

Priorities and Resources 2016/2017 Review Panel

Members

Councillors Barnby, Bent, Bye, Darling (S), Lewis, Stockman, Stocks, Tolchard and Tyerman

(Contact Kate Spencer on t: 01803 207014 or e: scrutiny@torbay.gov.uk)

Wednesday, 13 January 2016 at 9.30 am
to be held in the **Meadfoot Room, Town Hall, Castle Circus, Torquay, TQ1 3DR**

Agenda

- 1. Community Services**
To receive an update on any changes to the budget proposals in light of the consultation including any further areas of efficiency.

(Members are also asked to bring with them their copy of the Draft Revenue Budget Digest.)
- 2. Customer Services** (Pages 3 - 123)
To further review the budget proposals for Customer Services following requests for additional information. In particular to review the proposals in relation to Connections and the Social Fund.

(Additional information requested by the Review Panel is attached. Members are also asked to bring with them their copy of the Draft Revenue Budget Digest.)
- 3. Corporate Services** (Pages 124 - 138)
To further review the budget proposals for Corporate Services following requests for additional information. In particular to review the proposals in relation to the Riviera International Conference Centre and apprentices.

(Additional information requested by the Review Panel is attached. Members are also asked to bring with them their copy of the Draft Revenue Budget Digest.)
- 4. Business Services** (Pages 139 -

To further review the budget proposals for Business Services following requests for additional information. In particular to review the proposals in relation to parking, resort services and tourism marketing.

156)

(Additional information requested by the Review Panel is attached. Members are also asked to bring with them their copy of the Draft Revenue Budget Digest.)

DRAFT - Supporting Information and Impact Assessment

Service / Policy:	Customer Services
Executive Lead:	Cllr Morris
Director / Assistant Director:	Fran Hughes/Bob Clark

Version:	0.2	Date:	January 2016	Author:	Alison Whittaker
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Section 1: Background Information	
1.	<p>What is the proposal / issue?</p> <p>The proposal is to close Torquay and Brixham Connections offices and centralise the Connections service within the existing office in Paignton Library and Information Centre.</p>
2.	<p>What is the current situation?</p> <p>The Connections Service provides the main access channel for the public to contact Torbay Council.</p> <p>Face to face services currently operate from central locations in each of the three towns in Torbay. One operates in Torquay Connections whilst the others are co-located services at Brixham Library and Paignton Library Information Centre (PLAIC).</p> <p>In addition to providing information on Council services, Torquay and Paignton also offer self serve facilities via internet pods and drop in sessions and surgeries for partner organisations.</p> <p>Torbay Council also offers customer services via a 'Contact Centre' which manages telephone contact for a wide range of council services including:</p> <p>Housing Benefits Council Tax</p>

	<p>Business Rates Community Safety Elections Registrars Housing Options IER (Individual Electoral Registration)</p> <p>Customers can also access services via the Councils website.</p>
3.	<p>What options have been considered?</p> <p>Torbay Council has recently undertaken a trial closure of the Brixham and Torquay connections offices for a period of 4 weeks to identify the impact that a closure may have on users of the service.</p> <p>Results from this trial can be found at appendix one.</p> <p>Following this trial a consultation has been undertaken on the proposal to close Torquay and Brixham Connections offices and centralise the Connections service within the existing office in Paignton Library and Information Centre – results from this consultation can be found in section 11 below.</p>
4.	<p>How does this proposal support the ambitions and principles of the Corporate Plan 2015-19?</p> <p>Using reducing resources to best effect</p>
5.	<p>Who will be affected by this proposal and who do you need to consult with?</p> <p>Customers who would normally use the Torquay or Brixham offices may potentially be impacted upon by this proposal as there would no longer be a face to face service at these locations.</p> <p>If these customers still required a face to face service then they would need to travel to Paignton.</p>

	<p>Customers would however have the ability to use an alternative method of contact to resolve their enquiries: i.e. via using alternative customer access channels e.g. via the customer contact centre (telephone), accessing the Council's website (internet).</p> <p>It is proposed that self service 'pods' will be provided at Torquay and Brixham libraries where customers will be able to gain information and complete transactions on the Torbay Council website.</p> <p>Additional free phone facilities will be in place in Brixham and Torquay Libraries, as well as drop boxes.</p>
6.	<p>How will you propose to consult?</p> <p>As mentioned above Torbay Council has previously consulted with users of the Connections service during a trial closure of the Brixham and Torquay Connections offices (please see appendix one for the results of this consultation).</p> <p>Public consultation on the budget proposal to permanently close the Torquay and Brixham Connections offices has subsequently been undertaken.</p> <p>This Consultation started on 3rd December 2015 and closed on the 4th January 2016</p> <p>Torbay Council consulted on the proposal to close Brixham and Torquay Connections offices in the following ways:</p> <ol style="list-style-type: none">1. A survey was developed for service users to complete – paper copies were made available in all Connections offices and all Libraries.2. The survey was also available on-line during the consultation period.

Section 2: Implications and Impact Assessment

7.	<p>What are the financial and legal implications?</p> <p>There are no further financial and legal implications. The trial identified no significant increase in the number of travel warrants issued.</p> <p>The increase in postage for returning documents will be reduced when Risk Based Verification is introduced. (This framework will reduce the identification documents required to be submitted by low risk customers when making an application for Housing Benefit)</p>
8.	<p>What are the risks?</p> <p>Please refer to Risk Summary (appendix two)</p>
9.	<p>Public Services Value (Social Value) Act 2012</p> <p>Not applicable</p>
10.	<p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>Torbay Council has consulted with users of the Connections service during a trial closure of the Brixham and Torquay Connections offices (please see appendix one).</p> <p>Torbay Council has now consulted with users of the Connections service on the permanent closure of the Torquay and Brixham Connections offices – please section 11 below.</p>

11. What are key findings from the consultation you have carried out?

Torbay Council has recently undertaken a trial closure of the Brixham and Torquay Connections offices for a period of 4 weeks to identify the impact that a closure may have on users of the service.

Results from the consultation during this trial can be found at appendix one.

Public consultation on the budget proposal for the permanent closure of the Torquay and Brixham Connections offices. The Consultation started on 3rd December 2015 and closed on the 4th January 2016. The proposals were communicated to the Torbay community via local newspaper (Herald Express & Western Morning News), local radio, Twitter and Facebook and were detailed on the Torbay Council website. Emails were sent to key stakeholders and a range of opportunities were provided for people to contribute to the consultation, including a Budget Event held in Paignton. People were also able to send representations via email and post to Torbay Council.

Responses for this proposal were as follows:

Q) Connections:

To close Torquay and Brixham Connections Offices and Centralise the Connections service within the existing office in Paignton Library and Information Centre. Self Service Pods will be provided at Torquay and Brixham Libraries. Customers will still be able to access services via the Customer Contact Centre (telephone) and/or the Council's website.

This proposal is expected to save £76,000.

The Connections Service provides the main point of contact for Torbay Council.

Do you support this proposal ?	Number	Percent
Yes	135	54.9%
No	105	42.7%

		No answer	6	2.4%
		Total	246	100%
12.	<p>Amendments to Proposal / Mitigating Actions</p> <p>The impact of the trial closure was assessed (i.e. exit survey, monitoring demand, staff feedback, back office feedback) throughout to enable amendments to be put in place or action taken to manage customer demand, improve the customer experience or resolve any issues.</p>			

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Equality Impacts

13	Identify the potential positive and negative impacts on specific groups			
	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact	
Older or younger people		Older people may potentially be affected by this proposal as the drop in service for Age UK within Torquay Connections would cease. Customers will still be able to access Age UK services directly and Age UK may find an alternative location in Torquay.	Alternative methods of contact introduced during the trial would be reintroduced if this proposal was agreed i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website	
People with caring Responsibilities	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website			
People with a disability		Customers who wish to use face to face facilities or have an appointment in Paignton may incur travel costs. People with a disability may have difficulty travelling to a central location.	Alternative methods of contact introduced during the trial would be reintroduced if this proposal was agreed i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the	

		website
Women or men	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.	
People who are black or from a minority ethnic background (BME) (<i>Please note Gypsies / Roma are within this community</i>)	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.	
Religion or belief (including lack of belief)	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.	
People who are lesbian, gay or bisexual	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.	
People who are transgendered	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.	
People who are in a marriage or civil partnership	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.	
Women who are pregnant / on maternity leave	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.	

	Socio-economic impacts (Including impact on child poverty issues and deprivation)		Customers who wish to use face to face facilities or have an appointment in Paignton may incur travel costs	Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	No differential impact – Alternative methods of contact introduced during the trial would be reintroduced i.e. Free phone facilities in Brixham & Torquay Library and drop boxes in Brixham and Torquay to enable customers to deposit documents. Customers will still have access to the contact centre and the website.		
14	Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above)	<p>During the trial closure the following feedback from other Torbay Council departments was gathered:</p> <ul style="list-style-type: none"> • Housing appointments were undertaken at PLAIC with few issues although some minor alterations would be required if the arrangement became permanent. • Children’s services shop had to signpost some customers to alternative facilities • Community Safety overall the impact has been minimal across the entire department. • Crisis Support - no significant issues but there was a reduction in the number of applications during the trial.whil • Security - no issues • Library Service - no major issues 		
15	Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above)	<p>During the trial closure the following feedback was gathered:</p> <p>A number of organisations in Brixham reported an increase in footfall due to the trial. Customers were sign posted to the facilities available in Brixham or to PLAIC.</p>		

Appendix One:

Consultation Data: Review of Connections Services

1. Review of Connections Services

1.1 Methodology

The consultation was conducted via online and paper surveys which were made available to the general public.

The online survey opened 5th October and closed on 11th November 2015.

39 responses were received.

Paper copies were made available in all of the Connections Offices, Harbour Offices and Torbay Libraries, from 5th October to 11th November 2015. 629 completed questionnaires were returned.

668 responses were received in total.

1.2 Results

The following set of tables show the results from of the “Review of Connections Services” survey.

The percentages in the data tables have been calculated using the overall number of responses received (668) as the denominator unless otherwise stated.

For free text (open ended questions) the responses have been categorised into popular themes with the most frequent listed first. The numbers in brackets indicate the number of responses in that category. Individual comments may be classified under more than one category.

Using the Connections Offices

Q1) How often do you visit the Connections Offices in Torbay?

	Number	Percent
A few times a year	366	54.8%
At least once a month	172	25.7%
Once a week	52	7.8%
No response	35	5.2%
Never	32	4.9%
Every day	11	1.6%
Total	668	100%

Q2) Which Connections office do you currently use most frequently?

	Number	Percent
Paignton	285	42.7%
Brixham	251	37.5%
Torquay	76	11.4%
No response	56	8.4%
Total	668	100%

Q3) Do you ever visit a different Connections office in Torbay?

	Number	Percent
No response	339	50.7%
Paignton	166	24.9%
Brixham	140	21%
Torquay	23	3.4%

Total	668	100%
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Q4) What form of travel do you most regularly use when visiting a Connections office?

This is a multi-choice question. 612 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Walk	350	52.3%
Car	200	29.9%
Bus	182	27.2%
Cycle	17	2.5%
Taxi	6	0.8%
Train	4	0.5%

Q5) What services have you used at Connections in the last two years? (Please tick all that apply)?

This is a multi-choice question. 588 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Housing Benefit	440	65.8%
Council Tax /Support	374	55.9%
Bus Passes	115	17.2%
Crisis Support	77	11.5%
Devon Home Choice	70	10.4%
Homelessness Advice	69	10.3%
Parking	54	8%
Other	43	6.4%
Planning	36	5.3%
Housing Standards	28	4.1%
Community Safety	17	2.5%
Licensing	10	1.4%
Business Rates	9	1.3%

Other comments provided:

- Schools
- Beach Huts
- Environmental Health
- Elections
- Tree Cutting
- Anti Social Behaviour.

Q6) During recent visits to a Connections office, have you used the self service computers in the office to make your enquiry?

	Number	Percent
Yes	132	19.8%
No	454	67.9%
No response	82	12.3%
Total	668	100%

Q6a) You answered 'Yes', has this given you more confidence to use a computer at home?

This is a multi-choice question. 130 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Yes	51	7.6%
No	36	5.3%
No facility at home	43	6.4%
No response	2	0.2%

Q6b) If you answered No, what are your reasons for not using the computer?

Responses to this question have been categorised into the most popular themes. The numbers in brackets indicate the number of responses within those themes. Individual comments may have been classified and counted under more than one category.

Category	Comments made by respondents
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<p>Not experienced using computers (71)</p>	<p><i>"Lack of 'computer savvy'. No confidence"</i></p> <p><i>"Don't know how to work computers"</i></p> <p><i>"Do not have a computer and never used a computer"</i></p>
<p>Prefer to talk to someone (69)</p>	<p><i>"Prefer face to face communication"</i></p> <p><i>"As a disabled person I prefer human contact"</i></p> <p><i>"Rather talk to a person."</i></p>
<p>Not needed to (49)</p>	<p><i>"Have never needed to...."</i></p> <p><i>"Haven't needed to."</i></p> <p><i>"Only handing in paperwork for scanning."</i></p>
<p>Only needed to scan documents (23)</p>	<p><i>"No need to only come in to scan wage slips."</i></p> <p><i>"I'm bringing in my payslips for scanning."</i></p> <p><i>"Document scanning only"</i></p>
<p>Have got a computer at home (22)</p>	<p><i>"Have a home computer"</i></p> <p><i>"Have internet at home"</i></p>

	"No interest"
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Q7) Did you attempt to visit Torquay or Brixham Connections during the trial closure period?

	Number	Percent
Yes	272	40.7%
No	329	49.3%
No response	67	10%
Total	668	100%

Page 18

Q7a) How did you resolve your enquiry?

This is a multi-choice question. 268 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Connections	128	19.1%
Phone	74	11%
Other	55	8.2%
Web	11	1.6%

Q7b) If you visited Paignton Connections how did you travel?

This is a multi-choice question. 207 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Bus	81	12.1%
Car	76	11.3%
Walk	41	6.1%
Other	7	1%
Cycle	2	0.2%
Train	0	0.0%

Q7c) If you visited Paignton Connections were there any issues in getting to Paignton?

Responses to this question have been categorised into the most popular themes. The numbers in brackets indicate the number of responses within those themes. Individual comments may have been classified and counted under more than one category.

Category	Comments made by respondents
None (49)	<p><i>"No"</i></p> <p><i>"None"</i></p>
Travel (25)	<p><i>"Cost & travel"</i></p> <p><i>"Yes - the bus fare is costly and considerably the financial difficulties I am having making me upset."</i></p> <p><i>"Long bus ride."</i></p>

<p>Needed to get a lift (9)</p>	<p><i>"Yes, I don't drive; I had to get a lift."</i></p> <p><i>"Needed a lift from daughter who came up from Cornwall."</i></p> <p><i>"I could only come over when my husband wasn't at work as I can't drive."</i></p>
<p>Lack of parking and parking costs (9)</p>	<p><i>"Parking / cost of parking twice."</i></p> <p><i>"Parking costs."</i></p> <p><i>"Inconvenient and lack of parking."</i></p>
<p>Mobility Issues (4)</p>	<p><i>"Too far due to disability and pain."</i></p> <p><i>"Lots of issues for someone of limited mobility, when will you lot actually listen to what we tell you."</i></p> <p><i>"Disabled parking is not close by."</i></p>

Section 2: Future customer services facilities

Q8) In the absence of a Connections office in Torquay or Brixham would you travel to a new centralised office at Paignton Library and Information Centre?

	Number	Percent
Yes	318	47.6%
No	157	23.5%
Don't know	119	17.8%
No response	74	11.1%
Total	668	100%

Q9) If a self service computer and a freephone to various council services was available for you to use at a location in Torquay or Brixham, would you use these to make your enquiries?

	Number	Percent
Yes	220	33%
No	193	28.9%
Don't know	188	28.1%
No response	67	10%
Total	668	100%

Q9a) If Yes, what would you use? (Please tick all that apply)

205 people responded to this question but percentages have been calculated of the total number of respondents to the questionnaire (668)

	Number	Percent
Freephones	153	22.9%
Internet	127	19.9%
Web Chat	32	4.7%

Q10) How likely are you to use each of the following methods of contact with us?

Respondents were asked to choose one answer per method of contact percentages have been calculated using the total number of respondents to this questionnaire (668).

	Very likely		Fairly likely		Not very likely		Never	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
In Person	473	70.8%	91	13.6%	21	3.1%	12	1.7%

Telephone	352	52.6%	169	25.2%	40	5.9%	22	3.2%
Internet	175	26.1%	129	19.3%	122	18.2%	100	14.9%
Postal	161	24.1%	146	21.8%	122	18.2%	74	11.1%
Email	161	24.1%	114	17.0%	126	18.8%	115	17.2%
Text	86	12.8%	76	11.3%	146	21.8%	168	25.1%
Web Chat	38	5.6%	51	7.6%	143	21.4%	226	33.8%

Q11) Would you like to be able to access your council records (e.g. Council Tax, Housing Benefits records) yourself via the internet?

	Number	Percent
Yes	345	51.7%
No	148	22.1%
Don't know	119	17.8%
No response	56	8.4%
Total	668	100%

Q11a) If you answered No, please explain why in the box below:

Responses to this question have been categorised into the most popular themes. The numbers in brackets indicate the number of responses within those themes. Individual comments may have been classified and counted under more than one category.

Category	Comments made by respondents
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<p>Security Issues (23)</p>	<p><i>"Security is a huge feature and your intranet security is poor."</i></p> <p><i>"Security issues."</i></p> <p><i>"Internet can be hacked have you not learnt anything, plus I don't have a computer, sorry not everyone can afford one."</i></p>
<p>Do not have a computer or the internet (21)</p>	<p><i>"No internet."</i></p> <p><i>"Don't use internets have no wish to."</i></p> <p><i>"No computer"</i></p>
<p>Not confident on computer (21)</p>	<p><i>"Not very good with computers. Also they are not always accurate."</i></p> <p><i>"Not confident enough on computer."</i></p> <p><i>"Not competent on internet."</i></p>
<p>Prefer to speak to somebody (8)</p>	<p><i>"I would like the personal experience of talking in person, as technology can often be difficult and temperamental (especially for the elderly)"</i></p> <p><i>"As before I prefer to see a real person."</i></p> <p><i>"I prefer someone to explain to me face to face as I have difficulty understanding."</i></p>

Q12) If you had to submit documents for scanning which of the following alternative options would you use to provide your information? (Please tick all that apply)

This is a multi-choice question. 566 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Visit Paignton Connections	354	52.9%
Deposit documents in a secure box at an office location in Torquay or Brixham, where the originals would be returned by post without charge	180	26.9%
Post via Royal Mail to the Town Hall in Torquay	125	18.7%
Submit documents via a picture / scanned image from your own device	117	17.5%

Q13) Do you support the proposal to centralise the Connections Service at Paignton? (Please tick one box only)

	Number	Percent
Yes	221	33.1%
No	368	55.1%
No response	79	11.8%
Total	668	100%

Respondent Profile

Q14) Gender

	Number	Percent
Male	232	34.7%
Female	365	54.7%
No response	71	10.6%
Total	668	100%

Q15) Age

	Number	Percent
0 – 15	0	0%
16 – 24	61	9.0%
25 – 34	108	16.0%
35 – 44	114	17.0%
45 – 54	117	17.5%
55 – 64	118	17.6%
65 – 74	73	10.9%
75+	28	4.2%
No response	49	7.3%
Total	668	100%

Q16) Disability – Do you consider yourself to be disabled in any way?

	Number	Percent
Yes	165	24.7%
No	393	58.9%
Don't Know	6	0.9%
No response	104	15.5%
Total	668	100%

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159 people responded to this question. Percentages have been calculated out of the total amount of respondents (668).

	Number	Percent
It affects my mobility	103	15.4%
It affects me in another way	62	9.2%
It affects my hearing	27	4%
It affects my vision	16	2.3%

Q17) How would you describe your ethnic origin?

	Number	Percent
White	575	86%
Black or Black British	6	0.8%
Mixed ethnicity	2	0.2%
Chinese	0	0%
Asian or Asian British	3	0.4%
Other	5	0.7%
No response	77	11.5%
Total	668	100%

Q18) Postcode

	Number	Percent
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	Number	Percent
TQ3 (Preston/Paignton)	152	22.8%
TQ1 (Torquay)	136	20.3%
TQ2 (Torquay)	129	19.3%
No response	105	15.7%
TQ5 (Brixham)	80	12%
TQ4 (Paignton)	66	9.9%
Total	668	100%

Appendix Two:

Risk	Risk Rating (Low, Medium, High)	Controls in place and actions to improve control
Paignton Connections design cannot cope with the customer footfall.	Low	Based on the evidence of the trial, the operating model was successful and the existing Connections office was of sufficient size to accommodate the additional footfall
The demand for “Face to face” enquiries in the long term does not continue to reduce and actually increases.	Low	Trends established over a long period of time. Technology would assist in responding to the increase in demand.
Self Service functions in Torquay & Brixham library are proving difficult to use by our customers without Customer Service Advisor assistance.	Medium	<p>Customer satisfaction, complaints monitoring and feedback from Library staff.</p> <p>Use of the free phones in Torquay & Brixham Library was minimal during the trial.</p> <p>The new website (December 2015) will enable additional transactions to be undertaken.</p>
Call Centre cannot cope with extra call demand from the new free phones offered in Paignton, Brixham and Torquay library’s and from other customers contacting the Call Centre rather than a Connections office visit.	Low	There was no significant increase in call demand during the trial or the week immediately after the trail.
Delays in application processing (particularly Crisis support) may be created due to reduction in distributed scanning facility’s currently offered in Torquay; Brixham & Paignton.	Medium	<p>A post box was introduced at Torquay Town Hall to receive documents and customers in Brixham were able to submit documents within the Library</p> <p>During the trial the number of applications reduced by 20%</p>

Risk	Risk Rating (Low, Medium, High)	Controls in place and actions to improve control
Taxi Licensing – appropriate locations for renewals and inspections cannot be found	Low	Adequate facilities will be provided (December 2015 an on-line taxi licensing system is being introduced)
Housing options/Homelessness – appropriate location for a meeting room located in Torquay is either too expensive or unsuitable for purpose.	Medium	A suitable meeting room in Torquay is being researched. Only alternative would be to use meeting rooms available in PLAIC which operationally is not effective.
Other agencies may have insufficient capacity to manage any increase in demand that results from the centralisation.	Low	The trial has identified that some customers are visiting other organisations rather than travel to PLAIC. During the trial these customers were signposted to PLAIC or other contact channels. This may reduce as customers become aware of the new arrangements.
Customers that did not contact during the trial – might see increase if closed permanently	Low	The operating model introduced within Paignton Connections has the capacity to deal with an increase in footfall. Crisis Support reported that demand reduced during the trial and increased briefly when the offices reopened. Monitor and react to increases in demand.
Demand at Main Reception may not reduce – Staff resource may need to be allocated to Main Reception until the volume of additional customers seeking Connections service reduces	Low	During the trial the volume of customers steadily reduced. Monitor and react to increases in demand.



Connections Offices Rationalisation Project
Centralised Connections Office in Paignton

Trial Closure Results and Appraisal

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Contents

Centralised Connections Office in Paignton.....	1
Trial Closure Results and Appraisal	1
Contents	3
1. Introduction	5
1.1 Background	5
2. Project aims and objectives	6
2.1 Aim	6
2.2 Objectives	6
2.3 Constraints	7
2.4 Interfaces and Critical Dependencies	7
2.5 Critical Success Factors (CSFs).....	8
3. Connections Offices - Prior to the trial	9
3.1 Operating model.....	9
3.2 Demand.....	9
3.3 Resources	10
4. Connections Offices Trial	11
4.1 Facilities Available During the Trial	11
4.2 Resources during the trial	12
4.3 Communication	13
4.4 Operating model in PLAIC during the trial	14
5. Trial results and analysis.....	15
6. Feedback	22
6.1 Feedback from customers who visited Paignton Connections during the trial...	22
6.2 Individual feedback from a member of the public	23
6.3 Feedback from Torbay Council departments	23
6.4 Feedback from Unions	23
6.5 Feedback from other organisations	23
6.6 Feedback from Corporate Consultation.....	23
7. Financial appraisal	25
7.1 Financial investment - Capital	25
7.2 Financial savings - Ongoing plus additional expenditure.....	25
8. Strategic benefits and dis-benefits	26
9. Risk Summary	30
10. Conclusion	34
Appendix 1. Feedback from customers who visited Paignton Connections during the trial	35
Appendix 2. Individual feedback from a member of the public....	39
Appendix 3. Feedback from Torbay Council departments	40

Feedback from School Admissions & Transport Team	40
Connections Evaluation Report - Community Safety.....	40
Feedback from Customer Services Team Leader	42
Library Service	43
Crisis Support.....	43
Appeals	44
Security	45
Appendix 4. Feedback from Unions	46
Feedback from Paul Raybould GMB Torbay Branch Secretary	46
Feedback from Clair Quinn Unison Torbay Branch Secretary	46
Appendix 5. Feedback from other organisations.....	47
Appendix 6. Feedback from Corporate Consultation	48
Appendix 7. – Other Options considered – SWOT Analysis	62

1. Introduction

1.1 Background

This project is part of the overall budget setting process for 2016/17.

In 2015/16 it was proposed that the Connections Service could centralise in PLAIC (Paignton Library and Information Centre). To accommodate the operating model and volume of customers at that time, the Connections Service would have required part of the ground floor Library space. Investigation as to the approximate costs of reconfiguring the office space and additional building work required was undertaken and the cost was in the region of £281,000

The decision was made to not to proceed in 2015/16 and to undertake further investigation during 2015/16.

During 2015/16 a new operating model within Connections was implemented to maximise the use of contact channels within the offices. Technology was introduced to reduce the volume of customers that were required to deal with their enquiry through a face to face transaction with a Customer service Advisor (CSA).

Based on this success it was proposed that a trial should be undertaken to identify the impact of a central office on customers, back office services and partner organisations and to explore if the new operating model would enable the service to operate from the existing space within PLAIC, thus reducing costs.

On 28 July 2015 the Executive Lead for Business published a record of decision:

- (i) That Torquay and Brixham Connections offices would close for a trial period of four weeks to understand the impact of a permanent closure on the community and service users; and
- (ii) That the four week closure of Torquay and Brixham Connections would commence on 10 August 2015 with a re-opening date of 7 September 2015. Consultation on permanent changes to the service would take place during and after the trial closure.

Reason for the decision

To understand the impact a permanent closure of the Torquay and Brixham Connections offices would have on service users and the community, which will provide evidence about the provision of this service. The evidence gathered and the results of consultation with service users will inform how the Council can better use its resources in light of future budget reductions.

The trial dates were subsequently amended to enable sufficient time for the arrangements to be put in place and to publicise the trial.

The trial closure was undertaken from 5 to 30 October 2015.

This report will provide:

- Brief overview of the new Connections operating model
- The volume of customers that visited PLAIC during the trial
- The impact on back office services
- The impact on other service providers within Torbay
- The impact and opinions of Connections customers
- The potential costs should the decision be made to centralise Connections within the existing space at PLAIC

2. Project aims and objectives

2.1 Aim

The project sought to trial a rationalisation of the 3 Connections offices into one location (Paignton) within the existing floor space for 4 weeks. The intelligence and information from the trial can be used to consider if Connections should rationalise on a permanent basis.

The purpose of the trial was to understand the impact a permanent closure in Torquay and Brixham would have on service users, back office services and the wider community.

2.2 Objectives

The projects main objectives were as follows:

- To rationalise the Connections offices into one location in Paignton – closing both of the Connections offices in Torquay & Brixham for a period of 4 weeks.
- To identify the increase in footfall at PLAIC whilst Torquay & Brixham Connections are closed.
- To establish what self service functionality can be provided in Torquay & Brixham offices and identify the volume of customers that use each facility
- To ensure that customer services functions to our back office Services are maintained and to identify the impact on our services.
- To identify if the service could be rationalised on a permanent basis.
- To establish the potential impacts for customers, back office and partners should Connections centralise in Paignton.
- To gather feedback from customers, back office and partners.
- Establish if the current space in PLAIC would be sufficient for a central office.

- Measure the impact for back offices that have currently undertake appointments within Torquay Connections.
- Identify issues for back office and customers offering appointments in alternative locations.
- To establish which channels of communication customers from Torquay and Brixham use

2.3 Constraints

The main constraints to the project are as follows:

- Staffing resources - this project was undertaken by existing Council staff
- Timescales - The trial was undertaken 5 to 30 October 2015
- Financial - the trial was undertaken using existing IT equipment.
- Some back office services were required to accommodate changes to location of appointments with customers

2.4 Interfaces and Critical Dependencies

Internal:

- Future plans related to the Town Hall building in Torquay
- Community Hub Project (Health, CCG & Social Care)
- Budget setting process
- Service departments i.e. Revenue & Benefits, Housing, Residents & Visitor Services
- Operation of the existing Town Hall Reception
- ICT services i.e. provision of adequate infrastructure/technology for the trial
- Availability of appropriate meeting/appointment rooms – specifically in Torquay. (ie Town Hall or other Torquay locations)
- Libraries i.e. staff were required to signpost customers
- Office Security i.e. to ensure that adequate security is provided in PLAIC
- HR/Staff issues

External

- The outcome of a consultation with the public
- The outcome of an Equality Impact Assessment
- Community Development Trust members
- Other third party partners
- There is a potential interface with the voluntary sector

2.5 Critical Success Factors (CSFs)

The CSFs for this project are as follows:

- To understand what channels customers would use when Brixham & Torquay Connections was not available
- To identify issues from customers travelling to a central location
- To ensure that the space within PLAIC was used effectively to avoid customers queuing for unacceptable periods of time
- To test the new operating model and ensure that the technology was sufficient to meet demand
- To ensure that processes within back office services have been modified successfully
- To identify the impact of demand for back office services from operating from a central location
- To ensure that a communications plan has been developed and that members of the public are aware of any potential changes in service and have been appropriately consulted
- To test the facilities provided in Brixham and Torquay to identify customer volumes for each channel.

3. Connections Offices - Prior to the trial

3.1 Operating model

The “Connections” offices are the main offices for Council services at the following locations

- Torquay: Town Hall (Dedicated office)
- Paignton: Located within the Paignton Library and Information centre
- Brixham: Located within Brixham Library

In November 2014 the operating models in Torquay and Paignton offices were changed to achieve the following:

- Introduce and promote the use of online services and telephones to customers as these channels cost less than a face to face transaction.
- To maximise capacity to the call centre (staff in the face to face offices now answer calls as well as dealing with the face to face customers)
- Improve performance to the call centre (answer rate is over 80% and waiting times are less than 1 minute).
- To bring the service into line with other organisations e.g. DWP, HMRC (pushing more self service and telephone support)
- To enable vulnerable customers to see a Customer Service Advisor (CSA) promptly to resolve their enquiry.

3.2 Demand

Torquay Connections

- 50 customers a week seen by a CSA on the counter
- 900 customers per week - triaged (Document scanning only, directed to online service, directed to free phone to the Call Centre, pre arranged appointment or low level enquiry)

Customer Services staff are available within the office to direct customers to the appropriate channel depending on their enquiry and assist customers with the use of online transactions.

Paignton Connections

- 50 customers a week seen by a CSA on the counter
- 450 customers a week at the Reception desk (Document scanning only, directed to online service, directed to free phone to the Call Centre, pre arranged appointment or low level enquiry)

Brixham Connections

- 90 customers per week. All enquiries are dealt with by a CSA.

3.3 Resources

The average staffing levels within the Connections offices are:

- Torquay: 3 CSAs, 1 Team Leader and a security presence
- Paignton: 3 CSAs and 1 Team Leader
- Brixham: 1 CSA and 1 Team Leader
- Town Hall reception: 1 CSA

In Torquay and Paignton the role of the CSA is to direct customers to the appropriate channel, assist them to self serve and undertake quick enquiries

To maximise capacity CSAs in the offices support the Call Centre until they are required to undertake a face to face enquiry.

A CSA is available to undertake face to face enquiries for enquiries that are unsuitable for any other channel and to assist vulnerable customers.

This flexible way of managing demand has allowed us to add capacity to the Call Centre to improve the percentage of calls answered to 80% and reduce average queuing times.

4. Connections Offices Trial

For the duration of the trial face to face enquires were centralised in Paignton at the Paignton Library and Information Centre (PLAIC).

Alternative arrangements were introduced in Torquay and Brixham for face to face customers who did not wish to travel to Paignton.

4.1 Facilities Available During the Trial

Location	Facility
Brixham Connections - Closed	<ul style="list-style-type: none"> ▪ Free phone available during Library opening hours ▪ Secure post box located within the library to submit documents (Collected daily) ▪ Free 1 hour use of computers for Library members (Non members can join or pay £2) ▪ Free wifi within the Library (Code available from Library staff) ▪ Customer Services consultation ▪ Travel warrants will be issued by Library staff for Crisis Support if required
Torquay Connections - Closed	<ul style="list-style-type: none"> ▪ Free phone available during Library opening hours ▪ Licensing appointments in Tor Hill House ▪ Secure external letterbox for documents to be scanned (originals returned to the customer by post) ▪ Secure external letterbox for Crisis Support documentation ▪ Customer Services consultation in Torquay Library and Town Hall main reception ▪ Additional staff at Town Hall main reception to signpost additional footfall as a result of the trial. ▪ Free wifi with Torquay Library ▪ Customer Services consultation within Torquay Library ▪ Customer Services consultation within Torquay Connections 2 to 11 November 2015 ▪ Crisis Support payments made at the Children's Services shop (travel warrants arranged by the team) ▪ Housing travel warrants issued at Leonard Stocks for their clients. Temporary accommodation providers will be

	<p>supplied with travel warrants</p> <ul style="list-style-type: none"> ▪ Security response for Town Hall and Children’s Services shop
Paignton Connections	<ul style="list-style-type: none"> ▪ Additional free phones for customer use ▪ Additional computer pods (Transferred from Torquay Connections for customer use) ▪ Meet and greet facility at the entrance ▪ Customer Support to assist and direct customers ▪ Customer Service Advisor available for complex enquiries and vulnerable customers ▪ Customer satisfaction exit survey ▪ Housing Appointments undertaken. ▪ On site security presence ▪ Document scanning facility ▪ Travel warrants issued for Crisis Support appointments ▪ Free wifi for Library members

4.2 Resources during the trial

Town Hall Reception

- 1 CSA to respond to calls to main switchboard (201201)

In addition to the CSA who currently manages the visitors to Main Reception and the calls to switchboard, a Team Leader was present to identify and resolve any issues. They also managed and recorded the volume of customers that visited Main Reception as a result of the Torquay Connections being closed.

Brixham Connections

- No CSAs were present.

Customers had use of a free telephone line within the office during the library opening times.

There was a facility for customers to deposit documents for scanning.

Customers who were library members could book the use of a computer. There is a small charge for non library members.

Paignton Library and Information Centre

- 2 Team Leaders

- Scanning Assistant
- 4 CSAs

The staffing level was reduced by 1 FTE during the trial due to the level of demand.

4.3 Communication

Communication - Prior to the start of the trial

A communication plan was undertaken to advise as many members of the public and organisations that the trial was taking place.

The purpose of the communication was to make customers and other organisations aware of the arrangements and facilities in place, to ensure that organisations had the opportunity to raise any issues during the trial and feedback any increase in enquiries that directly related to the closure of Torquay and Brixham Connections.

The following actions were undertaken prior to the commencement of the trial:

- Posters were displayed at Torquay and Brixham Connections advising customers of the alternative methods of contact during the closure.
- Leaflets were available for customers who visited Brixham Library and Main Reception. These detailed the arrangements and provided contact information.
- Torquay and Brixham Job Centre received a supply of the leaflets and staff were informed to ensure that customers were not signposted to either office during the closure.
- Social media and twitter were used to inform customers of the trial and any feedback was captured.
- Our website www.torbay.gov.uk was updated to inform customers of the closure
- A page on the intranet was created enable Torbay Council staff to access information and reports.
- The plasma screen in the window of Torquay Connections was updated
- Council Tax documentation was updated to inform customers of the trial.
- Back office services were informed of the trial and arrangements were put in place to deal with enquiries from Paignton or other locations in Torquay.
- The Community Development Trust communicated the details of the trial to its members.
- All landlords with a portfolio of more than 10 housing benefit claims were written to advising them of the trial.
- 40 other organisations that were identified by staff were also written to advising them of the trial.

Communication - During the trial

During the trial any issues were captured and resolved.

A weekly report was created detailing footfall, issues and feedback from customers visiting Paignton Connections.

A corporate consultation was undertaken between 5 October and 11 November

4.4 Operating model in PLAIC during the trial

Many factors were considered when creating the operating model for the centralised Connections Office, these included:

- Predicting the increase in demand
- Increasing the number of free phones available
- Increasing the number of self serve computers by relocating the computers in Torquay Connections
- Meeting room requirements for Housing
- The increase in customers requiring documents to be scanned
- Ensuring that the Reception desk did not become a pressure point
- Ensuring that Registrars customers were not affected by the trial
- The preferred flow of footfall
- Ensuring customers were signposted to the appropriate facility
- Customers were supported to complete online transactions where appropriate
- Customers with complex enquiries were able to discuss enquiry with a CSA face to face
- Maximising staff resources - staff were able to add capacity to the Call Centre when demand permitted
- Regular reviews of the operating model to resolve any operational issues

Operating model during the trial

Customers were greeted by a member of staff as they entered PLAIC. The nature of their enquiry established. The customer was then advised of the appropriate contact channel and assistance given where required.

Services available

Quick enquiries (Directions, issuing of forms, quick advice that does not require a back office system) - dealt with at this first point of contact

Scanning of documents - the customer hands the documents over and is given a numbered ticket. The customer is advised to wait in the seating area. The Scanning Assistant located in the office scans the document and returns the original documents to the customer.

Freephone - the customer is directed to a free phone to enable them to speak to a CSA in the call centre or contact the appropriate department to resolve their enquiry.

Computers - the customer was directed to a PC to complete the transaction online and given assistance where required.

Appointments - the customer is directed to the Reception to be checked in for a Housing or Registrars appointment. The appropriate officer is informed that they have arrived and the customer is directed to the correct location.

Reception Desk - undertook a range of enquiries:

- Bus Pass applications
- Parking permits
- Parking dispensations
- Overseas Pensions verification
- Appointments (Registrars & Housing) customer was checked in and directed to the correct meeting room
- Radar Keys
- Quick advice that required use of a back office system

Complex enquiries or enquiries not suitable for any other channel - A CSA is taken off Call Centre support to deal with the enquiry.

A CSA was available at all times to support customers.

Security

There was a Security Officer present within the Paignton office during the trial to support all staff.

As the Housing Appointments transferred from Torquay Connections to PLAIC for the duration of the trial, security was required to ensure safety of staff and customers as a number of customers are known to be high risk. During the four week trial there was one incident involving a customer arriving too late for a Housing appointment. The security team managed and resolved the situation.

Security at the Town Hall was maintained by an officer on call who is based within the CCTV office.

5. Trial results and analysis

In order to meet the objectives of the trial the following information has been collected:

1. The increase to the number of calls to the Call Centre
2. The footfall total within Paignton Connections
3. The volume of customers that visited Main Reception Torquay
4. Where customers that visited Main Reception were signposted to
5. The volume of customers that used the free phone facilities in Torquay and Brixham Libraries
6. The volume of documents delivered to the post boxes in Torquay and Brixham and the costs associated with posting these documents back to the customer.

7. Customers visiting Paignton Connections were asked:
 - a. What transport they used to travel to Paignton
 - b. The enquiry type
 - c. Channel used to resolve their enquiry
 - d. Any additional comments that the customer wishes to provide

Call demand to the Call Centre

The table below details the volume of calls to the Call Centre and Main Switchboard for week commencing 28 September 2015 (before the trial started) and the four weeks of the trial. There are normally some fluctuations due to scheduled Council Tax recovery runs and the posting of documents.

Overall, the table demonstrates that there was little increase in demand to the Call Centre or main switchboard during the trial. There was an increase in volume of calls during the week after the trial ended. This was partly due to the issuing of Council Tax recovery documents and Benefits notifications issued during that week.

Date (Week Commencing)	Calls Taken - Call Centre	Calls Taken - Switchboard
28/09/2015 (Week prior to trial)	2476	1484
05/10/2015	2524	1469
12/10/2015	2539	1534
19/10/2015	2416	1402
26/10/2015	2346	1494
02/11/2015 (Week after trial)	2680	1534

Footfall at Paignton Connections

Prior to the trial the average footfall was 500 customers per week. As expected, the footfall increased during the trial. The operating model was designed to accommodate 100% of footfall from Torquay and Brixham travelling to Paignton.

Mondays and Fridays were generally the busiest days during the trial. This is consistent with general demand.

Feedback from customers was gathered and there were no significant queues.

Date (Week Commencing)	Total Weekly Footfall	% Increase
28/09/2015 (Week prior to trial) *	598	N/A
05/10/2015	703	40
12/10/2015	784	56
19/10/2015	738	47
26/10/2015	742	48
02/11/2015 (Week after trial)	529	N/A

* The increased footfall in Paignton may have been customer's perception that Torquay and Brixham Connections were already closed, as the average footfall for these offices was lower than average

Volume of customers at Main Reception Torquay

Prior to the trial any customers were sign posted to Torquay Connections. The volumes of customers that visited Main Reception reduced steadily during the trial.

Customers were signposted to other facilities and consultation forms were promoted during the trial to capture customer opinion.

There were no incidents at Main Reception during the trial that required security.

Week commencing	Total Weekly Footfall
5 October 2015	192
12 October 2015	156
19 October 2015	134
26 October 2015	117

Signposting of customers visiting Main Reception in Torquay (data not collected in the first week of the trial)

The PDG members requested information to identify where customers that visited Main Reception were signposted to.

The majority of customers were signposted to facilities in Torquay (Letterbox, free phone and website) only a small percentage were signposted to PLAIC.

Main Reception Breakdown

Service	Week commencing		
	12/10/2015	19/10/2015	26/10/2015
Town Hall Letterbox	63	58	65
Phone	46	43	27
Website	19	17	12
Paignton Connections	6	4	3
Other Services	22	12	10
Total	156	134	117

Free phone usage during the trial

An additional free phone was installed within Torquay Library to enable customers in Torquay to contact the Council. This facility already existed in Brixham Library.

This facility enabled customers to contact the following services:

1. Housing
2. Highways
3. Planning
4. Parking
5. Registrars
6. Adult Social Care
7. Council Tax
8. Housing Benefits
9. Business Rates
10. Licensing and Community Safety
11. Elections

Use of this facility was greater in Torquay than Brixham. The overall use of this facility was lower than expected. Feedback from Library staff and Brixham Does Care identified that some customers (Particularly in Brixham) were reluctant to use this facility for privacy reasons.

There is a free phone facility in Torquay and Paignton Connections. These have been utilised since the new operating model was introduced and there have been few complaints regarding privacy within the offices.

Week commencing	Torquay Library Freephone	Brixham Library Freephone
5 October 2015	24	13
12 October 2015	36	5
19 October 2015	24	4
26 October 2015	14	1

Documents delivered to the post boxes

Two additional post boxes were created at the Town Hall to enable customers to deposit documents for scanning and Crisis Support applications/documentation. In Brixham a box was available within the Library for customers to deposit documents. Documents were scanned by the corporate scanning team and originals were returned to the customer by post. The additional cost of returning the documents from Torquay and Brixham were recorded to identify the postage charges.

The scanning assistant in Torquay worked in Paignton Connections for the duration of the trial.

Week commencing	Crisis Support Documents	Non Crisis Support Documents in Crisis Support Post Box	Torquay Town Hall Post Box	Brixham Library Post Box
5 October 2015	4	1	125	13
12 October 2015	5	9	143	3
19 October 2015	9	2	142	6
26 October 2015	4	5	134	7
Total	22	17	544	29

Postage

All original documents were returned to the customer.

Location	Documents returned	Postage cost
Torquay	79	£33.21
Brixham	13	£6.51

Paignton Connections Customer Feedback

During the trial 444 Paignton Connections customers completed a questionnaire to identify the following:

Where customers visiting Paignton connections had travelled from

The table below reveals that around a third of customers during the trail travelled from Torquay and a tenth from Brixham. "Other" relates to customers from outside of Torbay.

Area	Volume	% of customers
Torquay	144	32%
Paignton	250	56%
Brixham	42	10%
Other	8	2%

What transport customers used to visit Paignton Connections

Travelling by car was the most popular mode of transport. A third of customers walked to the office.

Mode of transport	Volume	% of customers
Car	195	44%
Bus	98	22%
Walk	147	33%
Cycle	4	1%
Taxi	2	Less than 1%

Train	1	Less than 1%
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What customer's enquiries related to

Benefits, Housing and Council Tax are our highest volume enquiry types. The results reflect the percentage of enquiries prior to the trial. The enquiry types did not change significantly during the trial.

Enquiry Type	Volume	% of customers
Benefits	216	37%
Council Tax	99	17%
Crisis Support	15	15%
Housing	229	39%
Bus Passes	5	1%
Parking	3	1%
Other	21	4%

Customer Services staff collected information on the channels used to resolve all customer enquiries (2967 enquiries)

The operating model enabled customer demand to be spread over a number of contact channels.

Enquiry Channel	Volume	% of customers
Reception/Front Desk	213	7%
Appointments	383	13%
Quick Enquiry	824	27.7%
Pod/Web	202	7%
Telephone	221	7.5%

Scanning	1119	37.7%
CSA Counter	5	0.1%

Volume of customers that visited Paignton Connections that attempted to visit Brixham or Torquay Connections during the trial.

This data not collected in the first week of the trial.

Week commencing	Brixham	Torquay
12 October 2015	10	27
19 October 2015	6	21
26 October 2015	5	20

Other increases in demand

During the trial it was identified that there was an increase in the volume of customers contacting the revenues email address.

Date (Prior to trial)	Volume	Date	Volume	Date	Volume	Date	Volume
28-Sep	50	05-Oct	84	12-Oct	65	19-Oct	73
29-Sep	39	06-Oct	65	13-Oct	55	20-Oct	56
30-Sep	34	07-Oct	66	14-Oct	64	21-Oct	58
01-Oct	53	08-Oct	65	15-Oct	55	22-Oct	54
02-Oct	42	09-Oct	62	16-Oct	49	23-Oct	42

6. Feedback

6.1 Feedback from customers who visited Paignton Connections during the

trial

Customers that completed feedback forms within Paignton were given the opportunity to add any comments. All the comments are listed in Appendix 1.

Key themes were:

Customers received a good service

There were no issues with waiting times

Some customers who would normally have used Torquay or Brixham would have preferred to use an office closer to home.

6.2 Individual feedback from a member of the public

Customer is aware of the good transport links to PLAIC

Customer stated that anyone travelling from Brixham or Torquay to Paignton would incur travelling time.

6.3 Feedback from Torbay Council departments

Housing appointments were undertaken at PLAIC with few issues although some minor alterations would be required if the arrangement became permanent.

Children's services shop had to signpost some customers to alternative facilities

Community Safety Overall the impact has been minimal across the entire department.

Crisis Support - no significant issues but there was a reduction in the number of applications during the trial.

Security - no issues

Library Service - no major issues

6.4 Feedback from Unions

Unison reported that staff had no issues with the trial.

GMB has concerns around the impact of centralising particularly for elderly or vulnerable customers.

6.5 Feedback from other organisations

A number of organisations in Brixham reported an increase in footfall due to the trial. Customers were sign posted to the facilities available in Brixham or to PLAIC.

6.6 Feedback from Corporate Consultation

Public consultation on the budget proposal the permanent closure of the Torquay and Brixham Connections offices.

The Consultation started on 3rd December 2015 and closed on the 4th January 2016.

The proposals were communicated to the Torbay community via local newspaper (Herald Express & Western Morning News), local radio, Twitter and Facebook and were detailed on the Torbay Council website. Emails were sent to key stakeholders and a range of opportunities were provided for people to contribute to the consultation, including a Budget Event held in Paignton. People were also able to send representations via email and post to Torbay Council.

Responses for this proposal were as follows:

Q) Connections:

To close Torquay and Brixham Connections Offices and Centralise the Connections service within the existing office in Paignton Library and Information Centre. Self Service Pods will be provided at Torquay and Brixham Libraries. Customers will still be able to access services via the Customer Contact Centre (telephone) and/or the Council's website.

This proposal is expected to save £76,000.

The Connections Service provides the main point of contact for Torbay Council

Do you support this proposal ?	Number	Percent
Yes	135	54.9%
No	105	42.7%
No answer	6	2.4%
Total	246	100%

7. Financial appraisal

7.1 Financial investment - Capital

The trial has identified that it is possible to centralise in the existing Connections space within PLAIC. Associated costs if the decision is to centralise in PLAIC on a permanent basis are:

Room 5 Ground Floor Paignton Connections.

This room was previously used by the Registrars service that relocated to another room within PLAIC for the duration of the trial. If the room was to be allocated to Housing on a permanent basis they would require the following alterations:

- Removal of the frosted privacy film on the current glass to ensure staff and customers are visible.
- Replace the current door lock to ensure staff safety

Total cost to be identified.

Computers

During the trail the self serve computers were relocated from Torquay to Paignton Connections. Although still functioning they are coming to 'end of life' and require resource from IT on a regular basis. This would be the ideal opportunity to upgrade the existing technology and ensure it is fully functional.

There is also an opportunity to site the same technology within Brixham and Torquay Library.

Initial cost of 10 pods (hosted solution) including broadband in 3 locations (Torquay, Brixham and Paignton), site surveys, installation and software - £25,000

Year 2 onwards broadband networking, extended warranty, maintenance and hosting £7,200 per year.

Exit costs/dilapidation

Torquay Connections, Town Hall - to be identified

7.2 Financial savings - Ongoing plus additional expenditure

Cashable staff savings from centralising the Connections service in one location £76,000.

Potential income from the leasing of the Torquay Connections space: The income would depend on the length of lease and type of occupation.

8. Strategic benefits and dis-benefits

Benefit Title	Type (Tangible, Intangible, Dis-benefit)	Description	Measure/ Other Information
Budget reduction	Tangible	Revenue reduction in Customer Services (£76k)	£76k revenue saving within Customer Services
Potential additional income for the Council	Intangible	Dependant on strategic direction	
Supports the concept of the future development of the Town Hall and surrounding area	Intangible	Supports Local Plan	
Potential Revenue Budget increase in other services: Housing Services Postage	Dis-benefit	Revenue budget increase : Additional postage costs approx £500 per year Additional cost of travel warrants approx £500 per year	Postage costs based on £40 for the trial (4 weeks) Travel warrants issued to enable customers to attend appointments were minimal but additional cost may be incurred if permanent
Additional customer demand to other agencies	Intangible	Organisations particularly in Torquay and Brixham may see an increase in customer demand as a face to face Connections service is no longer available	Would need to be monitored. Feedback from the trial indicates that it is predominantly signposting to Paignton Connections or the facilities

Benefit Title	Type (Tangible, Intangible, Dis-benefit)	Description	Measure/ Other Information
			available within Torquay and Brixham Library
Use of PLAIC	Intangible	PLAIC is a modern community space. Centralising the Connections service in PLAIC compliments the funding bid and the community space ethos of the building. (Community Hub)	Potential to increase the use of other services within PLAIC e.g. coffee shop, Health watch and Library Services
Potential increase in demand to Library Services	Intangible	Increase in the number of customers visiting Torquay and Brixham Library	Would need to be monitored. This was minimal during the trial. Any increase in footfall may result in additional Library membership
Fully integrated customer service	Intangible	Ability in the future to provide a fully integrated customer service from one location, with the potential of this becoming extended into a Community Hub (Including Health, Social Care etc)	Increased coverage of information and advice.
Better use of limited Customer Services staff resources.	Intangible	Customer Services staff resources will be better utilised and shared between the Call Centre and Customer Service Connections Office.	Improved Call Centre response times.
Improved website enabling increased self service facilities for customers irrespective of device used.	Intangible	An improved website and transactional services will enable more of our customers to “self serve”, thus reducing Connections demand on offering a 24/7 service.	Increase in Web usage. Reduced Connections demand

Benefit Title	Type (Tangible, Intangible, Dis-benefit)	Description	Measure/ Other Information
Potential negative impact on some customers – especially vulnerable groups	Dis-Benefit	Self service provision may be provided at satellite locations i.e. Brixham/Torquay, however some customers may need to visit Paignton PLAIC for a face to face visit which may not now be their most convenient location	Customer satisfaction
Opening hours of Torquay & Brixham Library	Dis-benefit	Although facilities for customers will be available in Torquay & Brixham Libraries, both Libraries open half days 2 days a week and therefore customers would not have access to the facilities when the library is closed.	Corporate complaints Increased call demand when facility unavailable
Loss of meeting room space used by partner agencies	Dis-benefit	Agencies such as NHS Depression & Anxiety, Age Uk and Careers Advice currently use meeting rooms in Torquay & Paignton for meetings with clients. Due to the reduction in meeting room due to centralisation this facility will be withdrawn.	Agencies will have to find alternative venues (possibly chargeable)
Meeting rooms	Dis-benefit	No additional meeting room available in Paignton for Customer Services customers as Housing would require meeting rooms 5& 6 Community Safety would need use of a meeting room longer term Registrars will need room 16 PLAIC that was leased by Age UK (Loss of potential income)	

Benefit Title	Type (Tangible, Intangible, Dis-benefit)	Description	Measure/ Other Information
Increased demand on other organisations	Dis-benefit	Customers in Brixham and Torquay may visit other organisations rather than travel to PLAIC.	Customers would require signposting to the PLAIC or other contact channels.

9. Risk Summary

Risk is a major factor to consider during the implementation of any project. Risks can be defined as uncertainty of outcome (whether positive opportunity or negative threat).

PROBABILITY	4 (Probable)	4	8	12	16
	3 (Likely)	3	6	9	12
	2 (Possible)	2	4	6	8
	1 (Unlikely)	1	2	3	4
		1 (Minor)	2 (Moderate)	3 (Significant)	4 (Major)
		IMPACT			

Key - by multiplying the probability score by the impact score a risk score is obtained. The risk score equates to a risk rating:

- 1 to 4 is a low risk (green);
- 6 to 8 is a medium risk (amber);
- 9 to 16 is a high risk (red).

Risk	Proba- bility (1 – 4)	Impact (1 – 4)	Risk Rating (Low, Medium, High)	Controls in place and actions to improve control

Risk	Probability (1 – 4)	Impact (1 – 4)	Risk Rating (Low, Medium, High)	Controls in place and actions to improve control
Paignton Connections design cannot cope with the customer footfall.	1	2	Low	Based on the evidence of the trial, the operating model was successful and the existing Connections office was of sufficient size to accommodate the additional footfall
The demand for “Face to face” enquiries in the long term does not continue to reduce and actually increases.	1	2	Low	Trends established over a long period of time. Technology would assist in responding to the increase in demand.
<p> P S C Q Self Service functions in Torquay & Brixham library are proving difficult to use by our customers without CSA assistance. </p>	1	3	Medium	<p>Customer satisfaction, complaints monitoring and feedback from Library staff.</p> <p>Use of the free phones in Torquay & Brixham Library was minimal during the trial.</p> <p>The new website (December 2015) will enable additional transactions to be undertaken.</p>
Call Centre cannot cope with extra call demand from the new free phones offered in Paignton, Brixham and Torquay library's and from other customers contacting the Call Centre rather than a Connections office visit.	1	2	Low	There was no significant increase in call demand during the trial or the week immediately after the trail.

Risk	Probability (1 – 4)	Impact (1 – 4)	Risk Rating (Low, Medium, High)	Controls in place and actions to improve control
Delays in application processing (particularly Crisis support) may be created due to reduction in distributed scanning facility's currently offered in Torquay; Brixham & Paignton.	1	3	Medium	<p>A post box was introduced at Torquay Town Hall to receive documents and customers in Brixham were able to submit documents within the Library</p> <p>During the trial the number of applications reduced by 20%</p>
Taxi Licensing – appropriate locations for renewals and inspections cannot be found	1	2	Low	<p>Adequate facilities will be provided (December 2015 an on-line taxi licensing system is being introduced)</p>
Housing options/Homelessness – appropriate location for a meeting room located in Torquay is either too expensive or unsuitable for purpose.	2	4	Medium	<p>A suitable meeting room in Torquay is being researched.</p> <p>Only alternative would be to use meeting rooms available in PLAIC which operationally is not effective.</p>
Other agencies may have insufficient capacity to manage any increase in demand that results from the centralisation.	2	2	Low	<p>The trial has identified that some customers are visiting other organisations rather than travel to PLAIC.</p> <p>During the trial these customers were signposted to PLAIC or other contact channels.</p> <p>This may reduce as customers become aware of the new arrangements.</p>

Page 63

Risk	Probability (1 – 4)	Impact (1 – 4)	Risk Rating (Low, Medium, High)	Controls in place and actions to improve control
Customers that did not contact during the trial – might see increase if closed permanently	2	2	Low	<p>The operating model introduced within Paignton Connections has the capacity to deal with an increase in footfall.</p> <p>Crisis Support reported that demand reduced during the trial and increased briefly when the offices reopened.</p> <p>Monitor and react to increases in demand.</p>
Demand at Main Reception may not reduce – Staff resource may need to be allocated to Main Reception until the volume of additional customers seeking Connections service reduces	2	2	Low	<p>During the trial the volume of customers steadily reduced.</p> <p>Monitor and react to increases in demand.</p>

Page 64

10. Conclusion

The evidence from the trial proves that Connections could centralise in Paignton Library and Information Centre within the existing space with minimal additional costs.

Equally, the service could be centralised within Torquay Town Hall (Torquay Connections office). However, this would jeopardise any short term plans for leasing out the current Torquay Connections space or medium-long term plans to redevelop the Town Hall site and adjacent area (Local Plan).

A SWOT analysis was undertaken on all options considered see Appendix 7.

The trial has not revealed any major issues for back office services or partners.

Customer Services would like to take this opportunity to thank everyone for their efforts and support during the trial.

Appendix 1. Feedback from customers who visited Paignton Connections during the trial

- Forced to use phone when need face to face advice, ridiculous
- Great service
- Staff were friendly and helpful
- Very quick response
- Very helpful
- If Brixham and Torquay close and Paignton only is available this will lead to more congestion and impatience in Paignton
- Downloaded documents online & brought in - met at counter and fast/easy. Docs printing now - so I can have them straight back. Ideal as the docs are originals.
- Very friendly helpful staff
- I waited to discuss a Council Tax query on behalf of my 90 year old brother who has sight difficulty. I have lasting power of attorney and this had to be scanned to the office. I find the procedure time consuming and impersonal having to speak on a phone.
- Advisor was very helpful and friendly. Offered me good advice in regards to housing and what I would need to do.
- Excellent service by front desk staff
- A good service
- Had to pay on bus/too early for bus pass
- Very Pleasant staff
- Absolutely wonderful to speak to a tremendous human being. You cannot beat the human touch
- Would rather Torquay Connections back as it is a pain to come to Paignton as sometimes from work don't get time off if busy as I do hotel work and need the hours I can get
- I used the internet online service and then brought the paperwork to the office in person
- Friendly and efficient service thank you
- Having to come from Torquay to show ID documents
- Very fast and efficient
- Don't close Brixham
- Not the best idea in the world put back as was please I am a wheelchair user & I could not get here on my own Brixham is best for me

- Very inconvenient as I live in Torquay
- Dealt with by a very nice polite lady who greeted me when I entered very pleased with the service
- Girls were very helpful
- Quicker the old way
- Today was quick but on other occasions you are waiting for up to 40 mins. Brought document and date and time recorded, hand written letter of evidence in July (JSA for son). Found evidence was not scanned when checked in Oct 15. My account is now in debt.
- OK
- Wouldn't have been able to get here without family
- I always submit info by email other than the occasional need to scan a wage slip, which I leave with reception
- Yes it's a pain having to come to Paignton
- Took too long on the phone waiting
- Very helpful but the Torquay office is a lot easier to access!!
- The support service was excellent
- Useless as much help as you could expect
- It was such a shame that Brixham Connections has been closed down - the bus is expensive and it is very time consuming
- Pleasant and courteous, quick and easy
- Not really a problem but could do with onsite parking
- Fast and sufficient/friendly
- I rather have an office at Torquay more accessible and it's also nice if I am dealing my enquiry at the person in charge
- Details on system did not seem relevant to my change of circumstances so came to Connections to see an advisor. We would prefer to speak to an advisor one to one
- Always very helpful and efficient service :o)

- Nope
- Please continue with the office in Brixham for convenience of the Brixham people as not everyone has transport to get to other office
- I understand if they close Brixham and Torquay as it is financial benefit to have just one office
- Didn't there was a connections in Paignton waste of my fuel
- I'll be glad when the Torquay office is open again its expensive in bus fares to get over here
- Quick and friendly help :o)
- Seen to on arrival
- Very efficiently very friendly
- Very helpful
- Great service thank you
- I am finding it very frustrating being suspended from Housing Benefit every time there is a change of circumstances
- Very quick service
- Happy, helpful staff member. Dealt with needs efficiently
- Assistance was excellent
- Found it difficult getting here on bus as I have 3 small children
- Came into Paignton library
- Staff (Tom) very helpful
- Very friendly
- Can't see an advisor face to face for my enquiry was just asked what query was about and scan items
- Very poor service. I prefer to go to Connections in Torquay and deal with a human being as I always have in the past.
- Being disabled it was quite a trek to have documents photocopied especially as it was pouring with rain
- I live in Plymouth till 31/10/15. I have come here to put my Housing Benefit form for my house in Torbay Paignton
- None
- Very helpful
- Service has been very good very friendly lady Carol has been most helpful
- Very quick and efficient

- No - none - as was just a quick scan for my housing benefit claim in Torquay (Connections closed at Torquay)
- Please keep the Brixham Connections open. It really is handy just to pop in, get things done quicker, plus if you haven't brought all the relevant info you can just come straight back in
- Excellent
- Very distant. Feels like a conveyor belt not good
- Polite, friendly and efficient
- Very informative and helpful thank you
- Much better place than Torquay
- Very helpful
- Quick service very good
- Quick helpful service
- Polite, friendly and helpful

Appendix 2. Individual feedback from a member of the public

When funding is being drastically reduced by the government, it is hard to make drastic decisions about reducing any local service, whatever is cut is bound to affect a section of the local population to some extent.

The Paignton Library Connections office is ideally sited in a ready-made centre-hub for all of Torbay, very conveniently situated opposite Paignton Bus Station, which operates many bus routes throughout The Bay. The Library is also adjacent to the Main Line Railway Station from Torre and Torquay, and the Steam Railway Station from Churston and Kingswear. There are three street-level Car Parks close by, with a multi-story car park in Hyde Road, and the major multi-story car park over the level crossing and adjacent to Lidl's store. On top of this there is also street parking in Torbay Road, Queens Road, and Hyde Road.

Brixham Connections office is just across the road to the Brixham bus terminus, with the most frequent Torbay Bus Service the No.12 to Paignton Bus Station and Library, with a 15 to 20 minute journey time, on a 10 to 12 minute frequency. The same can be said with regard to Torquay Connections office at Castle Circus, which is also served by the main No.12 Bus Service, which is boosted by the additional No.12A service, with normally a 20 minute journey time into Paignton Bus Station, and the Library.

In short, the majority of persons who currently visit either Brixham or Torquay Connections offices could catch a frequent Bus Service into Paignton Bus Station and the Library, there is a pedestrian operated crossing between the Bus Station and Paignton Library, and for those passengers with a Concession Bus Pass there would not be any additional fare to pay. The additional return travelling time by bus, from either Brixham or Torquay current Connections offices into Paignton, would normally be in the region of 45 minutes to one hour.

If and when any future Connections office closures are decided upon, I sincerely hope that at the end of this painful ordeal of draconian cuts to local services, that the situation is reviewed to re-instate any forced closures.

I have been a local resident of Torbay for over 40 years, living in both Paignton and Brixham.

Appendix 3. Feedback from Torbay Council departments

Feedback from School Admissions & Transport Team

Transport has not reported any concerns over the 4 weeks.

The issue I've had is that many parents have ended up going in the CS reception and I've been asked on numerous occasions to go down and speak with them. After speaking with the parents I would then advise the people working on reception that we do not see parents in person and that the parent would need to either call us or go to Connections in Paignton - the problem though is that different people share the reception duties and this message never gets passed on. Also, there have been issues where parents have wanted to pick up a CAF (particularly last week when it was too late to send one in the post). We really do need and value the support from all of the Connections offices.

There were quite a few parents wanting to fill out In-Year and pry to sec forms and also wanting to hand in completed forms and evidence of address, they were not happy bunnies when they were told to go to Paignton. Unfortunately I did not keep any notes on how many this was.

We have had several people calling at the Children's Services reception opposite Electric House asking for advice about School Admissions and Chaperone Licences etc. I personally have asked reception staff there to direct people to Connections in Paignton or to phone us, because it is not acceptable that we should keep going down to reception to deal with people face to face, we do not have the time or the correct reception facilities.

If we are definitely not going to have a Connections then the Children's Services Reception staff need to have a selection of forms that they can hand out and they would need to be trained on which ones are for which situation. People would have to be told to phone us as we cannot come down to their reception on demand to speak with people.

Regarding chaperone licences:

Some people have expressed concern at not being able to deliver original documents for verification. They are extremely reluctant to deposit them in the council post box and are sending through post which means we then have original documents lying around in the office and have to post them back by recorded delivery, with associated time and cost.

Connections Evaluation Report - Community Safety

This report has been compiled to assess the impact on service delivery both positive and negative of the trial closure of the Torquay Connections office in October. It encompasses the impact on the entire Community Safety team including licensing and Housing Options. Both teams have been identified as been most affected by any changes.

General Feedback

Overall the impact has been minimal across the entire department.

- The business support team have not experienced an increase in call
- No impact has been experienced by the ASB, Neighbourhoods or Housing Standards team as the majority of client integrations are done over the phone or in person.
- The licensing team have made alternative arrangements for appointments which have worked, other than that no issues.
- The wider Commercial team have had no issues.
- Generally things have worked for the Housing Options team with some minor operational changes, however some alterations would be required if this was a permanent arrangement. There have also been some specific changes in clients behaviours:
 - There was no reduction in the level of service provided by the team with regards to appointments of which there were 74 per week.
 - There was an increase in the number clients not turning up for appointments. This rose to 35%. On average this is 21%. The reasons behind this are not known, however it is considered with time that this would rectify itself and hence not significant.
 - Very few bus tickets were issues so that clients could access the service. The distribution of the tickets is more problematic than the actual cost associated with them.
 - Operational changes were put in place to reduce the need for clients to attend Paignton to sign paperwork associated with their temporary accommodation. The contract providers of the accommodation have assisted with this.

Departmental Operation Changes:

- Bus tickets will no longer be issued to Housing Options clients to attend appointments.
- New working practices will be established with our temporary accommodation providers to assist with the signing of paperwork, reducing the need for clients to attend appointments.
- Ability for CSA to attend dual interviews.
- Permanent scanning arrangements would need to be put in place as this was of great assistance.
- Regular access to the meeting rooms on the Mez in Torr Hill would be required for licensing appointments.

Risks and suggested mitigation measures identified:

- Housing Options dual interviews are sometimes required due to the level of risk. There is no longer the ability to resource this from the back office in Torquay. The offer of providing CSA staff has been offered to mitigate the risk and is appreciated.
- The largest risk is associated with any permanent move would be around the Housing Options team not being able to accommodate any emergency

appointment due to the inability to move resources from the back office immediately, i.e. 4:30 Friday afternoon. This may impact on the Local Authorities ability to meet its statutory requirement. This is not a daily occurrence, but when required is important. Access to a public facing appointment room in Torquay would mitigate this. It is felt that the Housing Options team would use this emergency appointment room approximately 5 times a week. It would also be useful for the wider department where appointments are required that are often of a contentious nature. Upton Vale House is not an appropriate location.

- Two rooms were utilised by the Housing Options team. Room 6 in Paignton - This is not covered by CCTV. However this will and has been used for low risk meetings. If CCTV could cover this room then that would be advantageous.
- Room 5 (Registers room) due to its locations was a good interview room and it would be requested that this would be required on a permanent basis. However the following requirements would be required:
 - Replace the frosted glass with clear glass so any interview could be observed from a safety perspective.
 - That the maglock on the door be turned off. There had been a number of occasions when clients slammed the door which caused the door to flex due to the lock at the top. There is a significant possibility that it would therefore break.

No significant costs were experienced by the departments and as long as alternative appointment space could be provided would not impact on operational resources to any significant level based on current staffing levels.

Feedback from Customer Services Team Leader

I was based in Paignton for the four week trial period and from a connections point of view it was a big success. The new operating model we adopted in Paignton during the trial worked really well. Customer flow improved; there wasn't any queue build up at the front desk. Customers weren't kept waiting to see an advisor and the pods and free phones were in frequent use. We really pushed the consultation surveys so it will be interesting to see the feedback as verbally we didn't have complaints about the trial closure. We had a lot of comments from customers who thought Paignton was a much nicer environment than the Torquay office.

In Torquay, the office is right by Leonard Stocks and the job centre. It is very open plan and we seem to get more confrontation in there and I personally put that down to the fact that customers have more of an audience and there are often groups of people congregated outside. We didn't have any issues with housing customers during the trial even though they were coming over for their appointments.

The only face to face enquiries we do now are bus pass photos, issue parking permits, RADAR keys and overseas pension verification. We managed to carry out all of these from the front desk in Paignton so were able to keep the other advisors logged on to the

contact centre which helped with call demand.

Library Service

There were no major issues. Staff were able to answer many of the enquiries received, and signpost to the relevant department. At Torquay they felt a bit more information for staff about homeless customers would have been helpful. There were also concerns at Torquay about the telephone that was installed - particularly the noisy and heated conversations (swearing etc) that could be overheard and suggestion that some kind of sound proof booth would be good in terms of privacy and general impact. A few extra bus passes were issued.

Crisis Support

We did have 19.5% reduction in average applications made during the 4 week trial closure of Connections. The Monday that Connections was reopened was particularly busy with 22 applications being made to us on that day alone. The application levels did return to normal for the rest of that week though.

We also found that there was an increase in telephone calls made to our free phone number during the trial. Prior to the trial we received on average 39 calls per week and this increased to 49 per week whilst Connections was closed. This was an increase of just over 20%, with calls returning to the 39 average for the week after Connections opened again.

Although the calls increased, this did not increase the number of applications made to us. I suspect that the reason for this is that we were able to triage the customers and avoid an application being made where it was clear that no award could be made.

We did not have any specific complaints regarding Connections being closed, rather we had more general concerns such as where they could go to make an application. Throughout we advised our customers that it was an online application and this could be completed either at home, on their smartphone, at the Paignton Connections office, in Torquay Library or by visiting a local help agency such as CAB, Coalition of Disabled people or Hele's Angels etc. We also advised them that we would send a copy of our paper form to their support worker if they had one, or they could collect them again from the Paignton Connections office. We did not offer any telephone applications and no applications we completed over the phone with any customers.

We had one issue arise at the Children's Services Shop. Initially we asked that they hold a stock of Paper applications for us so that we could direct our customers there to collect a copy. One of our customers visited the office to do this but wanted the staff there to complete the form for him. He became agitated when they advised him that they could not do this and he was eventually asked to leave. The staff in the CS shop raised concerns with this type of customer being allowed to remain in their shop to complete forms. They advised that they regularly have vulnerable children in their shop to attend meetings etc and it would not be a safe environment for them to be in if our customers are there also.

Following this incident we removed all paper forms from the CS shop and reverted to signposting our customers elsewhere. We had no further incidents raised after this.

The post box worked well for Torquay and we were able to get requested supporting evidence in a timely manner in order to complete our applications. The same could not be said for Brixham though unfortunately.

One case that we had was for daily living expenses (Food, Gas & Electric etc) and the customer was reporting that she did not have sufficient funds to pay for these. The customer had declared that she had unexpected expenditure leaving her with nothing to live on for the next week. We requested bank statements but as she was in Brixham and we were close to our cut off time, she could only deposit them in to the Brixham library scanning box. We made an award based on the information she told us and had to await the bank statements. We received them the next day and found that she did actually receive a payment that same day and had sufficient remaining funds to cover her daily expenses. Had we received the bank statements within our usual timescales, we would not have made an award.

We would usually suggest that the customer take the documents to Paignton Connections, however if we are close to our 13:00 cut off when we request this then the customer would not have time to do this. If this happens on a Friday and we do not make an award then we risk leaving potentially vulnerable customers or children with nothing to live on for 3 days. Due to this we would always have to accept the customers word and make an award anyway, although as above this could lead to awards being made where they are not necessary. It is also not consistent and fair for those customers living in Paignton or Torquay where the supporting evidence would have to be supplied.

This being said though, Brixham is the quietest of the three areas for applications to us, so it would likely be the exception that there is an issue rather than the rule.

We carried out our payments at the CS shop as we used to previously and we experienced no issues with this. We made the payments in pairs as suggested by the Security team and there no issues as a result of this. There could be a potential for an issue with no security presence, however during the length of the scheme we have had no problems so far. During times of annual leave and sickness we may also need members of staff from other service areas to accompany us with payments, to ensure there are still two people present.

Other than the issues outlined above, the impact was not high and we were able to put measures in place to carry on the service with limited hardship to our customers.

Appeals

In appeals there were a few customers who commented about the closure but then the mail box was available to drop documents in and occasions when we would need to see someone in person are extremely rare. I've only seen someone on the counter two or three times in the whole time I have been doing this job. In the main with the exception of a few Dep/RIA, DHP cases it is unusual that we need to turn appeals or DHP cases around the same day and so you would expect less issues with the closure

arrangements for DHP and appeals anyway

Security

In regards to the trial all the security staff were very pleased with how it ran. They felt it ran a lot smoother and easier than it does at Torquay Connections. Staffing levels were much better in PLAIC which helped with customers and delivering the service.

The extra security was provided at the beginning as a preventative measure. It was monitored on a daily basis and discontinued because the situation never developed. This may not be the case if it were a long term solution and extra security was required.

Appendix 4. Feedback from Unions

Feedback from Paul Raybould GMB Torbay Branch Secretary

Having spoken at Overview and Scrutiny on behalf of Low Paid and Retired members of the GMB and other Trade Unions that Torbay and South Devon Trades Union Council on the Call In Procedure. It was of little impact as Councillor Haddock Executive Lead for Himself it appears to many took no notice at all and pressed ahead with the Trail Closures at Torquay and Brixham.

1. The timescale for a Trail Closure is debatable as to short to gain a meaningful analysis - 3 months would show a clearer picture and produce better findings.
2. The use of footfall visits as an accurate measure of Connections visits can be misleading and the actual time spent with each service user differs ,as does the Officer Time spent on each enquiry .Old fashioned time and motion but updated to Time and Value is not being measured in this exercise.
3. There are rumours that the Torquay Connections Office has already been promised to be let to a Commercial Purpose.
4. The original facts of removing a service for the poor elderly, in firmed and sick and make then travel by Taxi, Bus or even walk from TORQUAY or Brixham to Paignton is clearly unfair but merely a cost cutting and Political choice due to Government Grant reductions only to save £76,000 .this can also be added to now as the Council intends to close its Social Fund to ensure less footfall. Times maybe hard but the closure of these premises The council will close both offices in my opinion anyway

Feedback from Clair Quinn Unison Torbay Branch Secretary

Having initially contacting affected members via email asking if they had any concerns or questions they would like to raise regarding the above trial closure. I can confirm that to date, Unison Branch Office members have not raised and concerns.

Overall, general feedback I have received is that appears to be better for members as they were only covering 2 offices (Paignton & Call Centre) instead of 4 (Paignton, Brixham, Torquay & Call Centre) which in some cases has reduced travelling time to and from work and therefore saved on cost.

Appendix 5. Feedback from other organisations

Brixham Does Care reported an average of 3 customers a day contacting them with enquiries relating to the trial. The majority of these were signposted to PLAIC or the facilities in Brixham.

Record of visits by the Members of the Public to Brixham Town Council Offices in relation to Torbay Council Matters following the closure of the Connection Offices

Week: 5th October 2015 to 9th October 2015

Week: 12th October 2015 to 16th October 2015

Date	Enquiry	Time taken
5/10/15	MoP Loose Slabs on Pavements	5 mins
5/10/15	MoP Council Tax Inquiry	5 mins
6/10/15	Grass cutting not being carried out	5 mins
8/10/15	MoP looking for Connections Office	5 mins
8/10/15	MoP (elderly) Problems with Blue Badge (very upset/confused)	15 mins
9/10/15	MoP Council Tax Inquiry	
12/10/15	MoP Fly Tipping and Green Waste issues	10 mins
15/10/15	MoP Bus Pass Renewal (very unhappy customer)	5 mins
15/10/15	MoP Planning and Council Tax advice	5 mins
15/10/15	MoP Parking Ticket	5 mins

These figures are in no way exhaustive, but are produced as an indication of the addition workload faced by officers of Brixham Town Council since the closure of the Brixham Connections Office. Reports have also been received from Brixham Does Care that its workload has increased since the closure of the office.

Appendix 6. Feedback from Corporate Consultation

Consultation Data: Review of Connections Services

1. Review of Connections Services

1.1 Methodology

The consultation was conducted via online and paper surveys which were made available to the general public.

The online survey opened 5th October and closed on 11th November 2015.

39 responses were received.

Paper copies were made available in all of the Connections Offices, Harbour Offices and Torbay Libraries, from 5th October to 11th November 2015. 629 completed questionnaires were returned.

668 responses were received in total.

1.2 Results

The following set of tables show the results from of the “Review of Connections Services” survey.

The percentages in the data tables have been calculated using the overall number of responses received (668) as the denominator unless otherwise stated.

For free text (open ended questions) the responses have been categorised into popular themes with the most frequent listed first. The numbers in brackets indicate the number of responses in that category. Individual comments may be classified under more than one category.

Using the Connections Offices

Q1) How often do you visit the Connections Offices in Torbay?

	Number	Percent
A few times a year	366	54.8%
At least once a month	172	25.7%
Once a week	52	7.8%
No response	35	5.2%
Never	32	4.9%
Every day	11	1.6%
Total	668	100%

Q2) Which Connections office do you currently use most frequently?

	Number	Percent
Paignton	285	42.7%
Brixham	251	37.5%
Torquay	76	11.4%
No response	56	8.4%
Total	668	100%

Q3) Do you ever visit a different Connections office in Torbay?

	Number	Percent
No response	339	50.7%
Paignton	166	24.9%
Brixham	140	21%
Torquay	23	3.4%
Total	668	100%

Q4) What form of travel do you most regularly use when visiting a Connections office?

This is a multi-choice question. 612 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Walk	350	52.3%
Car	200	29.9%
Bus	182	27.2%
Cycle	17	2.5%
Taxi	6	0.8%
Train	4	0.5%

Q5) What services have you used at Connections in the last two years? (Please tick all that apply)?

This is a multi-choice question. 588 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Housing Benefit	440	65.8%
Council Tax /Support	374	55.9%
Bus Passes	115	17.2%
Crisis Support	77	11.5%
Devon Home Choice	70	10.4%
Homelessness Advice	69	10.3%
Parking	54	8%
Other	43	6.4%

	Number	Percent
Planning	36	5.3%
Housing Standards	28	4.1%
Community Safety	17	2.5%
Licensing	10	1.4%
Business Rates	9	1.3%

Other comments provided:

Schools

Beach Huts

Environmental Health

Elections

Tree Cutting

Anti Social Behaviour.

Q6) During recent visits to a Connections office, have you used the self service computers in the office to make your enquiry?

	Number	Percent
Yes	132	19.8%
No	454	67.9%
No response	82	12.3%
Total	668	100%

Q6a) You answered 'Yes', has this given you more confidence to use a computer at home?

This is a multi-choice question. 130 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Yes	51	7.6%
No	36	5.3%
No facility at home	43	6.4%
No response	2	0.2%

Q6b) If you answered No, what are your reasons for not using the computer?

Responses to this question have been categorised into the most popular themes. The numbers in brackets indicate the number of responses within those themes. Individual comments may have been classified and counted under more than one category.

Category	Comments made by respondents
Not experienced using computers (71)	<p>“Lack of 'computer savvy'. No confidence”</p> <p>“Don't know how to work computers”</p> <p>“Do not have a computer and never used a computer”</p>
Prefer to talk to someone (69)	<p>“Prefer face to face communication”</p> <p>“As a disabled person I prefer human contact”</p> <p>“Rather talk to a person.”</p>
Not needed to (49)	<p>“Have never needed to....”</p> <p>“Haven't needed to.”</p> <p>“Only handing in paperwork for scanning.”</p>

Only needed to scan documents (23)	<p>“No need to only come in to scan wage slips.”</p> <p>“I’m bringing in my payslips for scanning.”</p> <p>“Document scanning only”</p>
Have got a computer at home (22)	<p>“Have a home computer”</p> <p>“Have internet at home”</p> <p>“No interest”</p>

Q7) Did you attempt to visit Torquay or Brixham Connections during the trial closure period?

	Number	Percent
Yes	272	40.7%
No	329	49.3%
No response	67	10%
Total	668	100%

Q7a) How did you resolve your enquiry?

This is a multi-choice question. 268 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Connections	128	19.1%
Phone	74	11%
Other	55	8.2%
Web	11	1.6%

Q7b) If you visited Paignton Connections how did you travel?

This is a multi-choice question. 207 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Bus	81	12.1%
Car	76	11.3%
Walk	41	6.1%
Other	7	1%
Cycle	2	0.2%
Train	0	0.0%

Q7c) If you visited Paignton Connections were there any issues in getting to Paignton? Responses to this question have been categorised into the most popular themes. The numbers in brackets indicate the number of responses within those themes. Individual comments may have been classified and counted under more than one category.

Category	Comments made by respondents
None (49)	<p>“No”</p> <p>“None”</p>
Travel (25)	<p>“Cost & travel”</p> <p>“Yes - the bus fare is costly and considerably the financial difficulties I am having making me upset.”</p> <p>“Long bus ride.”</p>
Needed to get a lift (9)	<p>“Yes, I don't drive; I had to get a lift.”</p> <p>“Needed a lift from daughter who came up from Cornwall.”</p> <p>“I could only come over when my husband wasn't at work as I can't drive.”</p>
Lack of parking and parking costs (9)	<p>“Parking / cost of parking twice.”</p> <p>“Parking costs.”</p> <p>“Inconvenient and lack of parking.”</p>

Mobility Issues (4)	<p>“Too far due to disability and pain.”</p> <p>“Lots of issues for someone of limited mobility, when will you lot actually listen to what we tell you.”</p> <p>“Disabled parking is not close by.”</p>
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Section 2: Future customer services facilities

Q8) In the absence of a Connections office in Torquay or Brixham would you travel to a new centralised office at Paignton Library and Information Centre?

	Number	Percent
Yes	318	47.6%
No	157	23.5%
Don't know	119	17.8%
No response	74	11.1%
Total	668	100%

Q9) If a self service computer and a freephone to various council services was available for you to use at a location in Torquay or Brixham, would you use these to make your enquiries?

	Number	Percent
Yes	220	33%
No	193	28.9%
Don't know	188	28.1%
No response	67	10%
Total	668	100%

Q9a) If Yes, what would you use? (Please tick all that apply)

205 people responded to this question but percentages have been calculated of the total number of respondents to the questionnaire (668)

	Number	Percent
Freephones	153	22.9%
Internet	127	19%
Web Chat	32	4.7%

Q10) How likely are you to use each of the following methods of contact with us?

Respondents were asked to choose one answer per method of contact percentages have been calculated using the total number of respondents to this questionnaire (668).

	Very likely		Fairly likely		Not very likely		Never	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
In Person	473	70.8%	91	13.6%	21	3.1%	12	1.7%
Telephone	352	52.6%	169	25.2%	40	5.9%	22	3.2%
Internet	175	26.1%	129	19.3%	122	18.2%	100	14.9%
Postal	161	24.1%	146	21.8%	122	18.2%	74	11.1%
Email	161	24.1%	114	17.0%	126	18.8%	115	17.2%
Text	86	12.8%	76	11.3%	146	21.8%	168	25.1%
Web Chat	38	5.6%	51	7.6%	143	21.4%	226	33.8%

Q11) Would you like to be able to access your council records (e.g. Council Tax, Housing Benefits records) yourself via the internet?

	Number	Percent
Yes	345	51.7%
No	148	22.1%
Don't know	119	17.8%
No response	56	8.4%
Total	668	100%

Q11a) If you answered No, please explain why in the box below:

Responses to this question have been categorised into the most popular themes. The numbers in brackets indicate the number of responses within those themes. Individual comments may have been classified and counted under more than one category.

Category	Comments made by respondents
Security Issues (23)	<p>“Security is a huge feature and your intranet security is poor.”</p> <p>“Security issues.”</p> <p>“Internet can be hacked have you not learnt anything, plus I don't have a computer, sorry not everyone can afford one.”</p>
Do not have a computer or the internet (21)	<p>“No internet.”</p> <p>“Don't use internets have no wish to.”</p> <p>“No computer”</p>
Not confident on computer (21)	<p>“Not very good with computers. Also they are not always accurate.”</p> <p>“Not confident enough on computer.”</p> <p>“Not competent on internet.”</p>

Prefer to speak to somebody (8)	<p>“I would like the personal experience of talking in person, as technology can often be difficult and temperamental (especially for the elderly)”</p> <p>“As before I prefer to see a real person.”</p> <p>“I prefer someone to explain to me face to face as I have difficulty understanding.”</p>
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Q12) If you had to submit documents for scanning which of the following alternative options would you use to provide your information? (Please tick all that apply)

This is a multi-choice question. 566 people responded to this question but percentages have been calculated using the total number of respondents to the questionnaire (668).

	Number	Percent
Visit Paignton Connections	354	52.9%
Deposit documents in a secure box at an office location in Torquay or Brixham, where the originals would be returned by post without charge	180	26.9%
Post via Royal Mail to the Town Hall in Torquay	125	18.7%
Submit documents via a picture / scanned image from your own device	117	17.5%

Q13) Do you support the proposal to centralise the Connections Service at Paignton? (Please tick one box only)

	Number	Percent
Yes	221	33.1%
No	368	55.1%
No response	79	11.8%
Total	668	100%

Respondent Profile

Q14) Gender

	Number	Percent
Male	232	34.7%
Female	365	54.7%
No response	71	10.6%
Total	668	100%

Q15) Age

	Number	Percent
0 – 15	0	0%
16 – 24	61	9%
25 – 34	108	16%
35 – 44	114	17%
45 – 54	117	18%
55 – 64	118	17.6%
65 – 74	73	11.1%
75+	28	4.1%
No response	49	7.3%
Total	668	100%

Q16) Disability – Do you consider yourself to be disabled in any way?

	Number	Percent
Yes	165	24.7%
No	393	58.9%
Don't Know	6	0.9%
No response	104	15.5%
Total	668	100%

159 people responded to this question. Percentages how been calculated out of the total amount of respondents (668).

	Number	Percent
It affects my mobility	103	15.4%
It affects me in another way	62	9.2%
It affects my hearing	27	4%
It affects my vision	16	2.3%

Q17) How would you describe your ethnic origin?

	Number	Percent
White	575	86%
Black or Black British	6	0.8%
Mixed ethnicity	2	0.2%
Chinese	0	0%
Asian or Asian British	3	0.4%
Other	5	0.7%
No response	77	11.5%
Total	668	100%

Q18) Postcode

	Number	Percent
TQ3 (Preston/Paignton)	152	22.8%
TQ1 (Torquay)	136	20.3%
TQ2 (Torquay)	129	19.3%
No response	105	15.7%
TQ5 (Brixham)	80	12%
TQ4 (Paignton)	66	9.9%
Total	668	100%

Appendix 7. – Other Options considered – SWOT Analysis

Three options have been considered, (1,2,3), which have the potential to **achieve savings and maintain service levels** for the delivery of Connections Office functions in Torbay and one option (4.) which will maintain the current service but not realise any cashable savings.

Option 1 - Reduced Opening Hours

Continue to operate from all three locations, reducing the opening hours.

Strengths

- May encourage channel shift where available.
- Retains a Customer Services Connections presence in the three towns.
- Does not impact on elderly or disadvantaged groups
- Possibly more acceptable for customers than centralising in one location

Weaknesses

- Customers may not find the new opening hours convenient
- May cause issues for the Security Team
- All current locations will need to be maintained and staffed but will not be fully utilised.
- Back office services that offer appointments in Connections would have to schedule appointments within the reduced opening hours. This may cause difficulties as back office services would need to amend the number of appointments available.
- Customer confusion from changing the opening hours
- Effort required informing customers of the change.
- Alternative contact channel required when office is not open (this could be access to PC's in libraries). Cost approx 30k
- Difficult to manage staff time and may incur wasted resource through travelling time.
- Library staff in Paignton and Brixham may be required to provide customers who visit when the office is closed details of the opening information.
- In Torquay, customers who find Torquay Connections closed may visit the Main Reception for information.

- Staff rotation/planning would prove difficult and may result in wasted resource.
- It costs more to operate three locations.
- Demand may be unmanageable during the new opening hours.

Opportunities

- May be possible to re-direct some staff resource to the Contact Centre functions (call centre) due to reduction in Connections face to face service.

Threats

- Potential increase in demand when offices are open.
- Torquay Connections meeting rooms may need to remain open to facilitate Housing Appointments and other appointments.
- Reduction in staff hours or different work patterns will impact on staff retention

Savings

Estimate 20k (1 CSA post)

Costs

Approx 30k investment in computer pods is required to provide customers on-line access to Council services when the offices are closed. The location of the computer pods would be identified once the decision is made.

Option 2 - Centralise main Connections Offices in PLAIC.

Paignton Library and Information Centre (PLAIC) would become the central Connections office and Torquay and Brixham Connections would be closed. A trial was undertaken of this option and it was established that it is possible for the Connections service to operate from the current location within PLAIC.

Strengths

- PLAIC is ideally located with good transport links - bus station, train station, parking etc.
- The proposed Connections office space in PLAIC is suitable for the new operating model and additional self service functions
- Centralising in PLAIC supports the concept of a Community hub. Customers can also utilise the other services within PLAIC whilst visiting Connections.
- Would maximise the use of meeting rooms within PLAIC with the potential to add additional meeting rooms if required
- No additional security is required. PLAIC would benefit from the security currently provided within Torquay Connections. Security from the Torquay Connections office would be transferred to PLAIC.
- Maximise the use of Customer Service staff to cover Call centre; Connections office and Town hall reception. Reduced staffing issues relating to staff scheduling due to reduction in office locations..
- Feedback from the trial from customers who used the central service was positive.
- Paignton Library would benefit from a security presence within the building.
- This is a low risk option as the concept of a central office in PLAIC has been proved.
- The Housing Service operated from PLAIC during the trial and had no issues.
- The Housing Service reported that there was no significant increase in the volume of travel warrants issued during the trial.
- Opportunity to generate income from potential lease of Town hall Connections accommodation.

- Could encourage Connections customers to use Library resources.

Weaknesses

- Call Centre and Connections offices would no longer be co-located, so Call Centre staff will not be easily transferrable at short notice to Connections office duties.
- Customers unable to travel to PLAIC will have to choose another contact method. During the trial free phones were installed within Brixham and Torquay Libraries to enable them to contact various departments during the Library opening hours

Opportunities

- Torquay Connections could be leased to generate income
- Promote Channel Shift via new operating model and additional self service capabilities to reduce demand.

Threats

- Public consultation does not support the concept of centralisation.
- It would require a significant communication to notify customers and stakeholders of the changes.
- Customer may contact other organisations for assistance rather than travel to PLAIC. (Feedback from other organisations during the trial identified a low level of increased demand. The majority of these customers were sign posted to other facilities)

Savings

76k staff savings

Costs

Approx 30k investment in computer pods is required to provide customers on-line access to Council services when the offices are closed. The location of the computer pods would be identified once the decision is made.

Option 3 - Centralise main Connections Offices in Torquay.

Torquay Connections office would become the central Connections office and Paignton and Brixham Connections would be closed.

Strengths

- Torquay Connections currently has the highest level of demand out of the three offices
- The Torquay Connections office has 7 meeting rooms
- The majority of Council Staff are based in Torquay. (staff would not have to travel to meet with customers)
- Appointments are currently undertaken with Torquay Connections could continue.
- Connections staff would be located in the same location as the Call centre staff. This would enable some flexibility to manage demand
- Security would continue to support Connections at the current location

Weaknesses

- No trial of centralising in Torquay has been undertaken.
- The potential footfall to a central office in Torquay has not been established and therefore there is a risk that the office may not be suitable as a central location.
- Customers have not been consulted on this option.
- Connections staff currently manage the Reception at PLAIC. It may not be feasible to continue if the Connections Service was withdrawn from Paignton
- Customers unable to travel to Torquay will have to choose another contact method.
- Customers travelling from Brixham would be impacted most.
- No future use for the existing space currently occupied by Connections in PLAIC has been identified.
- A review of the current meeting room requirements in Torquay may result in some partner organisations having to find alternative locations for drop in surgeries.
- No opportunity to explore a potential income stream from leasing the current Torquay Connections space.

- Centralising in Torquay may limit the future opportunities for Torquay Town Hall.

Opportunities

- The space currently occupied in PLAIC and Brixham Library would be available for other uses. Potential income generation.

Threats

- Possible non compliance of the terms of the lottery grant at PLAIC (ie we are not providing a Customer Services function).
- Any change of use within PLAIC e.g. Connections space used by another organisation would need to comply with the lottery conditions.
- Significant communications prior to centralisation would be required. This would include customers and stakeholders
- Public consultation may not support the new approach
- The vacated spaces in PLAIC and Brixham Library may remain unoccupied if it cannot be utilised by other Council departments/organisations
- Potential increase in customer dissatisfaction leading to an increase in the number of complaints if customer demand is not dealt with effectively within Torquay Connections
- Centralising in Torquay may not be achievable by 1st April 2016 as consultation will need to be undertaken.

Savings

76k staff savings

Costs

Approx 30k investment in computer pods is required to provide customers on-line access to Council services when the offices are closed. The location of the computer pods would be identified once the decision is made.

Option 4 – Continue to offer a Connections Service in all three locations

Strengths

- No change to the current service
- Customer will be able to continue to visit an office that is most convenient for them.

Weaknesses

- No savings are achievable from Customer Services budget
- 76k savings will need to be found from an alternative source
- Intelligence and customer feedback gathered will not be utilised
- Operating from three locations may not be financially viable in future years and options 1 – 3 will need to be reconsidered. Customer and partner consultation will need to be undertaken again.
- Channel shift to cheaper channels of communication will be limited
- No opportunity to generate additional income from office space

Opportunities

- To maintain the current service to customers

Threats

- Face to face customer demand may continue to reduce and operating from three locations may become unviable.
- No security presence will be provided in Paignton and Brixham Connections

Savings

None

Costs

An investment of 30k may still be required to upgrade the existing computer pods



Meeting: Priorities & Resources Review Panel

Date: 13 Jan 2016

Wards Affected: All wards

Report Title: Proposed Removal from Revenue Budget of Crisis Support Scheme

Is the decision a key decision? Yes

When does the decision need to be implemented? Part of the 2016/17 Budget setting process in February 2016

Executive Lead Contact Details: Cllr Dave Morris, Executive Lead for Customer Services, 07766650250. Dave.morris@torbay.gov.uk

Supporting Officer Contact Details: Bob Clark – Exec Head Customer Services – 01803 207420 – Bob.clark@torbay.gov.uk

1. Proposal and Introduction

- 1.1 This report provides members with the background of the current Crisis Support Scheme and recommendations from 2016/17.
- 1.2 From April 2013 responsibility to administer the Discretionary Social Fund was passed from the Department for Work and Pensions (DWP) to the Council and funding was made available to administer the scheme.
- 1.3 Torbay was given a non-ring fenced fund of £1.32 million including admin costs to operate the scheme for 13/14 and 14/15. Of this original funding there is approximately £600000 remaining held in reserve.
- 1.4 Since 2015/16 the Government has no longer provided separately identifiable funding for the Council's Local Welfare Assistance Scheme-Crisis Support.
- 1.5 It is proposed to use the remaining £600000 reserve to operate the Crisis Support Scheme from 2016/17 rather than having an annual funding allocation for Crisis Support contained within the Council's Budget.
- 1.6 In conjunction with 1.5, it is also proposed to make changes to the current Crisis Support policy and Scheme to make it more sustainable and to look at removing overlap and common criteria for all Discretionary Welfare funds operated by the Council.

2. Reason for Proposal

- 2.1 The Crisis Support Scheme is a non-statutory provision.

2.2 In the current financial climate difficult decisions have to be made about the funding of non statutory services.

2.3 There is a total of approx. £1.8 million pa (2015/16 budget) in Discretionary Funds operated across the Council which is available to assist vulnerable Local Residents. This is broken down as follows:

Childrens Services Section 17 payments	£138,400 (£191,000 already spent)
DHP – Discretionary Housing Payments	£256,000
Crisis support fund	£312,000
Housing fix-it fund	£44,000
Total	£750,400

Disability Facility Grant (capital) £1,019,667

2.4 There is some overlap in provision from the current individual funding streams which if managed in a different way could better utilise the overall available funding.

2.5 Financially, it is not considered viable to continue to operate the Crisis Support Scheme in its current form. It is felt a more joined up approach with other Discretionary Funds combined with a review of the Crisis Support Scheme will provide for an effective and viable provision ongoing.

2.6 Running the existing scheme from the reserve of £600,000 will give the opportunity for a considered review of the Crisis Support Scheme whilst not impacting on the Council's annual budget.

3. Recommendation(s) / Proposed Decision

3.1 That the current Crisis Support Scheme is run from existing reserves pending a detailed review of the scheme in order to ensure that a financially viable provision is available to vulnerable residents on future.

3.2 That no revenue budget should be allocated to the Crisis Support provision from 2016 with the option to allocate more funds, once reserves have been exhausted (based on current year spending this is likely to be 2-3 years from April 2016).

3.3 A full review of the current scheme should be undertaken and completed in 2016/17 to consider a number of options to sustain a more economical provision which would still provide support to vulnerable residents.

3.4 The Council as a whole will ensure best and most effective use of all of the Discretionary funding schemes through a joined up centralised administration and where possible eligibility criteria.

Appendices

Appendix 1: Supporting Information

Appendix One:

Background Information:

From 1 April 2013 the responsibility to administer the discretionary Social Fund, which consisted of Crisis Loans and Community Care Grants, was transferred from the Department of Works and Pensions (DWP) to the council and funding was made available to administer the scheme.

Local Authorities were encouraged to look at new ways of meeting the needs of local people living in their area, at times of crisis. This provided an opportunity to develop a local scheme, which ensures an appropriate, but not normally direct financial solution for people in crisis. In general cash funding is avoided wherever possible with goods and services being provided instead of cash.

Torbay received £1.32 million to cover funding of its local scheme (The Crisis Support Scheme) for the financial years 13/14 and 14/15 including administration costs. Funding is non-ring fenced. Spending in the first two years has amounted to approximately £700,000.

Spending in the first two years has amounted to approximately £700,000 leaving around £600,000 in reserve from the original funding. This year the fund is expected to spend £220,000. Staff and administration costs are now included in the Revenues and Benefits base budget.

In 2015/16 the Revenue Settlement Grant (RSG) included an undefined amount for Local Welfare Assistance. As funding has never been ring fenced, the Council is not obliged to spend a set figure on the Crisis Support Scheme.

What is the proposal:

This proposal is to reduce the 'Social Fund' budget provision to Nil. There is currently £600k in a reserve, if agreed this reserve could be used to fund this service meaning it could continue for a further 2+ years to allow alternative solutions to be considered.

Further options for consideration:

The Crisis Support Scheme be revised to increase sustainability through new ways of working and use existing resources to maximum effect.

A review of all Discretionary funding schemes administered by the Council be undertaken, with the aim of: removing duplication through centralised monitoring; and where possible establishing common and consistent eligibility criteria for clients to provide cost effective use of the multiple funding streams.

What is the current situation?

The Crisis Support Scheme provides assistance to local people who need urgent assistance in a crisis type situation. The range of assistance covered includes daily living expenses, food and electricity, clothing, removal costs, storage and setting up home costs such as furniture, rent in advance and deposits. Wherever possible goods and services rather than cash are awarded to ensure funds are used for their intended purpose and to maximise available assistance for vulnerable residents.

For the first two financial years of the scheme the average annual spending (excluding admin costs) has been £273,000. Awards made are in the form of non-repayable grants. The Council does not currently offer Crisis Support Loans.

In the first 7 months of 2015, there were 1332 applications received of which 476 were approved resulting in a spend of £126,000. The predicted annual claim number for 2015/16 of approximately 2300 represents a significant downturn compared with an annual number of applications in 2014/2015 of 3200.

Item	Crisis Support Annual spend by year in £'s			
	2013	2014	2015 to 31/10/2015	2015 pro rata estimated annual spend
Rent deposits	31632.14	78247.06	34248.76	58712.16
Furniture and White Goods	90451.81	79956.14	33977.50	58247.14
Rent in Advance	77324.79	84922.20	33383.02	57228.03
Daily Living Expenses (food Gas and Electric)	32589.33	32855.50	13593.00	23302.29
Removals	13491.34	14043.60	9219.00	15804
Carpets and curtains	660	1798	744.00	1275.43
Travel	2025.83	1479	495.00	848.57
Storage	40	351.95	476.22	816.38
Clothing	3277.50	795	230	394.29
TOTAL Spend	251492.74	294448.45	126366.50	216628.29

Table 1: Breakdown of Crisis Support spending from April 2013 to date.

As can be seen from the table above around £120,000 (2015/16) per annum is spent on rent in advance and rent deposits from the Crisis Support fund.

The Council also pays cash deposits and rent in advance from the Discretionary Housing Payment Scheme (DHP). This equates to approximately £141,000 per annum and just under half of this figure would relate to deposits.

DHP is a ring fenced pot of money provided by Central Government to provide assistance to those receiving Housing Benefit with "accommodation associated costs", eligible items including deposits, rent in advance and assistance with ongoing rent shortfalls.

Assistance is also provided through Housing Options to clients that approach the service direct as they are in need at risk or have lost their accommodation. The 'fix it fund' operates under eligibility criteria and also assists the local authority in preventing homelessness and hence reducing its temporary accommodation costs.

Support is also provided to clients through other mechanisms including Section 17 awards through Children's Services, although this is minimal. A breakdown of the expenditure across services is provided in the table below.

Payments from 14/15	Budget allocation	Actual Spend	Deposits only (£)	Rent in advance (£)	Fees (£)	Household (£)	Food/Daily Living Expenses
DHP	393,863	392,189	102,965	121,075	-	-	-
Crisis Support	552,980	294,267	78,247	84,922	-	98,243	32,855
Housing Options (Fix It Fund)	44,000	54,200	29,268	22,764	-	1,436	-
HO Reclaimed through DHP	-	-	14,758	14,758	-	-	-
Children's Services	128000	108775	780	780	383	4,861	-
Total	1,118,843	849,431	226,018	244,299	383	104,540	32,855

Table 2: Expenditure across departments for 2014/15

The Crisis Support Scheme is a **non-statutory provision**. In view of current financial pressures and with further spending cuts to come in future years the Crisis Support Scheme has been identified as an area where it would be prudent to reduce spending.

Options Appraisal:

Option 1: Continue with the current Scheme and funding

Based on current 2015 expenditure, this would require annual funding of circa £220,000 with effect from approximately April 2020 if the £600K reserves were exhausted before additional annual funding were input.

Reasons why this option should not be pursued at this stage:

- The required level of ongoing annual funding is no longer affordable and if continued it is likely that other provisions would need to be sacrificed in order for the Council to find the required monies to support the Crisis Support Scheme.
- This would not meet the budget savings proposed.

Option 2: Operate the current scheme from within existing reserves without ongoing annual funding from 2016/17

Without ongoing funding this would mean the scheme would have a finite life span. Based on current 2015 expenditure this would operate for a further 3 years approximately.

Reasons why this option should not be pursued at this stage:

- If ongoing funding is to be restricted or removed it would serve the public better to review spending and scheme criteria to protect the availability of the provision for as long as possible.
- Pursuing this option would mean that the scheme would end with effect from April 2019 as reserves would be exhausted by then based on current spending levels.

Option 3: To alter the criteria for Crisis Support applications, remove annual funding and operate the scheme using the reserves of £600K

As part of this proposal, a package of cost effective alternative provisions has been developed to enable the Council to provide support to those most in need in the future, with the intention of recycling funds. These options are outlined below.

Proposed alterations:

- (a) To replace cash deposits with an enhanced bond deposit scheme for landlords
- (b) Provision of a loan scheme through the local Credit Union to replace grant awards for all items except Daily Living expenses
- (c) Review of all Discretionary Funds operated by the Council to avoid duplication and ensure cost effective use of funds
- (d) Retain a grant provision to meet daily living expense needs (food, gas and electric) and rent in advance.

Option 3(a) Landlord Bond Deposit Scheme

The largest proportion of Crisis Support fund, 55% is spent on housing related applications, i.e. housing deposits and rent in advance. Hence options have been explored to meet this need more cost effectively.

Housing Options currently operates a Deposit Bond Scheme. At its height it provided 177 Bonds to landlords. However following the introduction of the availability of DHP's and Crisis Support for cash deposits, which provided a readily available cash alternative for landlords without assessment by the local authority on the condition of the property, there has been a significant decline in bond take up. As a result there are now only 20 live bonds.

The basis of the Bond Scheme is that the Council provides a deposit indemnity to the landlord for a finite period. In contrast to Crisis Support and Discretionary Housing Payment Deposit payments, **no money is given to the landlord unless the landlord claims against the bond** when the tenancy has come to an end whilst the bond is active. Historically the claim rate against the bond scheme has been 15%.

Consultation has been undertaken with landlords and landlords associations in the area to see how the scheme could be developed and their reaction to the removal of cash deposits. A number of alterations have therefore been proposed that additionally help the local authority discharge its housing duty into the private rented sector.

A full business case for the provision of a bond scheme, removing the option for clients and landlords to obtain cash deposits from both Crisis Support and DHP has been developed. This also covers a risk appraisal and suggested mitigation measures. Based on current demand it is projected that there is the market for 415 applications for bonds.

To underwrite the deposit a one off contribution to the bond reserve would be required of £31,000 based on a conservative estimate of 20% claim rate.

It would also require 1FTE to develop and administer the scheme and to reduce financial liability to the local authority.

Based on current expenditure levels and proposed savings an enhanced bond scheme for deposits **could extend the current funding by approximately 1 year.**

Benefits of single Bond Scheme access for deposits:

- Overall estimated saving based on 2014/15 expenditure of £226,018 across all funds including DHP. Cashable savings would equate to £107,000 (Crisis Support and Housing options deposit spend table 2) as DHP funds are ring fenced.
- Ability to discharge liability into the private rented sector, meeting statutory requirements.
- Better integration across services to identify further opportunities
- Improved accommodation standards in Torbay
- Retention of ability to assist those most at need in a more cost effective way

Some of the implications of this option are:

- Removal of support to the most vulnerable in the community when existing Crisis Support resources run out if no further funding is provided.
- Potential transfer of costs to other areas such as Discretionary Housing Payments, Housing Options and Children's Services (Section 17 Payments). However if this option were put into practice it is advised that access to deposits across all service areas would only be provided through the bond scheme.
- Mitigation measures have been included in the full business report. If the bond is not taken up by landlords the biggest pressure would be upon Housing Options with regards to increasing pressure on temporary accommodation provision.

Option 3b - Offer Loans as a partial replacement to the current Grants Scheme.

Prior to the introduction of Crisis Support Scheme, a combination of loans and grants were offered. Funds were administered by the DWP who had statutory powers to recover loans from a claimant's ongoing state benefit entitlement at source, resulting in cost effective high recovery rates. In contrast the Council has no such powers of recovery.

Research has indicated that local authority recovery rates can vary from 10-80% depending on the mechanism used. The most successful are those that utilise Local Credit Unions to facilitate payment and recovery of loans. Such schemes can therefore be financially sustainable subject to working with a local credit union to maximise recovery rates.

Same day payments are currently not available through Torbay's local Credit Union, Plough and Share. This means that due to their urgent nature, Daily Living Expense awards could not be provided through a loan.

It would therefore be more appropriate to offer a loan option for larger items such as furniture, white goods and removals.

Rent in advance would also be retained as a grant option initially due to the need for fast turnaround times of payments to secure accommodation.

Costing of a Loan Scheme

Plough and Share are keen to work with the Local Authority, with administration costs per loan in the region of £35. Admin costs cover Plough and Share normal recovery processes of letters, texts phone calls etc. Based on 2015/16 demand of 214 awards pa, the administration charge would be £7.5k per annum on a £76K loan base. Assuming a conservative 50% recovery rate, this would save £30500 per annum (50% of £76,000 less £7500 admin costs).

Loan amounts would be based on second hand furniture prices from Anode/refurnish which are much cheaper than new. It would appear based on the information available that working with Plough and Share to provide loans for, furniture, white goods, removals and storage is a viable option and one that could increase the financial sustainability of the Crisis Support scheme.

Operating a loan scheme would save approximately 17% of the Crisis support budget each year. This would extend the scheme by 0.7 years as a standalone option.

Reasons for implementing a loan scheme

- Increased future sustainability of the scheme if recovery of loans is successful
- Lower cost to the Local Authority but again only if recovery rates are high
- If operated in conjunction with a credit union would give access to budgeting and money advice, budgeting tools through a jam jar type account and future financial inclusion/independence for vulnerable residents.

Implications of this Option

- Figures from sample Local Authority operating in house recovery shows recovery rates very low to the point where a loan system would have very little or no cost saving benefits to the Local Authority. In house recovery would not appear viable on that basis.
- Adding to the debt of vulnerable applicants who may already be in financial hardship.
- Should recovery rates be poor, savings to the Local Authority would be reduced.
- Potential for cost shunt to other service areas such as Childrens Services Section 17 budget and Housing Services who may have a duty to provide funding if the applicant does not take the loan option for any reason. This could occur for example with homeless families needing furniture and white goods to enable a move into permanent accommodation from temporary accommodation.
- Offering second hand under the current grant only system is less controversial (aids local recycling, keeps costs down protecting funds and goods are “free” to the claimant as awards are not repayable). If a loan system were operated instead, the claimant is effectively paying for the goods. It could be seen as controversial to restrict choice under a loan scheme.

Option 3c- Review of all discretionary funding provisions provided by the Council to avoid duplication and provide consistency, ensuring cost effective use of all funding streams

It is considered that a more joined up approach for access to all of the Council’s Discretionary funding streams is vital to preserve support available to vulnerable residents and ensure that the provision is an economically viable option for the Council. Support is currently provided through 4 different sources totalling £750,400 per annum (2015/16). There is currently only limited informal cross referencing to see if the same individual has applied for each fund and qualifying criteria for the individual funds are sometimes inconsistent.

Option 3d- Retain a grant option covering emergency daily living expenses and rent in advance

Arguably the need for daily living expenses is the most essential and immediate need which is met through the Crisis Support Scheme. Based on first 6 months of 2015-16 as detailed in question 2 above this would have an annual cost of approximately £24K per annum.

Daily Living awards cover food, gas and electricity. Food is provided through a food parcel package in partnership with our local food bank, Anode.

Same day payments are considered necessary and are currently offered in these cases, for applications made and completed before the daily cut off time. Same day payments are not currently possible through the local credit union which means a loan option for daily living expenses is not viable.

It is also felt that providing food parcels rather than cash provides a cost effective way of ensuring awards are used for their intended purpose whilst supporting the food bank provision in the wider community as the Crisis Support Scheme makes payment for food parcels provided by Anode.

Rent in advance would also be retained as a grant option initially due to the need for fast turnaround times of payments to secure accommodation.

Summary:

Based on implementing both a bond deposit scheme and the introduction of loans for household items it is estimated that it would reduce the annual expenditure from Crisis Support by 43%. This would result in an extension of the lifespan of the existing £600k reserves from 3 to 5 years.

Option 4: Cease the Crisis Support Scheme from April 2016, reserves of £600K to be redistributed

If this option was taken up then there are limited alternative funding sources available including Budgeting loans from the Job Centre and Plough and Share Loans. Most alternatives have restrictive eligibility criteria which many Crisis Support applicants would not satisfy.

Reasons why this option should not be considered at this time:

- Lack of any access to assistance with immediate needs such as food, gas and electricity creating a risk to health and well being of vulnerable residents.
- Added pressure on Local Food Bank who currently receive funding from the Crisis Support Scheme and may struggle to continue to provide a service without that funding. Consultation with the food bank would need to be undertaken.
- Cost shunt to Housing Options Temporary Accommodation budget. Without the provision of obtaining alternative means of accommodation through the private rented sector independently it is anticipated that more individuals would look to Housing Options for this assistance.
- Potential that vulnerable people would resort to pay day loans and loan sharks creating unmanageable debts and worsening their situation in the long term

Officer View

In support of adopting Option 3 as a means of achieving the required budget savings whilst maximising the lifespan of the scheme using the existing reserve pot.

What are the financial and legal implications of the options currently outlined?:

- Requirement for estimated 1FTE to administer the Bond Scheme intended to be covered from existing Crisis Support staff resource.
- Complete removal without the bond scheme will cost shunt – likely to result in an increase in homeless applications. An estimate would be *potential increase in homeless applications to Housing Options of 25% and increased cost on temporary accommodation budget.*
- Loan scheme admin costs of circa £35 per loan
- Removal of Crisis Support scheme as well as impacting on Housing Options and other service areas may leave vulnerable residents without options for financial help in crisis situations.

What are the risks of the options currently outlined?:

- Increase in homeless applications to the local authority should the Crisis Support Scheme be ended or in the case of an implemented Bond Scheme if the bond was not widely accepted by landlords.
- If significant changes are not made to the Crisis Support scheme and current spending levels continued on an ongoing basis, there would be a requirement of £200000 approx per annum funding plus staff costs for what is a non-statutory service. This would mean that the savings would need to be made elsewhere.

- Removal of the service is likely to mean significant cost shunts to other service areas which may mean cutting the service would result in minimal overall saving to the Local Authority
- The Crisis Support Scheme provides support to local residents in crisis type situations. Removal of the scheme could result in vulnerable residents being unable to access support in such situations. However, there has been a year on year decline in application numbers since April 2013, perhaps indicative of improvements to the Local economy recently.

DRAFT - Supporting Information and Impact Assessment

Service / Policy:	Social Fund
Executive Lead:	Cllr Morris
Director / Assistant Director:	Fran Hughes

Version:	2	Date:	January 2016	Author:	Bob Clark
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Section 1: Background Information

1.	<p>What is the proposal / issue?</p> <p>This proposal is to reduce the 'Social Fund' budget provision to Nil. There is currently £600k in a reserve, if agreed this reserve could be used to fund this service meaning it could continue for a at least 2 years to allow alternative solutions to be considered.</p> <p>This will mean withdrawing the annual revenue contribution of £312,000 to the Social Fund and over a number of years depleting the £600k reserve to Nil.</p> <p>The Social Fund (Crisis Support Scheme) is a non-statutory scheme.</p> <p>The Social Fund currently consists of Crisis Loans and Community Care Grants. The Social Fund Scheme provides assistance to local people who need urgent assistance in a crisis type situation. The range of assistance covered includes daily living expenses, food and electricity, clothing, removal costs, storage and setting up home costs such as furniture, rent in advance and deposits.</p>
2.	<p>What is the current situation?</p> <p>As outlined above the Crisis Support Scheme provides assistance to local people who need urgent assistance in a crisis type situation. The range of assistance covered includes daily living expenses, food and electricity, clothing, removal costs, storage and setting up home costs such as furniture, rent in advance and deposits.</p> <p>The Crisis Support Scheme is a non-statutory provision. In view of current financial pressures and with further spending cuts to come in future years the Crisis Support Scheme has been identified as an area to investigate alternative methods of provision.</p>

3.

What options have been considered?

This proposal is to reduce the 'Social Fund' budget provision to Nil. There is currently £600k in a reserve, if agreed this reserve could be used to fund this service meaning it could continue for at least 2 years to allow alternative solutions/options to be considered.

Since the proposal was established some further options work has been undertaken by officers at the request of the Priorities and Resources Panel as follows:

Option 1: Continue with the current Scheme and funding

Based on current 2015 expenditure, this would require annual funding of circa £220,000 with effect from approximately April 2020 if the £600K reserves were exhausted before additional annual funding were input.

Option 2: Operate the current scheme from within existing reserves without ongoing annual funding from 2016/17

Without ongoing funding this would mean the scheme would have a finite life span. Based on current 2015 expenditure this would operate for a at least 2 years.

Option 3: To alter the criteria for Crisis Support applications, remove annual funding and operate the scheme using the reserves of £600K

As part of this proposal, a package of cost effective alternative provisions would be developed to enable the Council to provide support to those most in need in the future, with the intention of recycling funds. These options are outlined below.

Proposed alterations:

- (a) To replace cash deposits with an enhanced bond deposit scheme for landlords
- (b) Provision of a loan scheme through the local Credit Union to replace grant awards for all items except Daily Living expenses
- (c) Review of all Discretionary Funds operated by the Council to avoid duplication and ensure cost effective use of funds
- (d) Retain a grant provision to meet daily living expense needs (food, gas and electric) and rent in advance.

Option 3(a) Landlord Bond Deposit Scheme

The largest proposition of Crisis Support fund (55%) is spent on housing related applications, i.e. housing deposits and rent in advance. Hence options have been explored to meet this need more cost effectively.

Housing Options currently operates a Deposit Bond Scheme. At its height it provided 177 Bonds to landlords. . However following the introduction of the availability of Discretionary Housing Payment's (DHPs) and Crisis Support for cash deposits, which provided a readily available cash alternative for landlords without assessment by the local authority on the condition of the property, there has been a significant decline in bond take up. As a result there are now only 20 live bonds.

The basis of the Bond Scheme is that the Council provides a deposit indemnity to the landlord for a finite period. In contrast to Crisis Support and Discretionary Housing Payment Deposit payments, **no money is given to the landlord unless the landlord claims against the bond** when the tenancy has come to an end whilst the bond is active. Historically the claim rate against the bond scheme has been 15%.

Consultation has been undertaken with landlords and landlords associations in the area to see how the scheme could be developed and their reaction to the removal of cash deposits. A number of alterations have therefore been proposed that additionally help the local authority discharge its housing duty into the private rented sector.

A full business case for the provision of a bond scheme, removing the option for clients and landlords to obtain cash deposits from both Crisis Support and DHP has been developed. This also covers a risk appraisal and suggested mitigation measures. Based on current demand it is projected that there is the market for 415 applications for bonds.

To underwrite the scheme a one off contribution to the bond reserve would be required of £31,000 based on a conservative estimate of 20% claim rate.

It would also require 1FTE to develop and administer the scheme and to reduce financial liability to the local authority.

Based on current expenditure levels and proposed savings an enhanced bond scheme for deposits **could extend the current funding by approximately 1 year.**

Benefits of single Bond Scheme access for deposits:

- Overall estimated saving based on 2014/15 expenditure of £226,018 across all funds including DHP. Cashable savings would equate to £107,000 (Crisis Support and Housing options deposit spend table 2) as DHP funds are ring fenced.
- Ability to discharge liability into the private rented sector, meeting statutory requirements.
- Better integration across services to identify further opportunities
- Improved accommodation standards in Torbay
- Retention of ability to assist those most at need in a more cost effective way

Some of the implications of this option are:

- Removal of support to the most vulnerable in the community when existing Crisis Support resources run out if no further funding is provided.
- Potential transfer of costs to other areas such as Discretionary Housing Payments, Housing Options and Children's Services (Section 17 Payments). However if this option were put into practice it is advised that access to deposits across all service areas would only be provided through the bond scheme.
- Mitigation measures have been included in the full business report. If the bond is not taken up by landlords the biggest pressure would be upon Housing Options with regards to increasing pressure on temporary accommodation provision.

Option 3b - Offer Loans as a partial replacement to the current Grants Scheme.

Prior to the introduction of Crisis Support Scheme, a combination of loans and grants were offered. Funds were administered by the DWP who had statutory powers to recover loans from a claimant's ongoing state benefit entitlement at source, resulting in cost effective high recovery rates. In contrast the Council has no such powers of recovery.

Research has indicated that local authority recovery rates can vary from 10-80% depending on the mechanism used. The most successful are those that utilise Local Credit Unions to facilitate payment and recovery of loans. Such schemes can therefore be financially sustainable subject to working with a local credit union to maximise recovery rates.

Same day payments are currently not available through Torbay's local Credit Union, Plough and Share. This means that due to their urgent nature Daily Living Expense awards could not be provided through a loan.

It would therefore be more appropriate to offer a loan option for larger items such as furniture, white goods and removals.

Rent in advance would also be retained as a grant option initially due to the need for fast turnaround times of payments to secure accommodation.

Costing of a Loan Scheme

Plough and Share are keen to work with the Local Authority, with administration costs per loan in the region of £35. Admin costs cover Plough and Share normal recovery processes of letters, texts phone calls etc. Based on 2015/16 demand of 214 awards pa, the administration charge would be £7.5k per annum on a £76K loan base. Assuming a conservative 50% recovery rate, this would save £30500 per annum (50% of £76,000 less £7500 admin costs).

Loan amounts would be based on second hand furniture prices from Anode/refurnish which are much cheaper than new. It would appear based on the information available that working with Plough and Share to provide loans for, furniture, white goods, removals and storage is a viable option and one that could increase the financial sustainability of the Crisis Support scheme.

Operating a loan scheme would save approximately 17% of the Crisis support budget each year. This would extend the scheme by 0.7

years as a standalone option.

Reasons for implementing a loan scheme

- Increased future sustainability of the scheme if recovery of loans is successful
- Lower cost to the Local Authority but again only if recovery rates are high
- If operated in conjunction with a credit union would give access to budgeting and money advice, budgeting tools through a jam jar type account and future financial inclusion/independence for vulnerable residents.

Implications of this Option

- Figures from sample Local Authority operating in house recovery shows recovery rates very low to the point where a loan system would have very little or no cost saving benefits to the Local Authority. In house recovery would not appear viable on that basis.
- Adding to the debt of vulnerable applicants who may already be in financial hardship.
- Should recovery rates be poor, savings to the Local Authority would be reduced.
- Potential for cost shunt to other service areas such as Childrens Services Section 17 budget and Housing Services who may have a duty to provide funding if the applicant does not take the loan option for any reason. This could occur for example with homeless families needing furniture and white goods to enable a move into permanent accommodation from temporary accommodation.
- Offering second hand under the current grant only system is less controversial (aids local recycling, keeps costs down protecting funds and goods are “free” to the claimant as awards are not repayable). If a loan system were operated instead, the claimant is effectively paying for the goods. It could be seen as controversial to restrict choice under a loan scheme.

Option 3c- Review of all discretionary funding provisions provided by the Council to avoid duplication and provide consistency, ensuring cost effective use of all funding streams

It is considered that a more joined up approach for access to all of the Council’s Discretionary funding streams is vital to preserve support available to vulnerable residents and ensure that the provision is an economically viable option for the Council. Support is currently provided through 4 different sources totalling £750,400 per annum (2015/16). There is currently only limited informal cross referencing to see if the same individual has applied for each fund and qualifying criteria for the individual funds are sometimes inconsistent.

Option 3d- Retain a grant option covering emergency daily living expenses and rent in advance

Arguably the need for daily living expenses is the most essential and immediate need which is met through the Crisis Support Scheme. Based on first 6 months of 2015-16 as detailed in question 2 above this would have an annual cost of approximately £24K per annum.

	<p>Daily Living awards cover food, gas and electricity. Food is provided through a food parcel package in partnership with our local food bank, Anode.</p> <p>Same day payments are considered necessary and are currently offered in these cases, for applications made and completed before the daily cut off time. Same day payments are not currently possible through the local credit union which means a loan option for daily living expenses is not viable.</p> <p>It is also felt that providing food parcels rather than cash provides a cost effective way of ensuring awards are used for their intended purpose whilst supporting the food bank provision in the wider community as the Crisis Support Scheme makes payment for food parcels provided by Anode.</p> <p>Rent in advance would also be retained as a grant option initially due to the need for fast turnaround times of payments to secure accommodation.</p> <p>Summary: Based on implementing both a bond deposit scheme and the introduction of loans for household items it is estimated that it would reduce the annual expenditure from Crisis Support by 43%. This would result in an extension of the lifespan of the existing £600k reserves from 3 to 5 years.</p> <p><u>Option 4: Cease the Crisis Support Scheme from April 2016, reserves of £600K to be redistributed</u></p> <p>If this option was taken up then there are limited alternative funding sources available including Budgeting loans from the Job Centre and Plough and Share Loans. Most alternatives have restrictive eligibility criteria which many Crisis Support applicants would not satisfy.</p>
4.	<p>How does this proposal support the ambitions and principles of the Corporate Plan 2015-19?</p> <ul style="list-style-type: none"> • Using limited resources to best effect • Integrated and Joined up approach
5.	<p>Who will be affected by this proposal and who do you need to consult with?</p> <p>External:</p> <ul style="list-style-type: none"> • Torbay Landlords • Residents of Torbay • Voluntary Sector as representatives of more vulnerable residents more likely to access the Crisis Support Scheme • Anode, Refurnish charitable organisations who provide services under the Crisis Support Scheme

	<p>Internal:</p> <ul style="list-style-type: none"> • Revenues and Benefits, Housing Options, Housing Standards, Children's Services
6.	<p>How will you propose to consult?</p> <p>Consultation on the proposal to reduce the 'Social Fund' budget provision to Nil and fund the service for 16/17 and 17/18 using the £600k, allowing alternative options to be considered has been undertaken as part of the general budget consultation – please see section 11 for the results of this.</p>
Section 2: Implications and Impact Assessment	
7.	<p>What are the financial and legal implications?</p> <p>The Crisis Support Scheme is a non-statutory provision</p>
8.	<p>What are the risks?</p> <ul style="list-style-type: none"> • Increase in homeless applications to the local authority should the Crisis Support Scheme be ended or in the case of an implemented Bond Scheme if the bond was not widely accepted by landlords. • If significant changes are not made to the Crisis Support scheme and current spending levels continued on an ongoing basis, there would be a requirement of £200,000 approx per annum funding plus staff costs for what is a non-statutory service. • Removal of the service has the potential to mean cost shunts to other service areas • The Crisis Support Scheme provides support to local residents in crisis type situations. Removal of the scheme could result in vulnerable residents being unable to access support in such situations. However, there has been a year on year decline in application numbers since April 2013, perhaps indicative of improvements to the Local economy recently.
9.	Public Services Value (Social Value) Act 2012

	N/A
10.	<p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>The Crisis Support Scheme provides assistance to local people who need urgent assistance in a crisis type situation. The range of assistance covered includes daily living expenses, food and electricity, clothing, removal costs, storage and setting up home costs such as furniture, rent in advance and deposits. Wherever possible goods and services rather than cash are awarded to ensure funds are used for their intended purpose and to maximise available assistance for vulnerable residents.</p> <p>For the first two financial years of the scheme the average annual spending (excluding admin costs) has been £273,000. Awards made are in the form of non-repayable grants. The Council does not currently offer Crisis Support Loans.</p> <p>In the first 7 months of 2015, there were 1332 applications received of which 476 were approved resulting in a spend of £126,000. The predicted annual claim number for 2015/16 of approximately 2300 represents a significant downturn compared with an annual number of applications in 2014/2015 of 3200.</p> <p>Around £120,000 (2015/16) per annum is spent on rent in advance and rent deposits from the Crisis Support fund.</p> <p>The Council also pays cash deposits and rent in advance from the Discretionary Housing Payment Scheme (DHP). This equates to approximately £141,000 per annum and just under half of this figure would relate to deposits.</p>
11.	<p>What are key findings from the consultation you have carried out?</p> <p>Public consultation on the budget proposals started on 6th November 2015 and closed on the 4th January 2016. The proposals were communicated to the Torbay community via local newspaper (Herald Express & Western Morning News), local radio, Twitter and Facebook and were detailed on the Torbay Council website. Emails were sent to key stakeholders and a range of opportunities were provided for people to contribute to the consultation, including a Budget Event held in Paignton. People were also able to send representations via email and post to Torbay Council.</p> <p>Responses for this proposal were as follows:</p> <p>Q) Social Fund:</p>

To reduce the Social Fund budget provision to nil.

This proposal is expected to save £312,000.

The Social Fund Scheme currently provides assistance in a crisis type situation i.e. the issuing of Crisis Loans and Community Care Grants.

Do you support this proposal?	Number	Percent
Yes	376	52.9%
No	311	43.8%
No answer	24	3.3
Total	711	100%

12. Amendments to Proposal / Mitigating Actions

None at this stage.

Equality Impacts

13 Identify the potential positive and negative impacts on specific groups

The Social Fund Scheme provides assistance to local people who need urgent assistance in a crisis type situation therefore by reducing the 'Social Fund' budget provision to Nil existing users of the service may be negatively impacted, however this proposal will have no differential impact on the specific groups listed below.

	Mitigation: There is currently £600k in a reserve, if agreed this reserve could be used to fund this service meaning it could continue for a further 2+ years to allow alternative solutions to be considered.		
	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people		No Differential Impact	
People with caring Responsibilities		No Differential Impact	
People with a disability		No Differential Impact	
Women or men		No Differential Impact	
People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>		No Differential Impact	
Religion or belief (including lack of belief)		No Differential Impact	
People who are lesbian, gay or bisexual		No Differential Impact	
People who are transgendered		No Differential Impact	
People who are in a marriage or civil partnership		No Differential Impact	
Women who are pregnant / on maternity leave		No Differential Impact	
Socio-economic impacts		No Differential Impact	

	(Including impact on child poverty issues and deprivation)		
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	This proposal has the potential to mean cost shunts to other service areas – this will need to be investigated further if this proposal is approved and further options are investigated.	
14	Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above)	This proposal has the potential to mean cost shunts to other service areas – this will need to be investigated further if this proposal is approved and further options are investigated.	
15	Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above)	This proposal has the potential to mean cost shunts to other service areas – this will need to be investigated further if this proposal is approved and further options are investigated.	

Agenda Item 2

Appendix 4

Printing Income:

2015/16 - £605k total income, £405k Internal, £200k External

2016/17 - £636k total income, £405k Internal, £231k External

Printing services operate as an internal trading service i.e. we receive no direct budget but charge for each job produced both for internal services and external services.

For the year 2015/16 our budget split is £405K Internal income and £200K External Income. The internal income is made up of all internal council departments that use the printing service. The external income is made of a number of external customers who use the printing service. The main customers in order of spend are: (Dec 2014 – Dec 2015)

Torbay and South Devon NHS Foundation Trust
Torbay Development Agency Ltd
Seen In Design
Seale Hayne (hannah's)
South Devon and Torbay CCG
Torquay International School
NHS England South
Rowcroft Hospice
Alan Balfour photography
Torquay Museum
Newcross Healthcare Solutions
Teignbridge district council
K2 Media Services
Q-Ballmedia
Homelands Primary School
Torbay pharmacy manufacturing unit
Brixham Villa
Watcombe Wanderers
Upton st James primary
Chelston Hall Surgery
Torquay Natural Hist Soc
Parkhill Medical Practice
Gordon Rowe Jewellers
Chalkface design
Kents Cavern
Colin Trigger
Sarah Firth
Wotton Printers
Electrix Limited
Babbacombe Primary School
Torbay Community Development Trust
Duke of Somerset's Estates
Curledge street Primary School
Wallis Garage
Funk- it Design
Mia Hair Salon

Income for 2016/17:**External Income**

External income has been increased by £31K to provide extra income re. budget savings.

This £31K is primarily made up of new work from GP surgeries; we will be printing and processing mail supplied electronically from the surgeries on a daily basis. The system is currently being tested and is hoped to be live with 3 surgeries during January, if things go well there will be a gradual roll out during the year to other surgeries who have already expressed an interest.

We will be also be trying to increase work produced for current external customers to offset any reduction in internal print spend due to budget cuts.

Internal Income

The internal budget figure allows for some one off work and 'special projects' as the printing budgets set for all services across the council totals £318K for 2016/17, with the additional pressure of year on year budget savings throughout the council this income is likely to decrease over time.

RIVIERA INTERNATIONAL CONFERENCE CENTRE

BUSINESS PLAN 2015 - 2019

Conferences and Leisure

WAVES LEISURE POOL • LIFESTYLE HEALTH & FITNESS SUITE • AQUA LOUNGE
EVENTS • PARTIES • MEETINGS • CATERING



Riviera International Conference Centre

Business Plan 2015-2019

CONTENTS

		Page
1	Executive Summary	3
2	Facilities, services, staffing and constitution	
	2.1 Conference and Events	4
	2.2 Leisure	4
	2.3 Staffing	5
	2.4 Conference English Riviera	5
	2.5 Constitution and Lease	5
3	Analysis of 2014/15 Key Achievements, Performance & Results	
	3.1 Conference and Events	5
	3.2 Leisure	6
	3.3 Investments and Improvements	6/7
4	Business Prospects for 2015/16 & beyond	
	4.1 Conference and Events	7
	4.2 Leisure	8
5	High Level Financial Summary	
	5.1 Financial support from the Council	8/9
	5.2 Financial Forecast 2015/16 – 2018/19	9/10
6	Conclusion	11

1. EXECUTIVE SUMMARY

This Business Plan and financial report covers actual, forecast and budgeted figures for the period 2014/15–2018/19. The document also highlights the continued importance of the Riviera International Conference Centre (RICC) as an asset to both the local community and the local economy by way of:-

- ➡ Providing facilities for leisure and events to the local community.
2014/15 saw record numbers across the leisure facilities with a total 243,013 visits, as well as hosting a total of 352 individual events, generating a total of 63,015 visitors to events.
- ➡ Providing facilities for leisure tourists, in particular a wet weather facility which is not only used by tourists staying in Torbay, but creates day visits from tourists staying outside of the area.
In August 2015 we welcomed 1,400 swim visits in one day.
- ➡ Providing event facilities which create an injection into the local economy from the income generated through business tourists and event visitors.
Delegate spend in the local economy is estimated to be around £30million over the last 4 years. Looking forward, it is estimated that, for 2015/16 and forthcoming years, the estimated annual figure will be in the region of £7-8million.

Over the last 3½ years the Centre has been managed in such a way as to allow for considerable reductions in the required subsidy from Torbay Council, to such an extent that the revenue grant of £395k for 2016/17 will mark the lowest point of funding required by the Centre in its history.

The table on page 8 demonstrates the pattern of funding in detail, in particular it highlights that since 2011/12 the subsidy has reduced from £857k (£949k if adjusted to RPI) to the proposed £395k for 2016/17 (a reduction of 54% over 5 years).

As well as enabling the reduction in Council funding, the company plans to continue with its programme of repair and replacement of vital plant and equipment. At the same time, the Board are confident that modest reinvestment projects in areas of the business with the potential to deliver a return on investment will remain feasible – further detail can be found on page 6.

The Board have identified numerous funding opportunities that would have been available to the Centre; however, have not been able to take advantage of these due to the short period of time left on the current lease. These funding opportunities would enable the Centre to undertake some major reinvestment projects which would provide a large return on investment, thus further reducing the Centre's reliance on the Council. Therefore, it is essential the Company is granted a 40-year lease.

2. FACILITIES, SERVICES, CONSTITUTION & STAFFING

The Centre provides the following facilities:

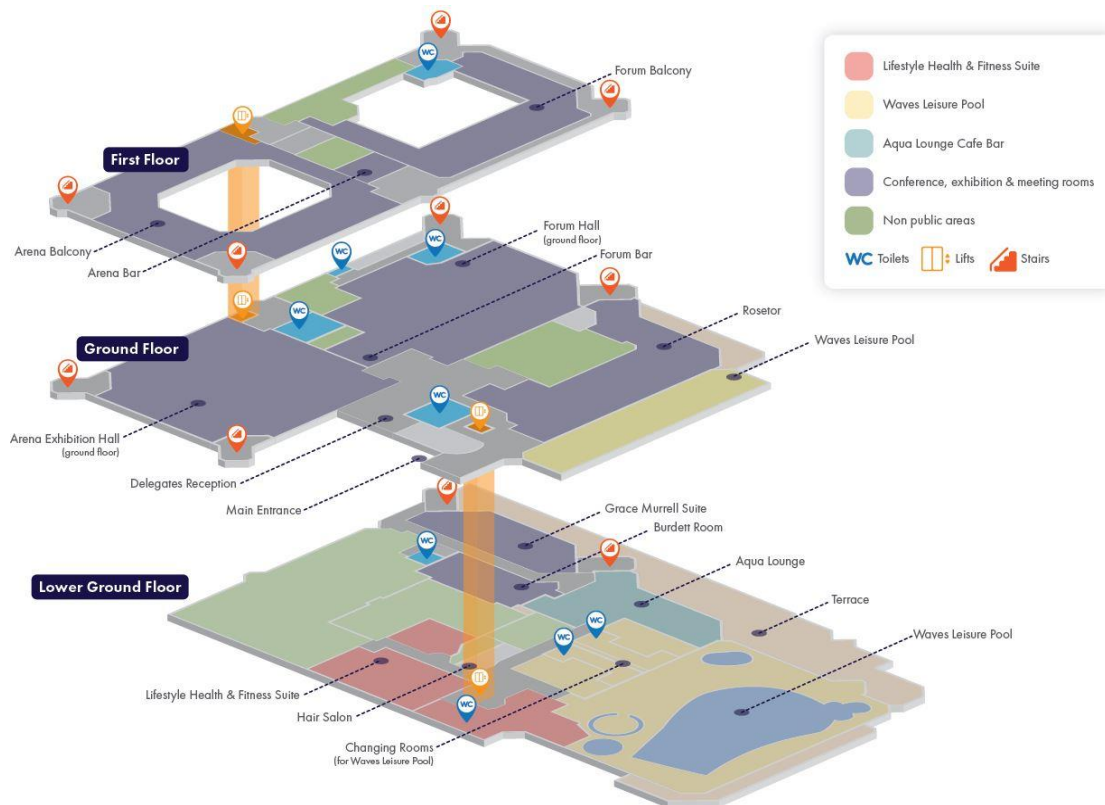
2.1 Conference and Events

The RICC offers a bespoke venue to support the Business Tourism industry with the provision of the following:-

- **Forum:** main auditorium – 1,500 theatre seating capacity, 2,000 standing capacity
- **Arena:** exhibition hall – total of 1,750 sq m of floor space, banqueting capacity of up to 800
- **Rosetor:** large meeting/function room – 350 theatre seating capacity, up to 250 for dinner, 700 standing capacity
- **Burdett:** meeting room – 200 theatre seating capacity, 180 sq m floor space
- **Grace Murrell Suite:** meeting/function room(s) – 200 theatre seating capacity, up to 100 for dinner, 300 standing capacity (can be sectioned off into 2, 3 or 4 separate meeting rooms)
- **Kitchen facilities:** able to support banquets of up to 1100 people. Also able to offer extensive **Outside Catering** for events & private functions

2.2 Leisure

- **Waves Leisure Pool:** provides a valuable swimming facility for the Bay – 25m Fun Pool with wave machine, flume and children’s play area with associated changing accommodation and party venue
- **Lifestyle Health Club:** 60 station Gym with sauna, steam room and jacuzzi, hair studio, 19 station cardio bike room, aerobics, dance and exercise studio
- **Aqua Lounge Cafe/Bar:** 102 covers café primarily supporting the leisure business, with a children’s soft play feature and a south facing terrace offering a further 60 covers.



2.3 Staffing

The RICC plays an important role as a local employer, offering regular full and part time employment to 89 employees – which equates to 59 FTE. However, due to the nature of the business and the size of some of the events held at the Centre, this number can grow to as many as 150.

2.4 Conference English Riviera

The RICC maintains an active Conference Bureau representing business tourism for the English Riviera. The Bureau offers a vital accommodation service to delegates, with a partnership scheme consisting primarily of Torquay accommodation providers.

Conference English Riviera also carries out marketing activities relating to business tourism and maintains a dedicated website for the destination.

In maintaining a Bureau for the destination, we have secured a share of funding from the South West Tourism Fund (the Business Visits and Events strand) which will finance, or part finance, activities relating to the marketing of the destination – for example, funding attendance at industry events.

2.5 Constitution and Lease

The Company is constituted as a not-for-profit organisation formed in 2002. No payment is made to non-executive Directors. The benefit of this form of constitution is the relief of Business Rates, which is worth approx £250k pa to the company, and VAT exemption on leisure activities, which in 2015/16 is worth approx £180k pa.

The building is owned by Torbay Council and leased to the Company. The Centre Lease/Management Agreement has a further 3 years to run from April 2016, with provision in the Agreement for continued revenue support from the Council throughout this period.

Given the long term nature of the Business and the inability to attract grants due to the short term nature of the remaining lease, the Company is requesting either an extension to the current lease, or the grant of a new term from the Council of up to 40 years.

3. ANALYSIS OF 2014/15 KEY ACHIEVEMENTS, PERFORMANCE & RESULTS

3.1 Conference and Events

- 21 multi day events (those that generate sleeper nights) took place at the Centre in 2014/15
- These events were attended by approximately 16,000 delegates
- Delegate sleeper nights were estimated to be around 21,000 – generating economic benefit to the Bay of approximately £4.5m*

**The Centre uses a modified version of research undertaken in 2006 by the four National Tourist Boards about the value of conferences and events. This assessed the value of Association events at £221 per sleeper night. The value for Torbay was adjusted to 86% of the national rate at £191, to reflect local conditions. This was updated to reflect current values in 2010 at +12.5% = £215 per sleeper night. No further national research into this has yet been undertaken by the industry so we are continuing to use this formula.*

In addition to the above-mentioned major events, during 2014/15 the Centre also hosted:-

- 63 large events – 1 day events of over 200 visitors – including catering, entertainment, large meetings
- 44 other events of 100-200 visitors
- 225 smaller meetings – including those held by Torbay Council, Torbay NHS Local Commissioning Group and Local NHS Trusts
- Over 2,000 covers for Christmas parties
- Total number of visitors to events was 63,015

3.2 Leisure

3.2.1 Waves Leisure Pool

- 117,372 swims took place in the pool last financial year 2014/15 (average for last 3 years: 110,642)
- 210 swimming lesson sessions took place per week (average for last 3 years: 205)
- 88 private hires were also secured

Waves continues to support a number of social inclusion initiatives for the area by offering the following concession/discounted rates:-

- Registered Disabled and Registered Carers - 1101 last year
- DeCIDE ID - Directory of children with disabilities
- Library & Leisure Card – 2374 last year
- NHS
- Torbay Holiday Helpers Network
- Under 3s go free
- Support 'Local' Charity Letters

3.2.2 Lifestyle Health Club

- Average membership for 2014/15 at 1154 – (approx. one third being 50+ members)
- Member visits in 2014/15 were 93,000 and Non-member visits 9,694; visits to studio and other classes were 4,000; giving a total of 106,694 visits (average for last 3 years: 98,093)
- More than 747 people have participated in the GP Referral Scheme to date, with 404 completing the scheme and 270 becoming members
- The junior membership scheme is continuing to do well with 125 14-15 year olds joining throughout 2014/15, helping to develop a healthier lifestyle for this age group

The RICC also supports the following schemes:-

- Weight Management Course (Pool & Lifestyle)
- GP Referrals Scheme (Pool & Lifestyle)
- English Riviera Attractions Passport

3.3 Investments and Improvements

Over the last 18 months, the Company has been able to maintain a staggered and modest programme of investments and improvements in various areas of the business. Some of these items have been in areas that will generate a direct return on investment, and some relate to the replacement or repair of vital plant/machinery/equipment. Some of the major items are detailed on the following table:-

Item/area	Cost	Detail
Refurbishment of café/bar	£110k	The Aqua Lounge re-opened in Feb 2015, including investment in Starbucks coffee – year to date income is up 31%
Part replacement of gym equipment	£57k (half leased)	Treadmills, cycles, cross trainers – replacing previous 10 year old equipment. Lifestyle income up 32% year to date.
Pool sand filters	£11k	Empty, clean, repair, refill pool water sand filters – recommended to be carried out every 5 years, we had already gone beyond this.
Servers	£8k	Old servers had reached a point where they could no longer support certain software.
CCTV	£25k	The quality of the previous system had become so poor that concerns had been raised regarding poor coverage and undistinguishable footage – as well as becoming expensive to maintain
Cold water pump set	£15k	Regulates pressure for the water supply of the whole Centre – producing a significant saving of water. Back up pumps had failed, a warning had been received that the one remaining pump could fail at any time.

In June 2015, a small fire devastated the Main Kitchen and caused serious damage to surrounding areas, including significant water damage to areas beneath from activated sprinklers. Whilst this led to a challenging period, the Centre remained open and traded 'normally' throughout a considerable reinstatement project which is due for completion in late Nov 2015. As a result of the fire and the subsequent claim, the following items of refurbishment have been completed:-

Area	Value
Completely refurbished and refitted Main Kitchen	375,000
Forum re-carpeted	26,000
Rosetor re-carpeted and re-decorated	45,000
Aqua Lounge kitchen refurbished	20,000
Aqua Lounge toilets refurbished	30,000
Sunbed suite	15,000

4. BUSINESS PROSPECTS FOR 2016 & BEYOND

4.1 Conference and Events – Assumptions and observations

- National research suggests that confidence continues to return to the Conference/Events Industry
- Current year 2015/16: 25% increase in projected income from Conference & Events – with an estimated economic benefit of £8m
- Economic benefit from events in 2016/17 is estimated at £7.2m. **Thus the Council's subsidy for conference and events in 2016/17 of c£263k (ie two thirds of the 16/17 total subsidy of £395k) is multiplied approximately 27 times in the local economy**
- Continued consistent repeat business is testament to RICC quality and service standards.
- An estimated **105,000** delegate nights are forecast over the next 3 financial years – with an estimated economic value of **£22.5m**
- The following are some of the major event highlights for the coming 18 months:-
 - Chartered Institute of Housing
 - Devon Women's Institute Spring Council
 - National Federation of Retail Newsagents
 - British Deaf Association
 - National Association of Retired Police Officers
 - National Hip Hop Championships
 - UNESCO International Global Geoparks Conference
 - Difficult Airways Conference (Association of Anaesthetists)
 - Federation of Small Businesses Annual Conference
 - The Quilters Guild of the British Isles
 - National Federation of Young Farmers

The RICC is a long term business. Forward bookings/enquiries for **major events** as at November 2015 for the last, current and following 2 years are forecast as follows:

	2014/15	2015/16	2016/17	2017/18
Major Events	21 events	22 events	21 events	18 events
Total delegates	16,000	18,800	17,300	16,100
Estimated sleeper nights	21,000	37,000	33,300	35,900
Approx Economic Value	£4.5m	£8m	£7.2m	£7.7m

4.2 Leisure

The Leisure business remains stable, consistent and on an encouraging growth projectory.

- Health Club business is vibrant and continuing to grow, with current income, net profit and member numbers at a record high
- Plans and designs are being considered for an expansion of the Health Club
- Attendance at cardio cycling and studio classes remains high and is forecast to increase further
- Whilst intermittent, mainly due to weather patterns, the Leisure pool usage is at an all-time high
- Consideration of further investment in pool features (payback of 2012/13 investment was achieved in 6 months)

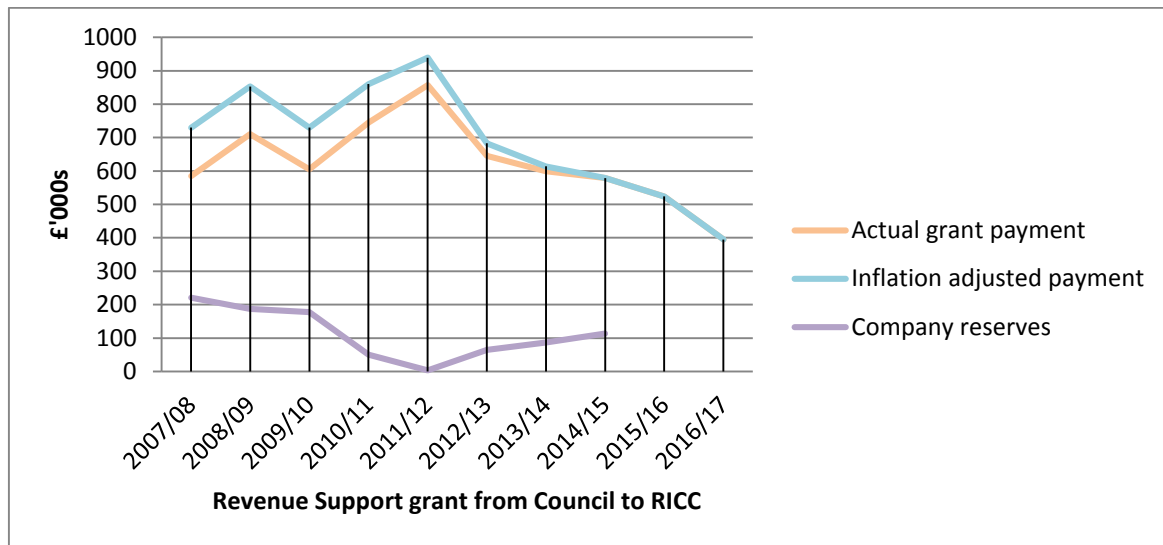
5. HIGH LEVEL FINANCIAL SUMMARY

5.1 Financial support from the Council

The table below illustrates the level of financial support provided by the Council from 2007/08 to 2016/17. The Business, in common with similar institutions nationwide, has always required financial support from the Council to sustain both the economic and community benefits which are derived from its use. Prior to 2012, the amount required had increased significantly, primarily due to escalating running costs.

Year	Revenue grant	Additional grant	Total Revenue Grant Actual	<i>Grant in today's terms adjusted by RPI</i>	Reserves at year end
07/08	£585,300		585,300	<i>740,000</i>	221,350
08/09	£585,000	125,000	710,000	<i>861,000</i>	181,250
09/10	£605,000		605,000	<i>743,000</i>	178,240
10/11	£620,000	125,000	745,000	<i>868,000</i>	49,830
11/12	£632,000	150,000 75,000	857,000	<i>949,000</i>	3,100
Average				<i>832,200</i>	
New RICC Board as of April 2012					
12/13	£645,000		645,000	<i>690,000</i>	64,851
13/14	£599,000		599,000	<i>623,000</i>	87,343
14/15	£579,000		579,000	<i>588,000</i>	112,988
15/16	£524,000		524,000	<i>524,000</i>	-
16/17	£395,000		395,000	<i>395,000</i>	-

Council Grant Support to the RICC 2007-2017



The Council's revenue support of the Company has been on a downward trend since 2011/12, from £949k*, to £395k in 2016/17

* Figure adjusted for RPI

Rationale for Council Subsidy

The need for subsidy arises as a result of 3 key factors.

1. The vast majority of other venues attract events through subvention (subsidy per delegate attracted) from the Local Council. Torbay has to compete with subvention in the deals it makes with promoters of events.
2. The peripherality of Torbay relative to other conference centres means events have to be subsidised/quoted at a more competitive price to secure the conference and the associated economic benefit.
3. Municipal Leisure facilities do not cover operating costs particularly in the case of swimming pools. In addition, RICC offers discounts to support social inclusion initiatives, and in addition must remain competitive in all other areas of pricing.

5.2 Financial Forecast 2015/16 – 2018/19

Assumptions going forward

- Continued recovery and development of Conference and Events sales
- Successful refurbishment and re-launch of Lifestyle by 2018/19
- Consistent and stable revenues from both Leisure streams
- Continued aggressive controls of costs
- Implementation of Marketing initiatives
- Continued modest investment in areas of the business that will produce a return
- April 2016 – implementation of the living wage
- Subsequent annual minimum/living wage increases in wages and pensions c3%
- Increase in prices of 5%

The table on the following page sets out a forecast of expected income, expenditure and profit for previous, current and forthcoming years.

Years to 31 March	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Forecast	Budget	Budget	Budget
	£	£	£	£	£
Turnover					
Leisure	1,246,472	1,289,383	1,314,940	1,380,687	1,569,721
Conference	843,110	1,086,532	1,068,329	1,117,505	1,171,880
Other	23,080	12,892	16,550	13,800	13,800
Total Turnover¹	2,112,662	2,388,807	2,399,819	2,511,992	2,755,402
Cost of Sales					
Leisure	153,891	151,222	158,842	166,784	175,123
Conference	203,887	273,375	268,531	282,078	296,301
Total Cost of Sales	357,778	424,597	427,373	448,862	471,425
	16.9%	17.8%	17.8%	17.9%	17.1%
Gross Profit					
Leisure	1,092,581	1,138,161	1,156,098	1,213,903	1,394,598
Conference	639,223	813,157	799,798	835,427	875,579
Other	23,080	12,892	16,550	13,800	13,800
Total Gross Profit	1,754,884	1,964,210	1,972,446	2,063,130	2,283,977
	83.1%	82.2%	82.2%	82.1%	82.9%
Wages & Salaries	1,245,721	1,298,349	1,298,073	1,324,034	1,380,515
	59.0%	54.4%	54.1%	52.7%	50.1%
Administrative expenses	1,082,021	1,129,102	1,063,214	1,116,375	1,154,530
	51.2%	47.3%	44.3%	44.4%	41.9%
Trading loss	(572,858)	(463,241)	(388,841)	(377,279)	(251,068)
	-27.1%	-19.4%	-16.2%	-15.0%	-9.1%
Revenue Grant from Torbay Council	579,000	524,000	395,000	395,000	250,000
Amortisation of Grants	19,503	11,999	11,999	11,999	11,999
(Loss)/Profit before Taxation	25,645	72,758	18,158	29,720	10,931
	1.2%	3.0%	0.8%	1.2%	0.4%
FTE Staff Numbers	70	59	59	59	61
Weekly Staff Numbers	65	60	60	60	62
Monthly Staff Numbers	27	29	29	29	29

6. CONCLUSION

The Board is confident that, with the continued scrutiny of staffing and running costs, the figures in the preceding table are achievable.

However, achieving a business model that can successfully operate on the budgeted reduction in funding cannot only be achieved through the reduction in costs, but the Board is confident that the expansion of the Health Club will become feasible and will in turn produce a swift return on investment, and that at the same time visitor numbers and usage of the swimming pool will remain high.

There is also a level of confidence relating to the Conference & Events side of the Business, and it is forecast that we will continue to see small increases through that revenue stream (and hence an increase in the subsequent economic benefit).

It is however important to point out that a significant increase in Conference bookings will be heavily influenced by:-

- ➔ The continued development of Torquay and surrounding areas
- ➔ The continued improvement and development of the Hotel stock in Torbay
- ➔ The company's ability to continue to reinvest in the facilities, plant and building

Whilst the financial details shared in this Business Plan include many new initiatives, the Board and Management have identified additional ways to increase and create new revenue streams, along with further cost reductions, which are currently being formulated into an Action Plan and will be included in future financial plans submitted. Furthermore, should the Company be granted a new 40-year lease, it will be able to undertake some major reinvestment projects with higher ROIs which will further reduce the reliance on Council funding in the future.

Obtaining a 40-year lease, along with the loyal support of Torbay Council and the local community, is essential to the future success of the Riviera Centre.

FIMS download 23rd July 2015-

FIMS Subcode - 00120 Layout- B1

Cost Ctre	Description	Budget Rounded	
Q04S6	SUPPORTING PEOPLE	4,500	Adult Services
		4,500	
E1410	OFF- STREET CAR PARKING - GEN	840	Business Services
L5100	BEACHES GENERAL	2,240	Business Services
		3,080	
PAA05	VIRTUAL SCHOOL	800	Children's Services
PAD01	SEN SERVICES	3,630	Children's Services
PAD03	PARENT PARTNERSHIP	430	Children's Services
PBG31	EARLY YEARS ADVISORY SERVICE	1,420	Children's Services
PDE01	ADMISSIONS & STUDENT SERVICES	1,840	Children's Services
PDP01	SCHOOL TRANSPORT TEAM	1,650	Children's Services
PXA02	SENIOR MANAGEMENT & SUPPORT	8,280	Children's Services
PXA10	ORGANISATIONAL DEVELOPMENT	2,540	Children's Services
PXA13	COMMISSIONING UNIT	4,690	Children's Services
PXA18	EARLY HELP SERVICE	7,360	Children's Services
PXA20	INTENSIVE FAMILY SUPPORT	7,890	Children's Services
PXA22	TROUBLED FAMILIES & COMMUNITY	2,070	Children's Services
PXA26	FAMILY GROUP CONFERENCING	840	Children's Services
PXA27	MULTI AGENCY SAFEGUARDING HUB	5,330	Children's Services
Q1002	LOOKED AFTER CHILDREN TEAM	7,020	Children's Services
Q1009	COURT TEAM	3,410	Children's Services
Q1102	CIN & CP TEAM	22,090	Children's Services
Q1111	RECRUITMENT & RETENTION	1,560	Children's Services
Q1113	SINGLE ASSESSMENT TEAM	12,210	Children's Services
Q1202	INTENSIVE YOUTH SUPPORT SERVIC	7,070	Children's Services

Q1302	DISABILITIES SOCIAL CARE STAFF	4,460	Children's Services
Q1308	DAY SERVICES - DISABILITIES	740	Children's Services
Q1328	DISABIL. OCCUPATIONAL THERAPY YOUTH OFFENDING CARE MANAGEMNT	600	Children's Services
Q1402	MANAGEMNT	4,040	Children's Services
Q1701	BUSINESS SUPPORT	19,230	Children's Services
Q7106	PARIS TEAM	2,540	Children's Services
QH301	HOUSING STANDARDS	5,050	Children's Services
QH401	HOUSING OPTIONS - STAFFING	5,860	Children's Services
QR100	ASSESSMENT RESOURCE CENTRE	6,600	Children's Services
QR105	FOSTER SUPERVISION & SUPPORT	9,830	Children's Services
QR107	ADOPTION TEAM	6,550	Children's Services
QR108	IRO/SAFEGUARDING TEAM	5,530	Children's Services
QR112	THERAPEUTIC SERVICES	560	Children's Services
QR128	SAFEGUARDING BOARD	1,300	Children's Services
		175,020	
B2100	EMERGENCY PLANNING	1,310	Community Services
E1101	RVS ADMIN & FINANCE TEAM	2,840	Community Services
E1102	HIGHWAYS MANAGEMENT	12,240	Community Services
E1300	CORPORATE SECURITY	1,230	Community Services
E1301	SECURITY UNIT	3,020	Community Services
E1500	PUBLIC TRANSPORT	750	Community Services
E2320	SUSTAINABILITY	600	Community Services
E2321	RECYCLING OFFICER	600	Community Services
E2322	TRANSPORT POLICY	1,280	Community Services
E2323	CONSERVATION & DESIGN	1,590	Community Services
E2500	ENV HEALTH MAN & SUPPORT	1,280	Community Services
E2502	FOOD SAFETY	7,100	Community Services
E2503	ENVIRONMENTAL PROTECTION	6,030	Community Services
E2505	CONTROL OF DOGS	770	Community Services
E2509	LICENSING	6,480	Community Services
E2511	CONSUMER PROTECTION (STREET WA	2,320	Community Services

E2513	OPERATIONAL SUPPORT	4,150	Community Services
E3102	BUILDING CONTROL	4,880	Community Services
E3104	ARBORICULTURAL SERVICES	500	Community Services
G5000	CRIME & DISORDER TEAM	1,620	Community Services
L5000	ASST DIRECTOR & MANAGEMENT	4,240	Community Services
L5302	SPORT DEVELOPMENT	2,010	Community Services
L5400	PALACE THEATRE GENERAL	640	Community Services
L5404	BILLPOSTING	150	Community Services
L5410	ARTS DEVELOPMENT	390	Community Services
L5412	EVENTS DEVELOPMENT	870	Community Services
L5700	TORRE ABBEY	2,130	Community Services
L5701	OTHER MUSEUM SERVICES	530	Community Services
LP401	REC & PARKS GENERAL	4,290	Community Services
LR403	VELOPARK	410	Community Services
		76,250	
B2000	RISK MANAGEMENT	1,460	Corporate Services
B3000	LEGAL SERVICES	10,430	Corporate Services
B3006	INFORMATION HUB	4,070	Corporate Services
B4002	PROCUREMENT	2,580	Corporate Services
E2324	STRATEGIC PLANNING	4,260	Corporate Services
E3100	DEVELOPMENT CONTROL	10,820	Corporate Services
G2006	POLICY & BUSINESS SUPPORT	4,950	Corporate Services
G3100	MEMBER SUPPORT	3,660	Corporate Services
G3400	REGISTRATION BDM'S	2,430	Corporate Services
G3500	ELECTORAL SERVICES	380	Corporate Services
G6102	MAYORAL OFFICE	720	Corporate Services
G8001	COMMUNICATIONS UNIT	2,720	Corporate Services
G8003	CHIEF EXECUTIVE & DIRECTORS	5,700	Corporate Services
H2000	PERSONNEL	6,060	Corporate Services
H5000	PAYROLL TEAM	2,490	Corporate Services
R4001	CENTRAL FINANCE TEAM	6,230	Corporate Services
R4003	EDUCATION FINANCE TEAM	5,210	Corporate Services
R4006	FINANCIAL SYSTEMS TEAM	3,270	Corporate Services

R4007	PAYMENTS TEAM	1,770	Corporate Services
R6100	CASHIERS	2,360	Corporate Services
R6410	SYSTEMS	3,390	Corporate Services
		84,960	
R2000	AD OF IT & SUPPORT	21,020	Customer Services
R6300	EXCHEQUER	2,670	Customer Services
R6415	POSTROOM/CORP ADMIN SUPPORT	2,040	Customer Services
R6420	BENEFIT OPERATIONS	13,710	Customer Services
R6421	TRAINING & APPEALS	990	Customer Services
R6430	FRAUD & INVESTIGATION	1,120	Customer Services
R6450	LOCAL COUNCIL TAX SUPPORT	1,120	Customer Services
R6900	CONNECTIONS	13,520	Customer Services
		56,190	
	Totals:-	400,000	

Agenda Item 4

Car Parking Budget Build 2016/17	£k
Car Parking net budget per Final Digest 2015/16	-3,489
Virement - staff changes in Council restructure	-51
Financial System 2015/16	-3,540
Virement 15/16 - centralised premises budgets	-603
Inflation (expnditure & income)	-175
Apprentice Top Slice	-1
Employers NI increase	11
Budget Proposals Nov 2015	-50
Car Parking net budget per Budget Proposals 2016/17	-4,358

Oddicombe Beach Chalets

Extract from Council minutes

Proposed by Councillor Pountney/seconded by Councillor Darling and carried.

(iii) that the Executive Director of Operations and Finance be given delegated authority, in consultation with the Group Leaders and following receipt of a satisfactory full business plan to approve prudential borrowing of up to £193,000 for works to reinstate and enhance Beach Chalets at Oddicombe Beach. The Council believes that the Insurance Claim receipts should be treated as compensation for the loss of income of the former beach huts and must therefore be used to partially offset such losses. The business case, therefore, must show a satisfactory return to Torbay taxpayers based on the full investment cost of the project.

Further amendment proposed by Councillor Pountney/seconded by Councillor Darling and carried.

(iv) that the Executive Director of Operations and Finance, in consultation with Group Leaders, be given delegated authority to determine a satisfactory funding solution for the additional borrowing requirement of £0.6 million for works on the Meadfoot Beach Chalets. The Council does not accept that an extension of the prudential payback period to 35 years is prudent or that the Resort Service revenue budget should show a deficit and requests that the Director of Operations and Finance determines that any resulting funding shortfall should be met from savings from other capital projects or from any unallocated budgets or from receipts from future assets sales or any other financial method he feels viable.

Oddicombe Beach Chalet Rebuild Business Case

Project Goal

To rebuild the Council owned rooftop beach chalets destroyed in the arson incident in the late summer of 2014 at Oddicombe beach, thereby maintaining a revenue income stream, avoiding reputational damage and sustaining the amenity of an area that is valued by our residents and by our visitors.

Background of Oddicombe Beach

Oddicombe beach is located at the northern end of the Torbay coastline below the cliffs at Babbacombe and St Marychurch. The beach is tidal and made up of pebbles and shingle. It has views across Babbacombe Bay and can be accessed on foot or by the Babbacombe Cliff Railway. Oddicombe has held a Blue Flag, awarded for over twenty separate criteria including land amenities, since its inception.

There are 18 roof chalets complete with balconies, located on top of the main stand-alone building. On the ground floor of this building, there are several business units occupied under lease by a number of different tenants. The main use of the ground floor is that of a beach cafe.

On the promenade level, away from the main building, there is a Beach Manager's office, commercial storage, a gift shop, public toilets, a Sailing Club and a number of timber seasonal beach huts. The Beach Manager's office is used during the summer period for the provision of beach management and supervision of the site, including the beach huts and chalets. The site also benefits from other amenities such as hire of watercraft and a visitor centre run by volunteers from the Babbacombe Cliff Railway.

Normally there are a total of 35 beach huts/chalets with the chalets being available for use all-year round. In the summer months there are 17 timber-built beach huts at ground level as well as the 18 concrete and timber roofed first floor beach chalets. The 17 timber-built beach huts on the promenade level are relatively new, having been replaced in 2005. In 2014, all 17 were occupied by seasonal tenants with none vacant, no bad debt and maximum income obtained. All 18 of the beach chalets were also occupied prior to the fire in 2014 although a number of these were on short lets due to their poor condition.

The Aim

In August 2014, the roof chalets located on top of the main stand-alone building were deliberately set on fire by persons unknown. This resulted in 10 out of the 18 chalets being destroyed with the remaining chalets badly damaged by heat and smoke.

The aim of the project is to demolish the remaining fire damaged chalets and clear the site to allow for the erection of a row of 18 replacement chalets. Each chalet will be approximately 8' x 10' with a single entrance doorway to the rear and a double opening and double-glazed door at the front leading onto a balcony. Inside each unit there will be a work surface with an under surface storage cupboard. The chalets are intended for use throughout the year with each one having a metered electricity supply and internal lighting. They are designed in such a way that the ongoing maintenance will be very low. This specification is similar to the chalets that have been designed and procured for the Meadfoot and Broadsands projects, which have been previously approved by the Council.

Other Considerations

Adjacent Tenants

The fire also damaged the waterproof membrane that protects the business premises situated on the ground floor. Soon after the fire, these units started to suffer from water ingress following periods of rain. Several units are located on the ground floor, below the chalets, and a number of different tenants occupy these but the main use is that of a beach cafe.

The cafe suffered severe storm damage in February 2014 and the tenants could not continue with their business as they were unable to secure any contents insurance, this being their second large insurance claim in recent years. At the time of the fire, the Executive Head of Tor Bay Harbour Authority was trying to secure the transition to a new viable tenant who was clearly nervous about the scale of his investment and the future amenity value of the site. It was important for the existing tenants and the new cafe operators that the Council (in whatever form) made an early decision to reinstate the chalets. Local councillors, beach users and other stakeholders would inevitably have been critical if no action had been taken.

By encouraging chalet usage throughout the year the scheme will provide an improvement to the overall amenity value of the Oddicombe site. For example, the new chalets should provide confidence to the new tenant of the beach café, encouraging him to invest further and to expand his business operation into the shoulder months or even a winter operation. In addition, the cafe may extend their opening hours into the evenings, which might allow them to reach out to a new client base wishing to experience a unique location to dine.

Pre-existing Condition of Chalets

The 18 beach chalets were the subject of a condition survey on the 29th November 2010 and this is attached as Appendix 1. At the time of the survey, they were already an ageing asset and the condition report identified the need for urgent and extensive remedial work, with some chalets becoming beyond economical repair. The survey highlighted the problems caused by a year on year reduction in the budget allocated to revenue maintenance budget. Consequently, many of the chalets had been showing signs of failure over the last 5 years. In particular, the external walls, windows and doors, as well as the electricity supply, were shown to be in a poor condition, exhibiting major defects and not operating as intended. Since the condition survey in 2010, the old chalets developed a problem with water ingress through the roof structure, which meant that extensive work was needed to the ceilings. The facility continued to suffer from the double opening glazed doors not allowing easy access to the balconies, with some being unable to be secured at night. All of these maintenance factors contributed to poor and/or inconsistent levels of occupancy. It is likely that the Council would have had to replace these huts within a short period in any event. Also, local councillors, beach users and other stakeholders would inevitably have been a very vocal force in asking for the old chalets to be rebuilt, with or without the fire.

Geological Surveys

These are undertaken at Oddicombe as part of the cyclical inspections and maintenance regime. The cliffs to the rear of the chalets have been subject to stabilisation work and were not considered to be a risk over the life of the new chalets. Currently there are no outstanding concerns with any of the cliffs in this area that might directly affect the rebuilt chalets.

Insurance

Detailed below are the costs, which the Loss Adjuster has confirmed are up for consideration as part of the overall claim to reinstate proportionately the chalets that were destroyed by the fire. The building was insured for reinstatement and for loss of income. Therefore, the reinstatement element of the overall insurance settlement can legitimately be counted as a contribution towards the project as a whole. The lost income settlement will be credited to the in year revenue budget.

Amount	Reason
£59,550	Insurer's liability towards the cost of reinstatement of the chalets, (to include an allowance for repairs to the deck area) less the £1000 policy excess (which will be centrally funded)
£5,410.49	Proportionate amount for debris clearance and making the area safe – to be agreed
£185.47	Initial electrical testing
£192.25	Engineer's Structural survey
£300	Asbestos survey report
To be agreed	Contribution towards asbestos removal
£4,140 (to be agreed)	Loss of winter rental income for the 2014/15 winter season
£2,864 (to be agreed)	Loss of summer rental income for the 2014/15 summer season

The issue of Professional Fees (where not already included in the costs submission) are also being considered to see if any qualify as part of the insurance recovery.

A meeting will be convened with the Loss adjuster to finalise the claim but in the meanwhile, the above costs are a reasonable indication of the likely costs to be recovered from Insurers for this Council owned property.

Impacts

Positive Impacts

- The proposal would result in an improvement of the local area.
- The chalet waiting lists will be regenerated by improving the quality of units available for rent.
- Better all year round use because the chalets will have upgraded interiors and will only be available to rent on an annual basis.
- Increased out of season use should result in reduced antisocial activity.
- New and modern facilities will increase visitor numbers to the area, which in turn will allow investment by local businesses, perhaps the expansion of the water-based activities to enhance the overall ambience of the area.
- Maintain and potentially increase revenue to the Council – ability to charge more for a better facility and to re-charge consumed electricity using card meters.
- Savings can be made on existing and planned maintenance for a number of years.
- Develop increased winter footfall spreading wider economic activity over the shoulder months and increase the potential for further economic development in the area.

Negative Impacts

- Possibility of customer complaints due to higher prices.
- Complaints had previously been received from business operators at Babbacombe with regard to the lack of asset maintenance (painting) at Oddicombe, it was anticipated that there would be further complaints should the fire damage structure not be replaced.

Risks

Please see the Risk Register in Appendix 2.

Supporting Information

The beach hut provision by Resort Services is an important part of the service delivery, while the rental received contributes to a major part of the service budget. The main customers of the service are local residents and as such, the beach hut and chalet provision plays a significant part in increasing public satisfaction. The viability of seafront recreation, leisure activity and local businesses are all enhanced from the custom generated by the beach hut users. It is therefore important that Torbay Council continue to provide top quality facilities that meet the needs of our residents and visitors alike.

Oddicombe Beach has previously had a good waiting list for the beach chalets and a 100% occupancy rate. The rebuild will enable the Council to maintain or even increase the footfall as well as providing a further opportunity to improve the business potential for the café and other businesses on the beach.

Consultation

The following Groups have been consulted :-

Beach Hut Users Group (BHUGS)

The following question was asked at the BHUGS Committee Meeting :-

Would the users be interested in renting all year round ? The users gave a positive response to the prospect of all year round rental.

Existing Users

The existing chalet users were consulted and were positive in their response to rebuilding the units after the fire. Other stakeholders, including the operators of the Water-sports Business, Beach Shop, Sailing Club, Cliff Railway, Language School and the prospective tenant of the Beach Cafe were also consulted and provided a positive response to the proposed rebuilding of the chalets.

Political

Local ward Councillors and the elected Mayor were consulted and expressed their desire to see the chalets replaced.

Annual Survey

Questions that were previously asked in the Resort Services Annual Users Survey include the following :-

Would you be interested in renting all year round ?

Would you be prepared to pay more for an improved chalet with some facilities ?

There was a positive response to both these questions from the returned surveys.

Reason for Decision/Timescale

- The original chalets including the fire-damaged section were all reaching the end of their useful life.
- There was a considerable amount of repair work required under planned maintenance - approximately £59,500 identified in 2010.
- The previous level of income was not sustainable as the chalets could not be maintained without a budget and it would therefore have been necessary to take some out of use as they become unsafe or un-rentable.
- There would have been a significant rise in public dissatisfaction as the Oddicombe Beach area would begin to look and feel neglected.
- The loss of footfall as a result of taking units out of use would have a negative impact on local business.

Proposed Options

Three options were considered :-

Option 1

To demolish the existing wooden framed and concrete structures to allow for the erection of a new structure consisting of 18 rentable chalets. These new modern chalets would vastly improve the customer satisfaction levels for the overall area. Furthermore, this option would allow for an increased use of the facility during the shoulder season therefore improving the local economic climate.

Option 2

Demolish all the destroyed chalets, clear that part of the site and make it safe. Make good the remaining chalets and try to rent them. Repair the water proofing membrane that protects the ground floor business units as this reinstatement is part of the landlord's responsibility. Ongoing maintenance would continue to be an issue, which would provide a budget pressure. The Council will still face the requirement to demolish the remaining chalets within the next few years. It was likely that the structural defects and overall appearance of the asset would restrict the ability to obtain a realistic market rent for the units. Chalet users would be unwilling to pay the rental fee for a substandard structure with no facilities. This option would see an increase in customer dissatisfaction and criticism of the Council.

Option 3

Demolish all the chalets, clear the site and make it safe. This would see the level above the main building (cafe) unused. Sizeable costs would be incurred just to clear the area and to make good. It would be necessary to remove or stabilise the asbestos present in the structure and to ensure that rainwater could not penetrate into the commercial units occupied below. This option would see considerable public opposition, due to the reduced amenity of the site, poor customer care and the removal of a facility. Local businesses, not just those on the beach, would consider that the reduced amenity also affected the footfall for the whole area. There would be reduced income to the Council from the overall site. We would receive complaints from the business users and stakeholders on site. Tenants would probably request a reduction in rent as a result of the lower footfall caused by the Council's inaction.

Risks

See Appendix 2.

Financial Statement

See Appendix 3.

- Total construction and demolition costs: £191,359
- Total borrowing amount: £131,809
- Repayment costs: £9,017 per year for 25 years
- Minimum insurance claim contributions towards total costs: £59,550
- Total gross annual income: £ 19,800
- Net income shows growth from year three (3) onwards
- Assumed 2% bad debt/void – previous years/pre-fire = under 1%

- £10k for new stairs removed from the updated cost schedule - assumes Building Regs acceptance (if not the associated borrowing costs will add £700 annually to the bottom line)
- In house Engineers fees have been taken to Revenue budget
- Assumption of a 3% price increase year on year has been taken out
- The forecast of gradual decommissioning of the pre-fire units has been built back in

**** Note**

This Business Case format follows the template used for the Meadfoot Chalet Project, which was approved by the Council.

Appendix 1	Condition Survey - 29 th November 2010
Appendix 2	Risk Register
Appendix 3	Financial Statement
Appendix 4	SWOT Analysis

<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none">• Political support• Stakeholder support• Funding available• Some insurance pay out• Known market experience• Staff resources are experienced• Beach chalets are presently very popular• Existing customer base	<p style="text-align: center;">WEAKNESSES</p> <ul style="list-style-type: none">• Project is likely to be more costly due to new building regulations• The rebuild cost will not be entirely covered by the building insurance claim – the chalets were probably under-insured• May have a modest economic impact on the Council as no immediate income is possible• Staff resources are already stretched
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none">• Project may improve the local economy• It will improve the overall image of Oddicombe Beach as a location• The project will boost the Council's public image and reputation• An increased waiting list should encourage further development• An inevitable replacement of the chalets but part funded by insurance settlement• It will eventually provide additional income to the revenue budget	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none">• Financial constraints may be a threat to the final build quality• Time delays due to adverse weather or delayed decision making• Cost of asbestos removal may be prohibitive• Lack of a decision could lead to the loss of an anchor tenant• Reduced demand due to an increase in chalet rental fees• Loss of key staff could delay completion

ASSET MANAGEMENT PLAN



CONDITION SURVEY

PROPERTY	Oddicombe Beach Huts & Chalets	BLOCK REF NUMBER	T0681AJ
ASSET REFERENCE	T0681AJ	BLOCK NUMBER	Oddicombe Beach Huts & Chalets
SURVEY DATE	29 Nov 2010	GROSS FLOOR AREA	0.00
PRICING BASE DATE	01 Nov 2010	TYPE GROUP	III
SURVEYED BY	Mumford, P., Clemens, N		

BRIEF DESCRIPTION OF THE CONSTRUCTION

A building consisting of 18No. Beach Chalets on the asphalt roof of a single storey beach kiosk building consisting of a timber/masonry structure with flush timber entrance doors and single glazed metal double doors leading onto the front balconies. All under a built up felt roof. The roof area is accessed via an external metal/lumber staircase. Electrical Report - N Clemens - 28/09/10 Fed from meter cup0board in Beach Changing rooms - see Asset T0681AK.

CONDITION SUMMARY

Element	Condition	Priority 1	Priority 2	Priority 3	Priority 4
1 Roofs	A	0	0	0	0
2 Floors and Stairs	B	0	0	5,000	0
3 Ceilings	B	0	0	0	0
4 External Walls, Windows and Doors	C	0	45,200	0	0
5 Internal Walls and Doors	A	0	0	0	0
6 Sanitary Services	A	0	0	0	0
7 Mechanical Services	A	0	0	0	0
8 Electrical Services	C	700	0	0	0
9 Redecorations	B	0	0	8,600	0
10 Fixed Furniture and Fittings	B	0	0	0	0
11 External Areas	B	0	0	0	0
12 Playing Fields	X	0	0	0	0
TOTALS		700	45,200	13,600	0
TOTAL ALL PRIORITIES					59,500

Condition Grading	
Grade A	Good. Performing as intended and operating efficiently.
Grade B	Satisfactory. Performing as intended but exhibiting minor deterioration.
Grade C	Poor. Exhibiting major defects and/or not operating as intended.
Grade D	Bad. Life expired and/or serious risk of imminent failure.
Priority 1	Urgent work that will prevent immediate closure of the premises and/or address an immediate high risk to the health and safety of occupants and/or remedy a serious breach of legislation.
Priority 2	Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of occupants and/or remedy a less serious breach of legislation.
Priority 3	Desirable work required within three to five years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of occupants and/or remedy a minor breach of legislation.
Priority 4	Long term work required outside the five year planning period that will prevent deterioration of the fabric or services.

Risk ID	Risk/Opp Classifier	Risk or Opportunity Descriptor	Consequence of Risk or Opp			Impact (I)	Likelihood (L)	Total Risk Score (I x L)	Risk Mitigation or Opportunity Development presently in place
			Cost	Time	Qty				
(no)	(cat)	(narrative)	(y/n)	(y/n)	(y/n)	(1-5)	(1-5)	(1-25)	(narrative)
1	Financial	Client Budget - Developed cost plan exceeds budget, leading to potential redesign / value engineering / gap funding requirement.	y	y	y	2	2	4	Client budget to be assessed against cost plan at agreed key project stages to identify any shortfalls and agree required action.
2	Design	Flood Risk - leading to abortive works and additional cost above current cost plan assumptions.	y	y	y	2	1	2	Understanding current local defence strategies in line with forecast data to provide suitable and economic proposals.
3	Scheduling	Un-discharged Conditions - Delay in discharging outstanding Planning Conditions.	y	y	n	1	1	1	Commence early discussions/negotiations with Planning Authority to agree discharge actions. Produce robust planning conditions discharge matrix.
4	Design	Buildings Regs Compliance - detailed design found to be non compliant with current and future Building Regs.	y	y	n	2	1	2	Early discussions with Building control. Design compliance check to be undertaken at key project stages.
5	Design	Buildings Regs change in standards - leading to increased cost through design/delay.	y	y	n	2	2	4	Design team to review possible movements in regulations and early liaison with Building Control Officer.
6	Scheduling	Client Information - Failure to provide technical information in timely manner to allow detailed design to be progressed.	y	y	y	2	2	4	Request for information system to be introduced - Project manager to ensure dates for information release are met.
7	Financial	Mechanical & Electrical Costs - Ability to develop design within cost plan rate	y	y	y	2	2	4	Close working co-ordination required between engineering design and client officer.
8	Scheduling	Client Brief - Failure to agree in time to meet design programme leads to delay to overall programme	y	y	n	2	2	4	Regular liaison / design meetings with TC and early sign-off of the design brief and design stage reports needed.
9	Scheduling	Late Client changes - leads to programme slippage resulting in delayed Planning Application submission.	y	y	n	2	1	2	Early consultation required to agree proposals. Any changes to design to be consulted.
10	Scheduling	Design & Cost Plan Co-ordination - a lack of design co-ordination resulting in future pricing risk.	y	y	y	2	2	4	Regular liaison / design meetings with client and early sign-off of the design brief needed.
11	Scheduling	Design Team - Technical competency and resources available to maintain programme	y	y	y	2	2	4	Ensure that designs are fully coordinated prior to sign-off of various key project stages.
12	Financial	Client Funding - insufficient resulting in payment default and delay	y	y	y	2	2	4	Regular client meetings agreed and actions / sign-off's to be monitored. Corrective action to be undertaken where necessary.
13	Financial	Business Case - is it sufficiently robust to allow market fluctuations, etc	y	y	y	2	2	4	Funding strategy to be monitored on regular basis.
14	Scheduling	Delay in Construction - Failure to meet tenant handover date	n	y	n	2	2	4	Project team to monitor on regular basis.
15	Construction	Major fire or flood during construction	y	y	n	2	2	4	Access logistics to be investigated. H&S measures to be implemented to ensure public safety.
16	Construction	Inclement weather delays	y	y	n	2	2	4	Site measures to be taken to avoid these events. Consider outcome of FRA.
17	Construction	Working environment very exposed.	y	y	n	2	3	6	Project scheduling to allow for down time as a result of extreme conditions
18	Financial	Low take up of chalets rentals due to increase in chalet fees	y	n	n	2	2	4	Ensure marketing and customer contact progresses to full occupancy.
19	Financial	Completion date slippage due to poor weather, planning, technical problems will reduce estimated income	y	y	y	2	2	4	Project manager to monitor progress, to ensure work streams agree with expected time scales.
19	Scheduling	Insufficient resources – staff capability – to progress the project	y	y	y	3	1	3	Project manager and senior end user to liaise and ensure sufficient resources are available.

grouped as high/med/low (see below)

High Scores - 12.00 to 25.00

Medium Scores - 6.01 to 11.99

Low Scores - 1.00 to 6.00



Construction Capital Costs - ODDICOMBE BEACH HUTS

	Original	Revised	Revised
18 Roof Chalets @ £2.500	45,686.28	45,686.28	
Demolition	25,000.00	8,328.00	
Asbestos Removal	16,000.00	14,000.00	
Electrical	15,000.00	20,000.00	
Waterproofing and finishes	30,000.00	43,717.87	
Ironmongery	10,000.00	10,887.25	
New stair	0.00	0.00	subject to Building Regs
Interior Fitting Out (inc uPVC Doors)	29,847.50	43,441.30	
Sub Total:	171,533.78	186,060.70	

Additional Costs

BR Plan Fees	223.36	1,925.00
BR Inspection Fees	670.10	893.46
TDA Project Fees	2,480.00	2,480.00
Engineers fees	0.00	taken to Revenue
Sub Total:	3,373.46	5,298.46

Contingency	15,000.00	0
Total Construction & Demolition Cost:	189,907.24	191,359.16

Insurance contribution 58,550.00 59,550.00 including £1000 excess funded corporately

Total Cost 131,357.24 131,809.16

New Operating Costs

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Repair and Maintenance					2,000.00					3,000.00
Prudential Borrowing @ £131,809.16 over 25 years	9,017.00	9,017.00	9,017.00	9,017.00	9,017.00	9,017.00	9,017.00	9,017.00	9,017.00	9,017.00
Total Costs:	9,017.00	9,017.00	9,017.00	9,017.00	11,017.00	9,017.00	9,017.00	9,017.00	9,017.00	12,017.00

Income

Based on 100% occupancy for 18 units for 52 weeks

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
18 Roof Chalets @ £1100	19,800.00	19,800.00	19,800.00	19,800.00	19,800.00	19,800.00	19,800.00	19,800.00	19,800.00	19,800.00
Less Bad Debt/Void (Non occupation) @ 2%	396.00	396.00	396.00	396.00	396.00	396.00	396.00	396.00	396.00	396.00
Less VAT @ 20%	3,234.00	3,234.00	3,234.00	3,234.00	3,234.00	3,234.00	3,234.00	3,234.00	3,234.00	3,234.00
Total Income:	16,170.00	16,170.00	16,170.00	16,170.00	16,170.00	16,170.00	16,170.00	16,170.00	16,170.00	16,170.00
Net Income from new build chalets	7,153.00	7,153.00	7,153.00	7,153.00	5,153.00	7,153.00	7,153.00	7,153.00	7,153.00	4,153.00

Existing budgeted income levels of previous chalets assuming decommissioning at a rate of 3 per year.

	(10,050.00)	(8,375.00)	(6,700.00)	(5,025.00)	(3,350.00)	(1,675.00)	0.00	0.00	0.00	0.00
Increase/(Decrease) to base income	(2,897.00)	(1,222.00)	453.00	2,128.00	1,803.00	5,478.00	7,153.00	7,153.00	7,153.00	4,153.00

MEADFOOT BEACH HUTS CAPITAL SCHEME
Construction Capital Costs



	Current £	Original £
69 Lower Chalets @ £8,000	824,130.00	552,000.00
68 Roof Chalets @ £8,000	816,130.00	544,000.00
Electricity	87,750.00	87,750.00
Water	6,400.00	6,400.00
Interior Fitting Out £250 per unit	89,010.00	33,250.00
<i>Sub Total:</i>	<i>1,823,420.00</i>	<i>1,223,400.00</i>

Additional Costs

Railings and Steps	85,000.00	85,000.00
Rock Bolting/Pins	75,000.00	75,000.00
Rock Fencing	25,000.00	25,000.00

Sub Total: 185,000.00 185,000.00

Contingency 147,340.00 147,340.00

Total Construction & Demolition Cost: 2,155,760.00 1,555,740.00

Corporate Funding (New Growth Points) (250,000.00)

Net Cost (Borrowing Requirement) 1,905,760.00 1,555,740.00

Operating Costs

	Year 1	Year 2	Year 3	Year 4	Year 5
Repair and Maintenance	3,000.00	3,000.00	3,000.00	3,000.00	5,000.00
Facilities Management	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Insurance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
National Non Domestic Rates (NNDR)	27,000.00	27,000.00	27,000.00	27,000.00	27,000.00
Prudential Borrowing @ £1,905,760 over 25 years	130,381.06	130,381.06	130,381.06	130,381.06	130,381.06
<i>Total:</i>	<i>166,381.06</i>	<i>166,381.06</i>	<i>166,381.06</i>	<i>166,381.06</i>	<i>168,381.06</i>

Income

Based on 100% occupancy for 133 units for 52 weeks

	Year 1 (30%)	Year 2 (15%)	Year 3 (5%)	Year 4	Year 5
19 Lower Chalets @ £1300	24,700.00	24,700.00	24,700.00	24,700.00	24,700.00
46 Lower Chalets @ £1300 (Discounted for existing Customers)	41,860.00	50,830.00	56,810.00	59,800.00	59,800.00
45 Roof Chalets @ £2060	92,700.00	92,700.00	92,700.00	92,700.00	92,700.00
23 Roof Chalets @ £2060 (Discounted for existing Customers)	33,166.00	40,273.00	45,011.00	47,380.00	47,380.00
1 Roof Chalets @ £2500	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
1 Commercial Unit @ £5,000	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
1 Beach Office/Store	0.00	0.00	0.00	0.00	0.00
<i>Total:</i>	<i>199,926.00</i>	<i>216,003.00</i>	<i>226,721.00</i>	<i>232,080.00</i>	<i>232,080.00</i>
<i>Less Bad Debt/Void (Non occupation) @ 2%</i>	<i>3,898.52</i>	<i>4,220.06</i>	<i>4,434.42</i>	<i>4,541.60</i>	<i>4,541.60</i>
<i>Less VAT @ 20%</i>	<i>32,671.25</i>	<i>35,297.16</i>	<i>37,047.76</i>	<i>37,923.07</i>	<i>37,923.07</i>
<i>Total income:</i>	<i>163,356.23</i>	<i>176,485.78</i>	<i>185,238.82</i>	<i>189,615.33</i>	<i>189,615.33</i>
Total Income Minus Operating Costs	-3,024.83	10,104.72	18,857.76	23,234.27	21,234.27
<i>Loss of previous budgeted current net income including effect of anticipated decommissioning of previous chalets at a rate of 3 y/y as projected in original business plan.</i>	<i>(19,233.26)</i>	<i>(16,633.33)</i>	<i>(12,632.84)</i>	<i>(12,632.84)</i>	<i>(12,632.84)</i>
Operational Surplus/(Deficit)	(22,258.09)	(6,528.61)	6,224.92	10,601.43	8,601.43

Beach Hut Waiting Lists

Notes: Some people will be on more than one list – either for more than one location or more than one facility. It also include customers wishing to transfer to another location. The turnover of customers cannot be predicted as this depends on a number of factors, not least the weather the previous summer. Therefore the information below can be used to show the trends in popularity for each location rather than absolutely accurate numbers.

Breakwater	Breakwater - Sea Facing	Beach Hut	1
Broadsands	Sea Facing	Beach Hut	23
		Site	17
	Green Facing	Beach Hut	19
		Site	10
	Beach Cabins C01 - C25	Beach Cabin	5
Corbyn	On Stilts	Site	18
	Hard Standing	Site	17
Goodrington North	Goodrington North - Sea Facing	Site	15
Goodrington South	Goodrington - Sea Facing	Beach Hut	43
Meadfoot	Ground Floor Chalet	Chalet	6
	First Floor Chalet	Balcony Chalet	3
Oddicombe	Oddicombe - Sea Facing	Beach Hut	3
		Roof Chalet	4
Preston	Sea Facing	Beach Hut	83
		Site	71
	Green Facing	Beach Hut	76
		Site	65
Preston Marine Parade	Sea Facing	Beach Hut	48
		Site	34
Roundham	Roundham - Sea Facing	Beach Hut	13
		Site	11
Young's Park	Green Facing	Beach Hut	14
		Site	9

Charges for Resort Services 2016 -17

BEACHES & AMENITIES	Charges 2015/16 inc VAT	Charges 2016/17 inc VAT	Approx Percentage
CHALETS	£	£	
Meadfoot - existing Annual 1st floor	1,695.00	1,925.00	13.6
Meadfoot - new Annual 1st floor	2,060.00	2,165.00	5
Meadfoot - new Annual 1st floor : Sun /T	2,575.00	2,705.00	5
Meadfoot - existing Annual Ground	1,086.00	1,240.00	14.2
Meadfoot - new Annual Ground	1,340.00	1,410.00	5
Broadsands Annual charge	1,625.00	1,675.00	3
Oddicombe Annual Charge (was April – September inclusive)	1,100.00	1,135.00	3
Oddicombe Summer Per Week			
April and May (deleted 2014)			
April-June and September	60.00	66.00	10
July and August	70.00	77.00	10
Oddicombe Summer Per Day			
April and May (deleted 2014)			
April-June and September	17.00	19.00	12
July and August	22.00	23.00	4.5
Oddicombe Winter Season			
October – March (now annual only)	0.00		
Meadfoot Ground Floor only			
Summer Per Week:-			
April and May (deleted 2014)			
April-June and September	90.00	99.00	10
July and August	105.00	116.00	10
Summer Per Day:-			
April and May (deleted 2014)			
April-June and September	25.00	28.00	12
July and August	30.00	33.00	10

BEACHES & AMENITIES	Charges 2015/16 inc VAT	Charges 2016/17 inc VAT	Approx Percentage
COUNCIL BEACH HUTS	£	£	
SUMMER SEASON			
(April – September inclusive)	500.00	520.00	4
Summer Per Week:-			
April and May (delete for 2014)			
April-June and September	60.00	66.00	10
July and August	70.00	77.00	10
Summer Per Day:-			
April and May (delete for 2014)			
April-June and September	17.00	19.00	12
July and August	22.00	23.00	4.5
Winter Season:-			
(October – March inclusive)	165.00	182.00	10
Selected safe sites only			
Non-refundable deposit per week	10.00	20.00	100
SITE ONLY - SUMMER SEASON			
Corbyn Head	340.00	355.00	4
Preston, Broadsands, Goodrington & Preston Marine Parade	240.00	250.00	4
Corbyn self maintained	65.00	72.00	10
All other site Locations	240.00	250.00	4
BEACH HUTS - WINTER STORAGE			
Stored off site (including VAT)	165.00	175.00	6
Admin Transfer charge	30.00	35.00	17
Beach Hut transfer charge	60.00	70.00	17
Beach Hut scrappage charge	65.00	76.00	17
Beach Hut Waiting List Charge	25.00	25.00	0
DECKCHAIRS	£		
Per chair per week	5.00	5.00	0
Per session	1.00	1.50	50
Per day	1.50	2.00	33
Directors chair	3.00	3.00	0
EVENT DECKCHAIR HIRE			
Chairs per day	2.00	3.00	50
Delivery/Collection - prices on application but minimum charge	40.00	50.00	25

BEACHES & AMENITIES	Charges 2015/16 inc VAT	Charges 2016/17 inc VAT	Approx Percentage
SUNTRAPS / WINDBREAK	£	£	
Per session	3.00	3.00	0
SUNLOUNGER			
Returnable Deposit	0.00		
Per day	3.00	4.00	33
Per session	2.00	3.00	50
Per week	10.00	10.00	0
Cushion	1.00	2.00	100
Parasol	3.00	3.00	0