 1981 – 2011 just over 13,300 new homes were built in Torbay.</p> <p>In the last five years Torbay has seen the following numbers of homes completed:</p> <p>2009/10 – 322 2010/11 – 402 2011/12 – 268 2012/13 – 256 2013/14 – 446</p> <p>This shows a number of slow years, due to market demand and delivery (not lack of land supply), but an increase in provision in the last year. Affordable housing provision has been at or above the 30% ‘threshold’, largely due to delivery by Housing Associations / Registered providers, until the last couple of years when numbers have reduced – largely due to site development viability.</p>																																										

	<p>Since 2005, around 90% of new housing has been on brownfield sites.</p> <p>Looking forward, there is land available for just over 2700 new homes – representing well over a five year housing land supply on current completion rates. This is sufficient to meet forecast population changes and changes due to economic growth over the next 5 years. If growth exceeds projection then more homes will be needed. Anticipated completions for the next 5 years equate to 400-450 per annum.</p> <p>The Council is actively promoting growth, not only in its Local Plan and via the Economic Strategy, but also via masterplanning – for ports, town centres (Torquay and Paignton), in Torquay Gateway and Collaton St Mary.</p>
<p>10. Continuing to create a safe environment for all residents and visitors</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Keep levels of crime low to enable people to feel safe in their homes and in public places ○ Ensure fatalities and serious injuries from road traffic accidents remain low 	<p>Road traffic accidents remain low in general for Torbay. There has been an increase since 2010 in the number of people killed or seriously injured. There is no data to suggest there is any specific cause for this increase in recent years.</p> <p>More 20 mile an hour zones have been introduced around schools which have significantly reduced risks outside schools. Working closely with the police on education has delivered a higher awareness of risk. These include joint road-shows for road safety and programmes, such as courses for elderly drivers etc.</p>
<p>11. Continuing to work with our partner agencies to improve the health and wellbeing of our communities</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Increasing numbers of people taking part in physical activity, including walking and cycling ○ Sports clubs and voluntary organisations are able to manage their own facilities and access external funding 	<p>We have worked to support the Health and Wellbeing Board to become more effective.</p>
<p>12. Improving opportunities for people with dependency issues and maintaining timely and effective access to services</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Provide drug users with access effective treatment ○ Reduce alcohol related admissions to hospital 	<p>Continued to support smoking cessation and drug and alcohol services</p>

Protecting the vulnerable: Invest in early intervention and prevention to reduce the number of children and families experiencing complex problems

We will achieve this through;	Update Position (November 2014)
<p>1. With partners, using the principles of Early Intervention and Early Prevention in supporting communities</p> <ul style="list-style-type: none"> • Measures for success: 	<p>Children’s Services has continued to develop the partnership approach to Early Intervention/prevention. In practical terms this has initiated support to the prevention strategy from Public Health, the launch of the Early Help Strategy in September 2014 and the continued development of the Children’s Community Hub in partnership with health and the voluntary sector.</p>
<p>2. Engaging with communities in rolling out locality working and community budgets as part of localism</p> <ul style="list-style-type: none"> • Measures for success: 	<p>The concept of community budgets is currently being explored with the DfE through a social work innovative fund proposal and further information will be available in the New Year</p>
<p>3. Supporting families with young children through universal services such as children’s centres</p> <ul style="list-style-type: none"> • Measures for success: 	<p>The children centres Reach target is ‘How many of the 0-4 yrs population have accessed their services in a meaningful way in the last twelve months’.</p> <p>Torquay Reach – 1945 children which is 52.4% Registration – 2757 children which is 74.3%</p> <p>Paignton & Brixham Reach – 1725 which is 57.9% Registration – 2592 which is 87%</p> <p>The combined figures for Torbay are: Reach 55% Registration 80%</p> <p>Enquiries to Family Information Service (FIS) data</p>



4. Continuing to work with our partner agencies to support families in need

- **Measures for success:**

Torbay has 365 Troubled Families allocated to turn around in the first tranche of this programme. All 365 will be turned around and claimed for by May 2015. In the new phase beginning April 2015 the allocation is 1180. In this next phase, there are 6 eligibility criteria, and a family must meet 2 of these.

5. Developing of an Intensive Family Support Service (IFSS) to support families with complex needs

- **Measures for success:**

Since the inception three years ago the Intensive Family Support continues to support an increasing number of families.

November 2014 Data

Number of Families worked with in Total (Current and Exited) 269
 Number of Children worked with in Total (Current and Exited) 655

Number of exited families - planned cases in total 149
 Number of exited families - crisis cases in total 93

Number accommodated (Families and Children)		
	Families	Children
Crisis	14	30
Planned	30	80
Total Accommodated	44	110

6. Providing targeted support to families through the Family Intervention Project (FIP)

- **Measures for success:**
 - Successful delivery of payments by results for families with complex needs
 - We will also play our part in working with other agencies to; Reduce the teenage conception rate
 - Keep levels of crime and anti-social behaviour low

YOT KPIS last 3 years with most recent data

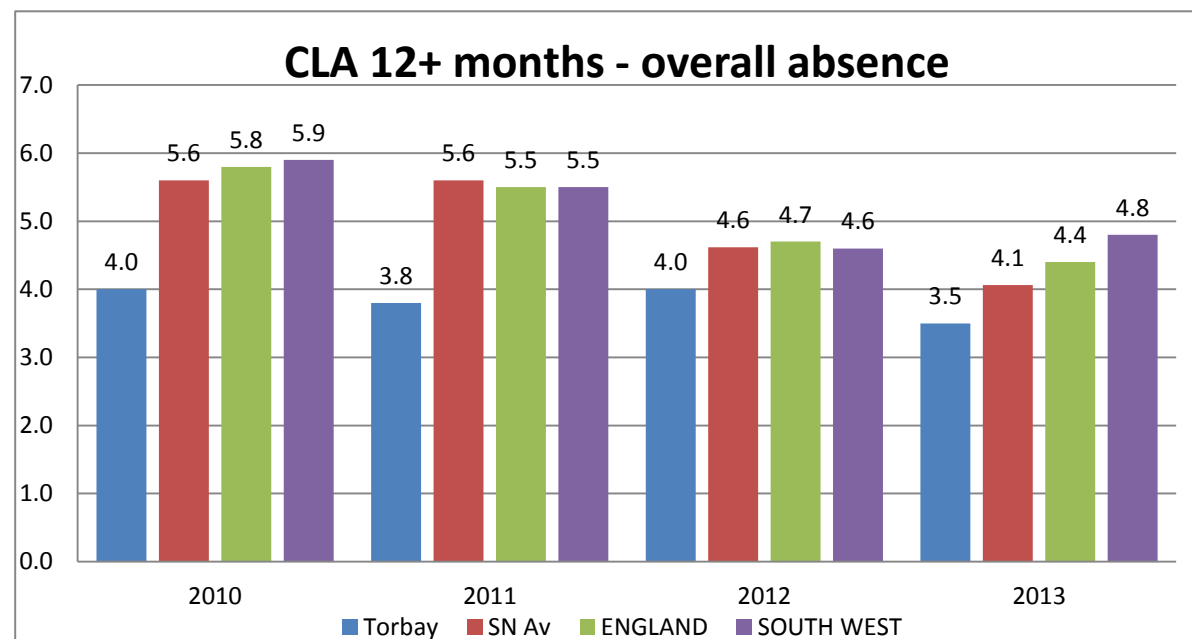
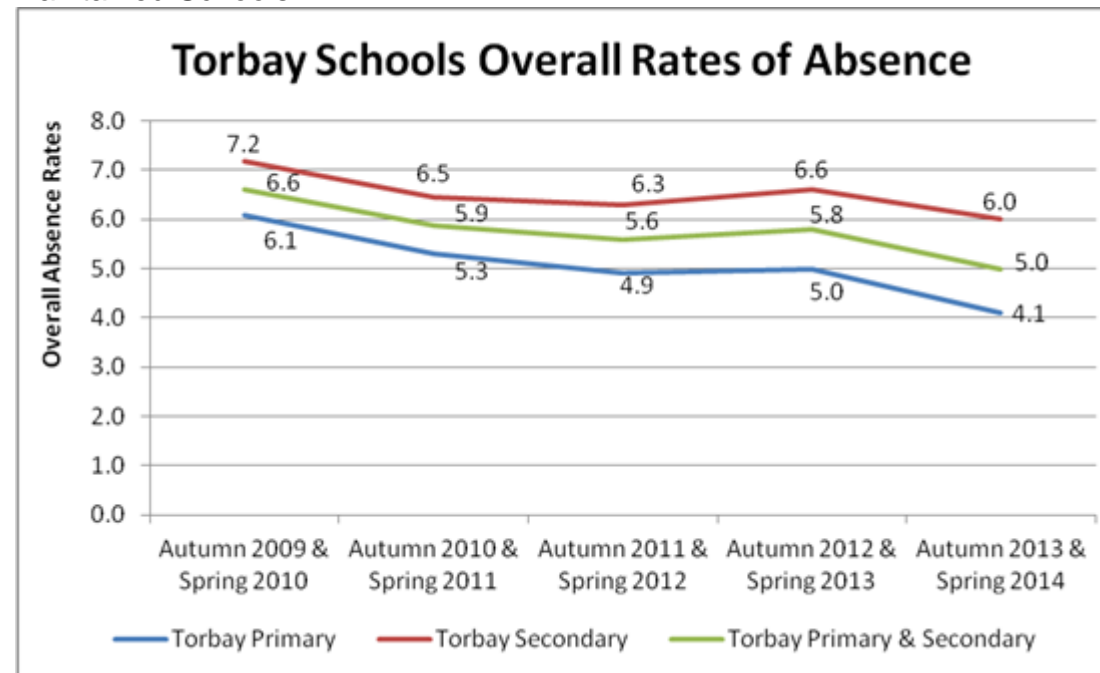
FTE rate	Rate/100000	Number
Jul 13 - Jun 14 (latest period)	617	69
Jul 12 - Jun 13	609	70
Jul 11 - Jun 12	792	93

- o Improved school attendance

Custodial rate	Rate/1000	Custodies
Oct 13 - Sep 14 (latest period)	0.09	1
Oct 12 - Sep 13	0.44	5
Oct 11 - Sep 12	0.34	4

Reoffending rates - binary	Binary rate	Reoffenders	Cohort
Jan 12 - Dec 12	28.0%	37	132
Jan 11-Dec 11	30.8%	53	172
Jan 10-Dec 10	34.70%	75	216

Maintained Schools

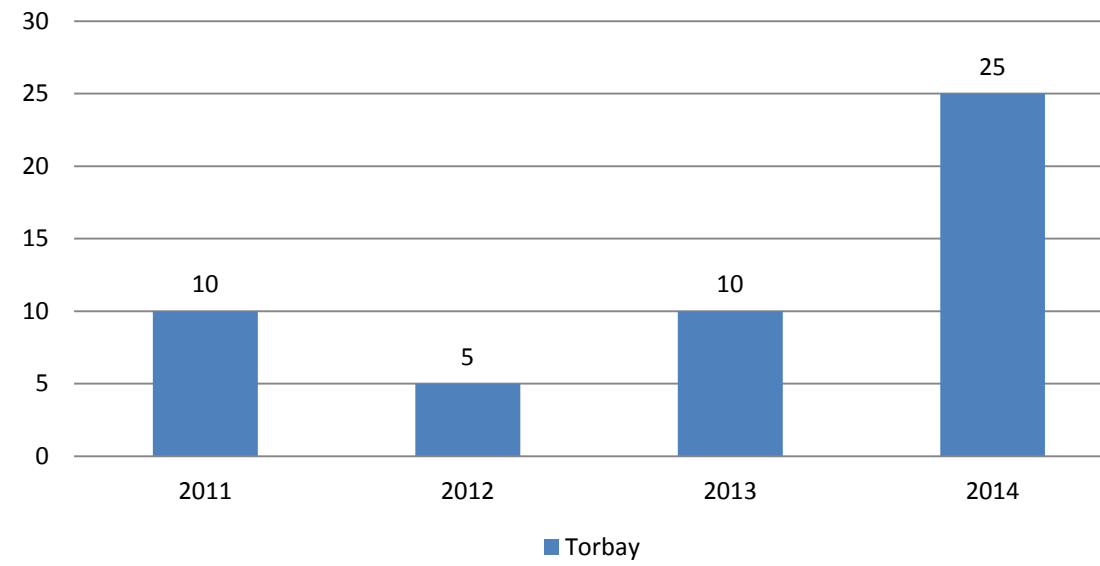


	<p>The rates of persistent absence for Children Looked After (for more than 12 months) are consistently less than 5% and therefore are suppressed under the data protection rules that the DfE applies to all published data on small cohorts.</p> <p>There are currently 36 children and young people who are placed with various providers. The providers are primarily within Torbay or the neighbouring areas. 13 of these students are placed on grounds of their behaviour, social and emotional needs in 2 provisions which Torbay uses; 5 are placed in provisions in Exeter which cater for pupils with a significant visual impairment, or significant hearing impairment; 3 are placed in provisions further away who cater for students with complex ASC (Autism / Aspergers). The remaining students are Post 16 students who we place in Independent Providers where their complex needs are being met.</p> <p>All these placements are closely monitored by the SEN Team, who regularly review the progress which is being made, and whether outcomes are being achieved.</p>
<p>7. Implementing Community Budgets to support families with complex needs</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Deliver reductions in the cost of families with complex problems to the public purse 	<p>The concept of community budgets is currently being explored with the DfE through a social work innovative fund proposal and further information will be available in the New Year</p> <p>The Children's Services 5 year plan that has now been adopted by Council will 'stem the flow' of children into the Social Care System.</p>
<p>8. Supporting people to improve their skills and confidence to gain employment</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Reduce the number of people claiming out of work benefit payments 	

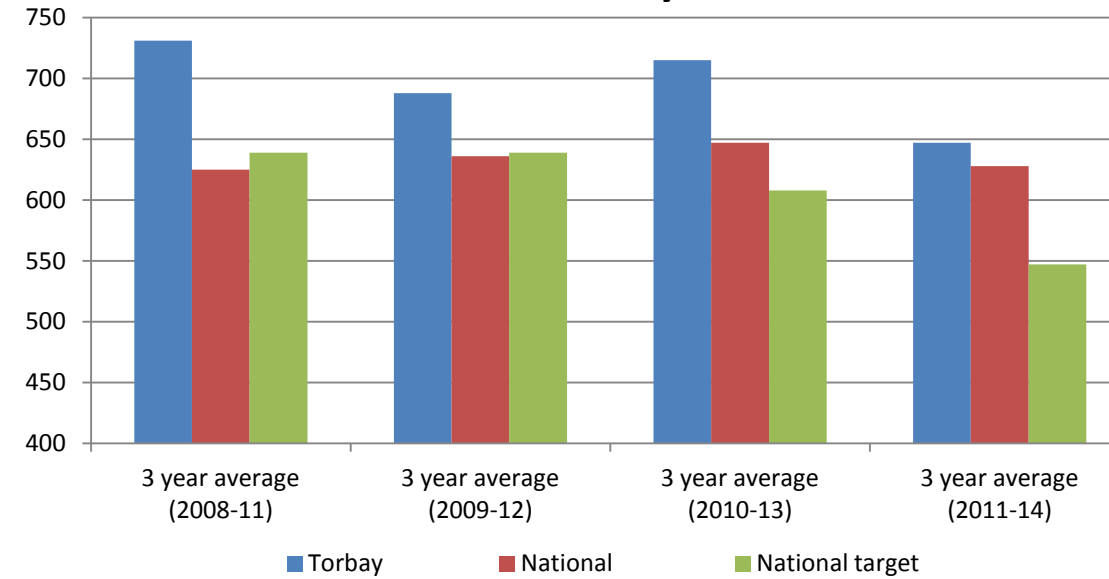
Protecting the vulnerable: Protect the most vulnerable people from avoidable harm or abuse

We will achieve this through;	Update Position (November 2014)																									
<p>1. Continuing to improve Children and Adults Safeguarding</p> <ul style="list-style-type: none"> • Measures for success: 	<p>Adults safeguarding undertook a peer review in order to review practice and have external challenge. There is a follow up set of actions which are being developed through the Safeguarding Adults Board. The report and the focus on safeguarding will be through the HWBB as well as DASS and lead member.</p> <p>Adult Safeguarding is also being reviewed through our preparation for the Care Act. This welcome legislation puts Safeguarding for adults within a new legal framework.</p> <p>Children’s Services Safeguarding continues its existing improvement journey and has recently re-launched this week the following six priorities:-</p> <p>MASH Single Assessment Signs of Safety Virtual School Quality Assessment Framework</p>																									
<p>2. Improving our support for vulnerable children</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Reduce the number of children and young people who are subject to a Child Protection Plan or become Looked After. ○ Continue to increase in the timeliness of placements for children in care who were placed for adoption ○ Reduce the numbers of children subject to a Child Protection Plan for a second or subsequent time 	<div style="text-align: center;"> <p>Child protection rate per 10K of pop 0-18</p> <table border="1"> <caption>Child protection rate per 10K of pop 0-18</caption> <thead> <tr> <th>Area</th> <th>2011/12</th> <th>2012/13</th> <th>2013/14</th> <th>Now</th> </tr> </thead> <tbody> <tr> <td>Torbay</td> <td>114.8</td> <td>70.6</td> <td>66.9</td> <td>62</td> </tr> <tr> <td>South West</td> <td>36.3</td> <td>37.3</td> <td>40.3</td> <td>-</td> </tr> <tr> <td>England</td> <td>37.8</td> <td>37.9</td> <td>42.1</td> <td>-</td> </tr> <tr> <td>Statistical Neighbours</td> <td>41</td> <td>41</td> <td>45</td> <td>-</td> </tr> </tbody> </table> </div>	Area	2011/12	2012/13	2013/14	Now	Torbay	114.8	70.6	66.9	62	South West	36.3	37.3	40.3	-	England	37.8	37.9	42.1	-	Statistical Neighbours	41	41	45	-
Area	2011/12	2012/13	2013/14	Now																						
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Number of children adopted



Average number of days between a child entering care and moving in with its adoptive family



	<p style="text-align: center;">% of Child Protection second or subsequent time</p> <table border="1"> <caption>Data for % of Child Protection second or subsequent time</caption> <thead> <tr> <th>Year</th> <th>Torbay</th> <th>Statistical Av</th> <th>South West Av</th> <th>England Av</th> </tr> </thead> <tbody> <tr> <td>2011</td> <td>9.5</td> <td>13.0</td> <td>15.0</td> <td>13.5</td> </tr> <tr> <td>2012</td> <td>13.0</td> <td>12.5</td> <td>15.5</td> <td>14.0</td> </tr> <tr> <td>2013</td> <td>8.5</td> <td>15.5</td> <td>15.0</td> <td>15.0</td> </tr> <tr> <td>2014</td> <td>13.0</td> <td>15.5</td> <td>17.0</td> <td>15.5</td> </tr> </tbody> </table>	Year	Torbay	Statistical Av	South West Av	England Av	2011	9.5	13.0	15.0	13.5	2012	13.0	12.5	15.5	14.0	2013	8.5	15.5	15.0	15.0	2014	13.0	15.5	17.0	15.5
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2013	8.5	15.5	15.0	15.0																						
2014	13.0	15.5	17.0	15.5																						
<p>3. Improving our assessment processes for children at risk</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Continue to improve the timeliness of initial and core assessments for children and young people referred to Children’s Services 	<p>Statutory guidance, issued in March 2013, required authorities to move away from an initial and core assessment approach to a single assessment approach. In line with statutory expectations, a Children service now monitors its performance against an expectation that all assessments are completed within 45 working days of referral.</p>																									
<p>4. Ensuring staff are clear about what to do when faced with an incident of abuse or where they suspect that a vulnerable adult is being abused or neglected</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Communications campaign has taken place. 	<p>Ensuring communications and information and advice is available for staff, and participating in the national adult safeguarding week to communicate what to do if staff suspect abuse. Developing member training for Cllrs after May 2015 as part of the new induction programme.</p>																									
<p>5. Implementing evidence based programmes that have been proved to work in tackling the causes of social problems rather than simply dealing with their consequences</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Alginment with JSNA and use of public health input to re-design of pathways 	<p>For people focused services, ensuring public health evidence base and the JSNA is at the heart of all our initiatives. This has taken place with NHS commissioners and providers as well as in the council and the HWBB allows challenge to those schemes. There remains a tension given reductions in budget between maintaining preventative programmes whilst being still needed to support acute consequences. However improvements in approach have been made through community hubs for children and adults, aspects of mental health, and aspects of domestic violence and community safety.</p>																									

<p>6. Working effectively with key partners in information sharing and delivery</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Review of HWBB and Joined up review through external development programme by national NHS/Dept of Health. 	<p>Adult's services are working with public health and partners to ensure prevention and early interventions are part of our way of doing things. A formal prevention strategy has been adopted and partners in the NHS continue to work together on achieving ambitions as a pioneer of further integration and with and Integrated Care Organisation (ICO) as the provider at the heart of that enterprise.</p>
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Protecting the vulnerable: In adult social care, offer greater personalisation for service users and support residents to live healthy and independent lives

We will achieve this through;	Update Position (November 2014)
<p>1. 'Self Directed Support' enabling individuals who are assessed as having social care support needs to have a clear, up front allocation of money that they can use to design and purchase the support they need</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ People feel involved in the delivery of their own care 	<p>Adult services continue to focus on enabling those who wish to have a personal budget, and to have a direct payment when wanted. Our policy focus continued to be around personalisation. So Mrs Smith achieves what matters to her.</p> <p>"Do care and support services help you to have a better quality of life?" 89% of service users in Torbay answered yes, compared to 90% nationally. (Third quartile) (Source 2014 Adult Social Care Survey).</p>
<p>2. Supporting people to retain their independence, allowing them to live in their own homes for longer.</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ A reduction in the number of people placed in residential and nursing homes 	<p>2 services have been or are in the process of being re-commissioned. The joint equipment service supports people in their own home, and the Living Well At Home Contract will focus on achieving and co-producing outcomes that Mrs Smith wants. This will align with the requirements of the Care Act.</p> <p>The provider focus is on re-ablement and we continue to support people to live at home for as long as possible if that is their choice. The work with family and volunteer sector and forms of natural community support will be enhanced by the 'aging well' programme, which will have a variety of approaches to combating social isolation for older people.</p> <p>The number of permanent residential placements in the contract with the trust specifies a 6% reduction and we remain on target. The strategy is to support people at home with natural systems of support in the first instance.</p> <p>In response to the question "Overall how satisfied or dissatisfied are you with the care and support services you receive?" 88% of service users in Torbay who completed the standard questionnaire were satisfied or better, the national average was 91%. - Torbay is placed in the top quartile for users being very or extremely satisfied.</p>
<p>3. Through short term intervention, helping people recover the skills and confidence they need to stay in their home longer</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ An improvement in the quality of people's lives ○ Carers feel they are supported 	<p>The number of permanent residential placements in the contract with the trust specifies a 6% reduction and we remain on target. The strategy is to support people at home with natural systems of support in the first instance.</p> <p>Thinking about the good and bad things that make up your quality of life, how would you rate the quality of your life as a whole?" 49% of service users in Torbay answered good or better, the national average was 57%. (Bottom quartile). 90% of services users in Torbay with a learning disability answered good or better, the national average was 82%. (Top Quartile)(Source 2014 Adult Social Care Survey).</p> <p>48% of carers in Torbay stated that they feel they have encouragement and support, the national average was 43%. (Top quartile) (Source 2012-13 Carers Survey).</p>

Spending less money to greater effect: Target resources on our priorities

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We will achieve this through;	Update Position (November 2014)
<p>1. Monitoring the TOR2 contract for improved recycling, waste and clean streets</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Achieving reductions in expenditure and continuing to provide services in our priority areas 	<p>From performance management information provided by TOR2 which is audited by Torbay council responses for fly tipping, sharps collection and graffiti removal are consistently above the service targets.</p> <p>Random sample inspections of overflowing bins also indicate the target of no more than 5% of bins overflowing is consistently achieved.</p> <p>Street cleansing standards have been maintained in high profile and town centre areas, however they have declined, partly due to budget cuts, in residential areas.</p>
<p>2. Generating income to support the delivery of priority services</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Achieving reductions in expenditure and continuing to provide services in our priority areas 	<p>As part of each Directorate’s service and financial planning generating income is an important part of ensuring resources are delivered to priority services. Examples include:</p> <ul style="list-style-type: none"> - the successful development of Beach Chalets - an increase in the amount of capital receipts generated in the last year to support the capital plan. - successful bids for grant funding which have ensured significant amounts of income has and will be invested within the Bay (Coastal Communities Fund for , Riviera Renaissance to support the creation of jobs in the Bay, successful bids for transport schemes to Local Enterprise Partnership) - maximising income generation from support services in providing services to non council activities. - maximising income generation form registrars - maximising income by utilising changes in government legislation -,i.e. Community Safety) - new income sources from events i.e. the Fair, the Wheel. - income generation from concessions.
<p>3. Carrying out an urgent review of grants and loans to businesses and voluntary sector organisations</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Achieving reductions in expenditure and continuing to provide services in our priority areas 	<p>The council is not actively pursuing a policy for the payment of or consideration of loans to organisations due to the risks involved, the associated costs, legal issues and due to the current financial climate within local government. Any consideration is made on an exceptional basis and subject to strict criteria.</p> <p>Financial resources are provided to voluntary sector organisations both in terms of grant funding and through formal contracts. These are reviewed by the appropriate Directorate</p>
<p>4. Ensuring that funding is subject to service level agreements supporting the delivery of Council priorities</p> <ul style="list-style-type: none"> • Measures for success: 	<p>The council has in place a number of contracts which sets out service performance standards to delivery council objectives. Examples include ERTC, Action for Children, Children’s Society, South Devon Health and NHS Trust, Healthwatch and the Community Development Trust (CDT). Community Safety has agreed SLAs in place with Healthwatch and CDT.</p>

Spending less money to greater effect: Increase efficiencies

We will achieve this through;	Update Position (November 2014)															
<p>1. Continuing to provide value for money for our communities by:</p> <ul style="list-style-type: none"> ○ Reducing costs/increasing income/improving productivity so increases in council tax are kept low ○ Reviewing the structures of the council so they are still fit for purpose. <p>• Measures for success:</p>	<p>The council is committed to providing high quality services which deliver value for money outcomes to local residents. This is being achieved through the continuous review of services, both front and back office, whilst ensuring resources are directed to priority services.</p> <p>This delivery however needs to be considered in the context of the largest cuts to local government funding in a generation. Due to the size of these reductions the council has had no choice but to reduce services, although efficiencies have and will continue to be made where possible.</p> <p>Despite the challenging financial climate Torbay has been able to freeze its element of the council tax since 2010/11. This has ensured that Torbay residents have been protected by not having to pay more in their council tax and reflects Torbay's objective to ensure local residents have not had to take on the burden of reduced government funding.</p> <p>During the last 5 years Torbay has made savings of £46m which is broken down as follows.</p> <table border="0"> <tr> <td>14/15</td> <td>£12.1m *</td> <td></td> </tr> <tr> <td>13/14</td> <td>£9.3m *</td> <td></td> </tr> <tr> <td>12/13</td> <td>£9.4m *</td> <td></td> </tr> <tr> <td>11/12</td> <td>£9.6m</td> <td>of which £3.9m were efficiencies</td> </tr> <tr> <td>10/11</td> <td>£6.0m</td> <td>of which £4.8m were efficiencies</td> </tr> </table> <p>* Torbay Council stopped distinguishing between savings and efficiencies from 12/13 when the significant cuts in central government funding kicked in.</p>	14/15	£12.1m *		13/14	£9.3m *		12/13	£9.4m *		11/12	£9.6m	of which £3.9m were efficiencies	10/11	£6.0m	of which £4.8m were efficiencies
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<p>2. Promoting democracy, transparency and civic engagement, and when able to, re-look at the Mayoral System of Governance.</p> <p>• Measures for success:</p>	<p>The Council were successful in becoming a Scrutiny Development Area, with external support being provided through the Centre for Public Scrutiny. This work has had as its themes;</p> <ol style="list-style-type: none"> 1. Putting in place an open, transparent and accurate forward planning process for decision-making 2. Engaging in a meaningful discussion with service users and other stakeholders about plans, policies and decisions 3. Accountability - ensuring that accountability is recognised as central to our approach to improvement and performance management. <p>Sessions have been held with the Mayor, elected Members, senior officers and some external agencies to consider these themes.</p> <p>All of these themes support the promotion of democracy, transparency and civic engagement.</p> <p>This work is about to be finalised, and a report will be presented to Full Council in February 2015, with</p>															

	<p>recommendations.</p>										
<p>3. Reviewing contractual arrangements to ensure that they are being delivered effectively in our priority areas as well as providing value for money</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Savings are generated from all our services, including those that are contracted out 	<p>A revised Procurement Strategy, focussing on promoting effective procurement across the organisation, whilst maintaining the flexibility required to meet the needs of a rapidly changing public sector environment, is now in place.</p> <p>The strategy supports this priority by the following aims and outcomes;</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">AIM</th> <th style="text-align: left;">OUTCOME</th> </tr> </thead> <tbody> <tr> <td>To deliver the council's Strategic Sourcing Plans.</td> <td>Best value and policy is delivered across the council.</td> </tr> <tr> <td>To support the development and implementation of individual Business Unit Procurement Strategies.</td> <td>Each business unit has a procurement strategy that is implemented and embedded.</td> </tr> <tr> <td>To ensure procurement is effective and efficient and meets the needs of the council and delivers best value from all council spend.</td> <td>Procurement processes are standardised, streamlined and embedded and deliver best value.</td> </tr> <tr> <td>To effectively engage with local suppliers and develop the market to enable them to effectively compete for council Contracts</td> <td>Suppliers have awareness of and access to opportunities and have the capability to compete effectively</td> </tr> </tbody> </table> <p>The Contracts Register is operational, which enables an overview of the Council's contracts to be undertaken. The Procurement Team are working with Executive Heads to develop their departmental Procurement Strategies, which will ensure there is an opportunity to join up opportunities across the Council.</p> <p>Currently there is no corporate role in contract management, with each department being responsible for undertaking the same. Through the Departmental Procurement Strategies, the Procurement Team are looking to support teams in their contract management, and this will provide the information on which to inform any future decisions as to how this role can be undertaken across the Council.</p>	AIM	OUTCOME	To deliver the council's Strategic Sourcing Plans.	Best value and policy is delivered across the council.	To support the development and implementation of individual Business Unit Procurement Strategies.	Each business unit has a procurement strategy that is implemented and embedded.	To ensure procurement is effective and efficient and meets the needs of the council and delivers best value from all council spend.	Procurement processes are standardised, streamlined and embedded and deliver best value.	To effectively engage with local suppliers and develop the market to enable them to effectively compete for council Contracts	Suppliers have awareness of and access to opportunities and have the capability to compete effectively
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<p>4. Reviewing our own operating structure to reduce back office costs, avoid duplication and increase efficiencies</p> <ul style="list-style-type: none"> • Measures for success: 											

<p>5. Promoting and encouraging greater use of online access to Council services by the community</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Increase in the number of online transactions 	<p>Channel shifting from expensive face to face transactions to the Council's call centre and internet services.</p>
<p>6. Making effective use of the Council's assets</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Reducing the number of offices that the Council operates from 	<p>With regard to significant efficiencies, the council has recently rationalised its administrative offices exiting from Roebuck House, Vaughan Parade, Union House, Commerce House (the final move out will take place early next year), Pearl Assurance and various Paignton offices.</p>
<p>7. Where assets are no longer required by the Council, finding alternative uses through sale or lease</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Income from Council assets is maximised 	<p>The council has also aggressively disposed of surplus assets and capital receipts for the last 5 years total £5.7m. These receipts have been used to finance the existing capital plan priorities and reduce borrowing.</p>

Spending less money to greater effect: Make tough choices through disinvestment in low priority areas

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We will achieve this through;	Update Position (November 2014)
<p>1. Ensuring that our priority areas are supported by evidence from the Joint Strategic Needs Assessment</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ An up to date Joint Strategic Needs Assessment published annually 	<p>The latest Annual JSNA is about to be published and a wide range of delivery partners not only engaged in the design of services but the delivery.</p> <p>Our work to deliver an integrated Adult Service is ongoing through the ICO and closer collaboration with Torbay Hospital, the Care Trust and CCG.</p> <p>The council has recently been successful in its Pioneer Bid. South Devon and Torbay already has well-co-ordinated or integrated health and social care but as a Pioneer site it now has plans to offer people joined up care across the whole spectrum of services, by including mental health and GP services.</p>
<p>2. Reviewing all of our services to ensure they are focusing on the Council's priorities</p> <ul style="list-style-type: none"> • Measures for success: 	
<p>3. Continuously reviewing of services and business plans</p> <ul style="list-style-type: none"> • Measures for success: 	<p>Significant reshaping and investment action plans are also on-going in Children's Services and the Place Directorate as a consequence of business plan reviews and changing financial circumstances.</p>
<p>4. Where a service or parts of a service do not support delivery of our priorities, engaging with the community with a view to making changes to service delivery, or to stop that activity</p> <ul style="list-style-type: none"> • Measures for success: <ul style="list-style-type: none"> ○ Members of the community, including service users are involved in re-shaping and delivery of service 	<p>A Community Development Trust has been created and the council is funding the development of a Retail and Tourism Business Improvement District.</p>

Agenda Item 9

Scrutiny Development Area 2014/15 – Transformation and Commissioning

The principles of overview and scrutiny in Torbay



1. Background

- 1.1 In October 2014, Torbay Council was selected as one of 12 councils as a Scrutiny Development Area by the Centre of Public Scrutiny (CfPS). The aim of the programme was to look at:
- How governance arrangements could be used to deliver improvements to local services
 - How overview and scrutiny, in particular, can be used to improve plans for major service change and significant transformations
 - How overview and scrutiny can be used to provide assurance, transparency and accountability in arrangements with external/arms length companies
- 1.2 As a Scrutiny Development Area, the Council was allocated an Expert Advisor from the CfPS who provided formal support. There were also opportunities for shared learning with other councils through Knowledge Hub and webinars/teleconferencing.

Reasons for becoming a Scrutiny Development Area

- 1.3 In applying to be a Scrutiny Development Area, it was felt that the role of overview and scrutiny within the current governance arrangements was not fully understood and not fully utilised, especially given that Torbay is a Mayoral authority. Further it was recognised that the Council has a small number of elected members with a wide range of demands placed on their time.
- 1.4 As with all other Local Authorities it was also recognised that there are ongoing changes to how services are delivered as a result of changes to legislation and changes in levels of funding. The public's expectation of what the Council should be delivering does not always match what can be done within limited and reducing resources and the community needs to be engaged in finding solutions.

Aims and Objectives

- 1.5 Becoming a Scrutiny Development Area would enable officers and the CfPS to work with Executive and Non-Executive members (from all groups) to:
- Undertake a high level evaluation of overview and scrutiny
 - Agree how overview and scrutiny should operate given the challenges the Council faces
 - Determine how the Council can better harness the skills of non-executive members to enable them to make a more meaningful contribution to the work of the Council

- 1.6 The work would provide a framework for a wider review of the governance structure to create a set of principles which will inform the induction process following the elections in May 2015.
- 1.7 The project plan agreed between the Council and the CfPS set out the objectives of the work as:
- To identify and act on those areas where overview and scrutiny can add most value on transformation within the Council's existing governance arrangements;
 - To identify ways in which a broader group of members can be actively involved in the Council's plans for transformation;
 - To identify ways in which the community can be actively involved in the Council's plans for transformation.
 - To provide a framework for a wider review of the governance structure and create a set of principles which will inform the induction process following the elections in May 2015.
- 1.8 It is accepted that non-executive members can have greater influence the earlier they are involved in policy development, therefore an aim of the project was to see how a transformation programme can have the involvement of a wider group of councillors.

Methodology

- 1.9 The 'Accountability Works for You' framework was used to carry out an initial baseline assessment of overview and scrutiny at Torbay, alongside the Council's broader approach to corporate governance. A questionnaire was developed using the framework and all councillors and the Senior Leadership Team were asked to complete it and share their views. A response rate of 44% was achieved and the findings are attached at Appendix 1.
- 1.10 The Overview and Scrutiny Lead Officer and the Expert Advisor met with the Mayor and a range of councillors together with the Executive Director, the Director of Adult Services, the Monitoring Officer and the Governance Support Manager. These discussions included an exploration of the existing arrangements within the Council in transforming services and consideration of where future opportunities for member involvement might lie. A meeting was also held with the Lead Officer and the Community Development Manager of the Community Development Trust to discuss how the community could be better engaged in the transformation of Council services.
- 1.11 A discussion seminar was held for all members of the Council whereby councillors shared their views on the current governance arrangements and on the emerging structure for the future operation of overview and scrutiny. Chaired by the Overview and Scrutiny Co-ordinator, a third of the councillors attended this seminar including Executive Lead Members, Scrutiny Lead Members and members of the Overview and Scrutiny Board plus some councillors who do not sit on the Board.
- 1.12 Discussions were also held with the Senior Leadership Team on how overview and scrutiny fits within the overall governance arrangements of the Council including the linkages with the Corporate Plan and Policy Framework, performance and risk management and budget setting.

2. Baseline Information

Governance Structure

- 2.1 Torbay Council has a directly elected mayor. He has retained all of his decision-making powers. Whilst he has appointed eight Executive Lead Members, they all have an advisory role without any delegated responsibility. There are no formal executive meetings, with the Mayor taking all of his decisions at meetings of the Council, taking account of the recommendations of the Council on those issues delegated to him.
- 2.2 Following the last election and at the request of the Mayor, Policy Development Groups were introduced as part of the Council's governance arrangements. Their purpose was to ensure inclusivity in decision making and to enable early discussions in developing policy in key areas. The (then) Monitoring Officer produced a Guidance Note on how Policy Development Groups (PDGs) should operate although it was recognised that, as informal bodies, it was up to members of each PDG as to how that PDG would operate. Over the past four years, the PDGs have been chaired by the relevant Executive Lead.
- 2.3 The Council has an Overview and Scrutiny Board and a Health Scrutiny Board (which is established as a sub-committee of the main board). The Board has the ability to establish task-and-finish review panels but, in recent years, these have been few and far between. The one exception is the Priorities and Resources Review Panel which is (normally) made up of the same members of the Overview and Scrutiny Board and which scrutinises the Mayor's budget proposals.
- 2.4 The Council has appointed an Overview and Scrutiny Co-ordinator and four Scrutiny Lead Members who each receive a Special Responsibility Allowance. The Co-ordinator chairs the meetings of the Overview and Scrutiny Board and the Health Scrutiny Lead chairs the Health Scrutiny Board. The Job Description for the Overview and Scrutiny Leads sets out the purpose of the role as:
- "To lead the effective overview and scrutiny of policies, budget, strategies and service delivery within the area(s) for which they have particular responsibility as Scrutiny Lead."
- 2.5 The areas of responsibility for each Overview and Scrutiny Lead do not match the areas of responsibility for the Executive Leads which in turn do not match the areas of responsibility for the Directors and Executive Heads.

Transformation

- 2.6 As an organisation Torbay Council has experienced significant change in recent years. Transformation is now business as usual and there is no formal transformation programme or transformation lead officer.
- 2.7 Some examples of the current changes which are underway are:
- Place Directorate – Future Delivery Project: Making changes to how services are delivered (either within the Council or through arms length organisations)
 - Creation of an Integrated Care Organisation: Adult Social Care has been delivered through an integrated "care trust" for many years. The NHS reforms and the need for

health trusts to become foundation trusts has led to a solution in Torbay whereby the acute Foundation Trust will acquire the community trust creating a vertically integrated care organisation which will provide community and acute care as well as adult social care. This also links with Torbay and South Devon's status as a Pioneer for integrated health and social care.

- Revenue Budget savings programme: Like other authorities, the Council has had to find significant financial savings over recent years which is inevitably leading to service change.
- Children's Services Five Year Cost Reduction Plan: Children's Services' budget has been overspent for a number of years for a range of issues stemming from increased demand for services. An invest-to-save plan has now been agreed and needs to be implemented.
- Appointment of the Director of Public Health as a joint appointment with the Clinical Commissioning Group.

3. Context

3.1 No two Councils are the same and there is no common template for overview and scrutiny. Torbay Council is not Plymouth City Council, Taunton Deane Council or Bristol City Council for that matter. Each has its own history and culture and any governance proposals need to recognise this. Similarly, there is no one size fits all model for overview and scrutiny. But, what is apparent nationally is that those councils where overview and scrutiny works best are where it is constructively involved in helping to shape policy as well as holding to account.

3.2 The key characteristics of Torbay Council which need to be taken into account include:

- Torbay is a comparatively small Unitary Council with an Elected Mayor. There are just sixteen English councils with directly elected Mayors including the Mayor of London.
- The directly elected Mayor holds all executive powers – it is, therefore, important for the credibility and reputation of the Council's governance system that there are transparent checks and balances in place.
- For the range of responsibilities that a unitary council has, Torbay has a comparatively small number of Councillors – 36. Their purposeful engagement in council business is therefore paramount.
- As with other councils, Torbay Council has to cope with significant reductions to its budget. It is important that proposals recognise these changed circumstances and, wherever possible, complement rather than frustrate their implementation.

3.3 The timing of this review is also a salient consideration. With elections to take place shortly it would be inappropriate to rush through changes for what will be a new council. Rather, what needs to be agreed is a set of principles which can then provide the framework for changes made after the election.

4. Findings

4.1 In the day-to-day running of the Authority, the Mayor makes all of the key decisions within the Budget and Policy Framework and officers make all the operational decisions. The role of the other 36 councillors needs to be defined – they are there to represent their constituents but they also want to be part of the decision making process, they want to feel more involved. In making his decisions at meetings of the Council and in establishing the Policy Development Groups, the Mayor wanted to ensure inclusivity of decision making across the Council. There is an eagerness and willingness from all of the members who have given their views during this piece of work to develop policy, input into service change and work together to transform Torbay Council in light of the challenges that local government faces at the current time.

4.2 The fact that the Mayor does not hold “cabinet” meetings means that the role of overview and scrutiny should be enhanced. However, many members feel that the role has been marginalised, that it is not valued and that it is dominated by the Administration.

Timeliness

4.3 If there is one word that best captures the sentiments of the views expressed by non-executive members it is timeliness. Too often it was felt that issues came to overview and scrutiny too late in the day to make an effective contribution. It was felt that if matters truly came before overview and scrutiny at the formative stage then there would be much better interactions and outcomes.

4.4 Overview and scrutiny has two purposes: to hold decision makers to account (scrutiny) and to assist in the development of policy (overview). In order for overview and scrutiny to be effective in assisting in the development of policy, the timeliness of the involvement is crucial. The only way to influence decision making is to do it upstream. Nationally, very few call-ins change decisions once they have been made. Similarly, trying to influence the decision one week before the decision is due to be made has not proved to be successful in Torbay.

4.5 Members and officers need to be as open as possible with each other much earlier in the transformation process. This would enable non-executive members to contribute to policy development.

4.6 Much earlier engagement public engagement would also be welcomed by the Community Development Trust in order for their Trustees to reach out for views within their sectors.

4.7 Whilst the Overview and Scrutiny Board currently review the Forward Plan on a monthly basis to determine which issues it would like to review before a decision is made, the recent change in legislation and therefore current practice means that proposed decisions are only included in the Plan 28 days before the decision is due to be made.

4.8 The availability of reports to the Overview and Scrutiny Board was a theme running throughout the high level evaluation. Reports are often listed as “to follow” with little time for consideration. Equally reports tend to be submitted to the Overview and Scrutiny Board one week before the meeting of the Council at which the decision is due to be made. This does not enable the Overview and Scrutiny Board to gather as much information or speak to

as many people as it would like in order to put together an evidence-based report and recommendations.

Issues which matter

- 4.9 Thematic reviews have worked well in the past as the Overview and Scrutiny Board has been able to properly scope the review, identify appropriate sources of information, undertake site visits and hear the views of service users and the community at large. In this way the reviews build traction and are more likely to lead to recommendations which are accepted and implemented.
- 4.10 There is a view that, in the past, there have been difficulties around producing a coherent Forward Plan which makes it difficult for the Overview and Scrutiny Board to set a “good” work programme. There is a need to ensure that the work of overview and scrutiny focuses on the right things, at the right time, and with the right speed. The choice of topic is critical especially with limited resources.
- 4.11 Whilst the Overview and Scrutiny Board should be the final arbiter of its Work Programme, dialogue with Executive Leads would help focus discussions. Also the Senior Leadership Team should also be able to influence the Work Programme. SLT have a key role in ensuring that the Work Programme reflects issues arising from the Corporate Plan, the Policy Framework and performance and risk management information.

Good scrutineers

- 4.12 In terms of numbers of members, Torbay Council is one of the smallest unitary authorities in England. The number of executive members appointed is set by law as between two and nine. The power to appoint executive members rests with the Mayor. The Mayor has appointed nine Executive Leads. Given the full range of other functions that a unitary authority discharges, the non-executive councillors have many pulls on their time.
- 4.13 Successful overview and scrutiny depends on enthusiastic and committed members. The skills required to be an overview and scrutiny member are the same as those required to be an executive member. There is a need to read papers, to listen to the answers given, to ask the follow up questions, to assess the range of information available and to make conclusions and recommendations which can influence decision makers.
- 4.14 It is questionable whether the two roles are seen to have parity of esteem at Torbay Council.

Roles and responsibilities

- 4.15 Job descriptions for Scrutiny Lead Members are included within the Constitution with those Members being expected to chair sub-committees and review panels which fall within their remit. However, with the exception of Health, there are no sub-committees established and very few review panels. This brings into question what Scrutiny Lead Members do that is different from the other members on the Overview and Scrutiny Board.
- 4.16 The current job descriptions are too long and do not specify what the Council’s expectations are in making such appointments, the skills required to carry out the role effectively or how the performance of the Lead Members are managed. The role of the Overview and Scrutiny Co-ordinator in managing the performance of Scrutiny Lead Members should be clarified.

- 4.17 Scrutiny Lead Members need to have a good relationship with the relevant Executive Leads and a mirroring of areas of responsibility may help to improve these relationships. Similarly Scrutiny Lead Members also need a good relationship with the appropriate Directors and Executive Heads.
- 4.18 In considering how the relationship between Executive Lead Member, Scrutiny Lead Member, Director and Executive Head works and can be improved, consideration should be given to the need for Member Champions and whether members are being asked to take on too many roles. Likewise, officers need clarity about the level and type of member input required when developing policy.

The Overview and Scrutiny Board

- 4.19 There is an acceptance that overview and scrutiny would add more value by assisting in the development of policy at its early stages. In order to do this overview and scrutiny must have the ability to act quickly and flexibly. Operating as a task-and-finish group is more conducive to this type of work rather than operating as a committee.
- 4.20 Given the limited resources both in terms of members' time and officer support, the role of the Overview and Scrutiny Board has been considered. It has statutory responsibilities for scrutiny of:
- Health services
 - Community Safety Partnership
 - Flooding and coastal defence
- 4.21 The Francis Report makes it very clear that health scrutiny is an important statutory duty of the local authority. Currently health scrutiny is seen as even-handed and non-confrontational although there is a need for a more strategic focus. However, the creation of the new Integrated Care Organisation, together with the recent NHS reforms including the establishment of the Health and Wellbeing Board and Local Healthwatch means that the roles and inter-relationships within the local health landscape need to be re-stated and fully understood.
- 4.22 The Senior Leadership Team is currently reviewing the performance and risk framework of the Authority. The role of members in challenging performance and risk needs to be clarified. The Overview and Scrutiny Board currently receive quarterly budget monitoring reports and have in the past received quarterly performance information. Utilising performance and risk information from the emerging framework would enable the Board to focus its questioning on areas of concern when holding the Mayor to account.
- 4.23 It is suggested that the Board hold scheduled meetings once a quarter with additional meetings held to deal with matters arising from the Board's statutory duties and any call-ins.

Policy Development Groups and Priorities and Resources Review Panel

- 4.24 In the discussions held with both councillors and officers, the role of the Policy Development Groups (PDGs) was not universally understood. There were a range of views on how successful they have been but there was a general acceptance that they have "lost their way" in the four years since they were introduced. They can be seen as a way for officers to

gain the buy-in of members before decisions are made, to keep members briefed and to build consensus in a private forum.

- 4.25 PDGs could evolve in a positive way especially through engagement with partners and the third sector. However, in order for PDGs to be more effective they need to link more closely with the strategic direction of the Authority.
- 4.26 The Overview and Scrutiny Board, through its Priorities and Resources Review Panel has acted as a critical friend to the Mayor and Executive Lead Members during the budget setting process over a number of years. Certainly it has been the main focus of work over the past 18 months with some degree of success and a recognition that the process has significantly improved over recent years.
- 4.27 Given that the focus of work over the next four years will need to be about determining the Authority's priorities and determining the allocation of resources in line with those priorities, the Priorities and Resources Review Panel and the Policy Development Groups could evolve into Priority and Resources Panels.
- 4.28 Priorities and Resources Panels can be established as standing panels with set memberships which undertake task-and-finish pieces of work. Given that the Executive Lead Members are advisory only, there appears to be no constitutional reason why Executive Lead Members, Scrutiny Lead Members and other non-executive councillors cannot all sit on the Panels and work together on developing policy, reviewing businesses cases for transformation projects and gathering evidence to support service change.

The support structure

- 4.29 Torbay Council continues to have dedicated officer support for overview and scrutiny albeit somewhat reduced. The Overview and Scrutiny Team sit within the wider Business Services section which has recently come under the management of the Executive Head – Commercial Services who is also the Council's Monitoring Officer. The Business Services section now mainly comprises the Policy, Performance and Review Team whose role includes performance and risk management, consultation and equalities. The Team provide support to Executive Heads in developing proposals for transformation and service change as a result of changes in policy, legislation and financial constraints.
- 4.30 The Overview and Scrutiny Team and the Policy, Performance and Review Team have worked closely together for a number of years. This close working has been cemented over the past 12 months with the two teams effectively merging as a Corporate Support Team. Officers from the team will be supporting SLT with the ongoing transformation agenda and it is appropriate that they also provide support to the Priorities and Resources Panels.

5. The Principles

- 5.1 The Council as a whole, and therefore overview and scrutiny, need to focus on the issues that really matter. There are no longer any easy decisions to make. The luxury of looking at the more marginal issues has long passed. It is important that there is an "all Council" approach to tackling the challenges now being faced.
- 5.2 "Holding to account" must continue as a vital role of overview and scrutiny. But "policy development" is of equal importance. And national experience has shown that this is where the contribution of the non-executive members can be most effective.

- 5.3 The Forward Plan should be seen as a key tool for managing the decision making process throughout the Authority. There needs to be more informal discussions about what is coming forward for decision in the coming months.
- 5.4 Overview and scrutiny should be seen as an important element in delivering good, sound decisions. The relationship between overview and scrutiny and the executive should not be adversarial, but rather of seeking to complement one another.
- 5.5 There should be the ability for all councillors to have the opportunity to help shape policy decisions at an early stage.

6. The Proposal

- 6.1 Policy Development Groups be re-constituted as Priorities and Resources Panels chaired by the appropriate Overview and Scrutiny Lead Member.
- 6.2 As informal, advisory bodies, the Priorities and Resources Panel can comprise of both non-executive members and Executive Lead Members. The involvement of the latter presents no conflict of interest as they have a purely advisory role to the Mayor.
- 6.3 Again as informal bodies, the Priorities and Resources Panels can carry out their work both in public and in private according to the nature of the issues being considered. The presumption should be that they will conduct as much of their work as possible in public.
- 6.4 The Work Programme of the Priorities and Resources Panels will be determined in consultation with the Mayor, Executive Leads, Scrutiny Leads and Executive Director ensuring that the focus is on those issues of critical importance to the Council moving forward.
- 6.5 The Priorities and Resources Panels will use a range of methods such as community engagement, public consultation, Equality Impact Assessments and co-opted members in determining its recommendations on the issues under review.
- 6.6 The Priorities and Resources Panels will be supported by officers within the current Policy, Performance and Review Team which incorporates scrutiny support officers.
- 6.7 The Scrutiny Lead Members will have the authority to “sign-off” reports of their Panels prior to the reports being forwarded to the Mayor (or other appropriate decision maker).
- 6.8 The Overview and Scrutiny Board will meet on at least a quarterly basis to formally hold the Mayor to account (utilising the performance and risk management information) and to carry out the statutory scrutiny duties of the Council.
- 6.9 These changes should provide the framework for the earlier engagement of non-executive members in the shaping of policy options with the details to be settled by the new Council after the local elections in May.

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January 2015

Theme 1: Transparency

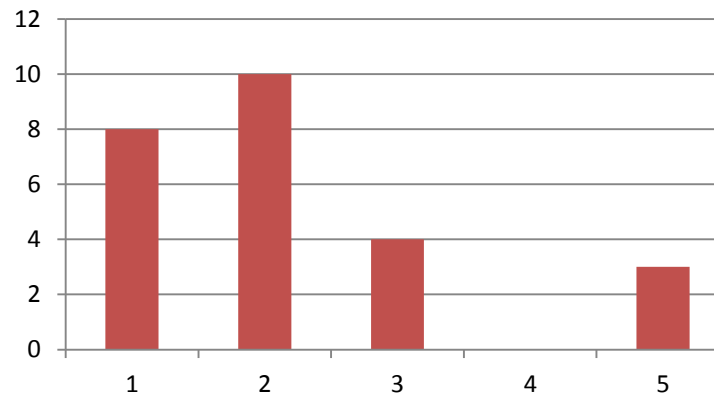
Putting in place an open, transparent and accurate forward planning process for decision-making

How are non-executive councillors involved in influencing major decisions, and in considering and evaluating performance, finance and risk information?

Negative culture:

There is a “process” for such involvement but it doesn’t generally result in any big changes to key decisions (e.g. pre-scrutiny a couple of weeks before a decision is made).

Performance information and finance information comes to scrutiny in quarterly reports which are discussed at committee with little outcome; there is little to no consideration of risk information.



Positive culture:

Decision-makers and those holding them to account have a dialogue about forthcoming decisions and there is a mutual understanding of how holding decisions to account adds value.

Performance, finance and risk issues are considered by scrutiny committees “by exception”.

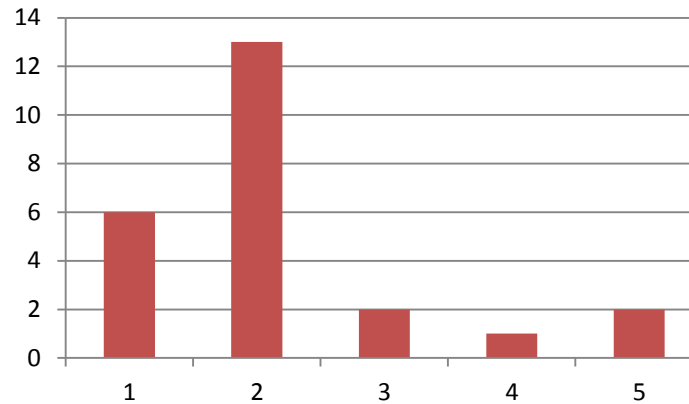
Comments:

- There should be a central role for overview and scrutiny to drive strategic actions
- Culture of secrecy from the executive
- Issues brought to members for decision very late in the process
- Reports submitted late to overview and scrutiny and then only days before a final decision is planned at Council
- Information is provided too close to the meeting of the Council which does not permit full “scrutiny”
- Little dialogue between decision makers and scrutineers
- Executive engagement with overview and scrutiny is very poor
- Reports from overview and scrutiny to the Mayor and Council are often weak
- There is no consultation outside the administration group to enable councillors to engage in issues which affect their ward
- Ad-hoc involvement of overview and scrutiny
- Role of overview and scrutiny is held in contempt
- Discussion of the merits of a proposal is vital to the decision making process
- We need to bridge the gap between officers and members
- Overview and scrutiny will not work with a mayoral system if only lip service is paid to the discussions

What steps are taken to ensure that decisions are made in such a way that the community and non-executive councillors can find out about them before the decision is made?

Negative culture:

Public participation, where it does occur, is quite rigidly controlled to suit the needs of decision-makers. There is a willingness to talk to people but an unwillingness to follow through those conversations.



Positive culture:

Public participation is built into decisions in some form, and policy-making looks “iterative” – i.e. plans are refined and clarified based on views and comments received back from a range of stakeholders.

Comments:

- The system works for some issues but they aren't necessarily the issues which will shape the future strategic direction of the Council
- Engagement takes place against a pre-determined criteria rather than as an iterative dialogue
- There is confusion about how and when decisions will be made with meetings often being delayed
- Significant public engagement takes place before decisions are made. All reports are available for the public to view.
- Consultation takes place too late when it feels like the decision has already been made
- Consultation questions are “loaded” and do not always portray the complete picture
- Meetings which are not open to the public lacks transparency.
- A return to the cabinet-style of decision making is needed
- The process feels like it is far removed from the public
- Consultation always takes place over a very short period of time
- Very little information is shared with non-executive councillors especially if they are not in the majority group
- Community know very little about decisions until they are made.
- Very little information available before the Overview and Scrutiny Board agenda is published
- All meetings should take place after 4.30 p.m. so that Council members and the public who work can take part
- The public are heard but not always listened to
- The public are rarely truly listened to. In most instances the administration has decided what it wants and ignores public input

Theme 2: Involvement

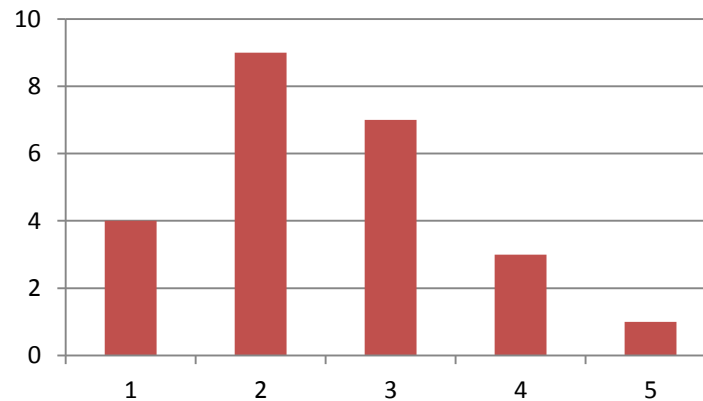
Engaging in a meaningful discussion with service users and other stakeholders about plans, policies and decisions

When overview and scrutiny gives a view or makes formal recommendations, how are these responded to?

Negative culture:

Recommendations are often “noted”, accepted without any firm commitment being given on implementation, or rejected without explanation.

Recommendations are rarely followed up because they are vague, and their object is unclear or subject to disagreement.



Positive culture:

Substantive responses are received accepting or rejecting recommendations (usually giving reasons, if the latter).

Recommendations can be followed up, because they are clear and specific.

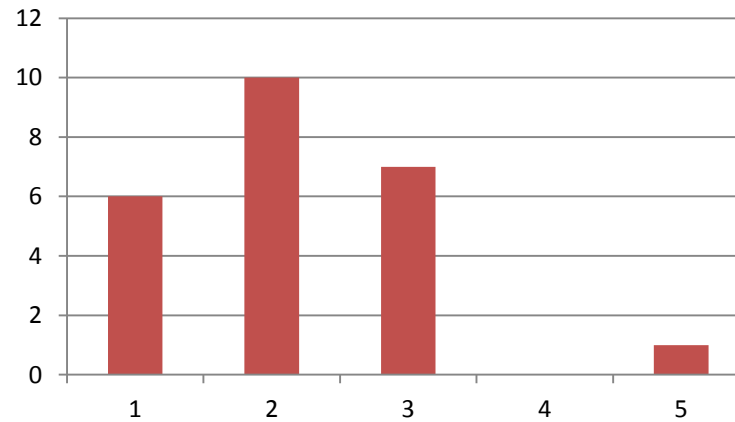
Comments:

- Generally scrutiny reports are clear but follow up and accountability have deteriorated recently
- Clear recommendations are made and good feedback is given and evidence taken
- Overview and scrutiny is not liked
- Recommendations are usually noted but a relatively small percentage are implemented
- Reasons for rejecting scrutiny recommendations are rarely given
- More notice should be given to overview and scrutiny on smaller matters
- Very little feedback is given once recommendations have been made.
- Recommendations from scrutiny only have a chance of influencing the administration if they are adopted by the Conservative group
- There is usually a negative response with recommendations being ignored

What happens when decision-makers disagree with overview and scrutiny?

Negative culture:

Disagreements happen late in the process and can be driven by a lack of awareness of the interests and work of those holding decision-makers to account. Impasses often develop.



Positive culture:

Dialogue helps to resolve many disagreements – disagreements are generally avoided in the first place by dialogue and mutual understanding of roles and responsibilities.

Comments:

- The description of a “negative culture” above is spot-on
- No dialogue takes place when decision makers disagree with overview and scrutiny
- Political interference prior to overview and scrutiny meetings has a negative effect on the quality of recommendations
- If decision makers disagree with overview and scrutiny the views are ignored
- Overview and scrutiny loses the argument
- Disagreements are often not resolved
- The decision maker goes ahead regardless of the strength of the argument

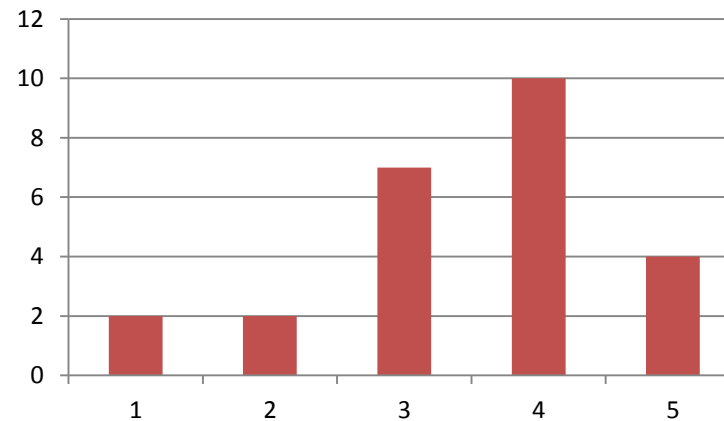
Theme 3: Accountability

Ensuring that accountability is recognised as central to our approach to improvement and performance management

How does overview and scrutiny gather, weigh and use evidence so as to focus their investigations on issues of importance to service users?

Negative culture:

There is no understanding of the different importance of different sorts of evidence – scrutiny councillors (and officers) lack confidence in evaluating and balancing evidence.



Positive culture:

Scrutiny adopts a constructively critical attitude to assessing the suitability, relevance and accuracy of evidence, recognising that different sorts of evidence should be weighted differently.

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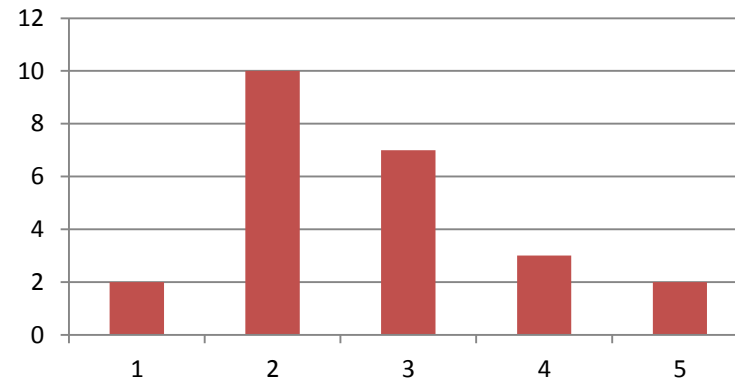
Comments:

- The councillors on overview and scrutiny are not all perceived as the most challenging and it can be seen as a bit of a backwater
- Overview and scrutiny collect relevant and accurate material before any issue is investigated, including from partners outside the authority
- Overview and scrutiny does its best to have the facts and listen and tries to be fair
- More training is required in this area
- This is better due to good quality guidance from officers.
- There now seems to be an acceptance that you need continuity of membership and engaged brains for overview and scrutiny to be effective
- Overview and scrutiny tries to obtain all the evidence and the facts in order to evaluate the issue
- The priorities and resources process is an area where overview and scrutiny provides challenge resulting in some limited success in changing priorities
- Too many reports are published too late to allow scrutiny to be effective
- Every effort is made to establish as much evidence as possible to help decision-making
- Scrutiny assesses information well but is often frustrated by the lack of information provided and the failure of the administration to enter into constructive dialogue
- Overview and scrutiny has excellent officer support in obtaining information as required, this is one aspect that works very well

What “tangible impact” do non-executive councillors contribute to the way that transformation plans develop?

Negative culture:

There is more of an interest in methodology of work carried out than its impact – outcomes are not monitored effectively and results from work are marginal or non-existent.



Positive culture:

Scrutineers can point to specific results on the ground that would not have happened but for their input – things that have resulted in real, positive change for local people.

Comments:

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- There are some issues which have been directly driven by overview and scrutiny (for example, the Children’s Services Five Year Plan) but there is no consistency
- The process could have more impact – it is not clear how the priorities of overview and scrutiny are set in relation to the Corporate Plan
- Too little resource to follow up on the outcomes of recommendations
- Previous reviews undertaken by overview and scrutiny have had an impact on policy but the current political structure mitigates against this.
- There are areas where scrutiny has achieved positive outcomes for local people but this is limited partly due to lack of resources and member training
- There is always a willingness to engage with the executive but it is usually ignored
- Except for during budget discussions, there is little tangible impact
- It is a struggle to find any impacts that come out of scrutiny