

Wednesday, 13 February 2019

## Meeting of the Council

Dear Member

I am pleased to invite you to attend a meeting of Torbay Council which will be held in **Rosetor Room, Riviera International Conference Centre, Chestnut Avenue, Torquay, TQ2 5LZ** on **Thursday, 21 February 2019** commencing at **2.00 pm**

The items to be discussed at this meeting are attached.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Steve Parrock".

Steve Parrock  
Chief Executive

(All members are summoned to attend the meeting of the Council in accordance with the requirements of the Local Government Act 1972 and Standing Orders A5.)

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**A prosperous and healthy Torbay**

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

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# Meeting of the Council Agenda

1. **Opening of meeting**

2. **Apologies for absence**

3. **Minutes**

(Pages 5 - 20)

To confirm as a correct record the minutes of the meeting of the Council held on 31 January 2019, the adjourned meeting held on 7 February 2019 and the extraordinary meeting held on 13 February 2019.

4. **Declarations of interests**

- (a) To receive declarations of non pecuniary interests in respect of items on this agenda

**For reference:** Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

- (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda

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

**(Please Note:** If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)

5. **Communications**

To receive any communications or announcements from the Chairman, the Elected Mayor, the Overview and Scrutiny Co-ordinator or the Chief Executive.

6. **Members' questions**

(Pages 21 - 23)

To respond to the submitted questions asked under Standing Order A13.

7. **Notice of motions**

To consider the attached motions, notice of which has been given in accordance with Standing Order A14 by the members indicated:

- |     |   |                 |
|-----|---|-----------------|
| (a) | Notice of Motion - Clear Streets (Mayoral Decision)   | (Page 24)       |
| (b) | Notice of Motion - Brixham Harbour (Council Decision)   | (Page 25)       |
| (c) | Notice of Motion - Overview and Scrutiny Co-ordinator - Vote of No Confidence (Council Decision)  | (Page 26)       |
| 8.  | <b>0-19 Contract</b><br>To consider the submitted report on an update to the Council's contract for services for 0 to 19 year olds.   | (To Follow)     |
| 9.  | <b>Review of Political Balance</b><br>To consider the submitted report on a review of Political Balance on committees and working parties.  | (To Follow)     |
| 10. | <b>Annual Pay Policy Statement including Gender Pay Gap</b><br>To consider the submitted report on the above.   | (Pages 27 - 55) |
| 11. | <b>Adjournment</b><br>To consider adjourning the meeting until 5.30 pm to consider the remaining items on the agenda.   |                 |
| 12. | <b>Public question time</b><br>To hear and respond to any written questions or statements from members of the public which have been submitted in accordance with Standing Order A24 as attached.   | (Page 56)       |
| 13. | <b>Transformation Project - Future of TOR2 Services (Strategic Delivery Model)</b><br>To consider the submitted report on the above.  | (Pages 57 - 69) |
| 14. | <b>Replacement Vehicles</b><br>To consider the submitted report on a proposal to purchase replacement vehicles for waste and recycling collections.   | (Pages 70 - 81) |
| 15. | <b>Future of Oldway Mansion</b><br>The note the submitted report in respect of Oldway Mansion.  | (Pages 82 - 93) |
| 16. | <b>Revenue Budget 2019/2020</b><br><b>(Members are requested to bring their reports from the adjourned Council meeting held on 7 February 2019 with them to this meeting. These documents can also be viewed online at <a href="https://www.torbay.gov.uk/DemocraticServices/ieListDocuments.aspx?CId=163&amp;MIId=8388&amp;Ver=4">https://www.torbay.gov.uk/DemocraticServices/ieListDocuments.aspx?CId=163&amp;MIId=8388&amp;Ver=4</a>)</b> | (Pages 94 - 96) |
|     | (i) To consider the response of the Elected Mayor to the objections raised on the proposed Revenue Budget 2019/2020 as set out in his Record of Decision; and   |                 |
|     | (ii) To determine the Revenue Budget for 2019/2020.   |                 |
| 17. | <b>Council Tax 2019/2020</b><br>To consider the submitted report (to follow) on the setting of the Council Tax for 2019/2020.   | (To Follow)     |

18. **Review of Reserves 2019 20** (Pages 97 - 119)  
To consider the submitted report on a review of the Council's reserves for 2019/2020 (Policy Framework document).
19. **Capital Strategy 2019 20** (Pages 120 - 140)  
To consider the submitted report on the above (Policy Framework document).
20. **Adult Social Care Home Fees - New Model and Fees for 2019/20** (Pages 141 - 151)  
To consider the submitted report on the above.
21. **Annual Strategic Agreement between Torbay Council, South Devon and Torbay Clinical Commissioning Group and Torbay and South Devon NHS Foundation Trust and Better Care Fund** (Pages 152 - 231)  
To consider the submitted report on the above Policy Framework document.
22. **Five Year Risk Share Agreement between Torbay Council, South Devon and Torbay Clinical Commissioning Group and Torbay and South Devon NHS Foundation Trust for delivery of adult social care** (To Follow)  
To consider the submitted report on the above.
23. **Exclusion of the Press and Public**  
To consider passing a resolution to exclude the press and public from the meeting prior to consideration of the following item on the agenda on the grounds that exempt information (as defined in Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) is likely to be disclosed.
24. **Investment and Regeneration Committee Recommendation - Investment Opportunity**  
To consider any recommendations from the Investment and Regeneration Committee on investment opportunities.

**Note**

An audio recording of this meeting will normally be available at [www.torbay.gov.uk](http://www.torbay.gov.uk) within 48 hours.



## **Minutes of the Council** **(Council decisions shown in bold text)**

**31 January 2019**

**-: Present :-**

**Chairman of the Council (Councillor Doggett) (In the Chair)**  
**Vice-Chairwoman of the Council (Councillor Barnby)**

The Elected Mayor of Torbay (Mayor Oliver)

Councillors Amil, Bent, Brooks, Bye, Carter, Darling (M), Darling (S), Ellery, Excell, Haddock, Hill, Kingscote, Lewis (B), Lewis (C), Long, Manning, Mills, O'Dwyer, Parrott, Robson, Sanders, Stockman, Stocks, Thomas (D), Thomas (J), Tolchard and Tyerman

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### **145 Opening of meeting**

The meeting was opened with a prayer.

### **146 Apologies for absence**

Apologies for absence were received from Councillors King, Morey, Morris, Pentney, Stubley, Sykes and Winfield.

### **147 Minutes**

The Minutes of the meeting of the Council held on 5 December 2018 and the Extraordinary meeting of the Council held on 18 December 2018 were confirmed as a correct record and signed by the Chairman.

### **148 Declarations of pecuniary and non-pecuniary interests**

No interests were declared.

### **149 Communications**

No communications or announcements were made at the meeting.

### **150 Order of Business**

In accordance with Standing Order A7.2 in relation to Council meetings, the order of business was varied to enable Item 10 on the agenda (Capital Investment at Paignton Community and Sports Academy (PCSA) to provide Additional Secondary School Places) to be considered after Item 7 (Members' Questions).

**151 Public question time**

In accordance with Standing Order A24, the Council heard from Ms Sally Baglin who had submitted two statements and questions.

Ms Baglin's first question related to wildlife protection in Edginswell, Torquay. The Executive Lead for Environment, Councillor Ellery, responded to the statement and question that had been put forward and advised that he would provide a response in writing.

Ms Baglin's second question related to listed buildings within Edginswell, Torquay. The Deputy Mayor and Executive Lead for Planning and Waste, Councillor Mills, responded to the statement and question that had been put forward, plus a supplementary question asked by Ms Baglin.

**152 Members' questions**

Members received a paper detailing questions, notice of which had been given in accordance with Standing Order A13. The paper also contained the answers to the questions which had been prepared by Elected Mayor Oliver and Councillors Amil, Excell, Mills and Parrott and was circulated prior to the meeting.

The Chairman advised that he had accepted an urgent question from Councillor Darling (M) and in accordance with Standing Order A13.2(ii).

Supplementary questions were put and answered by Elected Mayor Oliver and Councillors Amil, Excell and Mills, arising from their responses to the questions in respect of questions 2, 4, 5, 6, 7, 9 and the urgent question.

**153 Capital Investment at Paignton Community and Sports Academy (PCSA) to provide Additional Secondary School Places**

Members received the submitted report on a proposal for capital investment at Paignton Community and Sports Academy (PCSA) which would provide additional secondary school places. It was noted the proposal would assist in addressing the forecasted shortfall in secondary school places in Paignton.

Councillor Stocks proposed and Councillor Excell seconded a motion, which was agreed (unanimously) by the Council as set out below:

**that the Director of Children's Services, in consultation with the Executive Lead for Children and Housing, be given delegated authority to allocate up to £1.84 million from the 2020/21 and future Basic Need Allocations and Children's Services Schools Condition allocations to support the provision of additional accommodation at Paignton Community and Sports Academy to provide additional secondary school places.**

**154 Notice of motion - Objection to Corporate Plan**

Members considered a motion in relation to an objection to the current Corporate Plan, notice of which was given in accordance with Standing Order A14. In accordance with Standing Order A14.3(b), the motion was dealt with by this meeting.

Councillor Long proposed and Councillor Darling (S) seconded the motion, as set out below:

That the Council formally objects to the current Corporate Plan as the targeted actions set out in the Plan do not truly reflect or meet the needs those who are most vulnerable in Torbay. The Corporate Plan targeted actions should therefore be updated and amended to reflect the following:

Torbay Council's ambition is for Torbay's residents to be informed, prosperous and healthy. This will be achieved through the following targeted actions:

Protecting and supporting all children and vulnerable adults giving them the best start in life;  
Giving all children the best start in life;  
Working towards the eradication of poverty and a more prosperous Torbay;  
Promoting healthy lifestyles across Torbay; and  
Ensuring Torbay remains an attractive and safe place to live, and visit; work and play through the adoption of sustainable policies that protect and enhance our natural environment, promote life long-learning and encourage public engagement in decision making.  
~~Protecting and supporting vulnerable adults.~~

In accordance with the Constitution at F4.9, the Council therefore requires the Mayor to consider this objection by 11 February 2019:

- a) submit a revision of the Corporate Plan with the reasons for any amendments to the Council for its consideration; or
- b) inform the Council of any disagreement that the Executive has with any of the Council's objections and the Executive's reasons for any such disagreement.

The motion was put to the vote and declared lost.

**155 Members Allowances Scheme - Recommendations from the Independent Remuneration Panel**

The Council considered the Independent Remuneration Panel's recommendations arising from its review of the Members' Allowances Scheme (as set out in the submitted report). It was noted the recommendations included the changes

required to the Scheme following the introduction of the Leader and Cabinet system of governance in May 2019.

A Cross Party amendment was published prior to the meeting which was incorporated by the Elected Mayor in his motion below.

Elected Mayor Oliver proposed and Councillor Mills seconded a motion, which was agreed by the Council as set out below:

- (i) that the Independent Remuneration Panel be thanked for their eighth report on the review of the Council's Members' Allowances Scheme;**
- (ii) that consideration of the Independent Remuneration Panel's report be deferred until after the Local Elections in May 2019 to enable the new Council to consider its governance structure and for a further review of the Members' Allowances Scheme to be undertaken if required;**
- (iii) that the current Members' Allowances Scheme to apply after 5 May 2019 (with the exclusion of the Elected Mayor's and Deputy Mayor's allowance) and until the new Council determines the new Members' Allowances Scheme; and**
- (iv) that the new Members' Allowances Scheme is kept within the allocated budget.**

**156 Local Government Association Finance Peer Challenge of Torbay Council and resulting action plan**

The Council received the Local Government Association's (LGA) Peer Review report on the Council's financial position, along with a resulting action plan (as set out in the submitted report).

Elected Mayor Oliver proposed and Councillor Mills seconded a motion, which was agreed (unanimously) by the Council as set out below:

- (i) that the Local Government Association Finance Peer Challenge Report (as set out at Appendix 1 to the submitted report) and the resulting action plan (as set out at Appendix 2 to the submitted report) be endorsed; and**
- (ii) that the Audit Committee be requested to monitor the implementation of the action plan.**

**157 Budget Monitoring 2018/2019 - Quarter Three**

The Council noted the forecast position for Revenue Budget for 2018/19 based on quarter three information, as set out in the submitted report.



**158 Civic Mayor and Deputy Civic Mayor Select**

In accordance with the Council's Standing Orders A9.1, the Council was required to consider selecting, by elimination ballot, the Civic Mayor-Elect and Deputy Civic Mayor-Elect for the next Municipal Year 2019/20.

Councillor Thomas (D) proposed and Councillor Darling (S) seconded a motion, which was agreed (unanimously) by the Council as set out below:

**That no action be taken to select a Civic Mayor-Elect or Deputy Mayor-Elect until the start of the 2019/20 Municipal Year.**

**159 Standing Order D11 (in relation to Overview and Scrutiny) - Call-in and Urgency**

Members noted the submitted report setting out two executive decisions taken (namely extension to Healthwatch Contract and Alliance Contract around Housing First/Rough Sleeping) to which the call-in procedure did not apply.

**160 Investment and Regeneration Committee Recommendation - Investment Opportunity**

The Chairman advised that there were no recommendations from the Investment and Regeneration Committee and therefore this item was withdrawn from the agenda.

**161 Adjournment**

The Chairman advised that in accordance with Standing Orders F2.13 and F3.12 in relation to the Budget and Policy Framework the remaining items on the agenda were referred to an adjourned meeting of Council to be held on 7 February 2019 to enable full consideration to be given to the implications of the proposals set out in the reports and documentation circulated on 25 January 2019.

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Chairman

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**Minutes of the Adjourned Council**  
**(Council decisions shown in bold text)**

**7 February 2019**

**-: Present :-**

**Chairman of the Council (Councillor Doggett) (In the Chair)**

The Elected Mayor of Torbay (Mayor Oliver)

Councillors Amil, Brooks, Bye, Carter, Darling (M), Darling (S), Ellery, Excell, Haddock, Hill, Kingscote, Lewis (B), Lewis (C), Long, Manning, Mills, Morey, O'Dwyer, Parrott, Pentney, Robson, Sanders, Stockman, Stocks, Sykes, Thomas (D), Thomas (J), Tolchard and Tyerman

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**162 Apologies for absence**

Apologies for absence were received from Councillors Barnby, Bent, King, Morris, Stubbley and Winfield.

**163 Declarations of pecuniary and non-pecuniary interests**

Councillor Tyerman declared a non-pecuniary interest in respect of Minute 165 as a Trustee of the Torbay Coast and Countryside Trust.

**164 Transformation Project - Future of ICT Services Update**

The Chairman reported that this item had been deferred.

**165 Revenue Budget 2019/2020**

Further to the meeting of the Council held on 31 January 2019, Members considered the recommendations of the Elected Mayor in relation to the Revenue Budget 2019/20 as set out in the submitted report and supporting documents.

In accordance with legislation, the Chairman advised that recorded votes would be taken on the motion and the objections.

Elected Mayor Oliver proposed and Councillor Mills seconded a motion as set out below:

- (i) that the proposals identified for 2019/2020, as set out in the Elected Mayor's Response to Consultation and the Draft Revenue Budget Digest, be approved;

- (ii) that the net revenue expenditure of £111.367m resulting in a Council Tax requirement of £68.688m for 2019/2020 (a 2.99% increase in Council Tax) be approved;
- (iii) that the Dedicated Schools Grant be used in accordance with the Schools Financial Regulations and that the Chief Finance Officer be authorised to make amendments as required when the final figures are confirmed;
- (iv) that the proposed Fees and Charges for 2019/2020 be approved;
- (v) that, in accordance with the requirement of the Local Government Act 2003, the advice given by the Chief Finance Officer with respect to the robustness of the budget estimates and the adequacy of the Council's reserves (as set out in the report) be considered and noted; and
- (vi) that it be noted that once Brixham Town Council has set its budget for 2019/2020, the resulting precept will be included as part of the Torbay Council budget for Council Tax setting purposes.

The Chairman advised that six notice of motions to object to the Elected Mayor's revenue budget proposals had been received in accordance with Standing Order A14.4 and would be considered in the order that they were received.

Councillor Pentney proposed and Councillor Darling (S) seconded an objection to the motion as follows:

**that the Council formally objects to the Elected Mayor's revenue budget proposals on the basis that:**

**There are serious issues facing our communities in Torbay; the levels of poverty in Torbay continue to increase significantly, Torbay has the second highest number of children who are looked after in the country (per head of population), our Children's Services is set to incur a £4 million overspend in the current year which has resulted in a spending freeze on other services across Torbay, so that our built environment and public open space has become even more tired and neglected. Furthermore, the Elected Mayor has failed to identify a clear strategy to stabilise the overspend of Children's Services.**

**The service particularly needs additional wrap around support for foster carers and an improved strategy for the retention and recruitment of social workers. Therefore, Council object to the Elected Mayor's budget on the basis that it should identify funding of a minimum £150,000 to support working on these specific areas.**

**In accordance with the Constitution at F2.9, the Council therefore requires the elected Mayor to consider this objection by 14 February 2019 either:**

- a) submit a revision of the estimates or amounts as amended by the elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or**
- b) inform the Council of any disagreement that the elected Mayor has with any of the Council's objections and the elected Mayor's reasons for any such disagreement.**

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Elected Mayor Oliver, Councillors Amil, Brooks, Bye, Carter, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, Hill, Kingscote, Lewis (B), Lewis (C), Long, Manning, Mills, Morey, O'Dwyer, Parrott, Pentney, Robson, Sanders, Stockman, Stocks, Sykes, Thomas (D), Thomas (J), Tolchard and Tyerman (31); and Absent: Councillors Barnby, Bent, King, Morris, Stubley and Winfield (6). Therefore the objection was agreed unanimously by the Council (shown in bold text above) and the Chairman advised that the Elected Mayor would consider the objection and publish his response on 14 February 2019 for consideration at the Council meeting on 21 February 2019.

Councillor Thomas (D) proposed and Councillor Bye seconded an objection to the motion as follows:

that the Council formally objects to the Elected Mayor's revenue budget proposals on the basis that:

The Elected Mayor's budget proposals for the reduction in the management fee paid to the Torbay Coast and Countryside Trust (TCCT) are considered premature as it is not certain whether this saving can be achieved, especially considering early feedback from TCCT has indicated that they do not believe the savings are deliverable. This approach is therefore considered unreliable and presents a risk for setting a balanced budget for 2019/20.

In accordance with the Constitution at F2.9, the Council therefore requires the Elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the estimates or amounts as amended by the Elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or
- b) inform the Council of any disagreement that the Elected Mayor has with any of the Council's objections and the Elected Mayor's reasons for any such disagreement.

Prior to the recorded vote, the Monitoring Officer provided clarification on Councillor Tyerman's point of order in respect of the Council decision on 18 December 2018 on the heads of terms for surrender of land with TCCT. The Monitoring Officer confirmed the head of terms agreed by the Council expressly stated that the agreement would not directly affect the management fee to TCCT.

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Brooks, Bye, Hill, Kingscote, Lewis (B), Lewis (C), Morey, O'Dwyer, Robson, Sykes, Thomas (D), Thomas (J) and Tolchard (13); Against: Elected Mayor Oliver, Councillors Amil, Carter, Darling (M), Darling (S), Ellery, Excell, Haddock, Long, Manning, Mills, Parrott, Pentney, Sanders, Stockman and Stocks (16); Abstain: Councillors Doggett and Tyerman (2); and Absent: Councillors Barnby, Bent, King, Morris, Stubley and Winfield (6). Therefore, the objection was declared lost.

Councillor Tyerman proposed and Councillor Lewis (C) seconded an objection to the motion as follows:

That the Council formally objects to the Elected Mayor's revenue budget proposals on the basis that:

the reduction proposed for the Highways Budget may be unsustainable at the full amount proposed by the Elected Mayor and could therefore have a further detrimental impact on Torbay's highways network.

In accordance with the Constitution at F2.9, the Council therefore requires the Elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the estimates or amounts as amended by the Elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or
- b) inform the Council of any disagreement that the Elected Mayor has with any of the Council's objections and the Elected Mayor's reasons for any such disagreement.

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Brooks, Bye, Hill, Kingscote, Lewis (B), Lewis (C), O'Dwyer, Robson, Sykes, Thomas (D), Thomas (J), Tolchard and Tyerman (13); Against: Elected Mayor Oliver, Councillors Amil, Carter, Darling (M), Darling (S), Ellery, Excell, Haddock, Long, Manning, Mills, Morey, Parrott, Pentney, Sanders, Stockman and Stocks (17); Abstain: Councillors Doggett (1); and Absent: Councillors Barnby, Bent, King, Morris, Stubley and Winfield (6). Therefore, the objection was declared lost.

(Note: At this juncture, Councillor Morey left the meeting.)

Councillor Thomas (D) proposed and Councillor Robson seconded an objection to the motion as follows:

That the Council formally objects to the Elected Mayor's revenue budget proposals on the basis that:

Whilst the Elected Mayor has removed this proposal in his final draft budget, this fails to take in to account the operational efficiencies that will be achieved in locating the administrative base for the Registrars Service at Torquay Town Hall and also fails to take in to account the results of the public consultation which demonstrated 70.5% of respondents were in support of the proposal.

In accordance with the Constitution at F2.9, the Council therefore requires the Elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the estimates or amounts as amended by the Elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or
- b) inform the Council of any disagreement that the Elected Mayor has with any of the Council's objections and the Elected Mayor's reasons for any such disagreement.

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Brooks, Bye, Hill, Kingscote, Lewis (B), Lewis (C), O'Dwyer, Robson, Sykes, Thomas (D), Thomas (J) Tolchard and Tyerman (13); Against: Elected Mayor Oliver, Councillors Amil, Carter, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, Long, Manning, Mills, Parrott, Pentney, Sanders, Stockman and Stocks (17); and Absent: Councillors Barnby, Bent, King, Morey, Morris, Stubley and Winfield (7). Therefore, the objection was declared lost.

Councillor Tyerman proposed and Councillor Lewis (B) seconded an objection to the motion as follows:

That the Council formally objects to the Elected Mayor's revenue budget proposals on the basis that:

the funding for illuminations should be retained whilst a fundamental review is undertaken to ensure that there is a long term strategy for the future provision of illuminations in Torbay.

In accordance with the Constitution at F2.9, the Council therefore requires the Elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the estimates or amounts as amended by the Elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or
- b) inform the Council of any disagreement that the Elected Mayor has with any of the Council's objections and the Elected Mayor's reasons for any such disagreement.

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Brooks, Bye, Hill, Kingscote, Lewis (B), Lewis (C), O'Dwyer, Robson, Sykes, Thomas (D), Thomas (J) Tolchard and Tyerman (13); Against: Elected Mayor Oliver, Councillors Amil, Carter, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, Long, Manning, Mills, Parrott, Pentney, Sanders, Stockman and Stocks (17); and Absent: Councillors Barnby, Bent, King, Morey, Morris, Stubley and Winfield (7). Therefore, the objection was declared lost.

Councillor Hill proposed and Councillor Sykes seconded an objection to the motion as follows:

That the Council formally objects to the Elected Mayor's revenue budget proposals on the basis that:

the funding for the Natural Environment Service should be retained whilst a fundamental review is undertaken to ensure that there is a long term strategy for the future delivery of the Service.

In accordance with the Constitution at F2.9, the Council therefore requires the Elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the estimates or amounts as amended by the Elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or
- b) inform the Council of any disagreement that the Elected Mayor has with any of the Council's objections and the Elected Mayor's reasons for any such disagreement.

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Brooks, Bye, Hill, Kingscote, Lewis (B), Lewis (C), O'Dwyer, Robson, Sykes, Thomas (D), Thomas (J) Tolchard and Tyerman (13); Against: Elected Mayor Oliver, Councillors Amil, Carter, Darling (M), Darling (S), Ellery, Excell, Haddock, Long, Manning, Mills, Parrott, Pentney, Sanders, Stockman and Stocks (16); Abstain: Councillor Doggett (1); and Absent: Councillors Barnby, Bent, King, Morey, Morris, Stubley and Winfield (7). Therefore, the objection was declared lost.

## **166 Capital Plan Budget 2019/2020**

Further to the meeting of the Council held on 31 January 2019, Members considered the recommendations of the Elected Mayor in relation to the Capital Plan 2019/2020 as set out in the submitted report.

In accordance with legislation, the Chairman advised that recorded votes would be taken on the motion and the objection(s).

Elected Mayor Oliver proposed and Councillor Mills seconded a motion as set out below:



that the Capital Plan for 2019/2020 as set out in Appendix 1 to the submitted report be approved.

The Chairman advised that two notice of motions to object to the Elected Mayor's capital plan proposals had been received in accordance with Standing Order A14.4 and would be considered in the order that they were received.

Members received the following motion objecting to the proposal:

That the Council formally objects to the Elected Mayor's Capital Budget proposals on the basis that they do not address repairing Paignton beach south slipway, which is impacting on a number of sailing events, tourism and the local community.

In accordance with the Constitution at F3.9, the Council therefore requires the Elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the draft Capital Plan as amended by the Elected Mayor with the reasons for any amendments made to the draft Capital Plan, to the Council for its consideration; or
- b) inform the Council of any disagreement that the Elected Mayor has with any of the Council's objections and the Elected Mayor's reasons for any such disagreement.

In accordance with Standing Order A16.9 and in light of the Interim Director of Place's decision for the 2018/19 essential capital repair budget to be applied to fund repairs to the south slipway at Paignton beach, Councillor Carter withdrew her objection to motion with the consent of Councillor Sanders as seconder.

Councillor Tyerman proposed and Councillor Robson seconded an objection to the motion as follows:

That the Council formally objects to the Elected Mayor's Capital Budget proposals on the basis that there is a lack of provision in the proposals to use capital expenditure for regeneration projects in Torbay to address deprivation in our communities.

In accordance with the Constitution at F3.9, the Council therefore requires the Elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the draft Capital Plan as amended by the Elected Mayor with the reasons for any amendments made to the draft Capital Plan, to the Council for its consideration; or
- b) inform the Council of any disagreement that the Elected Mayor has with any of the Council's objections and the Elected Mayor's reasons for any such disagreement.

A recorded vote was taken on the objection. The voting was taken by roll call as follows: For: Councillors Brooks, Bye, Hill, Kingscote, Lewis (B), Lewis (C), O'Dwyer, Robson, Sykes, Thomas (D), Thomas (J) Tolchard and Tyerman (13); Against: Elected Mayor Oliver, Councillors Amil, Carter, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, Long, Manning, Mills, Parrott, Pentney, Sanders, Stockman and Stocks (17); and Absent: Councillors Barnby, Bent, King, Morey, Morris, Stubley and Winfield (7). Therefore, the objection was declared lost.

Elected Mayor Oliver's and Councillor Mills original motion was then considered and agreed by the Council (by recorded vote) as set out below:

**that the Capital Plan for 2019/2020 as set out in Appendix 1 to the submitted report be approved.**

The voting was taken by roll call as follows: For: Elected Mayor Oliver, Councillors Amil, Brooks, Bye, Carter, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, Hill, Kingscote, Lewis (B), Lewis (C), Long, Manning, Mills, Parrott, Pentney, Robson, Sanders, Stockman, Stocks, Sykes, Thomas (D), Thomas (J), Tolchard and Tyerman (29); Against: Councillor O'Dwyer (1); and Absent: Councillors Barnby, Bent, King, Morey, Morris, Stubley and Winfield (7).

**167 Treasury Management Strategy 2019/20 (incorporating the Annual Investment Strategy 2019/20 and the Minimum Revenue Provision Policy 2019/20)**

The Council received the Treasury Management Strategy for 2019/20 as set out in the submitted report. Members noted the strategy aimed to support the provision of all Council services through the management of the Council's cash flow, debt and investment operations.

Elected Mayor Oliver proposed and Councillor Mills seconded a motion, which was agreed by the Council as set out below:

**that Council approve:**

- **the Treasury Management Strategy for 2019/20 (incorporating the Annual Investment Strategy 2019/20);**
- **the Prudential Indicators 2019/20;**
- **the Annual Minimum Revenue Provision Policy Statement for 2019/20; and**
- **adoption of the CIPFA Code of Practice: Treasury Management in the Public Services**

**as set out in the Appendices to the submitted report.**

**168 Corporate Capital Strategy**

Members considered the submitted report setting out a review of the Corporate Capital Strategy. The strategy set out the principles to be used to guide the allocation of capital investment across all Council services and informed decisions on capital spending priorities within the Council's 4-year Capital Plan.

Elected Mayor Oliver proposed and Councillor Mills seconded a motion as set out below:

that, subject to Section 2.1 of the proposed Capital Strategy being amended so that Business Cases prepared self-funding or invest-to-save capital schemes include all future maintenance costs over the life of the scheme, the Council be recommended to approve the Capital Strategy as set out at Appendix 1 to the submitted report.

The motion was put to the vote and declared lost.

## **169 Reserves**

Members considered the submitted report setting out a review of the Council's financial reserves as part of the Council's annual budget process.

Elected Mayor Oliver proposed and Councillor Mills seconded a motion as set out below:

Council approve that:

- (i) Up to £1.0m is earmarked from the Comprehensive Spending Review Reserve to fund the balance of the predicted 2018/19 Council overspend; and
- (ii) £2.1m of reserves identified in paragraph 4.2 of the submitted report are transferred to both the Comprehensive Spending Review Reserve (£1.1m) and the IT reserve (£1.0m) to support future IT replacement and IT investment for all services including a replacement Children's Services care management system.

The motion was put to the vote and declared lost.

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Chairman

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# Agenda Item 6

Meeting of the Council, Thursday, 21 February 2019

## Questions Under Standing Order A13

A member may only submit three questions for consideration at each Council Meeting. Each member will present their first question in turn, when all the first questions have been dealt with the second and third questions may be asked in turn. The time for member's questions will be limited to a total of 30 minutes.

Question (1) by Councillor Hill to the Executive Lead for Environment (Councillor Ellery)	<p>Over the years the council has received funding from Central Government for various aspects linked to flood and coastal defence management.</p> <p>This funding has been identified against the following items:</p> <ul style="list-style-type: none"><li>• As a Lead Local Flood Authorities statutory responsibilities under the Flood and Water Management Act 2010.</li><li>• As a Lead Local Flood Authorities statutory responsibility to be a consultee and to respond to planning applications (specifically with regards to surface water flooding). This was a new responsibility introduced following Flood and Water Management Act 2010 hence additional funding from Government.</li><li>• Land drainage funding to cover the Councils responsibilities under the Land Drainage Act for ordinary watercourses.</li><li>• Funding to cover the Councils responsibilities as a Coastal Authority for coastal defences.</li></ul> <p>This funding was paid in a number of different ways to the Council including the revenue support grant.</p> <p>As this funding was not necessarily ring fenced the result is that budgets to the relevant departments for undertaking the works identified above have been significantly cut over the last few years resulting in less revenue works being carried out. This reduction has therefore increased the risk of flooding and coastal defence failures.</p> <p>Can the actual funding from Central Government that is allocated to the Council for these responsibilities be identified, together with the budgets that are provided to each department for dealing with these crucial functions?</p>
Question (2) by Councillor Long to the Executive Lead for Community Services (Councillor Excell)	<p>Can an update be provided on the solar powered speed sign on Great Hill Road Torquay, and when it will be fixed for a second time?</p>
Question (3) by Councillor Darling (M) to the Executive Lead for Community Services (Councillor Excell)	<p>Residents on Lymington Road and the surrounding area continue to experience severe difficulties with parking especially in the evening. This situation is exacerbated by a large amount of the coach station car park lying empty. Would it not be a better use of our resources, as I have raised previously with you, to allow residents to park in the coach station, over night for a small fee and thus reducing local highway congestion and generating</p>

	some revenue for the Council than have it lie empty, achieving nothing and frustrating local residents?
Question (4) by Councillor Pentney to the Executive Lead for Planning and Waste (Councillor Mills)	The dispute between Torbay Council and TOR2 over the maintenance of double yellow lines and white lining on the highway has resulted in poor and unenforceable road markings across the Bay. How is the local authority prioritising this backlog of works, which I understand amounts to hundreds of thousands of pounds?
Question (5) by Councillor Darling (S) to the Executive Lead for Planning and Waste (Councillor Mills)	At a time when Torbay is set to invest more than 5 million pounds in upgrading waste and recycling bin vehicles in order to improve the reliability of the service and increase recycling rates, why has this Council ceased the funding for the promotion of recycling?

## Second Round

Question (6) by Councillor Long to the Deputy Mayor and Executive Lead for Planning and Waste (Councillor Mills)	Councillors have been advised that one of the causes of the delays to collections of recycling over the Christmas and New Year period was the unprecedented amount of waste and particularly cardboard. Please could some figures be provided to confirm the unprecedented nature of the increase?
Question (7) by Councillor Darling (M) to the Executive Lead for Community Services (Councillor Excell)	Some local authorities have chosen to borrow money to improve their highways and pavements to a high standard which, in the long run, has proved cost effective leading to less maintenance and fewer legal cases. Have Torbay Council investigated this as a way forward as residents complain daily about the state of our highways.
Question (8) by Councillor Pentney to the Council's Representative on the Devon and Cornwall Police and Crime Panel (Councillor Excell)	Torquay has suffered a massive reduction in the number of uniformed police officers. Reassurances have been given that the number of PCSOs will be increased to 9 which is less than half the original compliment. When will this new target be reached?
Question (9) by Councillor Darling (S) to the Executive Lead for Community Services (Councillor Excell)	It is now five years since the rail line at Dawlish failed, following a winter storm. At the time, David Cameron promised a sustainable solution that would be in South Devon's interest. How is Torbay Council standing up for our area and demanding a sustainable rail line with a clear timetable for improvements?

## Third Round

Question (10) by Councillor Long to the Deputy Mayor and Executive Lead for Planning and Waste (Councillor Mills)	Residents in Torquay often advise that they would find it more convenient to use the recycling Centre in Newton Abbot than to have to go the Tor2 facility in Paignton. Are there any plans to re-enter negotiations with Devon County Council to enable this to happen?
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Question (11) by Councillor Pentney to the Executive Lead for Community Services (Councillor Excell)	In respect of fly-tipping to the rear of St Martins Court in Corfe Crescent, I understand that the council took action at the end of 2017, and has recently taken further action to tackle this ongoing problem. What additional tools could the council bring to bear on the endemic problem at this location?
Question (12) by Councillor Darling (S) to the Mayor and Executive Lead for Assets, Finance, Governance and Corporate Services, Economic Regeneration and Transformation (Mayor Oliver)	For the last 12 months, on a month by month basis and broken down into individual elected Members, please provide the number of requests submitted through the Members Case Work System and the number of Freedom of Information requests received by the Council from elected Members?
Question (13) by Councillor Darling (M) to the Deputy Mayor and Executive Lead for Planning and Waste (Councillor Mills)	The deadline has now passed for the developer to come back with a plan for the Pavilion. Please can you advise what steps the Council are now going to take to progress this issue?

## Liberal Democrat Group – Notice of Motion

### Council Meeting

21 February 2019

### Clear Streets Charter

Getting around a busy area such as Torbay can prove to be a real challenge for anyone affected by sight loss or mobility problems. All pavement clutter has an adverse effect on confidence and mobility and the more difficult it is for people to get around, the less freedom and opportunity people have to participate in their local community which can lead to feelings of isolation. By working together with Highway Authority we can seek to ensure that our City Centre, shopping precincts and residential streets are as clear and free from obstacles as possible.

Torbay's open spaces and town centres have become increasingly cluttered posing an ever increasing challenge for those with sight impairments or mobility problems. This Council therefore requests the Interim Director of Place to develop a Clear Streets Charter which sets out a list of actions and commitments, which everyone involved agrees to abide by. That the list of actions and commitments should include but not be limited to:

- Advertising boards, street and café furniture
- Wheeled bins and refuse/recycling containers
- Overhanging shrubbery and branches
- Parking on pavements
- Pedestrian crossings
- New Council developments: shared space
- Multi-Use paths
- Streetworks

That an update on the development of a Clear Streets Charter be presented to the Policy Development and Decision Group (Joint Operations Team) on 1 April 2019.

Proposed by: Councillor Darling (M)

Seconded by: Councillor Pentney



## Executive Notice of Motion

### Council Meeting

21 February 2019

#### **Principle of capital investment in infrastructure at Brixham Harbour**

That Council note the report that was presented to Harbour Committee on 5 February 2019 in respect of investment in infrastructure at Brixham Harbour, including the Northern Arm, and further note that Harbour Committee unanimously supported the proposal.

Council is therefore asked to support the principle of capital investment in infrastructure at Brixham Harbour, including the Northern Arm, and instruct the Interim Director of Place to prepare a detailed business case including all available grant funding opportunities.

Proposed by: Councillor Ellery  
Seconded by: Elected Mayor Oliver

## **Liberal Democrat Group – Notice of Motion**

### **Council Meeting**

**21 February 2019**

### **Overview and Scrutiny Co-ordinator – Vote of No Confidence**

That this Council has no confidence in Councillor Chris Lewis as Overview and Scrutiny Co-ordinator.

Therefore, this Council resolves that the decision of the Council to appoint Councillor Chris Lewis as the Overview and Scrutiny Co-ordinator for the 2018/19 municipal year be rescinded (Minute 17(i) refers); and Councillor Steve Darling be appointed as Overview and Scrutiny Co-ordinator for the remainder of the Municipal Year 2018/19.

Proposed by: Councillor Long  
Seconded by: Councillor Pentney



**Meeting: Council**

**Date: 21st February 2019**

**Wards Affected: All wards in Torbay**

**Report Title:** Torbay Council Annual Pay Policy Statement including Gender Pay Gap Report and Review of Pensions Discretions

**Is the decision a key decision?** Yes

**When does the decision need to be implemented?**

**Executive Lead Contact Details:** Elected Mayor Oliver, Executive Lead for Finance, Regeneration and Corporate Services, (01803) 207001, [mayor@torbay.gov.uk](mailto:mayor@torbay.gov.uk)

**Supporting Officer Contact Details:** Anne-Marie Bond, Director of Corporate Services and Operations, (01803) 207160, [Anne-marie.bond@torbay.gov.uk](mailto:Anne-marie.bond@torbay.gov.uk)

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## **1. Proposal and Introduction**

- 1.1 Section 38 (1) of the Localism Act 2011 requires English and Welsh Authorities to produce a pay policy statement for each financial year. This is a statutory requirement. The pay policy statement must be approved formally by Council. The pay policy statement draws together the Council's overarching policies on pay and conditions and will publish them on the Council's Website and update them as necessary through the year.
- 1.2 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 came into force on 6<sup>th</sup> April 2017 and requires affected bodies to publish their gender pay gap data and a written statement on their public-facing website and report their data to Government online using the gender pay gap reporting service.
- 1.3 Under the current Pensions Regulations, Torbay Council is able to exercise a range of discretions in regard to how the Local Government Pension Scheme (LGPS) is applied to its employees who are members of the Scheme.

## **2. Reason for Proposal**

- 2.1 The Annual Pay Policy Statement 2019/20 must be approved by the Council in order for the Council to be compliant with Section 38 (1) of the Localism Act 2011.
- 2.2 The Gender Pay Gap Report contains information which ensures that the Council is compliant with Gender Pay Reporting requirements under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

- 2.3 The Employers Pensions Discretions must be reviewed and approved by Council annually in line with the LGPS regulations.

### **3. Recommendation(s) / Proposed Decision**

- 3.1 That the Torbay Council Annual Pay Policy Statement 2019/20 as set out in Appendix 1 to the submitted report be approved for publication.
- 3.2 That the Torbay Council Gender Pay Gap Report, contained within the Annual Pay Policy Statement 2019/20 in Appendix 1 be approved for publication.
- 3.3 That the Employers Pensions Discretion set out in Appendix 2 to the submitted report be approved.

### **Appendices**

Appendix 1: Torbay Council Pay Policy Statement and Gender Pay Gap Report 2019/20  
Appendix 2: Torbay Council Pension Discretions

### **Background Documents**

Copies of Torbay Councils associated Pay Policies will be made available upon request.  
All current policies are held on the HR Intranet pages:-  
<http://insight/humanresources>

The following documents/files were used to compile this report:-  
Localism Act Pay Policy Guidance from the Local Government Association  
<http://www.local.gov.uk/localism-act>

Gender Pay Gap Reporting guidance from GOV.UK and Acas:-  
<https://www.gov.uk/guidance/gender-pay-gap-reporting-make-your-calculations>  
[http://www.acas.org.uk/media/pdf/m/4/Managing\\_gender\\_pay\\_reporting\\_04\\_12\\_17.pdf](http://www.acas.org.uk/media/pdf/m/4/Managing_gender_pay_reporting_04_12_17.pdf)

## Section 1: Background Information

### 1. What is the proposal / issue?

The publication of the Annual Salary Statement is a statutory requirement under Section 38 (1) of the Localism Act 2011. If Council does not approve the Salary Statement then the Council will be in breach of the legislation.

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 came into force on 6<sup>th</sup> April 2017 and requires local authorities and other public, private and voluntary sector organisations to publish their gender pay gap data. They must also publish a written statement on their public website and Government website using the gender pay gap reporting service.

See Annual Pay Policy Statement, Appendix 1, for full details.

Under the current Pensions Regulations, Torbay Council is able to exercise a range of discretions in regard to how the Local Government Pension Scheme (LGPS) is applied to its employees who are members of the Scheme. The Employers Pensions Discretions must be reviewed and approved by Council annually in line with the LGPS regulations.

See Pensions Discretions, Appendix 2, for full details of the proposed discretions.

### 2. What is the current situation?

There has been a positive change in the median figures since the 2018/19 Annual Pay Policy Statement was published which reflects a more balanced pay difference between the highest salary and the median and lowest salaries. This is due to a reduction in headcount, involving staff across various different pay grades coupled with pay rises nationally that have increased the value of the pay grades and the National Living Wage.

The Gender Pay Gap Report (appendix 1 of Pay Policy Statement) provides the standard set of calculations required to calculate the Council's Gender Pay Gap. This report shows the mean and median hourly earnings between men and women within the Council. A narrative has been provided within the report to explain the current gender pay gap, i.e. -1.12% (mean) and -1.36% (median).

Employee and employer pension contribution rates are not yet available for 2019/20 and have not been updated within the policy. This is due to some new national proposals that have been put forward, which if accepted, will see those in the lower earning bands paying less contributions. It is expected that these new rates will be confirmed imminently.

3.	<p><b>What options have been considered?</b></p> <p>There are no options to be considered in regard to the publication of the Pay Policy Statement including the publication of Gender Pay Gap information as these are statutory requirements under Section 38 (1) of the Localism Act 2011 and The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.</p> <p>There are no options to be considered in regard to the publication of the Pay Policy Statement as it is a Statutory requirement of the requirement under Section 38 (1) of the Localism Act 2011.</p> <p>The Employers Pensions Discretions were last approved by Council in February 2018. Although there are no changes proposed to the same, Council are required to approve these on an annual basis.</p>
4.	<p><b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</b></p> <p>The Council is statutorily required to approve these documents, and therefore it supports the corporate functions that contributes to the delivery of the Council's ambitions.</p>
5.	<p><b>Who will be affected by this proposal and who do you need to consult with?</b></p> <p>Torbay Council employees and those within the Council's Maintained Schools, including all employees who are members of the Local Government Pension Scheme.</p>
6.	<p><b>How will you propose to consult?</b></p> <p>Trade Unions representing staff within Torbay Council and its' Schools will be consulted at Joint Consultative meetings.</p>

## Section 2: Implications and Impact Assessment

<b>7.</b>	<p><b>What are the financial and legal implications?</b></p> <p>The Council would be in breach of its statutory obligation if it does not publish its Annual Pay Policy Statement and Gender Pay Gap information in accordance with the Localism Act 2011 and The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.</p> <p>The Pay Policy Statement and associated pay policies set out the processes and procedures by which the Council pays its staff. These practices are in accordance with the Equality Act 2010 and associated employment law and so must be approved in order to maintain compliance.</p>
<b>8.</b>	<p><b>What are the risks?</b></p> <p>Non-Compliance with Section 38 (1) of Localism Act 2011, The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, see above. It is currently not determined as to whether there would be a financial penalty for non-compliance with the Localism Act however, under employment law non-compliance could result in heavy penalties for the Council (e.g. Equal pay and discrimination claims).</p> <p>In regard to non-compliance with Gender Pay Gap Reporting, this is included in the explanatory note to the Regulations that states that failure to comply with the duty will constitute an "unlawful act" within the meaning of s.34 of the Equality Act 2006, which empowers the Equality and Human Rights Commission (EHRC) to take enforcement action.</p> <p>In addition to the risk of enforcement action by the EHRC, the Council should also consider the potential damage to their reputation of non-compliance with the gender pay gap reporting duty.</p>
<b>9.</b>	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>The decisions will not relate to the above Act as there are no associated services or goods that need to be purchased or hired.</p>
<b>10.</b>	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>Reference has been made to the Localism Act 2011 and supplementary guidance supplied by the Department for Communities and Local Government ("Openness and Accountability in Local Pay: Supplementary Guidance").</p> <p>Advice and information has also been provided by the Local Government Association.</p>

	<p>Reference has been made to the Gender Pay Gap Reporting guidance from GOV.UK and Acas:-</p> <p><a href="https://www.gov.uk/guidance/gender-pay-gap-reporting-make-your-calculations">https://www.gov.uk/guidance/gender-pay-gap-reporting-make-your-calculations</a></p> <p><a href="http://www.acas.org.uk/media/pdf/m/4/Managing_gender_pay_reporting_04_12_17.pdf">http://www.acas.org.uk/media/pdf/m/4/Managing_gender_pay_reporting_04_12_17.pdf</a></p>
11.	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>The key findings to date from consultation have revealed nothing significant as this is a policy that affects Torbay Council staff. Consultation takes place with the Councils' Trade Unions on behalf of its staff, the expectation is that the Council has a legally compliant pay policy in place that is fair and transparent.</p> <p>Consultation regarding the findings of the Gender Pay Gap Report will be ongoing with Trade Unions as part of the action plan.</p>
12.	<p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>Feedback will be sought from Trade Unions as this policy and changes affect Torbay Council staff. Any changes or mitigating actions put forward will be fully considered.</p>



## 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			Employers Pensions Discretions affecting employees who are 55 years and above. A neutral impact as the proposal is that the discretions will not change since they were last reviewed in 2018.
	People with caring Responsibilities			
	People with a disability			
	Women or men	An Equality Impact Assessment has been provided separately for the Council's Pay and Grading structure 2019 – this indicates that men and women are both positively impacted by the new pay and grading structure.		
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			
	Religion or belief (including lack of belief)			

	People who are lesbian, gay or bisexual		
	People who are transgendered		
	People who are in a marriage or civil partnership		
	Women who are pregnant / on maternity leave		
	Socio-economic impacts (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)	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	Neutral, no public health impact identified as a result of proposals.
<b>14.</b>	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)		
<b>15.</b>	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)		

# TORBAY COUNCIL ANNUAL PAY POLICY STATEMENT APRIL 2019/20

*Human Resources*

This document can be made available in other languages and formats. For more information please contact:-

[HRPolicy@torbay.gov.uk](mailto:HRPolicy@torbay.gov.uk)

## **1. Purpose and Scope of the Policy Statement**

- 1.1 Section 38 (1) of the Localism Act 2011 requires the Council to prepare an Annual Pay Policy Statement.
- 1.2 Supplementary guidance was published in February 2013 – “Openness and Accountability in Local Pay: Supplementary Guidance”. Due regard has been given to that guidance in preparation of this policy.
- 1.3 In dealing with staff pay it is the Council’s strategy to ensure that our Pay Policy facilitates the recruitment and retention of staff with the skills and capabilities the Council needs.
- 1.4 Arrangements for staff pay must comply with Equal Pay legislation.
- 1.5 This Pay Policy Statement applies to the Chief Executive/Head of Paid Service, Directors, Executive Heads and Senior Officers within Torbay Council. It addresses the legal requirement to set out how pay is determined for this group. This includes the following posts within Torbay Council:

Chief Executive/Head of Paid Service

Directors

Assistant Directors

Executive Heads (and those posts with specific responsibility such as Section 151 Officer)

Senior Officers (non-executive heads) – These are posts where the salary is above £50,000.

- 1.6 This Pay Policy Statement is a supplement to Torbay Council's overarching Pay and associated policies which form part of the terms and conditions of employees. These include but are not limited to:-

Torbay Council Pay Policy

Job Evaluation Scheme Policies (Greater London Provincial Councils Job Evaluation Scheme).

NJC Terms and Conditions of Employment (Green Book)

JNC Terms and Conditions for Chief Executives

JNC Terms and Conditions for Chief Officers (Directors within Torbay Council are appointed to these Terms and Conditions).

NHS Terms and Conditions

Torbay Council Local Government Pension Scheme Policy Discretions

Employment of Apprentices Policy

Re-Evaluation Policy

Temporary Acting Up Policy

Temporary Additional Duties Policy

Expenses Policy

Market Supplement Policy

Market Forces Policy

Staff Travel Plan

Key Skills Retention policy

Flexible retirement

Retirement and Long Service Award

## Re-organisation and Redundancy Policy

- 1.7 Guidance from the Secretary of State makes reference to the Hutton Review of Fair Pay. This indicated that the most appropriate metric for pay dispersion is the multiple of chief executive pay to median salary. Tracking this multiple will allow the Council to ensure that public services are accountable for the relationship between top pay and that paid to the wider workforce. This annual pay policy statement will publish this multiple along with the following information:

The level of salary for each of the Officers as defined in (1.4) above;

The salary of the lowest paid employee

This information can be found in Appendix 1 of this policy.

## **2. Arrangements for Officer Pay**

- 2.1 The general terms and conditions of employment are governed by the following national agreements:

Chief Executive/Head of Paid Service - JNC for Chief Executives of Local Authorities,

Directors and Assistant Directors - JNC for Chief Officers of Local Authorities,

Executive Heads - NJC for Local Government Services

Educational Advisors and Inspectors/ Educational Psychologists – Soulbury Pay and Conditions

All other Employee Groups – NJC for Local Government Services

Public Health – NHS Terms and Conditions of Service (for employees who have transferred under TUPE)

- 2.2 The Council uses two forms of Job Evaluation to identify officer pay. This is either through the Council's GLPC Job Evaluation Scheme or the Hay Evaluation Scheme. The Hay Evaluation scheme produces both a Know How Score and a total points score for each post evaluated. Torbay Council pays salary (with a pay band of 4 spinal points) on the basis of the Know How Score only (not the final points score). Know-How is the sum of every kind of knowledge, skill and experience required for standard acceptable job performance.

- 2.3 The Hay Job Evaluation scheme is used to evaluate the following roles within the Council.

Chief Executive/Head of Paid Service  
Directors and Assistant Directors  
Executive Heads

All Grade N and O roles are evaluated under GLPC and Hay (this is due to the cross over point of the two schemes).

Public Health posts are evaluated on the Council's GLPC Job Evaluation Scheme. Public Health posts can also be evaluated using the "Agenda for Change" job evaluation scheme in order to provide Market Forces information.

All other posts within the Council are evaluated under the Torbay Council GLPC evaluation scheme in accordance with the agreed policies.

- 2.4 A review of Hay salary data was purchased in 2018 and salaries were reviewed in line with this and with South-West public and private sector data. This salary information, together with corresponding job descriptions, is available from the Council's internet page, link as follows:- <http://www.torbay.gov.uk/council/finance/salary-levels/>
- 2.5 In determining the salary for the Chief Executive/Head of Paid Service within the Council, and in the absence of appropriate data from Hay, the Council will take advice from the Head of Human Resources and the Director, Corporate Services and Operations. In such a scenario independent advice will be sought from South West Councils (HR and Employment Services) and other professional organisations to advise the Council as to the appropriate level of remuneration to be awarded.
- 2.6 The Chief Executive under the general scheme of delegation within the Council will determine the terms and conditions of employment of all officers. Advice will be sought from the Head of Human Resources and Director, Corporate Services and Operations as required.
- 2.7 Following significant changes in duties, any post can be re-evaluated. The evaluation will be based on a Job Evaluation Questionnaire which will be assessed by an independent panel of Job Evaluation trained assessors. External advice and benchmarking will also be undertaken if necessary to ensure that market conditions are taken into account for pay and grading.
- 2.8 Salary increases in relation to cost of living will be applied to all posts according to the awards made by the appropriate National Joint Council as described in paragraph 2.1.
- 2.9 As a result of the National Joint Council Pay Award in 2018, a new National Pay Spine has been introduced to apply to all employees on NJC terms and conditions of employment. Torbay Council has adopted this National Pay Spine and has applied it to its own Pay and Grading Structure for all staff on NJC terms and conditions. Whilst the National Pay Spine

covers grades A-L, the Council has applied the same principles up to Grade O, and this will be in place from 1<sup>st</sup> April 2019.

The Council's new pay and grading structure will be available from the Council's website on 1<sup>st</sup> April 2019:- <https://www.torbay.gov.uk/council/jobs/what-we-offer/>

2.10 No additional payments are made to in respect of:

Bonus payments or Performance payments to the Senior Officers defined in 1.4, unless where given as a result of protections under TUPE e.g. Director of Public Health whose protected medical terms and conditions include access to additional NHS allowances in regard to Clinical Excellence and on-call duties, details can be found on the NHS Employers webpage as follows: -  
<http://www.nhsemployers.org/Aboutus/Publications/PayCirculars/Pages/PayCircular-MD1-2013.aspx>

Additional enhancements are paid to NJC Employees who are employed on SCP 29\* or below of the Torbay Council Salary Scale. These enhancements were varied on 1<sup>st</sup> June 2017 in accordance with a Collective Agreement with our Trades Unions, dated 13<sup>th</sup> December 2016.

\*on 1<sup>st</sup> April 2019 this scp will change to scp 23 in accordance with the Council's new pay and grading structure.

- 2.11 Additional payments are made to any Council Officers who act as Returning Officers, Deputy Returning Officers and those who carry out specific duties at elections. These payments are calculated according to the approved scale or set by a government department depending on the nature of the election. This is treated as a separate employment as and when required.
- 2.12 In comparing the Chief Executive/Head of Paid Service pay with the wider workforce the Council will use the following definitions:

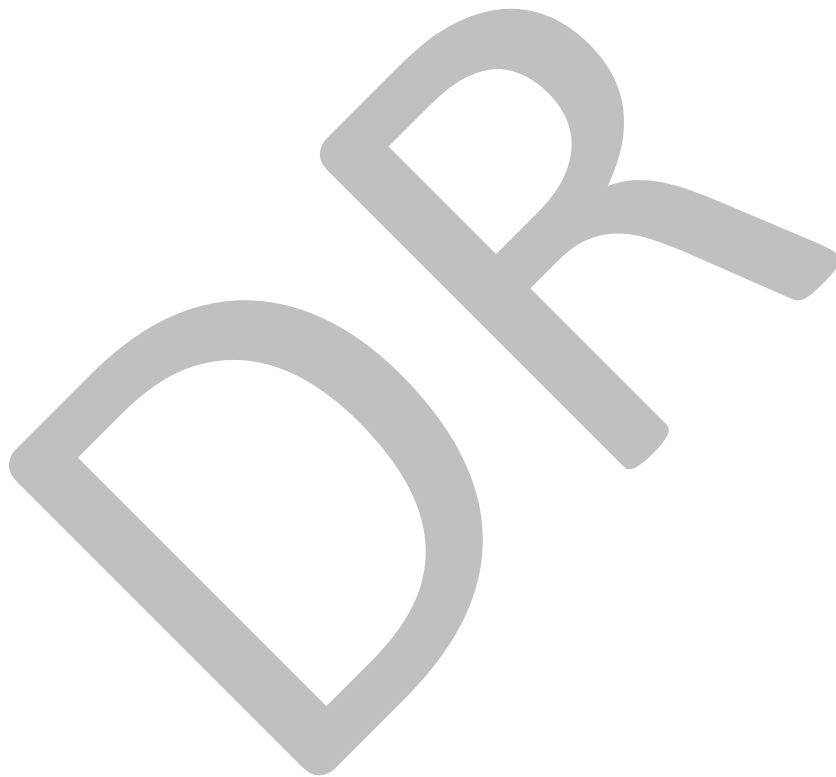
The lowest-paid employee: the employee or group of employees with the lowest salary (full-time equivalent) employed by the Council at the date of assessment.

The median: the mid-point salary when full-time equivalent salaries are arranged in order of size (highest to lowest). Based on salary levels of staff on the date of assessment.

This excludes those employed on casual contracts of employment, but includes part time employees where their salaries are normalised to the full-time equivalent. It also excludes Apprentices who are employed on the Torbay Council apprentice pay grade.

### ***3. Pension contributions and other terms and conditions***

- 3.1 All staff who are members of the Local Government Pension Scheme make employee contributions to the scheme in accordance with the following LGPS contributions table. However, these figures represent the 2018/19 contribution rates and bandings which could be subject to change and have not yet been confirmed for 2019/20.





<b>Band</b>	<b>Salary Range</b>	<b>Contribution Rate</b>
<b>1</b>	<b>£0 To £14,100</b>	<b>5.50%</b>
<b>2</b>	<b>£14,101 To £22,000</b>	<b>5.80%</b>
<b>3</b>	<b>£22,001 To £35,700</b>	<b>6.50%</b>
<b>4</b>	<b>£35,701 To £45,200</b>	<b>6.80%</b>
<b>5</b>	<b>£45,201 To £63,100</b>	<b>8.50%</b>
<b>6</b>	<b>£63,101 To £89,400</b>	<b>9.90%</b>
<b>7</b>	<b>£89,401 To £105,200</b>	<b>10.50%</b>
<b>8</b>	<b>£105,201 To £157,800</b>	<b>11.40%</b>
<b>9</b>	<b>More than £157,801</b>	<b>12.50%</b>

- 3.2 The employer pension contribution rate is: 22.80% which has been set from 1<sup>st</sup> April 2017 and this has not changed.
- 3.3 All employees are currently able to apply for a Car Parking permit, which enables the employee to park on council property for a reduced daily rate.

#### **4. *Payments on Termination – Chief Officers***

The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers, at retirement age or prior to this, is set out within its Redundancy policy and is in accordance with Regulation 5 of the Local Government (Early termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 8 and 10 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007. Final payment details are submitted to Full Council for approval.

#### **5. *Salary Packages upon Appointment***

- 5.1 Any salary package offered in respect of a new appointment for a Chief Executive /Head of Paid Service will be approved by Full Council. This will include **any new salary package** equating to £100,000 or more.

In the case of salary packages for Directors and Assistant Directors, this will need to be approved by the Council's Employment Committee, acting on behalf of Full Council. This will include **any salary package** equating to £100,000 or more.

#### **6. *Settlement Agreements***

- 6.1 Torbay Council will only enter into Settlement Agreements in exceptional circumstances where it is in the Council's overall commercial and financial interests to do so. Any Settlement Agreement for the Chief Executive/Head of Paid Service will be approved by the Full Council. This will include **any severance package** including associated pension costs equating to £100,000 or more.

In the case of Settlement Agreements for Directors and Assistant Directors, this will need to be approved by the Council's Employment Committee acting on behalf of full Council. This will include **any severance package** including associated pension costs equating to £100,000 or more.

Settlement Agreements for any other member of staff will need to be authorised by the Director of the service following consultation with the Chief Executive/Head of Paid Service.

## **7. Gender Pay Gap Reporting**

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires Torbay Council to calculate and publish the pay gap between male and female employees every year. Pay data must be based on a 'snap-shot' of the pay situation as at 31<sup>st</sup> March the preceding year and must be published by 30<sup>th</sup> March 2019 to the Government and also on Torbay Council's website:- <https://www.torbay.gov.uk/council/finance/salary-levels/>

The Government publishes the results on their Gender Pay Gap Viewing Service:- <https://gender-pay-gap.service.gov.uk/>

The Pay Gap Report is included as part of this policy, see Appendix 2 – Gender Pay Gap Report.

## **8. Publication**

8.1 Once approved by Full Council, this Policy and any subsequent amendment will be published on the Council's website. Human Resources Policy will be responsible for the annual review to ensure an accurate pay policy is published ahead of each financial year.

8.2 In accordance with the Code of Practice on Local Authority Accounting, the annual Statement of Accounts includes pay details of Senior Officers reporting directly to the Chief Executive/Head of Paid Service and statutory posts where the salary is above £50,000 per annum.

8.3 Full Council decisions in relation to staff pay matters are available from the Council's internet page, link as follows:-

<http://www.torbay.gov.uk/DemocraticServices/ieDocHome.aspx>

### ***Current Salary Levels for Chief Executive/Head of Paid Service, Directors and other Senior Officers***

Torbay Council publishes a Salary Levels list with post details, salary bands and full-time equivalent salaries, available from Torbay Council's web-site:- <http://www.torbay.gov.uk/council/finance/salary-levels/>

## Equality Statement

This policy applies equally to all Council employees regardless of their age, disability, sex, race, religion or belief, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership. Care will be taken to ensure that no traditionally excluded groups are adversely impacted in implementing this policy. Monitoring will take place to ensure compliance and fairness.

## Appendix 1 Multipliers

The idea of publishing the ratio of the pay of an organisation's top salary to that of its median salary has been recommended in order to support the principles of Fair Pay and transparency. These multipliers will be monitored each year within the Pay Policy Statement.

In comparing the highest paid salary with the wider workforce the Council will use the following definitions:

The lowest-paid employee: the employee or group of employees with the lowest rate of pay (full-time equivalent) employed by the Council at the date of assessment. This includes all types of employment within the Council.

The median: the mid-point salary when full-time equivalent salaries of all core council staff are arranged in order of size (highest to lowest). Based on the salary levels of staff on the date of assessment. This includes all types of employment within the Council.

The Council's current ratio in this respect is 5.48:1, i.e. the highest salary earns 5.48:1 times more than the Council's median salary. The lowest full time equivalent salary is £16,394 which is Point 6, Grade A. When measured against the lowest salary the ratio is 8.52:1.

The lowest full time equivalent salary is £16,394 which is Point 6, Grade A. Date of assessment: 22<sup>nd</sup> January 2019.

	Annual Salary	Ratio to Highest
Highest Salary	Within the banding £135,000 - £139,999	
Median (Mid-point) value	£25,463	5.48:1
Lowest full time salary	£16,394	8.52:1

There has been a positive change in the figures since the 2018/19 Annual Pay Policy Statement was published which reflects a more balanced pay difference between the highest salary and the median and lowest salaries. This is due to a reduction in headcount, involving staff across various different pay grades coupled with pay rises nationally that have increased the value of the pay grades overall.

DR

## ***Appendix 2 – Gender Pay Gap Report***

This report is provided in compliance with the 'The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017' which came into force on 31 March 2017.

### ***Scope***

This report covers all employees of Torbay Council including all staff permanently and temporarily employed on the reporting 'snapshot date' (31 March 2018). This includes those on casual contracts that worked during the pay period ending 31 March 2018.

In accordance with the Regulations, employees of Torbay Council's maintained schools\* are treated as being employed by the governing body of the school and not as Council employees. Consequently, employees in maintained schools have been excluded from the Council's gender pay calculations. The duty to report GPG information applies to organisations with 250 or more employees. None of Torbay's maintained schools individually exceed this figure and so will not need to make a submission. In the case of schools who are part of a multi-academy trust and which may collectively exceed 250 employees, they will be required to report their gender pay information as the employer and take advice as appropriate.

\* Maintained schools are regarded as foundation, community, voluntary, nursery or special schools.  
(<https://www.gov.uk/guidance/gender-pay-gap-reporting-overview>)

### ***Definition of Pay***

Under the regulations, and therefore in this report, 'pay' includes: basic pay, paid leave (including annual leave, sick leave, maternity, paternity, adoption and parental leave (except where an employee is paid less than usual because of being on leave)), allowances, shift premium pay and bonus pay. 'Pay' does not include: overtime pay, expenses, the value of salary sacrifice schemes (however the reduction to salary is included), benefits in kind, redundancy pay and tax credits.

### ***Gender pay gap and equal pay***

The gender pay gap is defined as the difference between the pay of men and women. While there are many ways of presenting this data, under the regulations and in this report there are only two measures: median hourly pay and mean hourly pay. Each is represented as the percentage of the difference with men's pay being the divisor. Therefore, where men are paid more than women, the pay gap will be 'positive' (i.e. with a 3% pay gap women earn 97p for every £1 a man earns). Negative pay gaps are represented as minus percentages (i.e. with a negative pay gap of minus 3% women earn £1.03 for every £1 a man earns). Gender pay gap is not about men and women being paid differently for the same job which has been prohibited by equal pay legislation since 1975. Even with this legislation, historically certain occupations have attracted greater pay due to the value placed on typical masculine and feminine skills.

To comply with equal pay legislation, we operate a recognised job evaluation scheme which covers all posts within the Council. This is supported by periodic pay data reviews to ensure that our pay structure remains transparent and free from gender bias. The Council seeks external advice on JE where required and regularly benchmarks against market data.

### ***Defining pay gaps***

A gender pay gap of less than +/- five percent is considered to be acceptable as defined by the Equality and Human Rights Commission's Equal Pay Toolkit. All gender pay gaps of three percent or more are subject to further analysis to identify the main causes and contributory factors of any pay differences.

A positive pay gap indicates that men are paid more, a negative pay gap indicates that women are paid more.

### ***Analysing pay gaps***

In regard to Gender Pay Gap Reporting, both the mean and median figures have to be reported, however, the median is referred to, to highlight the overall gender pay gap as it is more representative of the average earnings of a typical person (Annual Survey of Hours and Earnings, 2017:5). Significant pay gaps can often be explained by length of service, market factors, pay protection and/or progression.

### ***Findings***

The following summary has been prepared in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 which requires public sector employers to publish specific details of their gender pay, as follows:-

- Median gender pay gap in hourly pay.
- Mean bonus gender pay gap.
- Median bonus gender pay gap.
- Proportion of males and females receiving a bonus payment.
- Proportion of males and females in each pay quartile.

### **The difference between the average (mean and median) hourly rate of pay for male and female employees**

1. The mean pay for women is £14.61 per hour and mean pay for men is £14.45 per hour. Therefore the mean gender pay gap -1.12%

2. The median pay for women is £14.13 and the median pay for men is £13.94 per hour. Therefore the median gender pay gap is -1.36%.

**The difference between the average (mean and median) bonuses paid to male and female employees over the period of 12 months ending with the snapshot date of 31 March 2018.**

3. No bonuses were paid to employees during this period.

**The proportion of male employees, and of female employees, who were paid bonuses during the period of 12 months ending with the snapshot date of 31 March 2018.**

4. No bonuses were paid to employees during this period.

**5. The proportions of male and female employees in each quartile of the pay distribution – to be supplied**

Quartile	Posts	Men (Count)	Men ( % )	Women (Count)	Women ( % )
A - Lower (0-25%)	247	50	20.24%	197	79.76%
B - Lower Middle (25-50%)	247	86	34.82%	161	65.18%
C - Upper Middle (50-75%)	247	87	35.22%	160	64.78%
D - Upper (75-100%)	247	108	43.72%	139	56.28%
Total Posts	988	331	33.50%	657	66.50%

## Findings

Torbay Council employed 988 employees on 31<sup>st</sup> March 2018, as a headcount figure. This year's report excludes all Schools workforce data therefore cannot be compared with the 2018 Gender Pay Gap Report.

The previous Gender Pay Gap Report highlighted a 2.3% gap in favour of men, however, having extracted the Schools data for this year's report the figure has dropped to a -1.36% median gap in favour of women. This can be attributed to the number of women in the Council's workforce who occupy managerial and senior managerial roles and also the impact of extracting the Schools workforce who predominantly occupy job roles in the lower quartile.

Actions were taken to address the gap, this included the introduction of leadership and management training to upskill staff and to facilitate their progression into management and leadership positions. This has been rolled-out to a mix of men and women and will open-up experience and opportunities in future as part of succession and workforce planning initiatives. Also, as a result of the



introduction of the new pay and grading structure, equality impact assessments have been undertaken to assess any adverse impact upon certain groups, including a gender analysis. Steps have been taken when implementing the new structure to ensure that the pay bandings are fair and equitable and do not discriminate against traditionally excluded groups, such as women.

In addition to this, the following proposals are put forward to review and minimise any pay gaps going forward:-

- ☐ Review gender pay gap to explore the root causes contributing to any pay gaps and actions required to reduce the gap.
- ☐ Further work to review our pay and grading structure to ensure that it remains transparent and free from gender bias.
- ☐ Review Market Forces and Market Supplement process, criteria and the appropriateness of Market Forces and Supplements to ensure they reflect market conditions.
- ☐ Review of Recruitment Strategy and associated policy and processes.
- ☐ Regular Audits of Job Evaluations Grading outcomes to ensure consistency, fairness and equality of approach and compliance to scheme.
- ☐ Implement consistent monitoring of internal promotions and progressions by gender.
- ☐ Continue to utilise staff development and talent management opportunities (e.g. through the management development programme, appraisals and apprenticeships).
- ☐ Continue monitoring the impact of restructures on staff with protected characteristics such as gender.

The above listed proposals may also be applied to other protected characteristics such as age, disability and ethnicity.

Signed by:-

Print Name and Job Title:-

Date:-

## Sources of Information:-

### Equality and Human Rights Commission:-

<https://www.equalityhumanrights.com/sites/default/files/research-report-109-the-gender-pay-gap.pdf>

### Office for National Statistics:-

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2017provisionaland2016revisedresults>

<https://www.ons.gov.uk/releases/understandingthegenderpaygap>

## Policy Feedback

Should you have any comments regarding this policy, please address them to the HR Policy Feedback mailbox –

[HRpolicy@torbay.gov.uk](mailto:HRpolicy@torbay.gov.uk)

## History of Policy Changes

This policy was first agreed by members of the Torbay Joint Consultative Committee in March 2012

Date	Page	Details of Change	Agreed by:
November 2012	Various	Amendment from Chief Executive to Chief Operating Officer	SSG 8.11.12 Approved by Full Council
6 <sup>th</sup> December 2012	4-5	Update to pension ranges re: LGPS contribution rates Addition of Payments upon Termination Section	Approved by Full Council
6 <sup>th</sup> December 2012	7	Update to Ratio + Multiplier information (Appendix 2)	Approved by Full Council
6 <sup>th</sup> December 2012	6	Update to current salary levels + addition of newly appointed posts (Appendix 1)	Approved by Full Council
5 <sup>th</sup> December 2013	Various	Update to current salary levels and reference to Chief Executive Officer throughout. Inclusion of Public Health information.	To be approved by Full Council – 5.12.13

5th December 2014	Various	Update to current salary levels and pension rates, reference to Executive Head of Commercial Services.	To be approved by Full Council – 4.12.14
November 2015	Various	<p>-Update to reflect structure changes, e.g. Chief Officer/Head of Paid Service and Assistant Director roles. Reference to National Living Wage from 1.4.16.</p> <p>New section (5) relating to approval process for Chief Officer/Head of Paid Service appointments and changes to Section 6 (Settlement Agreements) to reflect approval process, i.e. delegation to Employment Committee for decisions relating to Directors and Assistant Directors.</p> <p>Reference to “Openness and Accountability in Local Pay: Supplementary Guidance”</p>	Approved by Full Council – 10.12.15
February 2017	Various	<p>Update to reflect change in job title – Chief Officer to Chief Executive.</p> <p>Changes to Appendix 1 – Multipliers, due to salary pay award in 2016 and introduction of National living Wage. Changes to terms and conditions relating to enhancements and other terms and conditions that have been varied through Collective Consultation.</p> <p>Updated to reflect Hay 2016 rates low to medium and spinal scales.</p> <p>General re-wording to take into account constitution, general delegations.</p>	Approved by Full Council February 2017

June 2017	Wording to 2.5 updated.	To reflect how Chief Executive salary will be reviewed following recommendation from Employment Committee.	Approved by Full Council 10 <sup>th</sup> May 2017.
January 2018	Various	<p>Changes to job titles to reflect Senior Leadership Team restructure.</p> <p>Replace external link to Salary Disclosure information.</p> <p>Update to pensions contributions information.</p> <p>Update to Appendix 1 – multiplier information.</p> <p>Inclusion of Appendix 2 – Gender Pay Gap Report</p>	Pending Full Council Approval 22 <sup>nd</sup> February 2018.
January 2019	Various	<p>Insertion of new section 2.9 re:- pay and grading structure changes.</p> <p>Update to Pensions information – Section 3</p> <p>Update to Appendix 1 – multiplier information.</p> <p>Update of Appendix 2 – Gender Pay Gap Report</p> <p>Amendment to Scope of Gender Pay Gap Report – pay calculations no longer include Schools data.</p>	Pending Full Council Approval 21st February 2019.

Policy to be reviewed December 2019.

The Local Government Pension Scheme Regulations 2013  
And  
The Local Government Pension Scheme (Transitional Provisions  
& Savings) Regulations 2014

Employer Name: TORBAY COUNCIL

Policy effective from: 1<sup>st</sup> April 2019 – following Council decision  
21<sup>st</sup> February 2019

<b>Regulation R16(2)(e) &amp; R16 (4)(d)</b>	<b>Policy Decision</b>
<p><b>Shared Cost Additional Pension Scheme</b></p> <p>An employer can choose to pay for or contribute towards a member's Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAPC)</p>	<p>Torbay Council will not normally enter into a Shared Cost Additional Pension Contract to count towards a member's Additional Pension Contract except in exceptional circumstances.</p>

<b>Regulation R30(6) &amp; TP11(2)</b>	<b>Policy Decision</b>
<p><b>Flexible Retirement</b></p> <p>Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up while still continuing in employment. This is provided the employer agrees to the member either reducing their hours or moving to a position on a lower grade.</p> <p>In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights</p>	<p>Torbay Council will take all reasonable steps to accommodate an employee's request for Flexible Retirement.</p> <p>The Council will consider waiving reduction to pensions benefits where flexibility will enable the Council to retain key skills within critical service areas.</p> <p>The Council will also consider requests where an employee is aged between 55 to 60 and satisfies the 85 year rule criteria.</p> <p>Requests will be considered by the Head of Paid Service and/or Council, dependent upon the seniority of the role and associated costs, in line with the Local Government Transparency Code 2014.</p>

<b>Regulation R30(8)</b>	<b>Policy Decision</b>
<p><b>Waiving of actuarial reduction</b></p> <p>Employers have the power to waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to members benefits paid on the grounds of flexible retirement.</p> <p>Employers may also waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to member's benefits for deferred members and suspended tier 3 ill health pensioners who elect to draw benefits on or after age 60 and before normal pension age</p> <p>Employers also have the power to waive, in whole or in part, the actuarial reduction applied to active members benefits when a member chooses to voluntarily draw benefits on or after age 55 and before age 60.</p>	<p>The Council will not waive the actuarial reduction to scheme member's benefits in respect of flexible retirement, deferred member's benefit requests, suspended tier 3 ill health pensioners or active members who retire voluntarily and draw benefits from age 55 to normal retirement age.</p> <p>The Council will consider waiving the actuarial reduction to the scheme member's benefits in respect of flexible retirement only.</p>

Regulation TPSch 2, para 2(2) & 2(3)	Policy Decision
<p><b>Power of employing authority to “switch on” the 85 Year Rule</b></p> <p>An employer can choose whether to “switch on” 85 year rule for members who voluntarily retire on or after age 55 and before age 60</p> <p>An employer can also choose to waive, on compassionate grounds, the actuarial reduction applied to benefits for a member voluntarily drawing benefits on or after age 55 and before age 60</p>	<p>Torbay Council will not ‘switch on’ the 85 year rule for members who voluntarily retire on or after age 55 and before age 60.</p> <p>The Council will also not waive the actuarial reduction in respect of benefits drawn for a member from age 55 to 60.</p>
Regulation R31	Policy Decision
<p><b>Power of employing authority to grant additional pension</b></p> <p>An employer can choose to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500* per annum)</p> <p><i>(* the figure of £6,500 will be increased each April under Pensions Increase orders)</i></p>	<p>Torbay Council will not normally exercise the discretion to grant additional pension except in exceptional circumstances.</p>

These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.

Signed on behalf of \_\_\_\_\_

Signature of authorised officer: \_\_\_\_\_

Date: \_\_\_\_\_

Print name of authorised officer: \_\_\_\_\_

Job Title: \_\_\_\_\_

**Meeting of the Council, Thursday, 21 February 2019**  
**Public Question Under Standing Order A24**

**Public Question (1) from Nigel Penny to the Council's Representative on the Devon and Cornwall Police and Crime Panel (Councillor Excell)**

There have been incidents of violent and potentially violent related crime around Paignton Town Centre. Recent examples only: robbery at BetFred and Tesco Express, a knife attack in Parkside Road, the incident in Courtlands Road – this one at 3.30pm in daylight. There are also incidents of non-violent crime especially shoplifting, causing distress and loss to local traders.

The Police reacted promptly to these violent cases. Two additional PCSO's have been allocated recently to Paignton, acknowledging Paignton's under-resourced issues. Nevertheless, these crimes directly affect peoples' lives and raise real concerns among Paignton residents more widely.

Given the background above, my three-part question is:

To provide Paignton with a professionally comprehensive police service involving preventative as well as reactive actions:

- 1) Can you confirm the assessed number of Police Officers/PCSOs required, and how does this compare to current figures?
- 2) What actions are being taken to help the Devon & Cornwall Constabulary rebuild operational numbers by:
  - i) the Police & Crime Commissioner, and
  - ii) Torbay Borough Council in its declared duty of safety to residents and visitors to the Bay? and
- 3) When will the impact of the recently formed South Devon Police Unit be evaluated and will this evaluation be made public?





**Meeting: Full Council**

**Date: 21 February 2019**

**Wards Affected: All**

**Report Title: Transformation Project - Future of TOR2 Services (Strategic Delivery Model)**

**Is the decision a key decision? Yes**

**When does the decision need to be implemented? Immediately**

**Executive Lead Contact Details:** Councillor Derek Mills, Deputy Mayor and Executive Lead for Planning and Waste & Councillor Robert Excell, Executive Lead for Community Services

**Supporting Officer Contact Details:** Kevin Mowat, Assistant Director of Business Services 01803 208425, [kevin.mowat@torbay.gov.uk](mailto:kevin.mowat@torbay.gov.uk)

## **1. Proposal and Introduction**

- 1.1 This report is presented to Council to consider a strategic proposal on the future delivery options for the services that are currently delivered by TOR2.
- 1.2 The most significant services that TOR2 deliver on behalf of the Council are Assets (fleet management and built asset management), Waste (collection and transfer of waste) and Street-scene - (highways, parks, beaches and street cleansing).
- 1.3 The delivery vehicle for these services is TOR2, which is a joint venture company established in July 2010 between Torbay Council and May Gurney (subsequently May Gurney was acquired by Kier Group in 2013). The shareholding between the two parties is 19.99% for Torbay Council and 80.01% held by Kier Group.
- 1.4 The contract with TOR2 for the delivery of these services was for 10 years and is due to end in July 2020, however the contract does include an option to extend for 15 years, in increments of 5 years.

## **2. Reason for Proposal and associated financial commitments**

- 2.1 The initial contract with TOR2 is due to cease in July 2020, and as such the Council has been considering options for the future delivery of the services currently delivered by TOR2.
- 2.2 The Council needs to inform TOR2 of whether it intends to renew the existing contract by July 2019 at the latest, therefore Council are being asked to approve the recommended way forward.

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### **3. Recommendation(s) / Proposed Decision**

- 3.1 That Council approves the strategic intention to deliver services currently delivered by TOR2 through a Local Authority wholly owned company, at the end of the current contract with TOR2, or earlier should this be agreed.
- 3.2 That Council delegates to the Chief Executive the authority to establish a new wholly owned company, should this be required, for this purpose.

### **Appendices**

Appendix 1: TOR2 Options Appraisal

### **Background Documents**

## Section 1: Background Information

1.	<p><b>What is the proposal / issue?</b></p> <p>The existing contract with TOR2 is due to expire in July 2020 requiring the Council to provide notice as to whether they will renew the contract by July 2019 at the latest.</p> <p>This has provided the Council with an opportunity to consider options to pursue a new delivery model for these services, driven by the Council's desire to ensure it provides the most innovative, efficient and cost-effective services whilst meeting its statutory obligations and ensuring customer satisfaction.</p>
2.	<p><b>What is the current situation?</b></p> <p>TOR2 is a Joint Venture Company which was established in July 2010 between Torbay Council and May Gurney (subsequently, in 2013, May Gurney was acquired by Kier Group). The shareholding between the two parties is 19.99% for Torbay Council and 80.01% held by Kier Group. The initial contract duration was for 10 years and the contract is due to end in July 2020 with the option for the Council to extend in increments of 5 years up to 15 years.</p> <p>The services currently delivered by TOR2 are split into three contracts; Assets (fleet management and built asset management), Waste (collection and transfer of waste) and Street-scene (highways, parks, beaches and street cleansing). The Council pays TOR2 £10.909m per annum (2018/19) for the delivery of these cyclical services.</p> <p>There are some key elements of the original joint venture concept which have not been as expected;</p> <ul style="list-style-type: none"><li>• To date TOR2 has not generated a dividend as was expected when the contract was entered into in 2010,</li><li>• TOR2 have not improved recycling rates at a sufficient pace and are unlikely to achieve the target recycling rate of 50% (or above) by 2020,</li><li>• There is currently limited evidence of introducing innovative solutions i.e. in cab technology,</li><li>• Poor performance has been highlighted in relation to waste collection which led to a vote of no confidence from Brixham Town Council and a debate at the Council meeting held on the 19 October 2017 about a client vote of no confidence regarding waste collection which was ultimately unsuccessful.</li></ul>
3.	<p><b>What options have been considered?</b></p> <p>As stated above the Council has an opportunity in July 2020 to pursue a new delivery model for the services currently delivered by TOR2.</p>

	<p>As a result the Council has considered the following options and timelines:</p> <ol style="list-style-type: none"> <li>1      <b>Renewal of the current contract with TOR2</b> - Notice to renew is July 2019 and within 90 days of the notice, both the Council and TOR2 would need to meet to agree any variations to the contracts and associated documents.</li> <li>2      <b>Transfer to an ‘In-house’ service (as a Council department)</b> - It is estimated that this option would require a minimum period of 12 months to implement ahead of July 2020.</li> <li>3      <b>A Local Authority Company (100% owned subsidiary)</b> - It is estimated that this option would require a minimum period of 12 months to implement ahead of July 2020. Were the services to be delivered through such a company, this would allow the Council the absolute control and flexibility to review future delivery of services, and consider private sector suppliers for the services or parts thereof, and opportunities for shared service partnership/s with other Local Authorities.</li> <li>4      <b>Procure another private sector supplier(s) for the services</b> - It is estimated that this option would require a period of 24 months ahead of July 2020 to implement, commencing with a procurement process – <b><i>therefore at this time this option is not viable.</i></b></li> <li>5      <b>Develop a shared service partnership(s) with other Local Authority (ies)</b> - It is estimated that this option would require period of 24 months ahead of July 2020 to implement, commencing with a detailed options appraisal. This is due to the range of factors that must be considered for this option, such as the market appetite or the timing of opportunities for partnering with other local Authorities - <b><i>therefore at this time this option is not viable.</i></b></li> </ol> <p>The ‘impacts &amp; benefits’ and ‘risks &amp; dis-benefits’ for each option have been assessed – these can be found in Appendix 1 TOR2 Options Appraisal.</p> <p>To ensure that the Council is in the most flexible and dynamic position to respond to or innovate change at the same time as controlling the costs of the service the preferred model must ensure that the Council obtains the appropriate level of control and impact, therefore the recommended option at this time is to proceed with Option 3, namely for the services to be delivered through a 100% wholly owned company of the Council.</p> <p>This could be achieved either through the creation of a new company, or by the Council acquiring the entirety of the TOR2 shares (note: the acquisition of the shares could take place in July 2020, or at an earlier point should this be agreed between the parties).</p> <p>Note : For all options save option 1, the contract with TOR2 stipulates how the contract is ended and matters dealt with e.g. asset transfers. The contract does not need to end early if the Council acquires 100% ownership of TOR2.</p>

<b>4.</b>	<p><b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan?</b></p> <p>This proposal aligns with the Council's Corporate Plan 2015-2019 action of 'Ensuring Torbay remains an attractive and safe place to live and visit' and the Corporate Plan principle that promotes the use of reducing resources to best effect.</p>
<b>5.</b>	<p><b>How does this proposal contribute towards the Council's responsibilities as corporate parents?</b></p> <p>N/A</p>
<b>6.</b>	<p><b>How does this proposal tackle deprivation?</b></p> <p>N/A</p>
<b>7.</b>	<p><b>How does this proposal tackle inequalities?</b></p> <p>N/A</p>
<b>8.</b>	<p><b>How does the proposal impact on people with learning disabilities?</b></p> <p>N/A</p>
<b>9.</b>	<p><b>Who will be affected by this proposal and who do you need to consult with?</b></p> <p>Based on the options outlined above, and referenced in Appendix 1, the proposals will not have any impact upon service delivery at this stage, therefore public consultation does not need to be carried out. If it is proposed that there are any changes to service provision at any time in the future, public consultation with key stakeholders and service users will be undertaken.</p>
<b>10.</b>	<p><b>How will you propose to consult?</b></p> <p>As above.</p>

## Section 2: Implications and Impact Assessment

11.	<p><b>What are the financial and legal implications?</b></p> <p>The Council is in a contract with TOR2 for the delivery of the three cyclical service areas, at a sum of £10.909m in 18/19.</p> <p>This contract could be brought to an end at any date by the agreement of all parties, but the current term of the contract ends in July 2020, and therefore the Council needs to make a decision as to the future delivery of these services.</p> <p>Within any contractual arrangement, the extent to which services and specifications can be changed is controlled. The recommendation contained within this report to deliver the services through a wholly owned company, provides the Council with absolute control and flexibility over future service delivery and associated costs.</p> <p>The set up costs associated with the creation of a new company will be funded from the Transformation budget.</p>
12.	<p><b>What are the risks?</b></p> <p>The risks of each option are outlined in Appendix 1.</p>
13.	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>N/A at this time - however the preferred model will need to work within all legal constraints such as the Public Contracts Regulations 2015, employment law and any legal implications around the Council establishing a Local Authority owned company.</p>
14.	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>A Transformation Project has brought together Officers across the Council to review in detail the options which are outlined in this report. This Project has been underway for xxx with considerable thought given to the various options, including ongoing dialogue with the current contractor and neighbouring local authorities, with a view to a shared service. The option to work more closely with nearby Councils, on shared service delivery models, can be better explored once the existing contract has concluded and/or the Council gains full control of TOR2.</p>
15.	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>N/A</p>

16.	<b>Amendments to Proposal / Mitigating Actions</b>  N/A
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## Equality Impacts

17.	Identify the potential positive and negative impacts on specific groups			
		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 (Including impact on child poverty issues and deprivation)		No differential impact.
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)		No differential impact.
16	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	None known at this time.	
17	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	None known at this time.	

## Appendix 1: TOR2 Options Appraisal

OPTION DESC.	1. Renewal of the current contract with TOR2 (in blocks of five years)	2. Transfer to an 'In-house' service (as a Council department)	3. Transfer to a Local Authority Company (100% owned subsidiary)	4. Procure another private sector supplier(s) for the services	5. Develop a shared service partnership(s) with another Local Authority(ies)
<b>IMPACTS / BENEFITS</b>  <div>Page 66</div>	<ul style="list-style-type: none"> <li>• Cost certainty for services for contract duration</li> <li>• Benefits of joined-up services e.g. TOR2's collaborative response to Storm Emma</li> <li>• TOR2 have access to wider Kier network for expertise</li> <li>• Retains specialist software and staff resources from Kier as part of contract costs</li> </ul>	<ul style="list-style-type: none"> <li>• Potential to improve customer (public) satisfaction by an improved "user-focused" service delivery</li> <li>• Increased focus on improving the recycling rate</li> <li>• Greater confidence in compliance with statutory obligations e.g. fleet maintenance records</li> <li>• Increased responsiveness to government and local policy/targets</li> <li>• Flexibility to instigate change or develop new/innovative services and meet changing Government targets</li> <li>• Latitude to generate income from services (subject to statutory limitations)</li> <li>• Flexibility to adjust specifications in order</li> </ul>	<p>All Impacts/Benefits noted against Option 2 apply equally to this option, whilst minimising LGPS liability/costs.</p>	<ul style="list-style-type: none"> <li>• Potential to improve customer (public) satisfaction by improving service delivery</li> <li>• Opportunity for the Council to identify supplier/s with track record of compliance with statutory obligations i.e. recycling rates</li> <li>• Council can determine transparent commissioning arrangements</li> <li>• Opportunity for the Council to identify supplier/s who will develop innovative services</li> <li>• Cost certainty for contract duration</li> <li>• Ability to spread transition costs across the duration of contract</li> </ul>	<ul style="list-style-type: none"> <li>• Potential to improve customer (public) satisfaction by improving service delivery</li> <li>• Opportunity for council to identify partner with track record of compliance with statutory obligations</li> <li>• Council can determine transparent commissioning arrangements</li> <li>• Opportunity for the Council to generate (shared) income with partner and/or reduce costs</li> <li>• Opportunity for the Council to identify partner who will develop new and innovative services</li> <li>• Improved resilience of service as both organisations will have a larger critical mass, the ability to share costs &amp; command greater economy of scale</li> </ul>

		<p>to reduce costs as required</p> <ul style="list-style-type: none"> <li>• Ability to restructure and integrate services to provide greater efficiency</li> <li>• Opportunity to pursue all models in one or more service area in future</li> <li>• Greater ability to develop appropriate I.T./digital strategy</li> <li>• Improved governance – stronger link to decision-making and local policy</li> <li>• Stronger local supply chains</li> <li>• Improved local employment opportunities &amp; staff development</li> <li>• Ability to improve communications strategy &amp; customer engagement</li> <li>• Greater management control and ability to share corporate objectives and values</li> </ul>		<ul style="list-style-type: none"> <li>• Ability to develop efficient I.T./digital strategy</li> <li>• New supplier provides experience and expertise across relevant service areas</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to improve communications strategy &amp; engagement with customers</li> </ul>
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RISKS / DISBENEFITS	<ul style="list-style-type: none"> <li>Costs may increase from current levels of contractual spend</li> <li>Minimal scope to reduce costs</li> <li>Limited flexibility over changing the contract other than via a change mechanic</li> <li>No evidence that there will be any renewed appetite for innovation</li> <li>TOR2's failure to increase profitability indicates that any award of dividends is unlikely</li> <li>Current levels of TOR2 service delivery will likely continue with little expectation to improve customer (public) satisfaction</li> <li>High levels of Agency staff impact on service continuity &amp; local employment</li> <li>Member/public confidence in the TOR2 brand</li> <li>Council has limited access to customer insight data</li> <li>Renewal requires agreement from both Shareholders. Kier's ongoing interest is not certain</li> </ul>	<ul style="list-style-type: none"> <li>Corporate support departments may need to increase their resources to support this operation e.g. HR</li> <li>The Council would create LGPS responsibility/cost for a significant proportion of the staff who are not currently in the LGPS scheme</li> <li>The Council would need to invest in key infrastructure (i.e. IT) which is currently provided by Kier/Tor 2</li> <li>Complexity for re-introduction of services/staff to current structure</li> <li>Potential decrease in current third-party revenue streams (Kier linked)</li> <li></li> </ul>	Please see risks/disbenefits noted against Option 2 with the exception of the risk associated with pension being removed, as the pension position would not change from that through TOR2.	<ul style="list-style-type: none"> <li>Conflicting objectives of Council vs private sector; quality focus rather than profit focus</li> <li>External contracts will include elements of profit</li> <li>Inflexibility of private sector to adopt new approaches and change model due to the volume of scale achieved by its existing network</li> <li>Exposure to the private sector market and potential failure of suppliers e.g. Carillion</li> <li>Limited scope and flexibility over the levels of service delivery and ability to make changes or respond to Government targets/policy</li> <li>Inability for Council to reduce costs as required during contract duration</li> <li>Contract management alone will not deliver sufficient control to drive change,</li> </ul>	<ul style="list-style-type: none"> <li>Limited ability for Torbay Council to be flexible and/or implement change due to different leadership dynamics, strategic objectives and existing contractual agreements of partnering Local Authority</li> <li>Potential procurement demands (dependent on partnership vehicle)</li> <li>Dependent on the partnership vehicle, corporate support departments may need to increase resources</li> <li>Investment in key infrastructure (i.e. IT) required (could be shared with partner)</li> </ul>
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				<p>innovation and performance improvements e.g. real risk of repeating the current situation</p> <ul style="list-style-type: none"><li>• Market/supplier appetite unknown, especially in light of significant change expected in national policy on waste</li></ul>	
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**Meeting: Council**

**Date: 21 February 2019**

**Wards Affected: All**

**Report Title: Replacement Vehicles**

**Is the decision a key decision? Yes**

**When does the decision need to be implemented? ASAP**

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## **1. Proposal and Introduction**

- 1.1 Most of the TOR2 fleet (in particular those vehicles associated with waste and recycling collections) is requiring very high cost maintenance in order to keep it functional. This has resulted in long periods of downtime, contributing to the irregular and unreliable collections of waste and recycling during the first half of 2018 and June/July 2017.
- 1.2 The replacement of the kerbside sort vehicles and refuse collection vehicles (RCVs) needs to be prioritised so that the Council can ensure it can fulfil its statutory waste and recycling collection duties and provide residents with a reliable and consistent service.

## **2. Reason for Proposal and associated financial commitments**

- 2.1 Torbay Council would need to replace most of the existing waste fleet in July 2020 at the end of the current TOR2 contract. The takeover of the majority shareholding from Kier, which was scheduled for the end of 2018 is on hold pending further due diligence work.
- 2.2 The Council needs to ensure that it can fulfil its statutory duty to collect waste from its residents in an effective manner. The purchase of new vehicles will provide for a more resilient fleet, which will better support regular collections of recycling and waste and also help to facilitate the improvement of the recycling rate to the target level, set by central government for all authorities, of 50% by 2020.
- 2.3 This report makes reference to all the waste and street cleansing fleet but the focus is on the kerbside sort vehicles and refuse collection vehicles. TOR2 will be granted use of the new vehicles under licence and they would be leased to them

until the end of the current contract term. TOR2 would be responsible for the running and maintenance of the new vehicles. This arrangement will need to be established and formalised prior to the ordering of the new vehicles.

- 2.4 Once the TOR2 contract has come to an end in July 2020 the vehicles would continue to be funded by the operating entity and used by the authority for the remainder of their asset life.

### **3. Recommendation(s) / Proposed Decision**

- 3.1 That the Council commits its immediate future to collecting recycling by the kerbside sort method as part of its statutory waste collection duty.
- 3.2 That the Council proceeds with the staged replacement of the existing kerbside sort vehicles, with up to 11 more modern vehicles purchased in 2019 and the remaining, up to a total of 22, purchased in 2020; and that authority be delegated to the Interim Director of Place, in consultation with the Chief Finance Officer, Director of Corporate Services and the Deputy Mayor, to agree the detailed terms of the procurement, funding and lease arrangements for these vehicles.
- 3.3 That the Council proceeds with the procurement of six new refuse collection vehicles for purchase in 2019 with the remaining requirements reviewed in 2020, and that authority be delegated to the Interim Director of Place, in consultation with the Chief Finance Officer, Director of Corporate Services and the Deputy Mayor, to agree the detailed terms of the procurement, funding and lease arrangements for these six new vehicles.
- 3.4 That prudential borrowing of up to £4.5m be approved to support the procurement and purchase of the vehicles recommended in 3.2 and 3.3 above, on the following basis:
- (i) that TOR2 agree to lease the new vehicles, on terms to be agreed, for the remainder of the TOR2 contract and sign an appropriate agreement to lease prior to the Council placing any purchase order, and
  - (ii) that the lease costs to TOR2 will, as a minimum, meet to Council's cost of borrowing, as agreed by the Chief Finance Officer, during the remaining term of the TOR2 contract.

### **Appendices**

None

### **Background Documents**

WYG (White Young Green) Report on kerbside sort vehicles  
WRAP – Kerbside Recycling: Indicative Costs and Performance Report June 2008  
Options Appraisal

## Section 1: Background Information

### 1. What is the proposal / issue?

All of the current fleet is at least eight years old as there has been little or no investment in the waste and recycling or street cleansing fleet.

The proposal is to commit the Council's immediate future to collecting recycling by the kerbside sort method as part of its statutory waste collection duty and to replace 22 kerbside sort vehicles, 10 refuse collection vehicles (RCVs) and four mechanical sweepers. This report will only focus on the decision to procure 22 kerbside sort vehicles and 6 RCVs, with the remaining vehicles being the subject of a separate Council decision.

### 2. What is the current situation?

#### Recycling and Waste

The vehicles are frequently breaking down and maintenance costs are high, as are the levels of additional overtime required to undertake the current collection service, due to lost time. Consequently it can be seen that new vehicles would significantly reduce the running costs of the waste collection service.

It is especially important that the kerbside sorting service is both regular and consistent so that recycling gains can be achieved, which could increase material income and reduce disposal costs.

The frequent vehicle breakdowns mean the rounds for these vehicles and their services are often disrupted, especially for waste and recycling collections, increasing overtime and performance penalties due to late service completion and significant complaints from residents. The major disruption to recycling collections experienced during June and July 2017 and the first half of 2018 are likely to be experienced again in the future, unless the fleet is modernised.

Disruption to recycling collections has resulted in a high number of residents no longer separating their waste for recycling, increasing the amount of residual waste that is collected which impacts on the disposal budget. This continual disruption also makes it more difficult to encourage residents to recycle more when they cannot rely on a regular collection service. If food waste is left on the highway for up to three weeks (as it has been, both this year and last year), maggots and vermin cause a nuisance and possible environmental issues.

A consequent impact on the recycling rate is anticipated during 2018/19, which is illustrated by a 2% drop in the first half year's performance compared to the same period last year.



The expected maintenance on the 22 new kerbside sort vehicles is £4,700 per vehicle, per annum and the 6 RCV's £5,400 per vehicle, per annum, these costs also include labour. The table below illustrates the annual savings on vehicle maintenance that could be achieved through fleet replacement.

	Total Current Maintenance cost	Anticipated New Fleet Maintenance cost	Net Maintenance saving
Kerbside Sort Vehicles x 22	£231,000	£103,400	
RCVs x 10	£192,000	£54,000	
Total	£423,000	£157,400	£265,600

Further, the current kerbside recycling vehicles do not have enough capacity and are limited as to how well they can compact materials. Consequently they have to return to the depot to tip their loads more frequently (up to three times a day) and this would be reduced using a modern vehicle. More and more cardboard is being presented, mainly due to internet shopping trends. This has had implications on the efficiency of the existing recycling collection rounds.

Evidence from a trial of an alternative vehicle, has proven that, due to holding more recycling material and having an on-board cardboard compactor, the vehicle returned less often to the depot to unload. During the trial, on many days, the whole round was completed without having to return to tip until the end of the day. On average, in the trials undertaken with the modern vehicles, they reduced travelling by up to a third giving the potential to reduce both fuel and overtime costs by 33%.

With efficient management of this service, even allowing for the lease/borrowing costs of the new vehicles, there should be a net gain to the Council's waste collection and disposal budgets.

### Street Sweeping

The street cleansing vehicles are currently no longer fit for purpose due to their age and maintenance problems. The current vehicles are seven years old and their effective operating life is estimated at five years. All three have now been removed from operation as they are no longer economical to repair. Additionally the larger street cleansing vehicles are both 11 years old.

Due to the prolonged times that these old vehicles are off the road due to breakdowns and maintenance, extra costs are being incurred by TOR2 due to the need to hire in replacement vehicles.

Street cleansing vehicles will be always be required, so there is not a risk that going forward they will be surplus to requirements. This report does not address the replacement of these street sweeping vehicles but the details are provided for background information.

3.

### **What options have been considered?**

#### Maintain the current recycling system and replace the vehicles

Torbay Council needs to ensure that it can fulfil its statutory duty to collect waste from its residents in an effective manner.

WYG (White Young Green) consultants were commissioned to give an opinion as to the number of vehicles that should be deployed for the kerbside collection of dry recyclables and food. Their findings, which are supported by evidence gathered from other nearby local authorities, are that the methodology of waste and recycling collections in Torbay does not need to fundamentally change. Therefore residual waste would be collected fortnightly by RCV's and dry recycling and food waste will continue to be collected weekly using kerbside sort vehicles. Other neighbouring councils have made a similar commitment to this methodology, albeit that there are slight variations in each locality.

A review of town centre properties and flats that have a weekly collection of both residual waste and recycling, due to limited storage area will be undertaken in the near future at the end of the existing contract or sooner by agreement with TOR2.

The purchase of new vehicles will provide for a more resilient fleet, which will better support regular collections of recycling and waste and also help to facilitate the improvement of the recycling rate to the target level, set by central government for all authorities, of 50% by 2020. Such investment will also help contribute to the South West Devon Waste Partnership projection of a combined 50% recycling rate by 2020 as part of the business case submitted to DEFRA as a condition of the PFI funding for Energy from Waste Plant (EfW).

The replacement of the current kerbside sort vehicles by more modern, efficient and fit for purpose kerbside sort vehicles will lead to improved efficiencies due to a reduction in maintenance costs and collection times. This will be alongside increased capacity to carry greater volumes of recycling, which reduces the time travelling to and from the depot to unload materials. These vehicles also allow quicker unloading and reduced fork lift operations as the only stillage (compartment) that has to be unloaded is the food compartment.

The replacement of the kerbside sort vehicles and RCVs needs to be prioritised so that the Council can ensure it can fulfil its statutory waste and recycling collection duties and provide residents with a reliable and consistent service.

Without replacing the RCVs there is little chance to expand the commercial waste and recycling collection operation or to offer a chargeable garden waste collection service, both of which could increase income to the Council. Garden waste collection could also reduce the amount of waste disposed of at the Energy from Waste Plant (EfW) resulting in savings to the Council's disposal budget.

No change – Maintain the current recycling system and not replace the vehicles

As stated above, it is recommended that the methodology for waste and recycling collections does not need to change.

The Council could determine not to replace the vehicles at this stage. However, the lack of capital funding on the waste plant and vehicles over the past eight years means that most of the fleet is requiring very high cost maintenance in order to keep it functional. This results in very high periods of downtime which has contributed to the irregular and unreliable collections of waste and recycling during the first half of 2018 and in June/July 2017.

As the majority shareholder Kier would be expected to make decisions to invest in new vehicles. However, such investment is most unlikely given that less than two years remain on the contract, there is no expectation that the contract would be extended and Kier are understood to be withdrawing from the waste sector.

Discussions with potential suppliers would indicate that a delayed decision could result in significant lead time for the delivery of new vehicles due to sizeable orders from other clients and an order book that exceeds production capacity.

Change the collection methodology in Torbay

Changing the collection methodology has been considered and reviewed over many months. The only other realistic alternative option would be a move back to twin bin fortnightly co-mingled collection.

This is similar to the collection method employed prior to the formation of TOR2 where one week residual waste is collected and the consecutive week dry recyclable material is collected. Whilst the co-mingled method uses less resource in plant and staffing, which would reduce operational costs, these savings would be negated because the Council would have to send the recycled materials to a Recycling Centre and pay a gate fee. Furthermore the income from the recycled material would be lost to the operator of the Recycling Centre.

This option would still require the purchase of new vehicles together with other infrastructure (such as additional bins).

In summary a reversion to the previous waste collection methodology would provide the Council with a more expensive waste collection system.

4.

**How does this proposal support the ambitions, principles and delivery of the Corporate Plan?**

If there is a complete failure of the waste fleet due to age related issues then the Authority cannot deliver its statutory duties for waste and recycling collections and street cleansing.

It is essential at this stage to consider the future of the fleet and plant and to establish a robust vehicle replacement strategy for the medium to long term to ensure that services are not adversely affected by an ageing fleet and end of life plant.

It does fit in with promoting healthy lifestyles in Torbay as ensuring waste is collected on time eliminates the risk of environmental issues caused by weeks of uncollected waste which has been the case recently, especially with food waste.

Not replacing the fleet will lead to ever increasing maintenance costs and spiralling overtime, and the increasing risk of collection rounds falling behind once again with the inevitable flood of calls and complaints, further damaging the reputation of both TOR2 and Torbay Council.

The fleet needs to be future proofed to allow for changes in material trend changes, collection frequency changes and the growth in household numbers. It will also future proof the Council to any future alignment/mergers with neighbouring authorities. It was announced on the 19<sup>th</sup> December 2018 that FCC Environment won the tender for the joint waste and recycling service between West Devon and South Hams District Councils, so all surrounding districts including, Teignbridge and East Devon will from 1<sup>st</sup> April 2019 be committed to single pass kerbside sort collections, including food waste.

Several neighbouring local authorities currently utilise more modern vehicles to achieve very high recycling rates, ranging from 50% to 60% compared to Torbay's 42%. This is not completely due to the vehicles and changing the fleet will not lead to a corresponding change in our position. However, it will provide an opportunity for our staff and residents to make a step change towards meeting our recycling targets and should deliver with it significant cost savings and operational efficiency. This will enable TOR2 and Torbay Council to proactively promote and encourage participation in recycling, from a position in which they can be confident in delivering a reliable and efficient collection service.

To enable the full potential of these vehicles to be realised, consideration of how residents are asked to present their recycling for collection should also be considered. Renewed labelling of recycling boxes and provision of an additional reusable bag for cardboard would help to reduce the time that collection crews spend sorting the materials, enabling the full benefit of increased efficiencies due to fleet replacement to be realised.

	This fits in well with working towards a prosperous Torbay, because the more that is recycled, the less is disposed of, helping to reduce the budget deficit significantly.
5.	<b>How does this proposal contribute towards the Council's responsibilities as corporate parents?</b>  N/A
6.	<b>How does this proposal tackle deprivation?</b>  N/A
7.	<b>How does this proposal tackle inequalities?</b>  N/A
8.	<b>How does the proposal impact on people with learning disabilities?</b>  N/A
9.	<b>Who will be affected by this proposal and who do you need to consult with?</b>  All residents of Torbay will be positively impacted by this proposal as they will receive a more reliable cost effective service. As it is not proposed that the format of the service they receive will significantly change, consultation will not be required.
10.	<b>How will you propose to consult?</b>  N/A

## Section 2: Implications and Impact Assessment

11.	<b>What are the financial and legal implications?</b>  Capital investment is required to purchase 22 new kerbside sort vehicles and up to 10 refuse collection vehicles (RCVs). Initially it is proposed that 11 kerbside sort vehicles and 6 RCVs are purchased in 2019 with the remaining vehicles ordered for delivery in 2020. The need to replace a further 4 RCVs will be kept under review but these vehicles are readily available to hire if urgently required.
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	<p>The cost of replacing 22 kerbside sort vehicles and 6 RCVs is approximately £4.5m.</p> <p>At the current prudential borrowing rate and with an average asset life of 8 years, an additional revenue contribution of circa £607k per annum will be required to service the loan (circa £311k in 2019 with only 11 kerbside sort vehicles).</p> <p>TOR2 will be granted use of the new vehicles under licence and they would be leased to them until the end of the current contract term. TOR2 would be responsible for the running and maintenance of the new vehicles. This arrangement will need to be established and formalised prior to the ordering of the new vehicles. TOR2 will need to sign an agreement to lease.</p> <p>Once the TOR2 contract has come to an end in July 2020 the vehicles would continue to be funded by the operating entity and used by the authority for the remainder of their asset life.</p>
12.	<p><b>What are the risks?</b></p> <p>If the new vehicles are not purchased there is a risk that the authority will not be able to fulfil its statutory duty as a Waste Collection Authority as the current fleet is unlikely to be maintained in a roadworthy or operational condition for much longer.</p> <p>Timing is essential as the kerbside sort vehicles will be in great demand with a number of local authorities currently out to tender for kerbside sort with a start date of April 2020.</p> <p>The solution to the service failure issue in 2018 was a temporary return to the co-mingled solution in order to catch up on the missed collections and this was achieved at a significant additional cost to the contractor. This cost would rest with Torbay Council if the service fails and needs to be urgently recovered, post July 2020.</p>
13.	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>The Procurement team are assisting getting the ESPO framework fit for purpose, so that timeframes can be achieved and best value is assured, if this proposal is agreed.</p>
14.	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>Report commissioned from WYG is available as a background document.</p>

15.	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>N/A</p>
16.	<p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>N/A</p>

## Equality Impacts

17.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people			There is no differential impact
	People with caring Responsibilities			There is no differential impact
	People with a disability			There is no differential impact
	Women or men			There is no differential impact
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			There is no differential impact
	Religion or belief (including lack of belief)			There is no differential impact
	People who are lesbian, gay or bisexual			There is no differential impact
	People who are transgendered			There is no differential impact
	People who are in a marriage or civil partnership			There is no differential impact
	Women who are pregnant / on maternity leave			There is no differential impact



	Socio-economic impacts (Including impact on child poverty issues and deprivation)			There is no differential impact
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	More reliable collections will result in cleaner streets and improved local environmental quality.		
16	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	Ongoing proposal to acquire Kier's 80% share of TOR2 with further due diligence currently being undertaken.		
17	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	N/A		



**Meeting:** Council

**Date:** 21 February 2019

**Wards Affected:** All Wards

**Report Title:** Future of Oldway Mansion

**Is the decision a key decision?** No

**When does the decision need to be implemented?**

**Executive Lead Contact Details:** Elected Mayor Gordon Oliver, Executive Lead for Assets, Finance, Governance and Corporate Services, Economic Regeneration and Transformation, mayor@torbay.gov.uk

**Supporting Officer Contact Details:** Kevin Mowat, Interim Director of Place, (01803) 208435, kevin.mowat@torbay.gov.uk

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## 1. Proposal and Introduction

- 1.1 On 21<sup>st</sup> June 2018 the Council received a report and a set of recommendations from the Oldway Mansion and Estate Working Party; this included a revised Working Party recommendation circulated on 20<sup>th</sup> June 2018.
- 1.2 At its meeting in June 2018 the Council agreed to note and support paragraphs (i), (ii), (iv) and (v) of the Elected Mayor's decision of 11<sup>th</sup> June 2018, as set out (a) to (d) below :-
  - a) that a Project Manager be appointed, on a 12 month contract, to prepare a works specification, procurement strategy and cost estimate for the limited improvement works identified in Phase 1 of the DCA report. That a stage report be submitted to full Council in approximately nine months' time when the Council sets its 2019/20 Revenue Budget, Capital Plan and Medium Term Resources Plan;
  - b) that the Council consults further with conservation accredited professionals to identify a strategy for the immediate management of the dry rot outbreak, so as to minimise further damage during the 2018 dry rot active season with any decision on these works being taken in accordance with the Council's Constitution;
  - c) that the Project Manager investigates options to establish a café concession at Oldway and possibly other amenities but without committing further to the existing ongoing operating costs; and

d) that the appointment of a Project Manager, stage report and dry rot investigation identified above be funded to a maximum of £125,000 from the existing Oldway Mansion Reserve.

1.3 Although the Council supported the ambitions for the future restoration of Oldway Mansion, including the ideas contained in the DCA report, it recognised that it was not currently in a position to commit to funding its restoration, beyond that which was needed to deal with the dry rot.

1.4 The Council also agreed, in June 2018, to amend the Oldway Working Party's terms of reference so as to include oversight in respect of :-

- specifying, fully costing and prioritising the works identified in Phase 1 of the DCA report;
- exploring with the community all potential sources of funding for the entirety of the Phases, including, but not limited to;
  - Grant funding
  - Fund raising events
  - Crowd funding
  - Business opportunities and investment
  - Legacies
  - Philanthropic contributions
- production of a flexible programme of proposed delivery of restoration works which aligns with the availability of funding; and
- strategic oversight of commissioning and delivery of any restoration works.

## **2. Reason for Proposal and associated financial commitments**

2.1 It can be seen from paragraph 1.2 (a) above that the Council requested an update report be submitted when consideration is given to setting the 2019/20 Revenue Budget, Capital Plan and Medium Term Resources Plan.

2.2 This progress report identifies work already undertaken and provides details of future commitments. These details can be found below in Section 1: 'Background Information', paragraph 2. The project spend to date and proposed works are all to be funded from the existing Oldway Mansion Reserve.

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## **3. Recommendation(s) / Proposed Decision**

3.1 That the direction of travel set out in the submitted report and the Oldway Mansion Indicative Programme outlined in Appendix 1 be noted.

## **Appendices**

Appendix 1: Oldway Mansion Indicative Programme – February 2019

## **Background Documents**

Future of Oldway Mansion – Report to Council on 21<sup>st</sup> June 2018

<http://www.torbay.gov.uk/DemocraticServices/documents/s53655/Future%20of%20Oldway%20Mansion.pdf>

## Section 1: Background Information

### 1. What is the proposal / issue?

On 21<sup>st</sup> June 2018 the Council received a report and a set of recommendations from the Oldway Mansion and Estate Working Party. Council also requested an update report be submitted when consideration is given to setting the 2019/20 Revenue Budget, Capital Plan and Medium Term Resources Plan.

### 2. What is the current situation?

Since 21<sup>st</sup> June 2018 the Council's Oldway Mansion and Estate Working Party has held meetings on the following dates :-

- 30<sup>th</sup> July 2018
- 1<sup>st</sup> October 2018
- 1<sup>st</sup> November 2018
- 13<sup>th</sup> December 2018
- 10<sup>th</sup> January 2019
- 13<sup>th</sup> February 2019

The range of Agenda items discussed by the Working Party over the last nine months are set out below :-

- Appointment of a Project Manager
- Electricity Usage
- Additional Co-opted Members for the Working Party
- Future Events at Oldway and/or within the Oldway Estate
- Visitors to Oldway (including Victorian Society & Historic England)
- Progress on Dry Rot
- Various third party proposals & presentations
- Budget update
- DCA Consultants
- Hotel proposal
- Routine maintenance
- Security Contract
- Grounds maintenance contract

Specific works commissioned/undertaken during 2018/19 are set out below :-

- Grounds maintenance contract
- Routine building repairs
- Dry rot survey/environmental study
- Roofing repair works
- Consultancy fees
- 24 hour security contract
- Alarm line
- Utilities
- National Non-Domestic Rates (NNDR)

	<p><b><u>Direction of Travel</u></b></p> <p>In January 2019 DCA Consultants were commissioned to undertake further work to ensure that the following is achieved :-</p> <ul style="list-style-type: none"> <li>• That a project for the restoration of Oldway is reshaped and prioritised to package the works so that the urgent first stage is reduced to the minimum. Some reopening and reuse of Oldway and the Estate may be identified consequent on that package, and a Heritage Lottery Fund (HLF) funded major package, fitting their new Strategic Funding Framework 2019~2024 guidelines, will be identified.</li> <li>• A new Charitable Incorporated Organisation (CIO) will be registered (or only awaiting final formal registration at the Charity Commission) to potentially take on the future management of Oldway, subject to Council approval at a later date.</li> <li>• Discussions will be held with HLF to identify a way forward, either for immediate capital application for the reshaped and prioritised project or for 'resilience' funds to resource the next stage of organisation and project development work.</li> <li>• Discussions are held with the incoming Council administration, following the local elections in May, to facilitate their engagement with the Oldway project and to help enable a future resolution that would see a clear strategy established for this asset.</li> </ul> <p>The specific tasks expected of DCA Consultants are listed below :-</p> <ol style="list-style-type: none"> <li>1. Appointment of a Project Director (February 2019)</li> <li>2. Help set up a new Oldway Trust (CIO)</li> <li>3. Prioritise and break down stabilisation works</li> <li>4. Develop funding strategy and bids (e.g. HLF)</li> <li>5. Bid for set-up funding</li> <li>6. Produce timeline</li> <li>7. Produce structure chart</li> <li>8. Attend Friends of Oldway AGM</li> <li>9. Prepare Expression of Interest (EOI) bid for major HLF Enterprise Fund</li> <li>10. Prepare a routine maintenance schedule</li> </ol> <p>It has been agreed with DCA Consultants that the arrangements and tasks set out above will be achieved by the end of July 2019. A Project Director has already been appointed and a timeline is attached as Appendix 1.</p>
3.	<p><b>What options have been considered?</b></p> <p>This is an update report.</p>

	<p>The work undertaken to date, along with the proposed work set out in this report is in line with previous decisions taken by the Mayor and by Council. Therefore, no other options have been considered at this time but the Working Party remains open to suggestions and a number of these have already been considered.</p>
4.	<p><b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan?</b></p> <p>Ambitions: Prosperous and Healthy Torbay</p> <p>Principles:</p> <ul style="list-style-type: none"> <li>• Use reducing resources to best effect</li> </ul> <p>Targeted actions:</p> <ul style="list-style-type: none"> <li>• Working towards a more prosperous Torbay</li> <li>• Promoting healthy lifestyles across Torbay</li> <li>• Ensuring Torbay remains an attractive and safe place to live and visit</li> </ul> <p>The grounds of Oldway Mansion are actively used for recreation by the community and there are tennis courts and bowling greens which are still operational and therefore encourage healthy lifestyles.</p>
5.	<p><b>How does this proposal contribute towards the Council's responsibilities as corporate parents?</b></p> <p>Not applicable.</p>
6.	<p><b>How does this proposal tackle deprivation?</b></p> <p>Not applicable at this time.</p>
7.	<p><b>How does this proposal tackle inequalities?</b></p> <p>Not applicable at this time.</p>
8.	<p><b>How does the proposal impact on people with learning disabilities?</b></p> <p>Not applicable at this time.</p>
9.	<p><b>Who will be affected by this proposal and who do you need to consult with?</b></p> <p>The Friends of Oldway, local stakeholders and members of the public.</p>
10.	<p><b>How will you propose to consult?</b></p>

	<p>An update meeting was recently held with the Friends of Oldway, which included members of the Oldway Mansion and Estate Working Party, Ward Councillors and members of the public. DCA Consultants gave a presentation at the meeting, which outlined the work they would undertake.</p>
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## Section 2: Implications and Impact Assessment

11.	<p><b>What are the financial and legal implications?</b></p> <p>Given the significant pressure placed on the Council's in-year revenue budget, a decision was made during the financial year 2018/19 to use the Oldway Mansion Reserve Fund to meet the ongoing running costs of Oldway Mansion and Estate.</p> <p>On 1<sup>st</sup> April 2018 the opening balance of the Oldway Mansion Reserve was £488,905.</p> <p>The in-year spend for 2018/19 is expected to reach £256,600 and therefore the balance remaining at 31<sup>st</sup> March 2019 is forecast to be £232,305.</p> <p>Revenue spend during 2018/19 includes the following areas of expenditure :-</p> <ul style="list-style-type: none"><li>• Grounds maintenance</li><li>• Routine building repairs</li><li>• Dry rot survey</li><li>• Roofing works</li><li>• Consultancy fees</li><li>• 24 hour security contract</li><li>• Alarm line</li><li>• Utilities</li><li>• National Non-Domestic Rates (NNDR)</li></ul> <p>Work is currently underway to significantly reduce the costs associated with the annual contracts for grounds maintenance and security services. Notwithstanding the anticipated reduction in grounds maintenance and security costs during 2019/20 it can be seen that the Oldway Mansion Reserve will not be able to support the ongoing revenue costs beyond 31<sup>st</sup> March 2020.</p>
12.	<p><b>What are the risks?</b></p> <p>The Oldway Mansion Reserve will not be able to support the ongoing revenue costs beyond 31<sup>st</sup> March 2020.</p> <p>There is a risk that the Charitable Incorporated Organisation (CIO) will not be able to obtain the external funding (e.g. Heritage Lottery Funding) required to implement the necessary restoration work. If this happens the Council will need to help identify alternative and/or additional funding solutions, which may well be required in any event.</p> <p>There is a risk that any future income generated from a renovated Oldway site does not match the associated cost of running the asset and therefore it will require an ongoing subsidy.</p>
13.	<p><b>Public Services Value (Social Value) Act 2012</b></p>

	<p>Officers will follow the Council's Financial Regulations and Contracts Procedures in respect of any contracts entered into to ensure that the Council is compliant with the Public Services Value (Social Value) Act 2012 in consultation with the Head of Finance and Procurement Team.</p>
<b>14.</b>	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>The Council commissioned DCA Consultants to carry out a full options appraisal of the site and their report was presented to Council in June 2018.</p>
<b>15.</b>	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>The consultations carried out have demonstrated that there is strong and enthusiastic support for the renovation and re-opening of the Mansion to the public and for holding events on the site and within the building.</p>
<b>16.</b>	<p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>The DCA Consultants report was developed following discussions with various groups.</p>

## Equality Impacts

17.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people	Bringing Oldway Mansion back into use will have a positive impact on both younger and older people as both will be able to use the site for events and recreational activities.		
	People with caring Responsibilities			There is no differential impact.
	People with a disability	The Council/Community Interest Group will ensure that the site is DDA Compliant and enables access to all who wish to use it.		
	Women or men			There is no differential impact.
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			There is no differential impact.
	Religion or belief (including lack of belief)			There is no differential impact.
	People who are lesbian, gay or bisexual			There is no differential impact.
	People who are transgendered			There is no differential impact.

	People who are in a marriage or civil partnership			There is no differential impact.
	Women who are pregnant / on maternity leave			There is no differential impact.
	Socio-economic impacts (Including impact on child poverty issues and deprivation)			There is no differential impact.
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			There is no differential impact.
16	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	None		
17	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	None		

INDICATIVE PROGRAMME

Week Commencing	11 Feb	18 Feb	25 Feb	04 Mar	11 Mar	18 Mar	25 Mar	01 Apr	08 Apr	15 Apr	22 Apr	29 Apr	06 May	13 May	20 May	27 May	03 Jun	10 Jun	17 Jun	24 Jun	01 Jul	08 Jul	15 Jul	22 Jul	29 Jul
Week Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
<b>MAJOR TASKS</b>																									
<b>01 GOVERNANCE</b>																									
Registration of CIO - submission																									
Initial development of CIO capacity and structure																									
Mobilisation of CIO for development project																									
Constitution of Friends of Oldway																									
Development of Friends capacity and membership																									
Formal registration received (estimate)																									
<b>04 CAPITAL SCHEME DEVELOPMENT</b>																									
Reprofiling of identified emergency repairs																									
Detailing of Management and Maintenance Plan																									
Repackaging and phasing of capital scheme																									
Retesting of business plan against phasing options																									
Testing of phasing options with CIO and Council																									
Agreement on reprofiled scheme																									
<b>03 FUNDING STRATEGY</b>																									
Assessment of impact of new HLF strategic framework																									
Agreed funding strategy for revised capital project																									
Initial approaches to HLF and funders including EOI																									
Development of funding prospectus and horizon scan of funding opportunities																									
<b>04 STAKEHOLDER ENGAGEMENT</b>																									
Development of Stakeholder Engagement Plan																									
Planning for Oldway Open Day																									
Ongoing stakeholder engagement and support																									

## Record of Decision

### Elected Mayor's Response to Objection to the Revenue Budget 2019/2020

#### Decision Taker

Elected Mayor on 13 February 2019

#### Decision

- (i) that the Elected Mayor agrees and accepts the objection in relation to the Revenue Budget and the reasons for it set out below;
- (ii) that, subject to the inclusion of an additional £150,000 for additional wrap around support for Foster Carers to increase the support offered to Foster Carers looking after adolescents with complex needs, to prevent placement breakdowns which will be sustainable through less use of Independent Fostering Agency (IFA) or residential placements when placements break down, and an improved strategy for the retention and recruitment of social workers to be funded from a one off allocation from the Comprehensive Spending Review (CSR) Reserve, the proposals identified for 2019/2020, as set out in the Elected Mayor's Response to Consultation and the Draft Revenue Budget Digest, be approved;
- (iii) that the net revenue expenditure of £111.367m resulting in a Council Tax requirement of £68.688m for 2019/2020 (a 2.99% increase in Council Tax) be approved;
- (iv) that the Dedicated Schools Grant be used in accordance with the Schools Financial Regulations and that the Chief Finance Officer be authorised to make amendments as required when the final figures are confirmed;
- (v) that the proposed Fees and Charges for 2019/2020 be approved;
- (vi) that, in accordance with the requirement of the Local Government Act 2003, the advice given by the Chief Finance Officer with respect to the robustness of the budget estimates and the adequacy of the Council's reserves (as set out in the report) be considered and noted; and
- (vii) that it be noted that Brixham Town Council has set its budget for 2019/2020, the resulting precept will be included as part of the Torbay Council budget for Council Tax setting purposes.

#### Reason for the Decision

The Council's recent Ofsted Monitoring Visit and latest Annual Fostering Reports have identified a number of recommendations in order to increase stability of fostering in Torbay due to a shortage of in-house places. The proposed one off increase in funding for 2019/2020 in this area will help to address concerns raised and put in place strategic options to future stabilise the service and work towards retention of social workers to help to improve the lives of vulnerable children in Torbay. This additional money will be held in reserve pending the development of an agreed action plan with specific and measurable outcomes that will be achieved through this one off funding, which will be approved by the Chief Executive in consultation with the Chief Finance Officer, Elected Mayor and Executive Lead for Children and Housing by mid April 2019.

**Elected Mayor's Response to Objection to the Revenue Budget 2019/2020**

## **Implementation**

The Elected Mayor's response to the Council's objection will be considered at the Council on 21 February 2019.

## **Information**

At the adjourned Council meeting held on 7 February 2019, the Council formally objected to the Revenue Budget 2019/2020 on the basis that:

There are serious issues facing our communities in Torbay; the levels of poverty in Torbay continue to increase significantly, Torbay has the second highest number of children who are looked after in the country (per head of population), our Children's Services is set to incur a £4 million overspend in the current year which has resulted in a spending freeze on other services across Torbay, so that our built environment and public open space has become even more tired and neglected. Furthermore, the Elected Mayor has failed to identify a clear strategy to stabilise the overspend of Children's Services.

The service particularly needs additional wrap around support for foster carers and an improved strategy for the retention and recruitment of social workers. Therefore, Council object to the Elected Mayor's budget on the basis that it should identify funding of a minimum £150,000 to support working on these specific areas.

In accordance with the Constitution at F2.9, the Council therefore requires the elected Mayor to consider this objection by 14 February 2019 either:

- a) submit a revision of the estimates or amounts as amended by the elected Mayor with the reasons for any amendments made to the estimates or amounts, to the Council for its consideration; or
- b) inform the Council of any disagreement that the elected Mayor has with any of the Council's objections and the elected Mayor's reasons for any such disagreement.

The Elected Mayor considered the recommendation of Council and his proposed response is set out above.

## **Alternative Options considered and rejected at the time of the decision**

None

## **Is this a Key Decision?**

Yes – Reference Number: I044270

## **Does the call-in procedure apply?**

No

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

None

**Published**

13 February 2019

Signed: \_\_\_\_\_  
The Elected Mayor of Torbay

Date: 13 February 2019



**Meeting:****Council****21 February 2019****Wards Affected:****All****Report Title:****Review of Reserves 2019/20****Executive Lead Contact Details:****mayor@torbay.gov.uk****Supporting Officer Contact Details:****martin.phillips@torbay.gov.uk**

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**1. Purpose**

- 1.1 The Council holds a number of reserves as part of its approach to maintaining a sound financial position, protecting the Council to some degree from volatility in its budget going forward. The requirement for financial reserves is linked to legislation such as the Local Government Act 1992 which requires councils to “have regard” to the level of reserves needed to meet future expenditure when calculating a budget. Part of sound financial management is to assess the adequacy of these reserves and release those reserves no longer required.
- 1.2 The report setting out the Review of Reserves was considered by the Overview and Scrutiny Board on 30 January 2019 and no recommendations for amendments were proposed. However, when the report was presented to the Council on 7 February 2019, the motion to approve the recommendations within the report was lost.
- 1.3 The recommendations within the original report are now being re-presented to Council for consideration as:
- (i) Consideration of the Council’s levels of reserves is linked to legislation for budget setting contained in both the Local Government Acts of 1992 (section 31A & 42A) and 2003 (section 25) and the Local Government Finance Act 1988 (section 114). In particular, under the 2003 Act the Chief Financial Officer has a statutory duty to report to the Council on the robustness of the Council’s estimates and the adequacy of its financial reserves.
  - (ii) Article 4 of the Council’s Constitution states that the Review of Reserves is approved annually as part of the budget setting process.
  - (iii) The report proposes the allocation of funds to establish a budget of £1 million for the purchase of the replacement case management system for children’s social care, and future IT replacement and investment. The replacement system for the case management of vulnerable children in the Council’s care is important and Ofsted have previously highlighted the need to replace the current system. On-going funds for IT are essential to ensure the Council’s IT hardware and software are fit for purpose.
  - (iv) The report proposes that the Comprehensive Spending Review Reserve

has a minimum balance of £2 million for future financial pressures. The Head of Finance's Statement of the robustness of the Revenue Budget 2019/20 is based on the assumption that this Reserve is maintained at that level. The report proposes the allocation of earmarked reserves to ensure that level is maintained.

- 1.4 Therefore it is the recommendation of the Head of Finance (as the Council's Chief Financial Officer) that the recommendations within this report should be approved.

## **2. Proposed Decision**

- 2.1 Council approve that:

- a) Up to £1.0m is earmarked from the Comprehensive Spending Review Reserve to fund the balance of the predicted 2018/19 Council overspend
- b) and £2.1m of reserves identified in paragraph 4.2 of this report are transferred to both the Comprehensive Spending Review Reserve (£1.1m) and the IT reserve (£1.0m) to support future IT replacement and IT investment for all services including a replacement Children's Services care management system.

## **3 Reasons for Decision**

- 3.1 A Review of Reserves is a key part of the Council's budget setting process. Consideration of reserve levels is linked to legislation for budget setting contained in both the Local Government Acts of 1992 (section 31A & 42A) and 2003 (section 25) and linked to section 114 of the Local Government Finance Act 1988.
- 3.2 The Council is facing significant financial pressures in 2018/19 from children's social care with the current predicted overspend on this service of £4.2m (as at quarter three 18/19). Other services and recovery options are reporting a net saving of £1.5m resulting in a forecast overspend as at quarter three 18/19 of £2.7m. It is anticipated that additional funding options of £2.6m will be identified by year end to leave any balance to be funded from the Comprehensive Spending Review (CSR) Reserve.
- 3.3 Due to the significant financial risks facing the Council in 2019/20 and future years it is essential that the Council's reserves provide a sufficient contingency to meet this increasing risk and to ensure a robust budget. Consistent with the 2018/19 Review of Reserves and the Medium Term Financial Plan, it is recommended that, as a result of the level of current and previous year budget variations, to maintain the balance of the CSR Reserve at a minimum of £2m. This approach – in addition to maintaining the General Fund balance – was supported by CIPFA during their Financial Resilience inspection.
- 3.4 In addition to the rising demand pressures for social care, the financial risks facing the Council in 2020/21 are compounded by the uncertainty over future funding levels for the Council. In the absence of clarity from central government, councils, including Torbay, will inevitably aim to mitigate against that uncertainty. Uncertainties for Torbay Council include:
- a) No funding allocations for 2020/21 onwards
  - b) Impact of Spending Review 2019 in 2020/21
  - c) Impact on new funding formula for Councils in 2020/21
  - d) (Probable) Ending of New Homes Bonus Grant in 2020/21
  - e) No allocations for Improved Better Care Fund for 2020/21
  - f) Impact of relative resource (councils) equalisation in 2020/21

- g) Impact of the new 75% NNDR retention scheme in 2020/21
- h) Impact of the revised NNDR baselines in 2020/21
- i) Revised payments under new Risk Share Agreement 2020/21
- j) Future funding of Higher Needs Block in new schools funding formula 2021/22

3.5 The Council is undertaking a number of activities that have a higher level of risk associated with them. This includes the Investment Fund and, possibly, both affordable and extra care housing where the Council is investing a significant amount funded by prudential borrowing. Whilst significant business case analysis and due diligence of proposals is undertaken, there is always a risk that the projects will not deliver the income required to cover the “fixed” costs of the borrowing. These more commercial activities carry a higher level of risk and reward which is linked to changes in income streams (such as rent) and also fluctuations in the values of any underlying assets. The level of reserves needs to be considered in this context.

3.6 It is clear that the Council has lower levels of General Fund reserves than most other councils.

3.7 Members are again reminded of the advice previously given by the Head of Finance, that reserves should not be used for supporting ongoing recurring expenditure. Use in that way is not financially sustainable as reserves can only be spent once.

### **3.8 Head of Finance Statement.**

3.9 The Council is continuing to face unprecedented financial challenges. I am satisfied that the Council’s General Fund and Earmarked Reserves, including Insurance Reserves, are adequate for the Council’s Financial Plans for 2019/20 to meet any known or predicted liabilities over the period in which the liabilities are expected to become due for payment, if the following actions are undertaken:

- a) The CSR has a balance of £1.0m to fund 2018/19 projected overspend
- b) The General Fund reserve has a minimum balance equal to 4% of net budget
- c) That a minimum **ongoing** balance of £2m is in the CSR reserve
- d) That Children’s Social Care, deliver the improvements and cost reductions for 2019/20 and future years supported by a robust financial recovery plan
- e) That the revised Risk Share Agreement for Adult Social Care is maintained for 2019/20
- f) That a balanced revenue budget can be set for 2019/20
- g) That the budgeted Investment Property surplus for 2019/20 is achieved.
- h) That the Council continues to delivers its transformation programme at pace in short term

3.10 At this stage with the significant uncertainty in relation to central government funding for 2020/21 I am currently unable to give any assurance in relation to 2020/21. I recommend, however, that the Council continues to be prudent in its use of reserves and plans for future risks and their mitigation. These to include:

- a) Maintaining a balance on CSR reserve of £2m
- b) Protection to current level of General Fund Reserve
- c) No reserves are used to balance 2019/20 or future year budgets
- d) Specific material risks still mitigated for – such as insurance, NNDR volatility and investment fund
- e) Regular updates and awareness of the risks identified in the Medium Term Resource Plan
- f) That the Council continues to delivers its transformation programme at pace in

- medium term
- g) Continued focus on reducing spend in children's' social care
  - h) Renegotiation of risk share agreement for adult social care for 2020/21 onwards

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

Martin Phillips  
Head of Finance

## Supporting information

### A1. Introduction

A1.1 A Review of Reserves is part of the Council's annual budget process.

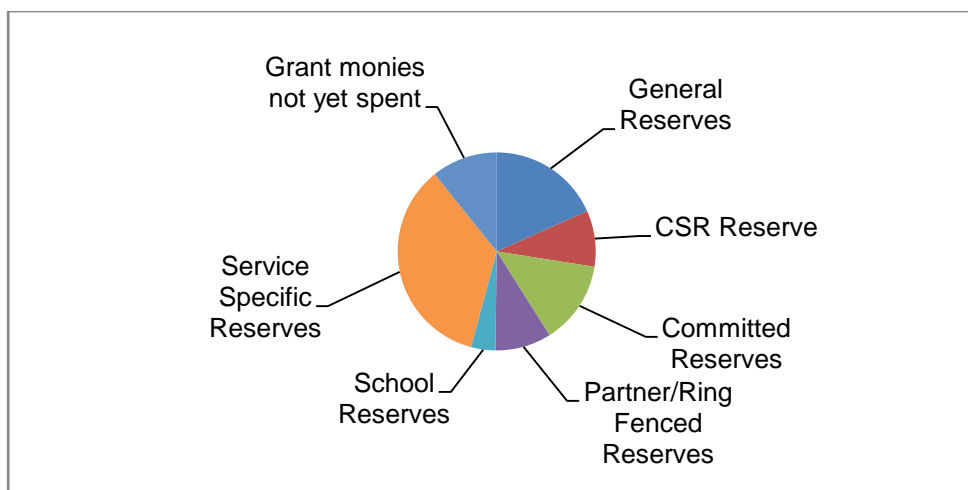
### A2 Review of Reserves 2019/20

#### A2.1 Overview

A2.2 As at 31/03/2018 Torbay Council's reserves were as follows:-

	31/3/17 actual	Change in year	31/3/18 actual	31/3/19 estimate
	£m	£m	£m	£m
General Fund Reserve	4.6	0	4.6	4.6
<b>Sub Total - General Reserves</b>	<b>4.4</b>	4.6	4.6	4.6
Comprehensive Spending Review Reserve	4.4	(0.8)	3.6	2.3
Committed Reserves	4.8	0.8	5.6	3.4
Committed Reserves - Grant monies not yet spent	1.8	(0.9)	0.9	(2.7)
Partner/Ring Fenced Reserves	3.0	1.8	4.8	2.3
School Reserves	1.9	(1.1)	0.8	1.0
Investment Fund Reserve	0	1.6	1.6	1.7
Other Service Specific Reserves	7.1	0.7	7.8	7.1
<b>Sub Total – Earmarked Reserves</b>	<b>23.0</b>	<b>2.1</b>	<b>25.1</b>	<b>15.1</b>
<b>Total Reserves</b>	<b>27.6</b>	<b>2.1</b>	<b>29.7</b>	<b>19.7</b>

A2.3 From the table above, the estimated balances (in £m) as at 31/3/19 after the recommended allocations is as follows. The negative balance of £2.7m on grants is linked to the higher needs overspend in the dedicated schools grant.



A2.4 A list of the Council's Reserves as at 31/03/2018 is attached in Appendix 1.

A2.5 This report is, for another year, highly influenced by the significant financial risks facing the Council predominately from current financial pressures within children's social care (safeguarding and wellbeing). For 2019/20 the financial risk from Adults Social care has been mitigated by the revised Risk Share Agreement that limits the Council's exposure to financial risk. There is an ongoing risk that, without mitigation, in future years, the Council will not have enough identified reserves to support any one-off expenditure required to meet any in-year budget shortfalls, costs for restructuring due to budget reductions, any further significant changes to the children's social care expenditure and any delays in implementing savings.

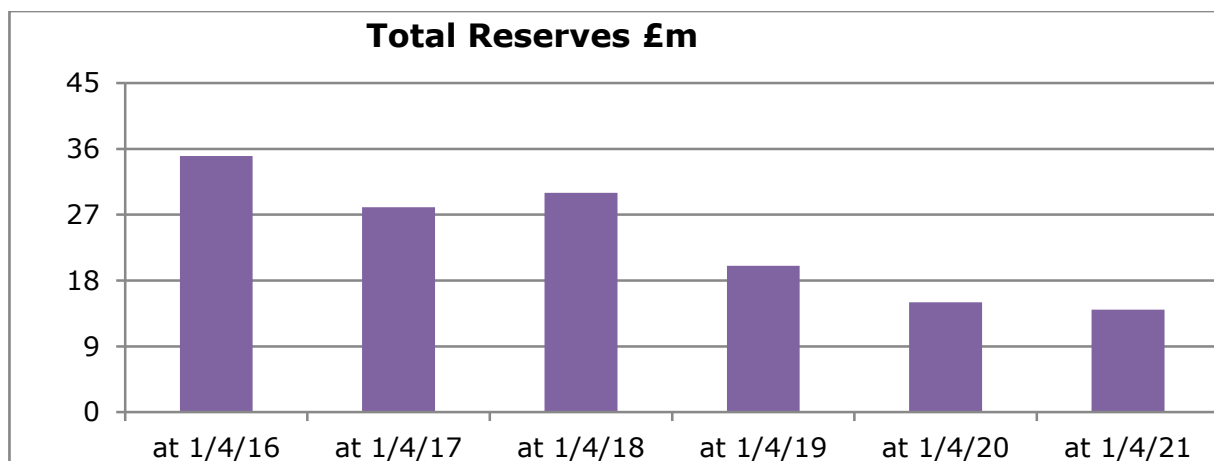
A2.6 Following consideration of the 2017/18 Review of Reserves, that was approved by Council, accepted that the significant financial pressures facing the Council in future years should be noted and "and agreed, as a policy decision, the allocation of additional funds, as required, to the Comprehensive Spending Review Reserve in each budget process to increase, and then maintain, an ongoing minimum balance in the reserve of £2m". This policy remains financially prudent for the Council.

A2.7 The Council has had unprecedented financial challenges from reduced funding levels over the past few years and is facing a further £4m reduction in its Revenue Support Grant in 2019/20 to £6m (from £42m in 2013/14), in addition to any future expenditure pressures such as inflation and increase in demand. There have been no funding announcements for 2020/21.

A2.8 As outlined in paragraph 3.2 above, given the significant uncertainty facing the Council it is clear that, more than ever, the Council needs to mitigate and plan for variations in income as well as expenditure.

A2.9 To be able to meet future years' budgets and reduce the reliance on the use of reducing reserves it is essential that the Council progresses and achieves savings and income generation from its Transformation Portfolio **and** an absolute reduction in the cost of Children Looked After

A2.10 Each reserve has been assessed for its estimated balance as at 31<sup>st</sup> March 2019 and for the estimated additions or withdrawals from the reserve during 2019/20 and future years. This is included in the table at Appendix 1. This table is shown after the recommendations arising from this report.



A2.11 The table, (based on this review of reserves), shows that the level of reserves is expected to decrease by £10m during 2018/19 to £20m. The actual balance at year end will depend on spend during the year and any year end service carry forwards from unspent revenue funds and/or unspent grant allocations which usually results in higher reserve levels than predicted.

#### A2.12 Adults Social Care

A2.13 A revised risk share agreement was negotiated in October 2017 with both the Integrated Care Organisation (ICO) and Clinical Commissioning Group (CCG) for 2018/19 and 2019/20 with the Council funding a higher “fixed” annual payment in exchange for no exposure to the risk of changes in cost. This therefore reduces the exposure to financial risk on this service to nil. However if this fixed payment does not exist, at any point in the future, then the Council will again be exposed to the risk of volatility of both demand and cost in this key service. Key to future adult social care funding is the Improved Better Care Fund Grant (£7.7m in 19/20). There are currently no funding announcements for 2020/21 onwards. Therefore future risk assessments could be higher than the risk assessment for 2019/20.

A2.14 The Council in August 2018 started initial negotiations with both the ICO and CCG about the future structure and payment profile for a revised five year risk share agreement for 2020/21 onwards. Due to the notice periods within the various adult social care contracts, this needs to be agreed by the end of March 2019.

#### A2.15 Children’s Social Care

A2.16 This service has experienced a high level of financial volatility over the past few years and has exceeded its approved budget in recent years and is projected to overspend by £4.2m in 2018/19 (quarter 3). The number of Children Looked After increased by 20% from December 2017 to June 2018. This increase was on top of an existing level of numbers which were significantly above the “benchmark” for similar councils.

A2.17 The proposed budget for 2019/20 for the service is being increased to reflect the current year financial position for children’s services with the aim of setting a robust budget for that service.

A2.18 As part of the 2014/15 Review of Reserves the Council approved “the transfer of £1.5m from the PFI Sinking Fund to Children’s Services on an “invest to save” basis with a requirement for Children’s Services to repay the reserve in future years”. Members are again reminded that if the reserve is not repaid then it will be necessary for Children’s

Services to fund the future costs of the PFI school contract. The service will have to budget for and identify funding for these increased costs.

A2.19 Linking to the August 2018 Ofsted rating of “inadequate” for the service and previous inspection reports there is a need to replace the current case management system. The costs are yet to be confirmed and will depend, in part, on whether it is a joint procurement with Plymouth City Council. To support the funding the balance on the transformation reserve of £0.5m is to be transferred into the IT reserve for this purpose along with an additional allocation of £0.5m to a total of £1m for the purchase and implementation of the new system.

### A3.0 **Guidance on the Management of Reserves**

A3.1 The guidance remains unchanged from previous years but is repeated as still valid.

A3.2 The CIPFA guidance on Reserves and Balances (LAAP bulletin 99 issued July 2014) advises that “Chief Finance Officers should take account of the strategic, operational and financial risks facing the authority. The assessment of risks should include external risks, such as flooding, as well as internal risks, such as the ability to deliver planned efficiency savings”.

A3.3 The CIPFA guidance lists a number of assumptions to be considered when forming a budget, which although these directly link to the setting of a budget, the level of risk and uncertainty of these assumptions are be relevant in determining an appropriate level of reserves. Assumptions to consider include inflation, demand led pressures, delivery of planned savings and risks from new partnerships or ways of working.

A3.4 In undertaking a detailed annual review of reserves that is presented to both Overview and Scrutiny Board and Council, Torbay Council is largely complying with most of the recommendations in the Audit Commission report “Striking a Balance”.

A3.5 It is important to differentiate between general and uncommitted reserves and reserves held for a specific purpose. It is only the general and uncommitted reserves that could be used to support “short term costs”. As shown in the table above, as at 31<sup>st</sup> March 2018 the Council’s uncommitted reserves were part of the Comprehensive Spending Review reserve and the Council’s general fund balance (£4.6m) which is discussed later. The Council does not have a large value of unallocated reserves compared to its overall budget or compared to the value of budget reductions required over the next few years or compared to the value of the in year budget variances in social care over the past few years.

A3.6 The Head of Finance is reluctant to use any reserve funds, which can only be spent once, to support ongoing expenditure as this is not financially sustainable, as it only delays the impact of the required budget reductions.

A3.7 This position taken by the Head of Finance is similar to CIPFA guidance which says “Councils should be particularly wary about using one off reserves to deal with shortfalls in current funding. Where such action is to be taken, this should be made explicit, and an explanation given as how such expenditure will be funded in the medium to long term”.

A3.8 In July 2018 CIPFA consulted on a “financial resilience” score for all Councils. The consultation includes indicators based on the movement up/down in reserves over three years and the level of general fund reserve to revenue spend and the level of earmarked reserves to revenue spend.



#### A4 Earmarked Reserves

A4.1 The following paragraphs make specific comments on a number of reserves. A summary of each reserve and their purpose is included as Appendix Two. During this review a number of balances (£0.4m) have been identified by Head of Finance as surplus and these have been transferred to the CSR Reserve. Further information on all Council Reserves is available that shows details about each reserve, including the reason/purpose of the reserve, how and when the reserve can be used and the process for retention of each reserve to ensure continuing relevance and adequacy.

A4.2 Proposals for the reallocation of reserves:

<b>Reserve</b>	<b>Value £m</b>	<b>Note</b>
<b>Allocated From:</b>		
NNDR Equalisation Reserve	0.5	Reduce balance to target level
Insurance Reserve	0.5	Reduce balance for future, as yet unknown, claims
Capital Funding Reserve	0.7	Release value in relation to Investment Properties
Other Reserves	0.4	Balance released from other reserves where no expectation of use
<b>Sub Total</b>	<b>2.1</b>	
<b>Allocated To:</b>		
CSR Reserve	(1.1)	To ensure balance remains at £2m after £1.0m used to fund balance of 18/19 overspend
IT Replacement Reserve	(1.0)	For CSC care management system & IT investment and software and hardware replacement
<b>Sub Total</b>	<b>(2.1)</b>	

#### A4.3 Comprehensive Spending Review Reserve

The Comprehensive Spending Review Reserve was originally established in 2010/11. The purpose of this reserve was identified as follows:

- short term support for the (revenue) budget while services adjust spending to new levels
- financing of any costs in relation to reducing services and therefore staff numbers
- to support any initial costs of changing service delivery that will result in future savings

Any use of this reserve for invest to save schemes must be supported by a robust business case and agreed by the Head of Finance.

Due to the significant financial risks facing the Council in 2019/20 and future years it is essential that the Council's reserves provide a sufficient contingency to meet this increasing risk and to ensure a robust budget. Consistent to the 2018/19 Review of Reserves and the Medium Term Financial Plan, it is still recommended that, as a result of the level of current and previous year budget variations, to maintain the balance at a minimum of £2m. This approach to maintain a balance of £2m in the CSR was supported by CIPFA during their Financial Resilience inspection. (This is in addition to the general fund balance).

A number of specific issues are also to be addressed from this reserve:

- Costs of exit packages arising from budget decisions will continue to be funded
- Part funding of £350,000 for the office rationalisation project focusing on improvement

works to Electric House to be repaid from future year rental income from the lease of two floors of Torhill House

- Allocation of up to £400,000 for one off costs from the new contractual arrangements for the provision of library services from April 2018.
- Allocation of up to £150,000 for one off costs from the new contractual arrangements for the provision of toilet services from April 2018.
- Allocation of up to £71,000 to support the setup of the Youth Trust.
- Allocation of £149,000 to support the Parkwood Leisure contract
- Allocation of £50,000 to support community activities.

As a result of the above issues it is proposed to reallocate £1.1m into the CSR reserve from other reserves (see para 4.2 above) to enable the specific issues above to be funded as agreed, contribute £1.0m to fund the balance of the 18/19 overspend and maintain a balance in the reserve of at least £2m.

#### A4.4 Committed Reserves

These reserves arise as a result of differences in timing between the reserve being established and the expenditure being incurred and are therefore, in effect, committed reserves. Some of these are short term, such as service carry forwards, unspent revenue grants and the collection fund, where the expenditure should be incurred within 12 months. Other reserves are spreading costs over a number of years, such as the PFI sinking fund that equalises the costs of the annual unitary charge over the 25 years of the contract.

Within revenue grants, the reserve for Dedicated Schools Grant is estimated to be “negative” by £3m by the end of 18/19. Funding for schools activities are primarily funded through the dedicated schools grant (DSG). The Council does not receive any schools funding within its own grant and funding allocations. This grant is allocated in “blocks” to cover different activities – in 18/19 these “blocks” are early years, higher needs and schools. The higher needs block has in the past two years have been under financial pressure as a result of an increasing level of referrals from schools for higher needs support for children resulting in a cumulative overspend of £3m.

The Council does not receive any funding for schools therefore the overspend will remain in the DSG to be funded in future years and is not a cost the Council will fund. As a recognition of this pressure the Schools Forum (who have a governance role in the allocation of schools funding) have been supportive and agreed an allocation of 0.5% of the 18/19 schools block of the DSG (approx. £0.350m) to part fund this overspend and set up a Higher Needs Recovery group.

For 2019/20 the Schools Forum, with support from the Higher Needs Recovery group have agreed both a package of funding and have supported the Council’s “disapplication” request to the Department of Education to move funding from the schools block to the higher needs block within the Dedicated Schools Grant. Consultation of these options commenced in October 2018. This will aim to set a balanced budget for the higher needs service in 2019/20.

The above is positive actions however, if the DFE reject the disapplication there will be a shortfall of at least £1m to fund in 2019/20. These actions do not, at this stage, address the estimated accumulated deficit of £3m on the dedicated schools grant reserve.

#### A4.5 Partner/Ring Fenced Reserves

These reserves are outside the Council's direct control, in that the reserves are linked to funds held (or are managed by) by partner organisations, schools or ring fenced Council services such public health. The harbour reserves have been included in this category as the service operates as if it were ring fenced.

The balance of £0.8m held by schools as at 31<sup>st</sup> March 2018 under delegated funds will change based on expenditure in schools and are likely to continue to reduce as more Council schools become academies. As a result a reduction in the balances held by schools has been shown in Appendix 1.

#### A4.6 Specific Issue Reserves

These are reserves set aside for specific expenditure purposes.

#### A4.7 Investment Fund Reserve

The Council has now invested £150m in investment property and capital loans (as at October 2018) and based on approvals to date could invest another £50m. This, more commercial activity, introduces new risks and rewards for the Council to manage. The risks in relation to variations in income such as changes in rent, void periods, rent reviews, landlord costs etc. This is mitigated by making an annual contribution to a specific reserve that, as a principal is 0.25% per annum of the purchase costs. This will be reviewed by Head of Finance in light of any known or potential changes, such as a rent free period from a negotiated rent reviews, in future years.

The Council also has to mitigate for any changes in asset value and fund the repayment of the borrowing incurred on the purchase of the asset. It is important that the value of the asset does not reduce below the level of outstanding debt on the asset. To mitigate this risk, and to provide for the repayment of the borrowing if the asset is not sold in the medium term, a contribution to the capital funding reserve will be made.

The Investment and Regeneration Committee remit now includes regeneration. Future reserve levels to mitigate the risk from regeneration projects will be assessed as schemes are progressed.

#### A4.8 IT Replacement Reserve

The 2019/20 revenue budget proposals include a level of investment in IT. Over the next 10 years, on average, £0.1m will be required each year for replacement of PCs, iPads and tablets. In addition a further £0.1m (on average) will be required each year for replacement of IT infrastructure. This spend may however be within an IT outsourced contract. Due to the ongoing demand for both improved and replacement hardware and service specific software a further £0.5m is proposed to be allocated to this reserve.

As referred to in paragraph A2.20 above, there is a need to replace the current case management system. The costs are yet to be confirmed and will depend, in part, on whether it is a joint procurement with Plymouth. To support the funding the existing balance on the transformation reserve of £0.5m is to be transferred into the IT reserve for this purpose along with an additional allocation of £0.5m to a total of £1m for the purchase and implementation of the new system.

The two proposal above increase the IT replacement reserve by £1.5m, of which £0.5m

is from an existing reserve and £1m is an additional allocation.

#### A4.9 Insurance Reserve

The balance as at March 2018 for both the insurance reserve was £3.3 million. The Council's insurance team in consultation with the Head of Finance reviews the earmarked amounts on an annual basis and takes advice from an insurance actuary to ensure the adequacy of the reserves.

The Council currently has a very strong low risk profile based on its claims history however this could be adversely affected if the Council incurs a number of higher cost claims. Given the potential long lead in time for certain insurance claims, such as those relating to social care and certain types of industrial diseases, any shortfall in this reserve may not be realised for a number of years. This reserve will require careful monitoring of the impact of future liabilities on a regular basis.

A new insurance risk arising from the purchase of investment properties is to ensure that these properties are adequately covered. This cost under the lease is met by the tenants. Insurance related risks for the Council companies such as TDA and the Housing companies are funded by those companies.

#### **A5 Review of Provisions, other Potential Liabilities and potential risk from Council Companies**

The Council has provided a number of guarantees for pension liabilities to services now outsourced, such as TOR2 and the TDA, however it is unlikely that these guarantees will result in a cash payment from the Council. In the exceptional case of the pension liability being realised it is likely the liability will be transferred to the Council's own pension liability which will be reflected in future employer contribution rates.

All companies owned by the Council are ultimately part of the Council's overall (consolidated) financial position and as CIPFA states that "the statutory role of the CFO does not stop at the boundaries of the local authority but extends into its partnerships, devolved arrangements, joint ventures and companies in which the authority has an interest".

The TDA, 100% owned by the Council, has now established a trading subsidiary Complete Cleaning Solutions Limited and intends to establish further companies during 2018/18. Although there are no significant risks from these companies expected, these companies are owned by the Council therefore the Council must ensure it reviews the Company's performance.

The Council has also now set up Torbay Housing Company and a holding company and a development company, all 100% owned by the Council. As with the TDA and its companies, although there are no significant risks from these companies expected, these companies are owned by the Council therefore the Council must ensure it reviews the Company's performance.

In addition to earmarked and general reserves the Council also holds provisions for a number of issues where the Council has a clear liability which is likely to result in a payment but the amount and timing of the potential payment is uncertain.

As at 31/03/2018 Torbay Council's provisions were as follows:-

<b>31/3/17</b>		<b>31/3/18</b>	<b>Change</b>
£m		£m	£m
0.4	Insurance Provision	<b>0.3</b>	(0.1)
1.5	NNDR Appeals	<b>1.8</b>	0.3
<b>1.9</b>	<b>Total Provisions</b>	<b>2.1</b>	<b>0.2</b>

The provisions above were based on the latest information as to the value of the potential liability, as such no changes in the value of these are proposed. It is expected that provisions will be typically used within 2018/19 except insurance where the "time lag" on claims being notified and settled is often over one year. Other provisions tend to be linked to specific issues.

The provision for NNDR appeals as at 31<sup>st</sup> March 2018 is part of the NNDR Business Rates Retention Scheme and forms part of the Collection Fund. The Council gains or loses a 49% share of any movements in NNDR income (no impact from the 100% Pilot in 18/19 only). This includes the ongoing impact and repayment from any successful NNDR appeals made.

#### **A6 Collection Fund**

The Collection Fund Adjustment Account (formally Collection Fund Reserve) is slightly different from all other reserves and includes both Council Tax and NNDR. For Council Tax, legislation requires any balance (surplus or deficit) to be applied at the next Council Tax setting to the three major precepting authorities (Torbay, Devon & Cornwall Police Authority and Devon and Somerset Fire Authority). (Note Brixham Town Council as a minor precepting body does not bear any share of surplus or deficit).

For NNDR, as a result of the introduction of the new Local Government funding arrangements from April 2013, the Council bears a 49% share of the risk and reward of changes in the level of National Non Domestic Rate income. Changes from the Council's initial National Non Domestic Rate income estimate arising from changes in yield and collection will now also result in a Collection Fund surplus or deficit. The Council's share of any surplus or deficit will impact on the forthcoming year. The Council holds a NNDR equalisation reserve to help smooth the volatility of income, set at 5% of the Council's annual NNDR retained income under a 49% retention scheme.

Estimates of future year surpluses are included in the 2019/20 Budget Setting process and reflected in the Medium Term Resource Plan.

The Council, as part of a joint submission with all other Councils in Devon, applied to be a NNDR pilot area for 2018/19. This bid approved by DCLG for 2018/19 only, as only one year "pilot status" was confirmed, as a result the Councils risk on NNDR volatility and growth will be a shared risk between all Devon Council's. This should provide a level of certainty for Torbay's NNDR income in 2018/19, before returning to a 49% NNDR scheme in 2019/20.

## **A7 Pensions and Loans (Non Treasury Investments)**

Pensions: The Council has provided a number of guarantees in respect of pensions when staff have transferred from the Council's employment to an alternative supplier who has set up a LGPS pension scheme as an "admitted body". These are not guarantees to the supplier but to the pension fund in the event of the insolvency of the supplier. As such, under accounting standards (IFRS), these are accounted for as insurance contracts.

Loans: The Council has provided a number of loans to the private sector and to its subsidiary companies. If a loan defaults or under the "expected loss" model of assessing the fair value of a loan then the loss will be charged to the council's revenue budget in the year the loss is recognised. The value of the Council loans is now significant – including £0.9m Torbay Coast and Countryside Trust, £1.4m TDA, £9m to That Group for Torwood Street (when drawn down), £1.7m to Parkwood Leisure and £1.2m to Harbour Care. At year end the Chief Finance Officer will assess each loan for actual or potential "expected losses" and will make a charge to revenue in year or set aside funds as a "bad debt" provision as required.

Investment Properties: The Council has purchased a number of investment properties. Risk and reserve management of these is discussed in paragraph A4.15 above.

## **A8 General Fund Reserve -Risk Assessment and Sensitivity/Scenario Appraisal**

The Council's General Fund Reserves of £4.6 million represents 4.2% of the Council's net 2018/19 budget. This level of "unallocated financial reserves" is lower than average compared to other unitary Councils.

The CIPFA guidance on reserves does not recommend a minimum level of reserves. It states that "Local Authorities should make their own judgments on such matters taking into account all the relevant local circumstances which will vary between Authorities". CIPFA also state that "a well-managed authority with a prudent approach to budgeting should be able to operate with a relatively low level of reserves".

A risk assessment of all 2018/19 budgets suggest that the maximum overspend in any year, if all services were subject to adverse pressures and where there isn't any specific service related earmarked reserve, would be £7.4 million or 7% of 2018/19 net revenue budget. An estimate should be added to reflect any, as yet unknown, in year budget pressures, potential Bellwin scheme claims (emergency planning), to reflect the financial risks inherent in any significant new partnerships such as Housing Company and Children's services partnership with Plymouth City Council, investments, funding changes, outsourcing or capital developments, say £1.0 million. This would result in a required General Fund reserve of £8.4 million or 8% of net budget. The current level of General Fund Reserve will cover just over 50% of this sum.

The risk above has been mitigated as the council has a fixed payment to for Adult Social care in 2018/19 and 2019/20. This fixed payment (agreed October 2017) does remove volatility from the largest budget/service the Council has. However if this fixed payment does not exist, say after the contract period, then the Council will again be exposed to the risk of volatility of both demand and cost in this key service. In addition the challenges of achieving the ongoing significant budget reductions from central government create a major risk of budget variations.

A prudent risk based approach to budget setting and reserve levels will have mitigated some risks of an overspend, although it should be noted that in areas of high risk such as,

Children's Social Care, have already declared significant budget pressures over the past few years. It is vital that the improvement plan and medium term financial strategy for this service is delivered to reduce the levels of (financial) risk around this service. The 2019/20 Mayor's final budget proposals include an additional £4.4m or 13% additional funds for this service which will help mitigate risks of a significant overspend.

However it is unlikely that all budgets will be adversely affected in the same year or that there will be no under spending arising from savings or additional income. Therefore the General Fund Reserve should be equal to 50% of the total assessed risk in any financial year (which equals to 3.8% of estimated 2018/19 net revenue budget). This for 2018/19 will result in a required general fund reserve balance of £4.2 million. At this stage the current general fund balance of £4.6 million is in line with that assessed target.

However following consideration of the above, in the opinion of the Head of Finance, as the level of Council's reserve is low compared to other Councils and the continued spending pressures within children social care, therefore any option to increase this balance should be made.

The 2019/20 budget to be presented in February 2019 to Members will also include an assurance statement from the Head of Finance about the adequacy of the proposed financial reserves, in accordance with the requirements of section 25 of the Local Government Act 2003.

A9 **Capital Investment Plan**

It is assumed that in the circumstances of a significant overspend within the Council's capital programme this will be covered by alterations to the timing of the Council's capital investment plan; use of the capital contingency or from additional borrowing within the Council's approved Prudential Indicators. Any additional borrowing costs would have to be met from the Council's revenue budget.

The Council's capital plan has a contingency of £0.6 million. It should be noted that all capital projects should have contingencies within the individual project costs.

A10 **Comparison with Other Councils:**

The Local Government Association holds statistical data for all Councils. This includes an indicator of the "general fund balance as a percentage of net revenue expenditure". Torbay's percentage for 2017/18 was 4% compared to an average for all unitary councils of 9%.

This horizontal bar chart compares Torbay's General fund balance as a percentage of net revenue expenditure against the mean for all English single-tier local authorities from the financial year 2013/14 to 2017/18. The x-axis represents the percentage, ranging from -10% to 0%. The y-axis lists the financial years. For each year, there are two bars: a dark blue bar representing Torbay's performance and a light blue bar representing the mean for all English single-tier local authorities. Torbay's balance is consistently below the mean, indicating a higher deficit relative to net revenue expenditure compared to the average of other single-tier local authorities.

Financial Year	Torbay General fund balance as a % of net revenue expenditure %	Mean for All English single tier local authorities General fund balance as a % of net revenue expenditure %
2013/14	-3.5	-8.5
2014/15	-3.4	-8.2
2015/16	-3.7	-8.4
2016/17	-3.8	-8.7
2017/18	-4.0	-8.9

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The chart displays the financial performance of 320 local authorities in England for the 2017/18 financial year, measured by their general fund balance as a percentage of net revenue expenditure. The y-axis represents the percentage, ranging from -45% to 0%. A horizontal line at -9% indicates the mean for all English single tier local authorities. Torbay is highlighted with a red bar and a callout box, showing a balance of approximately -8.5%.

**Legend:**

- General fund balance as a % of net revenue expenditure 2017/18 %
- Mean for All English single tier local authorities: General fund balance as a % of net revenue expenditure 2017/18 %
- Torbay (Lead area)

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Appendix 1 shows the projected balances of the reserves at the end of the current financial year and future years. These balances are based upon planned levels of spending. In the event of any unplanned expenditure occurring in the financial year current Standing Orders and Financial Regulations will apply.

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and subject to this annual review and challenge as part of the budget process by both members and senior officers. Councilors should consider the Council's General Fund Reserve as part of the annual budget setting process. Any quarterly reporting of issues relevant to earmarked reserves will be on an exception basis.

Schools reserves are part of the delegated schools funding and these reserves remain at the discretion of the Head Teachers and Governing Bodies.

## **A12 Risk assessment of preferred option**

### **Outline of significant key risks**

It is important that the issues raised in this report are considered by Members and appropriate action is taken, where necessary, to ensure that the Council has adequate reserves in the short and medium term. Failure to consider the issues raised within this report and take appropriate action could result in the Council having insufficient reserves that could adversely impact on the revenue budget and the longer term financial viability of the Council.

The major risks facing the Council at present are the extremely challenging budget reductions as part of the Government's Comprehensive Spending Review and ongoing financial pressures from both Children's social care and, in the longer term, adults' social care.

It is important for the Council to review its risks and rewards in relation to new activities, such as Investment properties and its interests in its companies if the level of activity in those companies changes. Companies include the TDA and its subsidiary companies, the newly established Housing companies.

## **Appendices**

Appendix 1	Review of Reserves 2019/20
Appendix 2	Summary of Council Reserves

## APPENDIX 1

### 2019/20 - Review of Reserves

<b><u>Reserves</u></b>	<b>Balance as at at 1/4/18 £'000</b>	<b>Balance as at at 1/4/19 £'000</b>	<b>Balance as at at 1/4/20 £'000</b>	<b>Balance as at at 1/4/21 £'000</b>	<b>Balance as at at 1/4/22 £'000</b>
<b>General Reserves</b>					
General Fund	-4,623	-4,623	-4,623	-4,623	-4,623
	-4,623	-4,623	-4,623	-4,623	-4,623
<b>Earmarked Reserves</b>					
<b>CSR Reserve</b>					
Comprehensive Spending Review	-3,642	-2,331	-2,331	-2,431	-2,331
	-3,642	-2,331	-2,331	-2,431	-2,331
<b>Committed Reserves:</b>					
Approved Service Carry Forwards	-495	-193	-141	-84	-44
Capital Funding Reserve	-2,937	-1,500	-500	-200	0
Council Elections	-90	-128	0	-63	-125
Grants	-858	2,690	2,814	2,840	2,865
NNDR Collection Fund	-1,255	-755	-755	-755	-755
PFI Sinking Fund	-818	-788	-758	-591	-424
	-6,452	-673	660	1,147	1,517
<b>Partner/Ring Fenced Reserves</b>					
Adult Social care	-1,552	0	0	0	0
Devon Audit Partnership	-21	-21	-21	-21	-21
EDC Reserves (Funds paid in advance)	-805	-281	-131	-131	-131
Education Schools Exit Packages	-165	-150	-112	-84	-63
Harbours Reserves	-811	-695	-417	-201	-50
Public Health Reserve	-1,409	-1,121	-1,121	-1,121	-1,121
School Balances	-840	-1,022	-920	-828	-745
	-5,602	-3,289	-2,721	-2,385	-2,131
<b>Specific issues</b>					
Art Objects Purchased Fund	-25	0	0	0	0
Crisis Support Reserve	-594	-494	-394	-294	-194
Employment Fund	-163	-40	-19	0	0
Employment Issues	-24	0	0	0	0
Equipment Reserves	-188	-188	-168	-168	-168
Geopark	-46	-36	-26	-16	-6
Green Travel Plan	-106		-82	-70	-70

Highway Reserves	-340	-300	-260	-235	-210
Insurance Reserves	-3,260	-2,760	-2,760	-2,760	-2,760
IT Equipment Reserve	-298	-1,500	-500	-500	-500
Investment Fund	-1,551	-1,736	-1,603	-1,635	-1,667
Museum	-25	-25	-25	-25	-25
Office Accommodation Reserve	-249	0	0	0	0
Oldway Mansion Reserve	-489	-301	-113	0	0
Planning Reserve	-318	-372	-132	-72	-72
Regeneration Reserve	-197	-47	-47	-47	-47
Salix Reserve	-103	-70	-142	-188	-232
Swimming Pool Reserve	-50	-50	-50	-50	-50
Town Centre Regeneration	-284	-85	-15	-20	-25
Sction 106	-35	-35	0	0	0
Tourism	-22	-12	-12	-12	-12
Training and Development Reserve	-34	0	0	0	0
Transformation Reserve	-567	-267	-67	-67	-67
Waste Strategy	-425	-425	0	0	0
	-9,391	-8,835	-6,415	-6,158	-6,104
<b>Total Earmarked Reserves</b>	-25,088	-15,128	-10,807	-9,827	-9,049
<b>TOTAL RESERVES</b>	<b>-29,711</b>	<b>-19,751</b>	<b>-15,430</b>	<b>-14,450</b>	<b>-13,672</b>

## Appendix Two

<b><u>Name of Reserve</u></b>	<b><u>Description of Reserve</u></b>	<b><u>Responsible Officer</u></b>
Adult Social Care	Reserve for any adult social care funding to be used to support adult social care	Caroline Taylor Director of Adult Social Care
Capital Funding	To reserve funding for items in the approved Capital Plan Budget.	Martin Phillips Head of Finance
Carry Forwards	Balance of any Service specific Carry Forward of budget	Martin Phillips Head of Finance
Comprehensive Spending Review Reserve	To fund costs associated with meeting budget reductions as a result of the Government's comprehensive spending review.	Martin Phillips Head of Finance
Crisis Fund	Reserve to support the costs of social fund and exceptional hardship	Bob Clark Executive Head Customer Services
Regeneration/TDA Reserve	Reflects the value of funds awarded to the TDA where the work has yet to be completed.	Kevin Mowat Executive Head Business Services
Employment Issues Reserve	To support employment related issues, such as equal pay and payroll related issues.	Anne-Marie Bond Assistant Director Corporate and Business Services
Employment ( Growth Fund) Reserve	Reserve established from the New Homes Bonus grant to create a Growth Fund to support employment opportunities.	Kevin Mowat Executive Head Business Services
Equipment Fund	To facilitate renewal of equipment within services where the replacement is at irregular periods.	Various
Geo Park Conference	To support costs of Geo Park activities	Kevin Mowat Executive Head Business Services

Grants recognised but not used	Reflects the value of revenue grants (without conditions) received by 31 <sup>st</sup> March but not yet used to support expenditure	Martin Phillips Head of Finance
Harbours	Torquay, Paignton and Brixham Harbours – To finance Harbour expenditure schemes for the purpose of Harbour Users.	Kevin Mowat Executive Head Business Services
Highways Act Reserves	Reserve holding funds received under Highways Acts and other legislation where the Council holds funds to do works.	Ian Jones Head of Highways
Insurance Reserve	To set aside amounts to cover the future cost of past uninsured events which result in a loss to the Council. This reserve covers potential future liabilities arising from the Council's previous insurers Municipal Mutual Insurance Ltd not having sufficient solvency, to meet pre 1998 claims from Devon County Council, amounts for specific uninsured risks and a general reserve to meet as yet unknown insurance claims	Anne-Marie Bond Director Corporate Services
IT Equipment Reserve	To provide funds for priority driven replacements of IT equipment.  Reserve to fund costs of the purchase of a replacement case management system for childrens' social care	Bob Clark Executive Head Customer Services
Investment Fund Reserve	Reserve to mitigate any variations in income or costs associated with Investment Fund properties such as void and rent free periods	Kevin Mowat Executive Head Business Services
NNDR Equalisation Reserve	Reserve to smooth the volatility of NNDR income including appeals, s31 grant and the performance of the Devon wide NNDR pool.	Martin Phillips Head of Finance
Office Accommodation Reserve	Reserve to help meet the short term revenue costs of the rationalisation of office accommodation.	Kevin Mowat Executive Head Business Services
Oldway Mansion Reserve	Reserve funded from the developer contribution to be used for the benefit of the Mansion.	Kevin Mowat Executive Head Business Services
Misc. Specific Reserves	Includes: Council Elections, , Art Objects, Devon Audit Partnership, Green Travel Plan and Salix (energy initiatives).	Various

PFI Sinking Fund	To provide funds to meet the liabilities under the PFI agreement over 25 years (The Spires and Homelands Schools) and to provide funding towards Paignton Community College expansion project.	Alison Botham Director of Children's Services
Planning Reserve	To provide for costs of Local Plan Inquiry held every 4/5 years and Masterplan delivery.	Kevin Mowat Executive Head Business Services
Public Health	Reflects carry forward of ring fenced funds for Public Health	Caroline Dimond Director Public Health
Regeneration Reserve	A reserve to support economic regeneration and employment initiatives	Kevin Mowat Executive Head Business Services
School Balances	Reflects the carry forward by schools of their delegated school budget share.	Rachel Williams Head of Schools
School Redundancy Reserve	Reserve to support the costs of redundancies for schools based staff	Alison Botham Director of Children's Services
Swimming Pool Reserve	Reserve established as part of 2018/19 budget proposals to support unplanned expenditure or income variances for community run internal swimming pools.	Kevin Mowat Executive Head Business Services
Tourism (Strategic Events) Reserve	Reserve established in 2012/13 to support tourism and events.	Kevin Mowat Executive Head Business Services
Town Centre Regeneration	Reserve established to fund the staffing and feasibility costs associated with the Town Centre Regeneration project	Kevin Mowat Executive Head Business Services
Training and Development Reserve	New reserve to support the training and development needs of senior staff and members.	Anne-Marie Bond Director Corporate Services
Transformation Reserve	Reserve to support expenditure on projects associated with the Council's transformation programme.	Anne-Marie Bond Director Corporate Services

Waste Disposal Strategy Reserve	Reflects the reclassification of part of the equipment fund as a specific reserve for Waste Disposal Initiatives.	Kevin Mowat Executive Head Business Services
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**Meeting:** Council

**Date:** 21 February 2019

**Wards Affected:** All

**Report Title:** Capital Strategy 2019/20

**Is the decision a key decision?** Yes

**When does the decision need to be implemented?** Immediately

**Executive Lead Contact Details:** Gordon Oliver, Elected Mayor and Executive Lead for Finance, 01803 207001, [mayor@torbay.gov.uk](mailto:mayor@torbay.gov.uk)

**Supporting Officer Contact Details:** Martin Phillips, Head of Finance, 01803 207285, [martin.phillips@torbay.gov.uk](mailto:martin.phillips@torbay.gov.uk)

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## 1. Proposal and Introduction

- 1.1 The Council has a statutory responsibility to comply with the CIPFA Prudential Code (revised December 2017) which is the “proper practice” document linked to the Local Government Act 2003. Part of this compliance is to approve a Capital Strategy.
- 1.2 The Capital Strategy is the policy framework document that sets out the principles to be used to guide the allocation of capital investment across all the Council's services and informs decisions on capital spending priorities within the Council's 4-year Capital Plan.
- 1.3 The revised Prudential Code places more emphasis on the risks associated with Council capital activities in particular the higher risks associated with more commercial activities and requires the Chief Finance Officer to “report explicitly on the affordability and risks associated with the capital strategy”.
- 1.4 In accordance with the Council's Constitution, the Capital Strategy is required to be approved on an annual basis.
- 1.5 The proposed Capital Strategy was presented to Overview and Scrutiny Board on the 30 January 2019, where a minor change was recommended by the Board. This was subsequently accepted by the Elected Mayor.
- 1.6 At the meeting of the Council on 7 February 2019, the motion to adopt the Capital Strategy subject to the amendments agreed by the Elected Mayor was lost.

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*forward thinking, people orientated, adaptable - always with integrity.*



- 1.7 The proposed Capital Strategy is now be re-presented to Council for consideration as:
- (i) Under Part 1 of the Local Government Act 2003, Local Authorities are required to have regard to the Prudential Code (as proper practice) when carrying out their duties. The Prudential Code (December 2017) states that “authorities should have in place a capital strategy” and that the “setting and revising of a capital strategy....will be done by the same body that takes the decisions for the local authorities budget”; and
  - (ii) Article 4 of the Council’s Constitution states that the Capital Strategy is approved annually as part of the budget setting process.
- 1.8 Therefore, in order to comply with the Prudential Code and the Council’s Constitution, it is the recommendation of the Head of Finance (as the Council’s Chief Financial Officer), that the Capital Strategy (as set out at Appendix 1) should be approved.

## **2. Reason for Proposal**

- 2.1 The Council has a responsibility to approve a Capital Strategy each year.

## **3. Proposal**

- 3.1 That the Capital Strategy be approved

## **4. Supporting Information**

- 4.1 The Capital Strategy is an overarching document. There are clear links to other documents such as
- Treasury Management Strategy – the operational plan for management of treasury activities including borrowing.
  - Asset Management Plan – the operational plan for management of assets
  - Capital Plan and quarterly Budget Monitoring – the key documents for the financial reporting on the capital plan, both its expenditure and funding.

Appendix 1 – Proposed Capital Strategy



CAPITAL STRATEGY  
& CAPITAL RECEIPTS STRATEGY

Review FEBRUARY 2019

## **CONTENTS**

- 1. Introduction
  - 2. Guiding Principles
    - 2.1 Approaches to Borrowing
    - 2.2 Long Term Liabilities
    - 2.3 Grants
    - 2.4 Capital Receipts and Capital Contributions
    - 2.5 Capital Receipts Strategy
    - 2.6 Revenue and Reserves
    - 2.7 Prioritisation and Approval
    - 2.8 Affordability and Sustainability of Proposals
    - 2.9 Management and Monitoring of Capital Plan
    - 2.10 Alternative Funding and Delivery Opportunities
    - 2.11 Investment Opportunities
    - 2.12 Loans for capital purpose
    - 2.13 Asset Disposal Strategy
    - 2.14 Capital expenditure and assets held by subsidiary companies
    - 2.15 Training and Skills
    - 2.16 Treasury Management Implications
  - 3. Head of Finance's Statement on Delivery, Affordability and Risk of Capital Strategy
- 
- Appendix 1 - Definition of Capital Expenditure
  - Appendix 2 - Capital Reserve List – December 2018

## **1. Introduction**

A Capital Strategy is a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

This Strategy is based on principles of the Prudential Code for Capital Finance in Local Authorities (December 2017). The key messages from the Code is, in relation to capital expenditure, the consideration of Prudence, Affordability and Sustainability.

The Capital Strategy therefore is the policy framework document that sets out the principles to be used to guide the allocation of capital investment across all the Council's services and informs decisions on capital spending priorities within the Council's 4-year Capital Plan. In addition as part of the Strategy the Head of Finance reports on the delivery, affordability and risks associated with this Strategy.

Inevitably the full picture of the control system around the Council's wide range of capital expenditure and its funding is reflected in a range of documents, monitoring and management arrangements. A summary of five key aspects of capital activities are shown in the table below

<b>Capital Expenditure</b>	<b>Debt and Borrowing Treasury Management (TM)</b>	<b>Commercial Activity</b>	<b>Other Long-Term Liabilities (e.g PFI schemes)</b>	<b>Knowledge and Skills</b>
<ul style="list-style-type: none"> <li>•strategic service plans + asset management plans + capital strategy</li> <li>•pipeline process</li> <li>•capitalisation rules</li> <li>•long-term forecasts</li> <li>•basis of estimating future costs and sensitivity to risk</li> </ul>	<ul style="list-style-type: none"> <li>•projections of external debt and internal borrowing</li> <li>•how debt will be repaid</li> <li>•authorised limit and operational boundary</li> <li>•how TM decisions are made and how they are scrutinised</li> </ul>	<ul style="list-style-type: none"> <li>•dependency of budget on commercial activity</li> <li>•policies for approval and scrutiny</li> <li>•on-going management</li> <li>•implications of borrowing</li> </ul>	<ul style="list-style-type: none"> <li>•identification and approval</li> <li>•on-going monitoring</li> </ul>	<ul style="list-style-type: none"> <li>•knowledge and skills available</li> <li>•use of advisers</li> <li>•training plans</li> </ul>
<b>Key Documents</b>				
Capital Strategy	Treasury Management Strategy	Capital Strategy	Treasury Management Strategy	Treasury Management Strategy
Asset Management Plan	TM Mid-Year Review	Investment and Regeneration Strategy	Statement of Accounts	
Council Reports	TM Outturn Report Revenue Budget	Capital Budget  Revenue Budget		

Housing Committee Reports	Medium Term Resource Plan	Medium Term Resource Plan		
Capital Budget		Statement of Accounts		
Quarterly Budget Monitoring Reports				
Statement of Accounts				
<b>Key Committees and Meetings</b>				
Council	Audit Committee	Audit Committee	Audit Committee	
Housing Committee	Council	Investment and Regeneration Committee		
Capital & Growth Board				

Capital investment is technically described as: **Expenditure on the acquisition, creation, or enhancement of ‘non-current assets’ i.e. items of land, property and plant which have a useful life of more than 1 year.** A fuller definition is attached at Appendix 1. Expenditure outside this definition will be, by definition, revenue expenditure.

Most non-current assets are properties that are used in service delivery. The Council’s land, buildings and infrastructure asset base of some 3,700 properties has a Balance Sheet value (as at 31/3/18) of approx. £445 million, of which £115m are Investment Properties. The outstanding borrowing as at 31/12/18 was £285m with £19m of long term liabilities in relation to PFI schemes.

The Capital Strategy is presented to Council as a Policy Framework document, and links with both the Treasury Management Strategy, Medium Term Resource Plan and the Corporate Asset Management Plan which is the key **operational** asset plan covering repairs and maintenance.

In considering the principles, the Council needs a balance between guidance and prescription to allow a flexible approach to be taken but reflective of times of uncertainty. This Strategy focuses on the key policies for the allocation of capital resources to schemes in line with Council priorities and statutory responsibilities.

The management of the Capital Plan is also supported by the Council’s approved Financial Regulations.

## 2. Guiding Principles

### 2.1 Approach to Borrowing

The Council is able to borrow money on the money market or from the Public Works Loans Board to fund capital schemes or, on a short term basis, use its own internal resources (i.e.

cash flow). However for all capital schemes initially funded from borrowing, the Council will have to fund the principal repayment and interest costs.

The Council is only able to borrow under the guidance contained in the CIPFA Prudential Code whereby, in summary, the Council is required to ensure that all borrowing is both prudent and affordable. All schemes funded from prudential borrowing are approved by full Council, although in some cases approval of individual schemes within an overall allocation by Council have an alternative approval process (such as Housing Committee and Investment and Regeneration Committee).

The Prudential Code was revised in December 2017 and requires authorities to ensure that decisions for capital expenditure and investment plans are made with sufficient regard to the long run financing implications and potential risks to the authority and include effective due diligence.

The Council's 2019/20 Treasury Management Strategy recognises the potential need to take an additional £129m of borrowing (net of MRP) to support a number of capital projects, potentially increasing the Council's overall debt (excluding PFI liabilities) to be in excess of £423m.

Based on current economic forecasts a borrowing cost of 3% should be assumed for new borrowing in 2019/20.

The Council takes a prudent approach to new borrowing, paying particular regard to the robustness of the business case to include forward predictions of affordability, with the aim that projects should be self-funding (i.e. create a revenue stream so that the cost of borrowing is cost neutral on Council Tax). However the Council has changed its risk appetite in the past two years and is now approving a significant number of projects that are more commercial in nature. All new proposals for a self-funding or invest to save scheme supported by borrowing must have a robust business case that is presented to senior members and officers prior to approval by Council.

Each business case must clearly identify and consider the ongoing revenue implications of:-

- fixed interest and principal repayment costs
- associated income stream
- all future maintenance costs over the life of the scheme
- volatility of the income stream
- the contribution to the general fund or breakeven point
- the sensitivity of the that contribution
- achieve the target return linked to the purpose of the spend
- ensuring asset value exceeds outstanding debt

All of the above need to be considered for the whole life of the asset.

Each business case must clearly identify and consider the ongoing balance sheet implications of:-

- the change in the level of Council debt
- address how changes in asset value will be funded i.e. capital appreciation and impairment and the total of assets funded by borrowing

To ensure all member are fully informed of the risks and rewards associated with borrowing reporting will include:-

- Total debt of the Council
- The underlying assets funded by that debt
- Ongoing revenue costs of principal and interest
- Income Streams associated with that asset
- Implications of changes in asset values or income streams

To support its revenue budget the Council will continue to evaluate any capital investment projects either acting alone or with partners that will produce an ongoing revenue income stream for the Council.

There may be the need for borrowing that has no identifiable future revenue stream, for example, to repair or construct infrastructure assets. Here a broader view can be taken of the value of repairing the asset to the overall economy of the Bay. The cost of such borrowing falls on the tax payer through payments of debt interest on the Council's revenue account and repayment of debt over a specified period of time. There may still be a need for such borrowing but each proposal should be reviewed on a case by case basis with the project evaluation clearly stating how the borrowing is to be afforded. Given the significant ongoing financial challenges facing this Council over the next few years it is likely that such schemes will be an "exception".

## **2.2 Long Term Capital Liabilities**

The Council can also finance capital expenditure by means of a long term PFI contract, whereby the a private sector company will build and then supply an asset (usually) with services as well) back to the Council for a specified number of years. At the end of the contract the asset transfers to the ownership of the council. The value of the asset and the associated liability over the life of the contract to fund that asset is reflected on the Council's balance sheet. As with borrowing, any decisions on agreeing contracts that result in a long term liabilities are made with sufficient regard to the long run financing implications and potential risks to the authority and include effective due diligence.

Council's may also lease in assets for service delivery rather than purchase. Depending on the lease terms, including the length of lease, these assets and the associated liability over the life of the lease to fund that asset is reflected on the Council's balance sheet. Changes in International Financial Accounting Standards (IFRS16) in relation to lease recognition from 2020/21 (with a restated comparative year of 2019/20) may result in more leased in assets and liabilities being reflected on the Council's balance sheet.

## **2.3 Grant Allocations**

The Council receives capital grant funding from government and is able to bid for grant funding direct to particular government departments or from other grant awarding bodies. The funding from central government tends to be un-ring fenced and without conditions, however this funding is at a significantly lower level than in the last decade.

The Council now has greater flexibility in allocating capital grant funding which allows the Council to direct funding to local priorities which may not be in line with government allocations which are, to some extent, based on local need. Service intentions of the identified government body awarding the grant should be taken into account in determining allocations.

Any un-ring fenced capital grants received will be reported to Council. The presumption is that the grants will be allocated in line with the service intentions of the identified government body awarding the grant, however Council has the option to reallocate. Once capital grants have been allocated to a specific service, individual schemes within that allocation are subject to each individual scheme being approved by the relevant Director in consultation with the

Mayor and Head of Finance.

The Council continues to bid for additional external grant funding but restricts schemes to those which support corporate priorities or statutory service objectives and where it can be proved that the project is sustainable, and requirements for match-funding and future revenue consequences have been considered and approved. All bids are to be agreed with the Executive Lead for Finance and Head of Finance prior to submission. Where external grants are used the grant conditions of linking to the capital grant and future use of the asset need to be adhered to.

## **2.4 Capital Receipts and Capital Contributions**

The Council receives capital receipts and capital contributions from:

- ☐ Asset Disposals
- ☐ Right to Buy Clawback
- ☐ S106 and Community Infrastructure Levy (CIL)
- ☐ Repayment of loans for a capital purpose

### **Asset Disposals**

The policy is to pool all receipts from the sale of all assets sold to support the Capital Plan in line with funding the Council's priorities. The current Capital Plan has a capital receipts target to support previously incurred expenditure that has not yet been met. All capital receipts received should be allocated to support this target and not allocated to new schemes, subject to any potential use of capital receipts under the Capital Receipts Strategy (see para 2.4 below) and any loan repayment. An asset disposal will be deemed to occur when the Council transfers the freehold or a long lease (usually over 40 years)

The Council will consider exceptions to this policy where rationalisation of assets used for service delivery is undertaken and in respect of school sites where the Secretary of State has approved the disposal – such exceptions will require Council decision.

The Council will aim to maximise its capital receipts, where possible, by enhancing the land prior to disposal; e.g. by obtaining planning permission or providing a development plan. As appropriate the Council may dispose of assets by tender or by public auction.

The Council can, by approval, transfer or dispose of assets at below market price for service purposes but this is on an exception basis and the full implications of not achieving market value needs to be considered.

### **Asset Disposals at nil consideration or below market value**

In considering asset disposals, the Council will comply with its Asset Management Plan and the need to take into account the policy on Community Asset Transfers where the Council will consider, on a case by case basis, the potential transfer of assets to an alternative provider after a full assessment of the long term (full life) risks and rewards of the transfer, including the achievement of best value including potential market value, linked to the Council's aims and objectives.

The Localism Act 2011 introduced the "Community Right to Bid" and placed a duty upon local authorities in England to maintain a list of assets of community value. Once an asset is "Listed" any disposal will be under the Community Asset Transfer policy or for market value by tender/auction.

Where the Council proposes to dispose of, or grant a long lease, at nil consideration or at a



value below market value this is required to be approved by Council. This will also apply where the disposal is for a community or service benefit.

There may be circumstances, such as the transfer of community school assets under the Academies Act, where assets will also be disposed of at nil consideration.

### **Right-to-Buy Clawback**

100% of these receipts are currently used to support the provision of the approved Housing Strategy, although this policy could be reviewed to provide additional resources for projects in other service areas.

### **S106 contributions and Community Infrastructure Levy (CIL)**

S106 monies come from developer contributions through the planning system. Unless there are service specific conditions on the use of the S106, the monies should be used to support existing Council priorities and commitments rather than be allocated to new schemes. Any S106 monies received without a service or scheme specific allocation within the planning agreement will be allocated in line with Council's capital scheme priorities.

Any monies received for infrastructure from the Community Infrastructure Levy will not be allocated to a specific service but will be allocated under the CIL arrangements ("the Regulation 123 List") in line with Council's capital scheme priorities including any specific funding requirements such as the South Devon Highway.

The current policy is to pool all capital contributions to support the Capital Plan in line with funding the Council's priorities. The current Capital Plan has a capital contributions target to support the approved Plan that has not yet been met. All capital contributions received should, where possible, be allocated to support this target and not allocated to new schemes.

### **Repayment of loans for a capital purpose**

Where the Council provides a loan for a capital purpose this will be approved by full Council and accounted for as capital expenditure. The repayment of a loan by the borrower will be treated as a capital receipt; however any receipts of this nature will be specifically applied to reduce the value of the Council's outstanding loan.

## **2.5 Capital Receipts Strategy**

DCLG have revised their statutory guidance in relation to the Local Government Act 2003 on the use of capital receipts for the period from April 2016 to March 2019 and subsequently extended in December 2017 to March 2022. This provides Councils with the flexibility to use capital receipts for "the revenue costs of service reform". This flexibility is subject to a Strategy for the use of capital receipts being approved by full Council. By approving this document Council will be approving this flexibility to be used as appropriate with any use reported to Council as an amendment to the Council's capital plan.

Potential uses for capital receipts, (subject to the capital receipts being received and Council approval of changes to capital plan), would be to support any implementation costs for the Council's transformation programme. DCLG within their statutory guidance have included a number of examples of the type of expenditure that would meet the definition of "revenue costs of service reform".

## **2.6 Revenue & Reserves**

The Council is able to use revenue funding and reserves for capital schemes. However, as a result of competing revenue budget pressures and the continued reduction in government support for revenue expenditure, the Council's policy is generally not to budget to use revenue or reserve funds to directly fund capital projects after the feasibility stage.

Once a revenue contribution has been applied to a capital project it cannot be returned to revenue. However the Council would be able, subject to the approval of the Head of Finance, to use prudential borrowing to replace any revenue or reserve funding used or proposed to be used. This will result in a **one off** return of revenue funding to the Council's revenue budget offset by higher MRP and interest costs to fund the prudential borrowing costs in future years.

## **2.7 Prioritisation and Approval**

It is always difficult to make choices between competing priorities within a top tier Council that delivers so many varied services. It is the responsibility of senior officers and members to consider and prioritise the competing demands for capital resources in the context of the limited central government funding now awarded.

The Council maintains and reports on a rolling four year capital plan (including its funding) that is updated and reported to Senior Leadership Team and Members on a quarterly basis. The capital plan will include any capital expenditure approvals by Council in the previous quarter.

The key stages in the Council's prioritisation and approval process are as follows:

- 1) A service can submit a capital business case for consideration by the Head of Finance and the officer Capital and Growth Board at any stage of a financial year. The capital business case will be linked to that service's needs. A Capital Reserve list is maintained and updated on an annual basis for inclusion in the Capital Strategy.
- 2) For a specific scheme to be approved/funded there will be a requirement for a detailed capital business case. The capital business cases are to be initially submitted to both the Head of Finance and the officer Capital and Growth Board prior to wider consultation with the Council's senior leadership team and the Executive.

If a scheme is to be funded from (previously approved by Council) allocations the scheme will be approved as stated in the approval or, if the approval process not stated, by the Chief Executive in consultation with the Executive Lead for Finance and Head of Finance and progressed when funding confirmed or,

if new (confirmed) funding is to be used for a scheme to be funded by, say, a specific grant and if the scheme is supported by the Chief Executive, in consultation with the Executive Lead for Finance and Head of Finance, it will be reported to Council.

If funding has been allocated by Council to a service without individual schemes being identified at the time of approval, (such as a general allocation to schools for "basic need" projects), individual schemes within that allocation are subject to each individual scheme being approved by the Chief Executive in consultation with the Executive Lead for Finance.

- 3) Proposals for invest to save or self-financing schemes, (usually financed from prudential borrowing), will also require a detailed capital business case. The capital business cases are to be initially submitted to the Head of Finance and the officer Capital and Growth Board. If the scheme is supported it will be recommended to Council for approval.

- 4) Any recommendations for schemes to be approved by Council will be included in the next quarterly Capital Plan Update Report.
- 5) Other schemes that do not require financial support but include the use of Council assets as a Council contribution to a scheme will also be subject to the Council's approval process.
- 6) Where there is a proposal to transfer capital resources from a previously approved scheme to a new scheme and there is a change of "policy", the new scheme will be approved by Council.
- 7) Where specific approval process has been set up and approved by Council e.g. Investment and Regeneration Committee or Housing Committee that process will apply.

## **2.8 Affordability and Sustainability of Proposals**

The Capital Business Case will identify the projected running costs and financing costs of the relevant asset and assessed the affordability of the proposals both for the initial investment and over the life of the asset. In all cases the capital expenditure and any ongoing costs must be sustainable in relation to the Council's medium term financial plans.

For existing assets the Asset Management Plan will identify the projected running costs and financing costs of the asset and assessed the affordability of the asset over its asset life.

Where an asset is directly linked to generating an income or rental stream, such as an Investment Property, the initial Capital Business case (or Council report) will need to consider the future risks to those revenue returns and how these will be mitigated. This may result in the creation of an earmarked reserve for both income volatility and future asset related expenditure.

## **2.9 Management and Monitoring of Capital Plan**

The key objective of the Council's management and monitoring of the Capital Plan is to ensure that all Members have visibility of the capital plan and the approval of individual capital projects to encourage collective responsibility for the capital expenditure on a project and the success of the schemes themselves.

Arrangements to include:-

- 1) Overview and Scrutiny Board and Council will receive 3 quarterly monitoring report and one outturn report each year.
- 2) A Capital budget for forthcoming year will be part of each financial year's budget proposals
- 3) Committees set up for specific purposes to receive update reports
- 4) A newly established (Nov 2018) officer Capital and Growth Board now reviews the Council's Capital Plan and the governance arrangements associated with its various projects
- 5) Senior Leadership Team and the Executive to have responsibility for the oversight and challenge on the delivery of the capital plan including slippage and outcomes.

- 6) The capital business cases are to be initially submitted to both the Head of Finance and the officer Capital and Growth Board prior to wider consultation with the Council's senior leadership team and the Executive.

## **2.10 Alternative Funding and Delivery Opportunities**

As Council capital funding is reduced the Council will continue to consider other methods of supporting capital expenditure within the Bay, using alternative funding, such as social investment, private sector finance and third sector funding or by other bodies delivering capital schemes instead of the Council.

The Council can use its assets to support schemes or aim to maximise funding from any source possible, such as European or Local Enterprise Partnership funding.

The Council continues to bid for additional external funding and/or work with other bodies to secure capital investment or consider use of its own assets in a development, but restricts schemes to those which support corporate priorities or statutory service objectives and where it can be proved that the project is sustainable, and requirements for match-funding and future revenue consequences have been considered and approved along with an assessment of the opportunity costs of alternative options. All schemes are to be agreed with the Executive Lead for Finance and Head of Finance prior to submission and/or contractual commitment.

## **2.11 Investment Opportunities – Non Treasury Investments**

Linked to its approach to borrowing and the Council's Investment and Regeneration Strategy the Council will consider, if the opportunities arise and there is a "multiple benefit", the purchase of land and property as an investment – to both generate an ongoing income stream or to realise an increased capital value in the future. CIPFA has classified investment properties as a Non Treasury Investment for reporting purposes and included in the Treasury Management Code of Practice.

The Council will continue to review the guidance associated with this activity. In October 2018 CIPFA released a 'Statement on Borrowing in Advance of Need and Investments in Commercial Properties' expressing concerns in relation to the acceleration of the practice of borrowing to invest in commercial properties and in particular the proportionality in relation to an authority's resources.

<https://www.cipfa.org/policy-and-guidance/technical-panels-and-boards/treasury-and-capital-management-panel>

The risks associated with investment properties and the Council's strategy in mitigating these risks are outlined and described in the Council's Investment and Regeneration Fund Strategy. The Strategy envisages proposals in two categories:

1. Investment opportunities that deliver both a financial return to the Council and a benefit, improvement or development of the area – 'Investment Opportunities,'
2. Regeneration investment opportunities that deliver significant regeneration benefits to the area – 'Regeneration Investment Opportunities.'

<https://www.torbay.gov.uk/council/policies/corporate/investment-strategy/>

The Council's Treasury Management Strategy Statement also includes references to the monitoring and reporting of the Council's Non Treasury Investments (NTI).

## **2.12 Asset Disposal Strategy**

Purchases of assets by the investment fund are primarily to be retained in the long term. However the benefit of selling the assets will be regularly reviewed by Head of Business Services in consultation with the TDA Head of Estates for potential disposal at which point any outstanding debt will be repaid. The review will need to consider the resulting impact on the Council's revenue budget from the lost income stream and any costs of disposal.

## **2.13 Loans for Capital Purposes**

Loans for a capital purpose can also be approved by full Council subject to a business case and due diligence on the borrower including as appropriate guarantees and bonds to secure the repayment of the loan. The loan value will not exceed the value of the underlying asset at any time and there should be no third parties legal charge on the asset. Interest will be charged on the loan at a market rate, this will include loans to Council subsidiary companies. This will ensure compliance with State Aid regulation.

## **2.14 Capital expenditure and assets held by wholly owned subsidiary companies**

The Council has overall control of these entities and therefore is ultimately responsible for the companies' assets and liabilities. The controls of any subsidiary's activities are controlled by the Council's through 'reserved matters' listed within the memorandum and articles of association of the company. These 'reserved matters' cover capital expenditure and the making of any borrowing. The assets and liabilities of all council companies would be consolidated into the Council's group accounts.

As these capital assets and liabilities are part of the council's overall financial position the Council will report on the total group assets and liabilities and the associated risk and reward.

In relation to the reserve matters on capital expenditure the Council will apply the same process as applied to its own capital expenditure and will monitor and report performance of the capital assets as part of the Council's quarterly capital monitoring arrangements.

## **2.15 Training and Skills**

The Council needs to ensure that all decisions in relation to capital are properly informed.

Linked to the Treasury Management Strategy a list of officers and members and their relevant qualifications and training undertaken will be maintained. Training will be provided as required.

In relation to skills the Head of Finance, Monitoring Officer and Executive Head of Business Services will ensure that the appropriate expertise is always resourced in relation to any financial, legal and asset related due diligence required.

## **2.16 Treasury Management Links**

All capital decisions to be funded by prudential borrowing will directly impact on the Council's Treasury Management activities. The level and timing of the capital expenditure will be reflected in the capital plan once approved and in the strategic cash flow forecasts to plan for the required borrowing. The resulting costs (Interest and MRP) and any income to fund those costs will be included in the standard budget monitoring and budget setting process. Total borrowing will also be monitored by the annual setting of both the Operational and Authorised Limits (for borrowing).

## 2.17 Balance Sheet Issues

The impact of capital projects and any prudential borrowing used have an impact on the Council's balance sheet.

- 1) Increase in the value of the Council's non-current assets
- 2) Increase in the value of Council's long term debtors (if capital loan provided)
- 3) Increase in the Council's long term borrowing
- 4) Maturity profile of borrowing and repayment of borrowing
- 5) Profile of capital loan repayments
- 6) Increase/decrease in Capital Financing Account (CFA) by new borrowing offset by MRP.
- 7) Annual depreciation on operational assets
- 8) Annual revaluation or impairment on operational assets
- 9) Annual valuations of investment properties
- 10) Impact on Council's cash flow in delivery stage or on purchase
- 11) Impact on Council's cash flow at time of borrowing

The value of non-current assets should always exceed the value of the outstanding liabilities. In addition the value of the outstanding liabilities should not exceed, in the medium term, the Capital Financing Requirement (which is the measure of a Council's underlying need to borrow).

## 3. Head of Finance Statement on Delivery, Affordability and Risk of Capital Strategy

### 3.1 Background

The current guidance for a council's level of borrowing is the Prudential Code (December 2017) and as "proper practice" must be adhered to. The following extracts from the Code summarise the Code's approach to level of borrowing (self-regulating) and the governance that should apply.

"the local authority shall ensure that all its capital and investment plans are affordable, prudent and sustainable.

'A local authority shall determine and keep under review how much money it can afford to borrow.'

"the level of capital investment that can be supported will, subject to affordability and sustainability, be a matter for local discretion"

### 3.2 Torbay Council Borrowing Position - Note: PFI transactions have been excluded.

All borrowing	As at 31.12.18	Projected 31.3.21
	£m	£m
External Borrowing	285	423
Interest and repayment of principal costs	15	24
Interest repayment cost as a % of net revenue budget	14%	22%

<b>Investment Fund Purchases only</b>	<b>As at 31/12/18</b>	<b>Projected 31/3/21</b>	<b>10% sensitivity On Asset value and income</b>
	£m	£m	£m
External Borrowing	152	200	
Interest and repayment of principal costs	6	8	
Rental Income from Investment Properties	(9)	(12)	1.2
Estimated Value of underlying assets for prudential borrowing	144	189	(18.9)
Interest and repayment cost as a % of net revenue budget	5%	7%	
Interest and repayment cost net of investment properties as a % of net revenue budget	(3)%	(4)%	

#### Potential impact of investment market fluctuations

1. Value of rental income on investment properties decreases by 10%. Assuming £200m invested, revenue budget will have a shortfall of £1.2m pa.
2. Value of underlying asset decreases by 10%. Assuming £200m invested, balance sheet value will fall of £18.9m.
3. General economic conditions may affect the both the rental income and asset values such as economic downturn, "Brexit" and the retail environment. Locally tenants may choose not to renew leases or re-negotiate a lower rental.

### 3.3 Summary of the borrowing position

It can be seen that the risk principally lies in the Council's investment portfolio. The remainder of the borrowing is linked to a range of operational assets which are expected to be used in the long term and have a full provision for the full recovery of principal over the asset life. All operational assets are supported by a robust business case and while there is a risk in income returns not being achieved overall these are not significant.

In relation to investment properties these are more sensitive to the market fluctuations identified above. A MRP is applied to repay the borrowing over the estimated asset life (up to the maximum 50 year asset life identified in the MHCLG Statutory Guidance). An Investment Fund reserve is used (funded from rental income) to mitigate against future income volatility on these assets.

Due to the current low borrowing rates the Council has fixed all of its loans and adopted a flat maturity profile, this mitigates the risk of increasing rates in the long term. However the increased borrowing will increase the council's fixed interest and borrowing costs to be in excess of £24m by 2021, which will be an annual charge to the revenue budget. This fixed cost is partially offset by income streams from the assets funded from borrowing.

### 3.4 Head of Finance Report

Within the Prudential Code It is the responsibility of the Chief Finance Officer to explicitly report on the delivery, affordability and the risks associated with this Strategy.

### Delivery

The delivery of the individual schemes on the plan are directly linked to the original approval of the capital project supported by each project having a client officer and an project manager who are responsible for the delivery of the project (appropriate skills, contracting, planning etc.) and the subsequent achievement of the objectives of that project.

Members, via Overview and Scrutiny and Council receive quarterly updates to the capital plan. These updates are driven by the requirement by financial reporting, however in doing so Members can review and challenge the delivery of projects and any changes to both the timing and value of the capital plan.

If subsequent to the capital project being completed there are variations to the income expected to be generated from that asset, these will be reported as a variance in the quarterly revenue budget reporting and if ongoing be included in the following years revenue budget proposals.

The Council's senior leadership team has oversight for the delivery of and challenge to the capital plan.

### Affordability

Affordability is critical in applying the capital strategy and approving projects for inclusion in the capital plan. This is mostly demonstrated by a specific report on the project being presented to council for approval supported by a business case identifying the expenditure and funding, appraisal of alternative options and the risks and rewards for the approval of the scheme.

All projects need to have a clear funding source. If external funding such as an external grant is to be used there needs to be a clear funding commitment.

Affordability of each project needs to be clear, not only for the funding of the capital spend, but also to cover any ongoing costs of the operation and funding of that capital spend.

Where borrowing is to be used the affordability is of greater importance and the affordability has to include the interest costs of that borrowing and the provision for the repayment of the borrowing. This repayment is matched to a prudent asset life and any income streams estimated to fund this asset must be sustainable. The "rules" around the governance of this borrowing is outlined in the prudential code (as summarised above).

At no stage should the asset value be lower than the value of outstanding debt unless there is a clear plan to mitigate that shortfall or to sell that asset.

### Risks

The risks associated with a significant capital plan and a significant level of borrowing can be mitigated and indeed should be mitigated as "business as usual". I.e. all capital projects are supported by business plan, have adequate project management and/or project boards, suitable skills for the delivery of the project, tax planning, cash flow, clear operational plan for the use of the asset, use of specific committees, security and due diligence on loans and



purchases, use of external advice where appropriate, project contingencies, full tender process and regular and transparent reporting to members.

There are clear links from the capital plan to both the treasury management strategy, prudential indicators, authorised borrowing limits and the revenue budget. These are also subject to review and oversight by members at Audit Committee and Council.

For any new borrowing, and this is a greater risk as the value of borrowing increases, this does increase the councils overall liabilities that will need to be repaid in the future. In addition this increases the Council's level of fixed interest and repayment costs that it will incur each year. This is currently increasing rapidly and could exceed a borrowing liability of £423m and ongoing fixed costs of approx. £24m per annum by 2021. This is a clear risk that all members need to be aware of.

However this risk for all assets is mitigated by a robust business case and a full MRP that will repay the borrowing costs over a (prudent) asset life. Any variation in expected income is an issue however given the wide range of operational assets and different income streams this is not a significant risk.

As outlined above in the position statement, investment properties are a different type and level of risk. Risk arises from both variations in income streams (tenant non-renewal etc.) and from asset values (impact economic conditions and retail trends etc.). The Council has established a clear strategy, criteria and a governance route for these purchases (Investment and Regeneration Committee and Council) which has included member training, second opinion on asset values, due diligence, site visits, surveys etc.

There are risks (and rewards) associated with the purchase of this type of assets, therefore all members need to have sight of, and understand the risks and rewards inherent in these commercial investments.

## **Conclusion**

The current system of borrowing is still a self-regulatory system which means that responsibility for borrowing decisions, and the level of borrowing incurred by a Council are determined at a local level. In particular elected members have a key role.

"..the responsibility for decision making and ongoing monitoring in respect of capital expenditure, investment and borrowing, including prudential indicators, remains with full Council". Prudential Code December 2017

The Head of Finance's personal view is that borrowing decisions result in a long term commitment to fund that borrowing, and that all decision making should be as transparent as possible both all Members and the residents of Torbay.

The pace and level of change in the council's borrowing is significant. The Council's position by the end of 2020/21 could be £423m of borrowing, with a £24m ongoing revenue cost and £12m of rental or interest income from Investment Fund activities. Therefore all members need to be fully informed as to all implications of its capital investment decisions, in particular those funded from borrowing.

## Appendix 1 – Definition of Capital Expenditure

Capital investment is simply described as:

**Expenditure on the acquisition, creation or enhancement of “non-current assets”**

(non-current assets are items of land & property which have a useful life of more than 1 year)

This definition of capital expenditure that the Council has to comply with for the classification and, therefore, the funding of capital expenditure is linked to International Financial Reporting Standards. “Qualifying Capital Expenditure” under s25 of Local Government Act 2003 is defined when:

***“The expenditure results in the acquisition, construction or enhancement of fixed assets (tangible and intangible) in accordance with “proper practices””***

“Proper Practice” (from 01/04/10) is under International Financial Reporting Standards (IFRS) rules. The relevant standard is IAS16 which has the following definition of capital expenditure:

**“Expenses that are directly attributable to bringing an asset to the location and condition necessary for it to be capable of operating in the manner intended by management”.**

“Directly attributable” i.e. if building a school – costs linked to the actual construction of the building, not temporary accommodation, moving people around etc.

Subsequent Capital Expenditure on an asset is defined as:

**“Expenses that make it probable that future economic benefits will flow to the authority and whose cost can be measured reliably”** Subject to..... “if the expenditure is to replace a component, the old component must be written out of the balance sheet”.

Future economic benefits i.e. it is not necessary for the expenditure to improve the condition of the asset beyond its previously assessed standard of performance – the measurement is against the actual standard of performance at the date of expenditure; e.g. if service potential or asset life is increased.

## CAPITAL PLAN - RESERVE LIST DECEMBER 2018

Capital Scheme	Ref.	Main Funder	Cost to Council £m
<b>Protecting Children</b>			
PARIS replacement - social care case management	100	TC	1.000
Funding for primary school places in Paignton (beyond existing allocations)	101	TC	1.800
<b>Prosperous Torbay</b>			
Town Centres Master plans – (beyond £25m allocation)	200	TC	tbc
Brixham Town Centre redevelopment	201	TC	tbc
Multi Storey Car Parks R&M Backlog	202	TC	3.200
Freshwater Car Park expansion	203	TC	tbc
Riviera Centre - R&M backlog	205	TC	1.000
<b>Healthy Lifestyles</b>			
none	300		
<b>Attractive and Safe Place</b>			
Torre Abbey Mansion Phase Three - match funding	401	EH	1.200
Backlog Transport Infrastructure R&M	402	TC	20.000
Environment Agency Schemes - match funding - various	403	EA	tbc
Backlog Property Assets R&M	404	TC	22.000
Princess & Haldon Piers structural repair	405	TC	4.600
TOR2 Asset buyback at end of contract/future waste solutions	406	TC	tbc
Car Park Fencing replacement	407	TC	0.062
Cockington Court - R&M backlog	408	TC	0.700
Willows Sport Pitches improvements	409	TC	0.500
Princess Theatre Investment	410	AC	1.000
Illumination (Festoon lighting) Replacement - phase 2	411	TC	0.072
Oldway Mansion - Future Use of Asset	412	TC	tbc
Torquay Harbourside, Option 1 (Public Realm)	413	TC	0.350
Torquay Harbourside, Option 2 (Extend Torquay Harbour)	414	TC	4.000
Torquay Harbourside, Option 3 (New Torquay Harbour)	415	TC	7.000
<b>Vulnerable Adults</b>			
Affordable Housing - via Housing Company (beyond £25m allocation)	500	TC	tbc
Extra Care Housing	501	TC	tbc
<b>Note:</b> Structural Highways and Integrated Transport schemes as per specific planning documents for both these functions			

**NEWS PROJECTS TO BE ADDED FOR 2018 UPDATE:**

Brixham Harbour Regeneration (N Arm breakwater, Fish Quay expansion & pontoon berths)	600	TC	14.000
Crossways, Paignton - purchase	601	TC	tbc
Upton Place - approved scheme not progressed	602	TC	tbc
Waste Vehicles purchase - post TOR2	603	TC	5.000
Investment in former TOR2 services	604	TC	tbc
Ongoing Investment in IT	605	TC	0.500



**Meeting: Council**

**Date: 21 February 2019**

**Wards Affected: All**

**Report Title: Adult Social Care Home Fees – New Model and Fees for 2019/20**

**Is the decision a key decision? Yes**

**When does the decision need to be implemented? April 2019**

**Executive Lead Contact Details:** Councillor Julien Parrott, Executive Lead for Adults, julien.parrott@torbay.gov.uk

**Supporting Officer Contact Details:** Caroline Taylor, Director of Adult Services and Housing, caroline.taylor@torbay.gov.uk, (01803) 207175

## 1. Proposal and Introduction

- 1.1 It is being proposed that, following previous consultation with the market, a new Adult Care Home fees (over 65) model be introduced with effect from 1<sup>st</sup> April 2019. This model will be used in respect of the fees paid by Torbay and South Devon Foundation Trust, our Integrated Care Organisation (ICO), on behalf of Council for adult (over 65) in residential and nursing home care.
- 1.2 It is intended that the new model will replace the previous model that has been in place since 2013/14 and has been used to calculate the fees payable in the subsequent financial years.
- 1.3 It has been found that with the changes in the market since the model was first introduced the existing model has gradually become less relevant and that it was becoming harder for the ICO to place clients in suitable accommodation within the bands being paid. The previous model was also created prior to the implementation of the Care Act.
- 1.4 It is expected that the new model will better reflect the market conditions and that the fees for 2019/20 will be more readily accepted by the market.

## 2. Reason for Proposal and associated financial commitments

- 2.1 The Council is the responsible body for the provision of Adult Social Care, which it fulfils in conjunction with its partners through the ICO. The introduction of a new model for the calculation of fees is required to be approved by the Council, as it is a change from the previous method. The fees that are consequential from the model are normally approved by the Director of Adult Services and Housing but are being

brought here as they are a result of the new model. In future years' responsibility for the setting of fees (based on the model) will revert to the Director again.

- 2.2 The financial implications arising from the implementation will form part of the annual Risk Share Agreement the Council has with the Torbay and South Devon Foundation Trust and the South Devon and Torbay Clinical Commissioning Group.
- 

### **3. Recommendation(s) / Proposed Decision**

- 3.1 That the Adult Social Care Home Fees – New Model and Fees for 2019/20 set out at Appendix 1 to the submitted report be approved for the calculation of Adult Social Care (over 65) fees for the financial year 2019/20 and future years.
- 3.2 That the Adult Social Care Home fees set out in Appendix 2 to the submitted report be approved as the fees payable in 2019/20, for the services covered in the table.

### **Appendices**

Appendix 1: Adult Social Care Home Fees (over 65) Model

Appendix 2: Adult Social Care Fees (over 65) for 2019/20

### **Background Documents**

Consultation paper on Model

<b>Section 1: Background Information</b>	
<b>1.</b>	<p><b>What is the proposal / issue?</b></p> <p>The approval of a new model for the calculation of Adult Social Care Fees (for over 65s) and to approve the fees for the 2019/20 financial year.</p>
<b>2.</b>	<p><b>What is the current situation?</b></p> <p>The Council currently uses a fees model that was created in 2013 for the calculation of fees for Adult Social Care (over 65) clients. This has been the subject of a Judicial Review but the process identified areas of weakness in the model, which were changed when identified. However, the market has also changed since this model was introduced and it was considered that a new model was required. It is thought that a new model, better reflecting the current market, will result in fewer clients having “unbanded” fees in the future.</p>
<b>3.</b>	<p><b>What options have been considered?</b></p> <p>The options considered before coming to the recommended option included:</p> <ul style="list-style-type: none"> <li>(1) Continuing with the existing model – The concern with this approach was that this did not truly reflect the current model of care and that there would be a continuation of fewer clients being accepted on the banded fees currently in place.</li> <li>(2) Create a new “in-house” version of the fees model – It was thought that this would be extremely expensive in terms of manpower resources and, based on past experience, may not be accepted by the market as a valid tool.</li> <li>(3) Go to the market and seek an external supplier who could create a new model for the Council – This was the option selected and a tender exercise was undertaken before Valuing Care was appointed to undertake the work.</li> </ul>
<b>4.</b>	<p><b>How does this proposal support the ambitions, principles and delivery of the Corporate Plan?</b></p> <p>The model and fees should ensure that the Council meets the action of “Protecting and supporting vulnerable adults”</p>
<b>5.</b>	<p><b>How does this proposal contribute towards the Council’s responsibilities as corporate parents?</b></p> <p>Not Applicable</p>

<b>6.</b>	<p><b>How does this proposal tackle deprivation?</b></p> <p>By assessing a true market rate for Adult Social Care fees it should ensure that no client is discriminated against when it comes to being placed in residential or nursing care.</p>
<b>7.</b>	<p><b>How does this proposal tackle inequalities?</b></p> <p>As above.</p>
<b>8.</b>	<p><b>How does the proposal impact on people with learning disabilities?</b></p> <p>As above</p>
<b>9.</b>	<p><b>Who will be affected by this proposal and who do you need to consult with?</b></p> <p>All care home providers within Torbay were invited to contribute data to Valuing Care when it undertook the initial survey of the local market. The homes were also consulted over a six week period, including an “open day”, on the consequential proposed model and fees. No objections were received during this period. One provider sought clarification on some points.</p>
<b>10.</b>	<p><b>How will you propose to consult?</b></p> <p>Not applicable as consultation has already taken place.</p>



## Section 2: Implications and Impact Assessment

11.	<p><b>What are the financial and legal implications?</b></p> <p>The financial impact of the introduction of the model and fees will depend on the number of clients who require care through the Council. The financial implications will form part of the discussions on the Risk Share Agreement that the Council has with its partners - the Torbay and South Devon Foundation Trust and the South Devon and Torbay Clinical Commissioning Group (CCG).</p>
12.	<p><b>What are the risks?</b></p> <p>The risk of the local market not accepting the fees will still exist but should have been significantly reduced by the new level of fees being generated.</p>
13.	<p><b>Public Services Value (Social Value) Act 2012</b></p> <p>The model forms the basis of purchasing residential care and nursing services for the residents of Torbay and is designed to meet the requirements of the Act.</p>
14.	<p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <p>The information used in the model was based on locally collected data along with the latest regional and national data available.</p>
15.	<p><b>What are key findings from the consultation you have carried out?</b></p> <p>The market raised no concerns about either the new model or the fees proposed for 2019/20.</p>
16.	<p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>No changes were required following consultation.</p>

## Equality Impacts

17.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people	It should ensure that older people are able to access the whole of the Care Market.		
	People with caring Responsibilities			There is no differential impact.
	People with a disability			There is no differential impact.
	Women or men			There is no differential impact.
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			There is no differential impact.
	Religion or belief (including lack of belief)			There is no differential impact.
	People who are lesbian, gay or bisexual			There is no differential impact.
	People who are transgendered			There is no differential impact.
	People who are in a marriage or civil partnership			There is no differential impact.
	Women who are pregnant / on maternity leave			There is no differential impact.

	Socio-economic impacts (Including impact on child poverty issues and deprivation)		There is no differential impact.
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)		There is no differential impact.
16	<b>Cumulative Impacts – Council wide</b> (proposed changes elsewhere which might worsen the impacts identified above)	None identified	
17	<b>Cumulative Impacts – Other public services</b> (proposed changes elsewhere which might worsen the impacts identified above)	None identified	

### Appendix 1

#### **Adult Social Care Home Fees (over 65) Model**

- (1) Local authorities are required to pay for care home accommodation for those who are assessed as requiring it and are expected to pay the “usual cost” of such accommodation. This is usually determined by the use of a “fees model” of some description and Torbay’s current model for clients aged over 65 has been in place since 2013/14.
- (2) The Council, as the responsible body, recognised the need to review and update the model. In part this was due to changes in the care homes market and also a reflection that the previous model was created prior to the implementation of Care Act legislation. A new model for care homes fees for clients aged over 65 has therefore been developed, with effect from 2019/20. Valuing Care, a consultancy organisation, with a successful track record in developing care home fees models for other Local Authorities, was appointed to undertake this exercise with assistance from Council and NHS staff.
- (3) The model and the consequential fees for 2019/20 have been out for consultation for a six week period. During that period only one home owner took the opportunity to meet with council staff on the matter. The questions raised in this meeting were over clarification of some points in the model. No further responses were received as part of the consultation.
- (4) The new model is less complicated than the previous version and uses nationally validated data on which it is based with local prices, such as labour rates and property prices. The new model retains four bands
- (5) The new model reflects the staffing levels currently in place and which are based on current working practices taking into account the changes witnessed over the past five years.
- (6) Prices will be amended annually based on the September price index (compared to the December price base previously used), which should ensure that the Council and our NHS integrated care organisation (ICO) will be able to announce the fees to be paid in the new financial year much earlier than previously has been the case.
- (7) A profit/return on investment element has been built into the model based on a return on operations and a return on investment/capital (using information that the DHSS uses when assessing local housing allowances for the latter element).
- (8) Although a “like for like” comparison is not appropriate or easy to undertake, the largest changes in the impact have been seen in the old “residential standard” category where a number of factors have contributed to a significant rise in the price that the Council/ICO will pay in the future. It should be noted though that the prices that are emerging from the model reflect the prices the ICO is currently having to pay to place clients.

## Care Home Fees Model – Base position

Cost Grouping	Cost Type	Residential Older	Residential with Complex needs	Nursing Older	Nursing with Complex needs	Repricing Indicator
		Hours	Hours	Hours	Hours	
	Care Workers	14.56	16.48	16.26	18.57	
<b>Staffing</b>	Senior Care Workers	5.29	5.99	3.25	3.71	
<b>Inputs</b>	Total Care	19.85	22.47	19.51	22.29	
	Cooks/Chiefs	2.23	2.23	2.23	2.23	
	Domestic	2.77	2.77	2.77	2.77	
		£	£	£	£	
<b>Direct cost</b>	Care Workers	10.27	10.27	10.27	10.27	NLW
<b>Of Staff</b>	Senior Care Workers	11.69	11.69	11.69	11.69	NLW
<b>Per Hour</b>	Cooks/Chiefs	11.26	11.26	11.26	11.26	NLW
	Domestic	9.96	9.96	9.96	9.96	NLW
	Senior/Care Workers	211.38	239.26	204.98	234.08	NLW
<b>Care Home</b>	Activity Co-ordinators	7.71	7.71	7.71	7.71	NLW
<b>Staffing</b>	Registered Manager	37.65	37.65	28.31	28.31	
	Reception/Admin	10.38	10.38	10.38	10.38	
	Cooks/Chiefs	25.10	25.10	25.10	25.10	
	Domestic staff	27.62	27.62	27.62	27.62	NLW
	Maintenance/Garden	8.06	8.06	8.06	8.06	NLW
	<b>TOTAL</b>	<b>327.90</b>	<b>355.78</b>	<b>313.01</b>	<b>341.26</b>	
<b>Care Home</b>	Fixtures & Fittings	6.70	6.70	6.70	6.70	CIPH 05.1
<b>Premises</b>	Repairs & Maint'nce	17.07	17.07	17.07	17.07	CIPH 04.3
	Furniture & Equipm't	6.33	6.33	6.33	6.33	CIPH 05.1
	<b>TOTAL</b>	<b>30.10</b>	<b>30.10</b>	<b>30.10</b>	<b>30.10</b>	
<b>Care Home</b>	Food Supplies	27.40	27.40	27.40	27.40	CIPH 01.1
<b>Supplies</b>	Dom & Cleaning Supp.	6.10	6.10	6.10	6.10	CIPH
<b>and</b>	Medical Supplies	2.23	2.23	7.26	7.26	CIPH 06.1.1
<b>Services</b>	Office Supplies	2.29	2.29	2.29	2.29	CIPH
	Insurance	3.64	3.64	3.64	3.64	CIPH
	Registration (Inc. DBS)	3.35	3.35	3.35	3.35	CIPH
	Telephone & Internet	1.41	1.41	1.41	1.41	CIPH 08.2
	Council Tax	1.25	1.25	1.25	1.25	CIPH 04.9
	Utilities	18.24	18.24	18.24	18.24	CIPH 04.5
	Trade & Clinic Waste	3.49	3.49	3.49	3.49	CIPH
	Transport & Activities	2.48	2.48	2.48	2.48	CIPH
	Other	3.00	3.00	3.00	3.00	CIPH
	<b>TOTAL</b>	<b>74.88</b>	<b>74.88</b>	<b>79.91</b>	<b>79.91</b>	
<b>Head</b>	Central Management	20.92	20.92	20.92	20.92	CIPH

<b>Office</b>	Support Services	15.46	15.46	15.46	15.46	<b>CIPH</b>
	Recruitment & Train.	2.30	2.49	2.19	2.39	<b>CIPH</b>
	<b>TOTAL</b>	<b>38.67</b>	<b>38.87</b>	<b>38.56</b>	<b>38.77</b>	
	<b>TOTAL OPERATING COST</b>	<b>471.55</b>	<b>499.62</b>	<b>460.8</b>	<b>490.04</b>	
<b>RCCO</b>	Return on Capital	73.14	73.14	73.14	73.14	<b>BRMA</b>
	Return on Operations	23.58	24.98	23.04	24.51	<b>N/Applic.</b>
	<b>TOTAL</b>	<b>96.71</b>	<b>98.12</b>	<b>96.18</b>	<b>97.64</b>	
<b>TOTAL</b>	<b>FEE FOR SERVICES</b>	<b>568.26</b>	<b>597.74</b>	<b>556.97</b>	<b>587.68</b>	

**Recommended Fees 2019-20**

	<b>Residential Older People</b>	<b>Residential with Complex Needs</b>	<b>Nursing Older People</b>	<b>Nursing with Complex Needs</b>
<b>2018/19</b>	<i>£429.00</i>	<i>£569.00</i>	<i>£550.00 (£708.16)</i>	<i>£573.00 (£731.16)</i>
<b>2019/20</b>	<b>£ 593.00</b>	<b>£ 625.00</b>	<b>£ 581.00 (+ FNC)</b>	<b>£ 614.00 (+FNC)</b>



**Meeting:** Council

**Date:** 21 February 2019

**Wards Affected:** All

**Report Title:** Annual Strategic Agreement between Torbay Council, South Devon and Torbay Clinical Commissioning Group and Torbay and South Devon NHS Foundation Trust and Better Care Fund

**Is the decision a key decision?** Yes

**When does the decision need to be implemented?** 1 April 2019

**Executive Lead Contact Details:** Councillor Parrott, Executive Lead for Children's and Adults Services, 01803 293217, [julien.parrott@torbay.gov.uk](mailto:julien.parrott@torbay.gov.uk)

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## 1. Proposal and Introduction

- 1.1 This is the Annual Strategic Agreement (ASA) which sets out the way in which Torbay Council and South Devon and Torbay Clinical Commissioning Group (the CCG) will commission services from Torbay and South Devon NHS Foundation Trust (the Trust). The present agreement covers the period to March 2020 and the appendix provides the annual update to that agreement.
- 1.2 The performance commitments will be set on the basis of month 11 (Feb 2019) figures and confirmed on the production of full-year out-turn figures with any adjustments being by exception.
- 1.3 The in-situ agreement is supported by an addendum of updates ensuring that the base document previously agreed by the council remains in its approved format.
- 1.4 The agreement in place with the Trust is a two year agreement. 2019/20 is the second year of the agreement. The base document previously approved by the Council is supported by an addendum which demonstrates that all areas of the document have been reviewed and where there are amendments and updates these have been specifically written into the addendum leaving the originally, formerly approved document intact.

## 2. Reason for Proposal

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*forward thinking, people orientated, adaptable - always with integrity.*



- 2.1 The Annual Strategic Agreement sets out the strategic direction for services which is designed to maximise choice and independence for those requiring adult social care and support. It sets out the objectives which the Council and the CCG require the Trust to meet and forms the basis on which performance can be monitored and managed.
  - 2.2 The Adult Services and Public Health Monitoring Working Party continues its oversight role ensuring that there is an opportunity for members to gain an understanding of the issues around adult social care and public health, to review and discuss performance and financial monitoring data and to have oversight of the development of future arrangements such as Local Care Partnerships and the associated governance of the Annual Strategic Agreement.
- 3. Recommendation(s) / Proposed Decision**
- 3.1 That the Annual Strategic Agreement between Torbay Council, South Devon and Torbay Clinical Commissioning Group and Torbay and South Devon NHS Foundation Trust set out at Appendix 1 to the submitted report be approved.
- 4. Supporting Information**
- 4.1 The Adult Services and Public Health Monitoring Working Party have considered and are supportive of the approach to the Annual Strategic Agreement

## **Appendices**

Appendix 1: Annual Strategic Agreement



# Annual Strategic Agreement

Between:

**Torbay Council and  
Torbay and South Devon NHS Foundation  
Trust**

For the delivery of:

**Adult Social Care April 2018 to March 2020**

**Draft 3.1 09/02/2018**

**DRAFTING NOTE:**

- THIS DOCUMENT REMAINS DRAFT AND IS BEING CONSIDERED BY BOTH THE TRUST AND THE COUNCIL
- PERFORMANCE INDICATORS ARE TO BE CONFIRMED POST M9 OUT-TURN
- SOME APPENDICES TO FOLLOW ONCE AGREED/APPROVED THROUGH THE ADULT SOCIAL CARE PROGRAMME BOARD

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## **1 Introduction**

The Annual Strategic Agreement (ASA) is refreshed and agreed annually between Torbay Council (the Council) and Torbay and South Devon NHS Foundation Trust (the Trust). The ASA is aligned with the Council's Corporate Plan and the Trust's Operational Plan.

The ASA is set in the context of the Risk Share Agreement established between the Council, the Trust and South Devon and Torbay Clinical Commissioning Group (the CCG).

It should also be noted and considered within the context that the Council and the Trust and CCG are working as part of the Devon wide Sustainability and Transformation Partnership (STP). The organisations continue to evidence their strong partnership role in working on both local and Devon solutions to use resources to best effect.

There is an aspiration for the Trust to become a Local Care Partnership during 2018/19 as part of the governance of an Accountable Care System for Devon.

### **1.1 Scope of the Agreement**

The scope of this agreement is Adult Social Care (ASC) services provided for the population for which Torbay Council is accountable. This will include the statutory duties and obligations in respect of the delivery of ASC services for people who are resident in Torbay but will also include people placed in accommodation in other areas of the country where national policy dictates that the Council remains the accountable authority.

In addition to the services described in this Agreement, the Trust provides other services, including those commissioned by the CCG, NHS England specialist, dental, and screening teams.

Torbay Council also commissions additional services from the Trust including, the Drug and Alcohol Service and the Lifestyles, Health Visiting, and School Nursing service which are commissioned by the Council's Public Health team.

Within the integrated approach of the Torbay care system the parties work jointly to ensure effective and efficient delivery of services. The Trust hold the budget for areas such as Autism, Learning Disabilities and Mental Health. Aspects of these are delivered through other organisations such as Devon Partnership Trust. The system partners will collaborate to ensure a continuous improvement approach to the delivery of care. Roles and responsibilities will be part of iterative work within 2018/19

### **1.2 Summary of services to be provided**

The services provided under this agreement will include:

- Provision of information and advice to people enquiring about ASC services;
- Assessment of need for social care services, including the provision of rehabilitation and reablement services, and an Emergency Duty Service;

- Commissioning and monitoring individual packages of care, including case management assessments under the Mental Capacity Act, Deprivation of Liberty safeguarding and engagement in Court proceedings;
- Monitoring of the quality, performance, and cost of services provided by Trust staff and other providers;
- Safeguarding the needs of adults and older people living in Torbay. This includes delivery of Torbay Council's operational safeguarding responsibilities, servicing the Torbay Adult Safeguarding Board, investigations of individual safeguarding concerns and whole homes investigations;
- Voluntary and Community Sector development and coordination in support of independence, self-care, enablement and improved quality of life;
- Ensuring that services are provided in a cost effective way whilst still offering the choice to which people are entitled;
- Collection of income for chargeable services, including and assessment of an individuals' financial circumstances and ensuring that people are receiving any welfare benefits to which they are entitled;
- The collection, collation and submission of activity information and performance returns as required operationally, by the Council and to meet local, regional and national statistical returns;
- The collection, collation and submission of financial returns and budget reports as required operationally, by the Council and to meet local, regional and national statistical returns;
- Benchmarking Torbay Council's performance and cost against similar Local Authority areas, England and the South West;
- Input to JSNA and housing needs assessment as required to ensure strategic commissioning plans and market management is based on relevant, accurate, quality and timely data;
- Procurement and monitoring and management of the local market, within the strategic approach set by the Council/CCG Joint Commissioning Team and Market Management Group, to ensure sustainable, good quality services;
- Delivery of agreed plans including Trust Wide Improvement Projects and those agreed through the BCF including the commitments to optimise the application of the Disabled Facilities Grant.

## **2 ASC Commissioning Priorities**

The Council's Corporate Plan (2015-2019) includes the following commissioning priorities for 2018-2020. It is the Trust's responsibility to ensure these are underpinned by timely and accurate data collection and information provision including, finance and performance management information on independent and community voluntary sector contracts and Service Level Agreements held by the Trust:

### **2.1 New Model of Care**

- Wellbeing Co-ordination in place, offering strengths based conversations and signposting to support people to maximize resilience and self-care
- introduction of a new model of support planning, using a partner to deliver person centered support plans developed with people by planners with lived

experience

- Living Well@Home development programme being a market wide programme in support of the new model of care;
- Implementation of the NHS Standard contract for Care Homes and development of outcomes based contracting options;
- Accommodation-based, care and support strategy;
- Outcomes based specification for extra care housing and procurement of supported living, to maximize independence ;
- Support the development of a vibrant voluntary and community sector within the context set by commissioners
- Reducing demand through prevention and innovation
- New approaches to assessment and the introduction of Individual Service Funds in order to maximize choice and reduce costs in care packages.

These will be supported by the development of a detailed approach to Information and Advice provision (in relation to ASC services), a strategic plan for the support of enablement of individuals by the use assistive technology alongside a refreshed strategy for the development of the Voluntary and Community Sector.

## 2.2 Autism

- Provide Autism awareness training for Trust staff who come into contact with people with autism;
- Ensure that staff of organisations and agencies commissioned by the Trust who come into contact with people with autism have appropriate training;
- Provide specialist training for key staff in the trust who come into contact with people with autism;
- Undertake assessments under the Care Act for adults;
- Key partner and in the development and delivery of the Joint Learning Disability and Autism Strategy and action plan, following the ADASS Peer Review.
- a sustainable supported living market for people with Autistic Spectrum Disorder diagnosis through procurement of Supported Living Shared Hours and Supported Living 1:1 Hours contract

## 2.3 Learning Disabilities

- Focus on people living full and independent lives, where secure homes and fulfilling lives are a priority;
- Help people and let them know what options they have to help them achieve their goals;
- Improved accessibility to community services for those people who have a learning disability;
- Improve access to employment and housing;
- Key partner and in the development and delivery of the Joint Learning Disability and Autism Strategy and action plan, following the ADASS Peer Review.
- secure a sustainable supported living market for people with a Learning Disability diagnosis through procurement of Supported Living Shared Hours and Supported Living 1:1 Hours contract



Mental Health The Council has statutory responsibilities for providing services to eligible people with poor mental health under the Mental Health Act 1983 and NHS and Community Act 1990, which are delegated to the Trust. These include:

- Approval and provision of 'sufficient' numbers of Approved Mental Health Practitioners (AMHP);
- guardianship under section 7;
- Financial and Budgetary responsibilities for the whole Mental Health budget, including activity below assigned to DPT.

Devon Partnership Trust will be directly commissioned under a Service Level Agreement by Torbay and South Devon NHS Foundation Trust as part of the section 75 agreement between TSDFT and the Council. Devon Partnership Trust will be commissioned to operationally deliver these under 65 social care mental health services in Torbay. This is in compliance with Torbay Council's statutory duties under the Care Act, Mental Health Act and other relevant legislation, including:

- Aftercare under section 117;
- Care management services, including operational brokerage of social care packages.

Contract management of Devon Partnership Trust will be undertaken by Torbay Council, Strategic Commissioning Support for this arrangement will be provided by Torbay Council's Joint Commissioning Team.

Professional Practice oversight of AMHP needs to be defined and agreed. This arrangement will be governed by this ASA and a contract between DPT and the Trust.

The priorities for the commissioned service in 2017 to 2018 extend into 2018 / 19 and are outlined in the Adult Mental Health, Joint Delivery Plan between the Council, TSDFT and DPT. Close working with other commissioners such as the CCG will see this developed and monitored through Social Care Programme Board Quarterly performance and finance reports will be submitted to the ASCPB. A governance structure is in place with the Council, the Trust and DPT. Greater alignment of this work will be required during the 2018/19 financial year through the development of the Mental Health ACS. It is envisaged greater alignment of governance and strategic approach will be agreed through this structure. It is expected that during this period employment of the Approved Mental Health Practitioners will transfer from the Council to DPT.

- Trust finance team support for improvement plan and development and implementation of cost improvement projects. Torbay Council Commissioners to agree improvement plan and development of cost improvement projects with DPT
- Support for integrated personal care planning and brokerage including implementing and embedding systems plans.
- Review and redesign of all current assigned staff roles within the Adult Mental Health contract to ensure value for money and focused approach to delivering better outcomes for people with mental ill health.
- a sustainable supported living market for people with a Mental Health diagnosis through procurement of Supported Living Shared Hours and Supported Living 1:1 Hours contract

## 2.4 Social Care Workforce

- Ensure sufficient professional leadership and support to changes to the workforce and implementation of new ways of working;
- Develop capacity within the workforce to deliver the services and provide contingency working and engagement in co-producing new approaches to care work e.g. Trusted Assessor models.

## 2.5 Enhanced working between the commissioning functions

- Continued development of working arrangements for clarity of roles and responsibilities with the growing independent and voluntary sector;
- Supporting engagement with independent and voluntary sector providers through the multi-provider forum and associated groups.

## 2.6 Housing and Care

This commissioning function in support of the new model of care will be led by the Council in support of its system partners Implement the homelessness prevention plan:

- Re-commissioning of accommodation based and outreach support for single homeless and young peoples' homelessness support services and young parents service;
- Implement the Devon protocol to support joint action on improving health through housing;
- Accommodation-based care and support plan;
- Better use of equipment, home improvements, grants and technology including, disabled facilities grant in line with BCF planning;
- Homelessness strategy delivery including, prevention and early intervention and alternatives to temporary accommodation and improved hospital discharge.

## 2.7 Safeguarding Adults

The Trust will deliver operational safeguarding duty on behalf of Torbay to:

- Prevent abuse and neglect wherever possible, understand the causes of abuse and neglect, and learn from experience;
- Ensure all organisations embed learning from incidents and case reviews;
- Improve multi-agency practice and processes to improve individual safety planning as part of care and support plans and safeguard adults in a way that supports choice and control and improves their lives;
- Provide information and promote public awareness to enable people in the community to be informed so that they know when, and how, to report suspected abuse;
- Work with strategic commissioners and in partnerships with independent and community voluntary sector organizations to identify and address issues early preventing escalation through focused service improvement planning to reduce and streamline the number of current safeguarding processes.

## 2.8 Carers

**In line with the priorities established through the redesign of Carers services** the Trust will deliver operational duties to support carers on behalf of Torbay to:

- Provide Carers Assessments / Health and Wellbeing Checks for Carers of Adults
- Provide support to maintain Carers' health and wellbeing
- Provide Carers' advocacy;
- Promote identification and support of Carers across the wider health/social care community;
- Provide support to commissioners about market development to meet the needs of Carers and those of the people they care for
- Ensure Carers performance indicators are met.
- Take steps to address reduced performance in the Personal Social Services Survey of Adult Carers in England 2016-17;
- Implement the Carers Strategy (Appendix 1)

In 2018/19 a review of Carers Services will be undertaken, this will include a period of consultation with the public. Any decisions on changes to services will be made following this consultation and be managed through the Adult Social care Programme Board.

### 3 Current Services

#### 3.1 Activity Baseline and Planning Assumptions

The Trust will be providing, under the terms of this agreement, long term packages of care to adults and older people with social needs. In the table below this activity is broken down across localities / teams and by value of the packages of care (initial business planning baseline).

Table 1: Activity Baseline Assumptions for 1<sup>st</sup> April 2018

	Mental Health Under 65	Mental Health Over 65	Learning Disability	Adults & Older People		Total
				Torquay	Paignton & Brixham	
Type of Care and Support Plans						
Packages of Care Under £120 per week (at home)	54	19	47	236	186	<b>542</b>
Care Under between £121 & £999 per week (at home)	41	24	244	245	251	<b>805</b>
Care Under £1,000 per week (Residential based)	36	130	82	174	165	<b>587</b>
Care over £1,000 per week (at home & residential based)	3	5	79	4	5	<b>96</b>
Full Cost Care (Residential based)	-	21	1	14	18	<b>54</b>
Full Cost Care (at home)	-	12	2	49	49	<b>112</b>
<b>Total</b>	<b>134</b>	<b>211</b>	<b>455</b>	<b>722</b>	<b>674</b>	<b>2,196</b>

### **3.2 Projected activity**

As part of the Trusts' business planning process the Trust's Community Service Delivery Unit (Community SDU) will formulate plans to deliver the capacity required in 2018/19 within the parameters of the Trust's business planning process and the associated savings requirements.

The service development and saving plan work streams developed through this processes by the Community SDU will report to the Adult Social Care Programme Board (ASCPB) with governance, assurance and approval being provided through this board as appropriate and applicable.

### **3.3 Operational Delivery, Monitoring & Oversight**

Delivery will be monitored through local operational meetings, the Community SDU Board, the Trust Board and the ASCPB against financial run rates and performance targets.

The Trust will operate autonomously to take any management action is necessary to correct performance which can be taken within the parameters of this Agreement. However, should exceptional circumstances arise, through excess demand or other external factors not taken into account when the budget allocations underpinning this agreement were made, the impact and any corrective actions will be discussed through the ASCPB

The indicators are to be agreed in the light of the December 2017 out-turn figures and the relevant service and business planning processes. Performance indicators for the service will be those set nationally, under the ASC Outcomes Framework (ASCOF), or agreed locally. A description of the ASCOF indicators is set out in Appendix 2 and includes details of the performance and benchmarking information against each Key Performance Indicator along with performance measures produced following the review of work with Professor John Bolton.

### **3.4 Impact on quality, activity and cost including cost improvement**

A programme of improvement and savings plans will be developed by the Trust for approval through the Adult Social Care Programme Board and attached as Appendix 3

### **3.5 Adult Social Care Workforce**

The provision of integrated health and social care services through local multidisciplinary teams has proved to be an effective model for delivery, able to respond to customer needs swiftly, facilitate rehabilitation, and avoid admissions to residential care and hospital where ever possible. However, the existing model relies on a level of staff resources which will not be sustainable in future given the additional demands. An alternative model is being designed which will have an impact on how staff are deployed.

The new care model will be built on a strengths based approach, aligning entirely to the model in use within the voluntary sector and Integrated Personal Commissioning. Adopting this approach across social care, health services, and the private, voluntary and independent sectors will bring a synergy of approach not previously seen. For social care this is building upon the previous 'Personalisation Strategy'. This is being developed with initiatives e.g. Strengths Based Working and Making Every Contact Count (MECC) and will underpin a more from time based and care based provision to outcomes based commissioning.

### **3.6 Safeguarding**

The Trust will continue to deliver the delegated responsibilities of Torbay Council regarding Safeguarding Adults. The Care Act 2014 put Safeguarding Adults into a statutory framework for the first time from April 2015. This placed a range of responsibilities and duties on the Local Authority with which the Trust will need to comply. This includes requirements in the following areas:

- Duty to carry out enquiries;
- Co-operation with key partner agencies;
- Safeguarding Adults Boards;
- Safeguarding Adult Reviews;
- Information Sharing;
- Supervision and training for staff.

Accountability for this will sit with the Torbay Safeguarding Adults Board (TSAB). This is a well-established group that will provide a sound basis for delivering the new legislative requirements. The Board will incorporate the requirements into its Terms of Reference and Business Plan for 2017/18, ensuring that all relevant operational and policy changes are in place for April implementation.

Regular performance analysis from all partner agencies will be reported to the TSAB to give a clear picture of performance across the agencies. The Council will ensure high level representation on the Board by the Director of Adult Social Services and Executive Lead for Adult Social Care.

In order to maximise capacity Torbay SAB will work closely with the Devon SAB with an increased number of joint sub-committees and shared business support. In addition to this, to provide internal assurance that the Trust is fulfilling its Safeguarding Adult requirements, the Board will have a sub-committee which will oversee performance. This will have a particular focus on training and performance activity.

The Council has signed up to the national initiative of 'Making Safeguarding Personal'. This is an exciting initiative designed to measure Safeguarding Adult performance by outcomes for the individual, rather than the current reliance on quantitative measurement of timescales for strategy meetings and case conferences. This is now in place.

The Trust also has delegated responsibility as a provider of ASC services to ensure that it participates as a full partner in the TSAB and meet all regulatory requirements in safeguarding adults and children.

### 3.7 Delivery and Performance Management: Adult Social Care Services

The present arrangements for ASC delivery through an integrated health arrangement delivered by the ICO have been benchmarked against similar authorities in its family group (comparator group). The results show in 2016/17 Torbay spends around £363 per head of adult population, compared to an average of £348 for our comparator group (this is the net current expenditure from 2016/17 Adult Social Care Finance Return (ASC-FR) - per head of adult population).

It is to be noted that the integrated nature of the Torbay's system whilst delivering better outcomes for people does mean that direct comparisons do not always provide an unambiguous picture. The work and benchmarking as provided by Professor John Bolton illustrates the benefit of the additional analysis and benchmarking. With this in mind a series of additional measures reflecting the challenges put forwards by Professor Bolton are included within the performance indicators and will be attached as Appendix 2.

Torbay performs very well in the following area:

<b>Excellent</b>
<ul style="list-style-type: none"><li>• Service user reported quality of life</li><li>• Service user reported social contact</li><li>• Service user reported control over daily life</li><li>• Carer reported ease of finding information</li></ul>

And well in these areas:

<b>Good</b>
<ul style="list-style-type: none"><li>• Service user reported ease of finding information</li><li>• Service user reported satisfaction with care &amp; support</li><li>• Coverage of reablement service</li><li>• Reablement not followed by long term social care support</li><li>• Delayed transfers of care from hospital</li></ul>

<b>Opportunities for improvement are as follows</b>
<ul style="list-style-type: none"><li>• Permanent admissions to residential and nursing care for 18-64 years olds</li><li>• Adults with a learning disability in paid employment</li></ul>

Audit South West's January 2017 audit report looking at the Trust's care assessment process has confirmed that "the Trust's arrangements for the assessment of the care needs of referred individuals, and determination of eligibility to receive publicly funded care and support is in line with the Care Act 2014 and are appropriate. Staff are able to access a range of training and operational support mechanisms to help them discharge these key responsibilities."

Appendix 4 provides further detail in respect of the areas above – Summary of Adult Social Care Outcomes Framework for Torbay (Jan 2017)

<sup>1</sup> Torbay's family group of comparator authorities are groups of authorities that central government consider have similar patterns of deprivation and age profiles etc.

N.B. It should be noted that the ASA applies to the delegation of authority and activity in respect of ASC and does not include Children's services. The ICO's use of funds to deliver these services should therefore focus on ASC when comparisons are made with other authorities.

[Torbay and South Devon NHS Foundation Trust Final Internal Audit Report: Care Assessment Process Report Reference: TSD08/17 January 2017

Source Page 34 CIPFA Local Authority budget comparator profile Torbay Comparator Report November 2016

Source ASCOF and Personal Social Services: Expenditure and Unit Costs, England - 2015-16: <http://www.content.digital.nhs.uk/catalogue/PUB22240> ]

## **4 Service developments**

Key developments in the way ASC services are provided, and any changes in what services will be provided, are outlined in the following paragraphs. Where appropriate the planning and implementation of these changes will involve internal and external consultation with key stakeholders as set out in the Decision Tracker which is managed through the ASCPB. Where appropriate the Decision Tracker will also clarify accountability for decision making in these developments.

The new care model will target resources to those in greatest need and provide a universal service to allow people to be as independent as possible and be connected with their local community. The new care model will require significant change and we will need to ensure that we support staff and managers through complex change.

To support the resilience and sustainability of services, we will work closely with the independent and voluntary sector in relation to co-production of solutions that provide solutions for 'what matters to me'.

The Ageing Well Programme has piloted a number of initiatives and the evaluation of these will offer additional input for the further development of services that provide alternatives to traditional social cares services, increase the independence of people and encourage preventative measures and behaviours. Areas that will be addressed include Information and Advice, Assistive Technology and community building.

The development of the new model of care, the on-going focus on enablement and support for a strengths based approach with clients is further underpinned by a revised Eligibility Criteria which will be attached as Appendix 5 once formally agreed by the Adult Social Care Programme Board.

### **4.1 Social Care Workforce Plan**

Delivery of Care Act compliance is a key deliverable for our social care staff and in 2018/19 we will develop and implement a workforce plan for social care services which focuses on:

- Working in partnership with our community, addressing the issues faced by our most vulnerable members;
- Revisiting our approach to ensure we are inclusive with users, carers and community organisations – using strengths based approaches as our principal theoretical approach and operating model;



- Promoting the reputation of social work in Torbay through engagement with users and the co-design of our approach;
- Supporting staff to reach their potential using a capability framework; responding to the Social Work health check and by providing support to improve resilience;
- Delivering a high quality, safe and well respected service through use of quality, safety and governance processes.

In 2016/17 TSDFT undertook the Social Work Health Check. The health check indicated that there are arrangements in place for structures such as flexible working, staff welfare services and exit interviews. Despite increasing allocation lists, Social Workers did not report unmanageable caseloads or sickness due to stress. However, stress is a constant issue for Social Work. Although Social Workers do find time to attend training, and they find it useful, they feel it needs improvement in terms of specialist areas and opportunities for professional development.

These key areas were identified as performance and improvement priorities:

- Reducing the amount of process and computer inputting
- Improving training & CPD
- Clarifying arrangements for supervision
- Focusing on wellbeing and resilience

These areas have been addressed via an action plan in 2017/18. In 2018/19 a strategic approach is sought to the supporting infrastructure and the legacy system that is PARIS.

## 4.2 Strengths Based Approach

The Care Act 2014 requires local authorities to consider the person's own strengths and capabilities, and what support might be available from their wider support network or within the community to help in considering what else other or alongside the provision of care and support might assist the person in meeting the outcomes they want to achieve. In practice, this means operationalising strengths based approaches into the care model.

A strengths based approach is being embedded and scaled up within the new Health and Wellbeing Teams. It will become the golden thread which runs through all our interactions with people, both in terms of how we approach care and support in our teams and how our teams in turn approach care and support with the people they serve. To support the deployment of a strengths based approach we have developed the following principles for the implementation:

- We will empower staff to use their skills and experience;
- We will let go of care management approaches;
- We will focus on community involvement;
- We will concentrate on the assets and strengths of the people who use our services, our staff and our partners.

## 4.3 New Approaches to Person Centred support Planning

During the course of 2018/19 the Trust will continue to explore new approaches to undertaking support planning. This will include furthering existing schemes for people



with learning disabilities and undertaking wider proof of concept work in partnership with independent, voluntary and third sector organisations.

#### **4.4 Wellbeing Coordinators**

The Wellbeing Coordination service has been in place since July 2016 and is now well embedded as part of the Health and Wellbeing Teams across Torbay. The Trust is working with partners to look at the evaluation of this program in relation to outcomes which reduce reliance on statutory services. This is an evolving project which is being co-designed and developed between statutory and voluntary sector providers and is funded from the Ageing Well Lottery Fund.

#### **4.5 Self-Directed support – including direct payments**

Self-directed support using initiatives such as Individual Service Funds alongside Direct Payments will be encouraged. An infrastructure will be developed to support this, enabling people to identify their options, make informed decisions and have mechanisms that make the right thing to do the easy thing to do.

An example of this is the implementation of Direct Payment cards that took place in 2016/17.

The personal assistant market was a focus of development in 2017/18 and is now well established. The priority for 2018/19 is a refresh of the Direct Payment policy, in order to fully embed a flexible and personalised approach. This refresh will be managed through the Adult Social care Programme Board.

#### **4.6 Care Model Implementation**

Health and wellbeing teams referred to in the Operational Plan will be providing a range of functions details of which are below:

- Encourage self-care, healthy lifestyles and maintain independence
- Help to grow community assets/develop resilience;
- Assessment, support planning and professional social work support;
- Provide rehabilitation;
- Provide nursing care;
- Integrated medical management of people with complex co-morbidities;
- Reactive care coordination of people with deteriorating complex health issues and frail elderly;
- Continue to imbed and mainstream Learning Disabilities and working with the voluntary sector to support the delivery of this
- Proactive care co-ordination of people with complex needs and frail elderly;
- Proactive integrated long term conditions support;
- High quality discharge support from hospital to home, integrated planning and seamless handover of care;
- Development of a fully integrated out of hospital care system for Torbay and South Devon, providing onward care which is focused on improving independence.
- Provide falls prevention services;
- Provide palliative care as part of end of life care pathway.

In addition to the Trust's internal governance structures the impact of these changes on community based care roll-out will be monitored and assured through the ASCPB in respect of the community activity

#### **4.7 Services for people with learning disabilities including Autism**

On the 12<sup>th</sup> and 13<sup>th</sup> of October 2017, Torbay Council and the Trust took part in a Learning Disability Peer Challenge Review; which was an opportunity for all partners to understand what we do well, areas for improvement and will support us together in setting our strategic aims and delivery for Learning Disability services for the next three years.

As part of the next stage of this process, an action plan has been developed, with the participation of key partners and will focus on the 5 key areas that have emerged from the Peer Review Team visit:

- Information and Needs Assessment
- Training and Employment User
- Engagement and Partnership Board
- Commissioning and Market for the Future
- Working in Partnership

The Trust will be a key partner in the delivery of this plan.

#### **4.8 Residential and Day Services for Older People**

Market management strategy to support and shape the local market for ASC will be produced and led by council commissioners.

#### **4.9 Reviews**

In 2017/18 the Quality Assessment and Improvement Team was formed by The Trust. This team focusses on all residential and nursing reviews, offering support to homes on key improvement issues. The feedback from homes has been very positive and in 2018/19 a review will be undertaken to ensure that the team has sufficient clinical leadership and can meet review targets.

#### **4.10 Key Milestones**

These are to be agreed, in line with the performance indicators and Trust Wide Improvement initiatives, through the ASCPB and then monitored and assured by the ASCPB throughout the year.

### **5 Quality Assurance**

#### **5.1 National: CQC (Care Quality Commission)**

The Commission will make sure health and social care services provide people with safe, effective, and compassionate high-quality care and encourage care services to improve. They monitor, inspect, and regulate services to make sure they meet fundamental standards of quality and safety and publish what they find, including performance ratings to help people choose care.

## **5.2 Local: Torbay and South Devon NHS FT**

The Trust will provide quality assurance of both its own integrated business activity and the services it commissions on behalf of the community. A quality and safety report reports all social care quality, safety, and performance metrics quarterly. Interim performance monitoring is via the ASCPB; which receives performance reports and updates on ad hoc issues.

A Quality Assurance Framework has been developed and is now in use with independent and voluntary sector providers to provide assurance in regard to the quality of care provided to people in their own homes and in care homes

## **6 Finance and Risks**

### **6.1 Financial Risk Share**

The Risk Share Agreement (RSA) (Appendix 9) was developed as part of the transaction creating the ICO, and took effect from its inception on 1<sup>st</sup> October 2015. A revised Risk Share Agreement was agreed October 2017.

The share of financial risk going forward is a function of the wider performance of the Trust, rather than specifically in relation to Adult Social Care. The financial baseline from the Council and the CCG, the commissioning funders of the ICO, are set out in the revised Risk Share Agreement, known as RSA2.

### **6.2 Care Home Fees Judicial Review Appeal**

The Council has agreed to fund any additional settlement agreed or instructed in the part two decision on the judicial review appeal.

### **6.3 Better Care Fund**

The Better Care Fund is dealt with within the Section 75 agreement. The Improved Better Care Fund (iBCF) and Disabled Facilities Grant are hosted by the Council and have governance structures which reflect this and the allocation of spend. The focus of the iBCF will continue to be on those initiatives that encourage the development of the new model of care and transformation of adult social care provision. Appendix 10 provides a list of schemes within the Improved Better Care Fund that have been approved

### **6.4 Efficiency Risks**

- Delivery of the Trust-wide Improvement programme
- Levels of agency and temporary staff costs
- Increasing costs of medical technologies
- Rate of expenditure in both ASC and Place People
- Delayed delivery of financial benefits arising from the implementation of the revised care model

### **6.5 Risks pertinent to Adult Social Care expenditure include**

- Scale of required savings
- (insufficient) Capacity and quality in the domiciliary care market
- Sufficiency and pricing in the care home market
- Community support for change
- Impact of case law re Deprivation of Liberty Safeguards
- Pressures in out-of-hours Emergency Duty service
- Increasing complexity of needs
- Increasing referral rates due to the increasing age of the population

## **7 Client Charges**

### **7.1 Power to Charge**

With the introduction of the Care Act, the Council now has a 'power to charge for services' whereas previously, there was a 'duty to charge' for long term residential/nursing care and a 'power to charge' for non-residential care.

The Council has made the decision to utilise the 'power to charge' for both residential and non-residential services. The Trust will discharge this power on behalf of the Council and in doing so will apply sections 14 and 17 of the Care Act and the Care and Support (charging and assessment of resources) regulations 2014.

### **7.2 Residential and Non Residential Charges**

Charges for residential services will be amended each April as directed by the Department of Health new rates. In addition to this, charges can also be amended in light of increases to the cost of care.

Charges per unit of care for non-residential care services will be set in accordance with the Council's charging policy.

Client contributions are based on the level of care a person requires and an assessment of their financial circumstances, including capital and income. The Trust will ensure that individual financial assessments are updated at least annually (but more frequently where the financial circumstances of an individual service user are known to have changed during the course of the year).

Consequently the charges made to an individual may change in the course of a year if there are changes in their financial circumstance or the level of care they require.

The Trust will ensure that all clients in receipt of a chargeable service receive a full welfare benefit check from the Finance and Benefits team and an individual financial assessment in person for new assessments where possible.

There is no charge for Intermediate Care or Continuing Health Care services.

### **7.3 Carers**

Services provided specifically to carers will, in principle, not be subject to a charge but this will remain under review dependent upon resource allocation. These are services provided directly to the carer (rather than the person that they care for) which include open access services such as Carers Emergency Card and Carers Education Courses, and simple services provided as a result of an assessment including emotional support or one-off direct payments for a carer's break.

The Carers Strategy will be subject to consultation in the final quarter of 2017/18 and implemented during 2018/19 and attached as Appendix 1.

#### **7.4 Universal Deferred Payments**

The Care Act 2014 established a requirement for a universal deferred payments scheme which means that people should not be forced to sell their homes in their lifetime to pay for the cost of their care.

A deferred payment is, in effect, a loan against the value of the property which has to be repaid either from disposal of the property at some point in the future or from other sources. The scheme has now been running since April 2015 as all councils in England are required to provide a deferred payment scheme for local residents who move to live in residential or nursing care, own a property and have other assets with a value below a pre-determined amount (currently £23,250). They must also have assessed care needs for residential or nursing care.

The Council's deferred payments policy is now fully implemented as part of the policy the Trust has the ability to recover any reasonable costs it may incur in setting up and reviewing a Deferred Payment Arrangement in addition to the cost of any services provided. These management costs may be included in the deferred payment total or be paid as and when they are incurred.

The interest rate payable on deferred payments is advised by the Department of Health and changed every six months. Interest will be added to the balance outstanding on the deferred arrangement on a compound daily basis, in accordance with the regulations.

### **8 Governance**

#### **8.1 Adult Social Care Programme Board (ASCPB)**

The text of this section remains current however the Terms of Reference and membership of the ASCPB will be revised and agreed to ensure the ASCPB continues as an effective governance board within the developing system structures.

The ASCPB remains the contract management Board for this Agreement. The ASCPB will drive ASC and improvement plans. Its Terms of Reference cover the following areas:

- To assist the development of the strategic direction of ASC services supporting the new context faced by the Council and Trust in terms of public sector reform, reducing public resources and potential devolution;
- To receive regular reports and review progress against transformation and cost improvement plans differentiating between those areas incorporated within the budget settlement and any cost pressures over and above this;
- To receive reports and review performance against indicators and outcomes

- included in the ASA providing and/or participating in regular benchmarking activities;
- To monitor action plans against any in-year areas of concern, raising awareness to a wider audience, as appropriate;
  - To discuss and determine the impact of national directives translating requirements into commissioning decisions for further discussion and approval within the appropriate forums. This will include the initial list of service improvement areas planned for 2017-19 and onwards;
  - To discuss and develop future ASAs; co- ordinate the production of the Local Account.
  - To receive and review the progress of the Trust Wide Improvement Plans impacting on ASC
  - To escalate issues of concern or delivery to the Contract Review meeting and the RSOG as appropriate

The ASCPB governance framework is under review. In the interim the ASCPB will report and escalate issues which cannot be resolved within the ASCPB, to the Joint Executive Group; additionally the ASCPB reports to the Adults and Public Health Monitoring Group for oversight by elected Members.

## **8.2 Consultation, engagement and involvement process**

As the Accountable Authority the Council will lead consultation processes where the need for change is being driven by the needs and requirements of the Council beyond those of delegated activities to the Trust. The Trust is committed to supporting the consultation and engagement processes the Council undertakes in relation to service changes recognising the Council's statutory duty and good practice.

As a provider the Trust will engage all stakeholders in service redesign and quality assurance including, playing an active role with Torbay Council Health Overview and Scrutiny Committee. Additionally the Trust will be engaged with the CCG Locality Teams where the primary focus will be on consultation in regard to NHS services.

Where service changes will result in variation in the level or type of service received by individual service users, the Trust will comply with statutory guidance on the review/reassessment of care needs and ensure that those service users affected are given appropriate notice of any changes.

The Council, the Trust, and the CCG will continue to support the role of Healthwatch and the community voluntary sector in involving people who use services in key decisions as well as service improvement and design. The Council also expects the Trust to engage actively with service users and the voluntary sector in Torbay in developing new service solutions. This will apply irrespective of whether the service changes are driven by the necessities of the current financial environment or the need to ensure the continual evolution and development of services.

## **8.3 Programme Management**

Oversight of delivery and programme management for the programmes of work set out in this Agreement will be provided through the Trust's Programme Management Office. Delivery will monitored through standing internal meetings (such as the Community SDU Board), and reported for assurance to the ASCPB.

## **8.4 Key Decisions**

Whilst this agreement places accountabilities on the Trust for the delivery and development of ASC Services, the Trust may not act unilaterally to make or enact decisions if they meet the criteria of a 'key decision' as described in the standing orders of the Council or are included in a list of 'Reserved Items' shared between the parties as part of the agreement.

This requirement reiterates section 22.3 of the Partnership Agreement under which services were originally transferred from the Council to Torbay Care Trust. Key decisions must be made by the Council in accordance with its constitution. In Schedule 8 of the Partnership Agreement a key decision is defined as a decision in relation to the exercise of council functions, which is likely to:

- Result in incurring additional expenditure or making of savings which are more than £250,000;
- Result in an existing service being reduced by more than 10% or may cease altogether;
- Affect a service which is currently provided in-house which may be outsourced or vice versa and other criteria stated within schedule 8 of the Partnership Agreement.

In addition when determining what constitutes a key decision consideration should be given to the possible level of public interest in the decision. The higher the level of interest the more appropriate it is that the decision should be considered to be a 'key decision'.

## **8.5 Governance of other decisions**

Governance of other decisions will vary according to the scope and sensitivity of the decision being made. To ensure clarity about whether decisions are to be taken by the Trust, Council, or CCG and at what level the decision should be taken a 'Decision Tracker' has been developed and will be managed through the ASCPB.

The Council will take the lead in reviewing, managing and updating the Decision Tracker throughout the year.

## **8.6 Governance of Placed People**

With the advent of Risk Share Agreement 2 being signed in 2017 Placed People Governance sits within the structure of the present monitoring and decision making arrangements which include ASCPB and Joint Executive meetings.

## **8.7 Risk Share Oversight Group**

The Risk Share Agreement (RSA) (Appendix 9) describes the framework for the financial management of the multi-year investment by health and social care commissioners for the services provided by the Trust. The RSA sits alongside the NHS Standard Contract and this Agreement. Whilst does not override the quality or administrative elements it does supersede all financial components.

The implementation of the RSA will be monitored by the Risk-Share Oversight Group (RSOG), which includes senior officer representation from the Council and Directors from the Trust and CCG, to provide strategic oversight of the RSA.



## **8.8 Individual Roles and Responsibilities**

### **8.8.1 Torbay Council Executive Lead Adults and Children**

The role of Executive Lead is held by an elected Member of Torbay Council. As part of their duties they will sit as the Council's representative on the Trust Board to provide oversight, challenge, and liaison.

### **8.8.2 Director of Adult Social Services**

The role of Director of Adult Social Services (DASS) is a statutory function, and is fulfilled by a senior officer of the Council who is accountable for all seven responsibilities of the role set out in statutory guidance dated May 2006. However responsibility for Professional Practice and Safeguarding are delegated to the Deputy DASS employed within the professional practice directorate of the Trust.

### **8.8.3 Deputy Director of Adult Social Services**

The role will provide professional leadership for social care services and lead on workforce planning, implementing standards of care, safeguarding, and support the running of the ASCPB. The role also oversees the Deprivation of Liberty Safeguards and Guardianship arrangements in Torbay.

### **8.8.4 Deputy Chief Executive and Chief Operating Officer**

The role will provide provider executive input and oversight as part of the governance structure for the contract.

### **8.8.5 Organisational Roles and Responsibilities**

The partnership working inherent within the Torbay model is supported by further clarification of the organizational roles pertaining to the local authority as the commissioning partner of the contract and the Trust as the providing partner including commissioning responsibilities within its delegated activities. A range of activities for reference is included in Appendix 6 – Strategic and Micro-commissioning functions.

## **8.9 Emergency cascade**

Please see Appendix 7 for details of Torbay Council's Emergency Planning Roles in Council's Emergency cascade. The Trust will be expected, through best endeavours, to identify social care senior officers to be part of emergency cascade, to coordinate delivery of ASC in an emergency situation.

## **8.10 Annual Audit Programme**

Audit South West (ASW) as the Internal Audit provider to Torbay and South Devon NHS Foundation Trust will undertake the following actions and requirements:-

- Consult with the Director of Adults Services (DAS) of Torbay council on proposed internal audit coverage;
- Provide to the DAS copies of assignment reports that relate to control arrangements for Adult Services;
- Provide an annual report to the DAS on the adequacy and effectiveness of the overall system of internal control for the Trust, and in particular, those areas



directly affecting Adult Services.  
Detail is included in Appendix 8

**Appendix 1: Carers' Strategy** – *to follow after consultation & agreement at ASCPB*  
– *Consultation and finalisation expected mid- April 2018*

## Appendix 2: Performance Measures:

- Adult Social Care Outcomes Framework (ASCOF)
- Better Care Fund
- Local Measures

Date included in this draft is derived from 2016/17 returns a revised position will be agreed on the basis of 2017/18 Month 9 figures and to reflect the new Care Model.

Performance Measures from the Adult Social Care Outcomes Framework (ASCOF),  
Better Care Fund (BCF) & Local Indicators 2016/17  
Version 1.0

Domain & KPI	Framework / Source	Available	2014/17 Performance Description	2014/15 Outturn	2015/16 Outturn	2016/17 Outturn	2014/15 Target	2015/16 Target	2016/17 Target	2017/18 Target	2014/15 England Average	2015/16 England Average	2016/17 England Average	2014/15 SW Average	2015/16 SW Average	2016/17 SW Average	2014/15 CG Average	2015/16 CG Average	2016/17 CG Average	2014/15 Rank	2015/16 Rank	2016/17 Rank	2014/15 Quartile	2015/16 Quartile	2016/17 Quartile
Domain 1: Enhancing quality of life for people with care and support needs																									
ASC 1A: Social care-related quality of life	ASCOF ASCS Survey	Annual	Achieved target Better than previous outturn Better than Eng ave Better than SW ave Better than CG ave Better than previous ranking Remains in top quartile	19.4	19.7	19.9	no tgt	19.2	19.4	19.7	19.1	19.1	19.1	19.3	19.3	19.2	19.4	19.4	19.4	27/151	11/150	4/151	Q4	Q4	Q4
ASC 1B: The proportion of people who use services who have control over their daily life	ASCOF ASCS Survey	Annual	Achieved target Better than previous outturn Better than Eng ave Better than SW ave Better than CG ave Better than previous ranking Remains in top quartile	80.4%	81.5%	82.7%	no tgt	79.0%	79.0%	81.5%	77.3%	76.6%	77.7%	79.9%	78.8%	79.8%	81.0%	79.0%	79.8%	33/151	15/150	9/151	Q4	Q4	Q4
ASC 1C part 1A: The proportion of people using social care who receive self-directed support (adults aged over 18 receiving self-directed support)	ASCOF SALT	Monthly	Achieved target Worse than previous outturn Better than Eng ave Better than SW ave Better than CG ave Worse than previous ranking Moved down to 3rd best quartile	90.1%	90.6%	92.4%	no tgt	no tgt	90.0%	92.0%	83.7%	86.9%	89.4%	79.2%	81.1%	84.2%	95.1%	96.0%	91.9%	69/152	64/152	87/152	Q3	Q3	Q2
ASC 1C part 1B: The proportion of people using social care who receive self-directed support (carers receiving self-directed support)	ASCOF SALT	Monthly	Achieved target Better than previous outturn Better than Eng ave Better than SW ave Better than CG ave Better than previous ranking Remains in 2nd best quartile	79.7%	83.4%	90.7%	no tgt	no tgt	83.0%	85.0%	77.4%	77.7%	83.1%	71.0%	55.4%	60.5%	80.5%	79.3%	76.1%	93/139	132/150	104/150	Q2	Q2	Q2
ASC 1C part 2A: The proportion of people using social care who receive direct payments (adults receiving direct payments)	ASCOF SALT	Monthly	Did not achieve target Worse than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Worse than previous ranking Remains in 2nd best quartile	27.8%	26.7%	24.3%	no tgt	no tgt	26.0%	28.0%	26.3%	28.1%	28.3%	24.7%	28.5%	29.2%	31.1%	29.2%	27.4%	63/151	78/152	89/152	Q3	Q2	Q2
ASC 1C part 2B: The proportion of people using social care who receive direct payments (carers receiving direct payments for support direct to carer)	ASCOF SALT	Monthly	Achieved target Better than previous outturn Better than Eng ave Better than SW ave Better than CG ave Better than previous ranking Remains in 2nd best quartile	79.7%	83.4%	90.7%	no tgt	no tgt	83.0%	85.0%	66.9%	67.4%	74.3%	47.7%	44.4%	55.1%	54.9%	57.9%	64.6%	75/137	90/150	78/150	Q2	Q2	Q2
ASC 1D: Carer-reported quality of life	ASCOF SACE Survey	Biennial	Did not achieve target Worse than previous outturn Better than Eng ave Better than SW ave Worse than CG ave Worse than previous ranking Moved down to 2nd best quartile	8.3	n/a	7.8	no tgt	n/a	9.0	n/a	7.9	n/a	7.7	7.9	n/a	7.6	8.0	n/a	7.9	18/151	n/a	46/151	Q4	n/a	Q3
ASC 1E: Proportion of adults with a learning disability in paid employment	ASCOF SALT	Monthly	Did not achieve target Worse than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Worse than previous ranking Remains in 2nd best quartile	3.8%	3.0%	3.7%	no tgt	4.5%	4.0%	4.0%	6.0%	5.8%	5.7%	6.3%	7.0%	5.8%	5.7%	5.7%	6.4%	103/152	98/152	103/152	Q2	Q2	Q2
ASC 1F: Proportion of adults in contact with secondary mental health services in paid employment (commissioned outside ICO)	ASCOF MHSOS	Monthly	NHS Digital have suspended this KPI for 2016-17 due to the completeness and quality of the data	1.7%	3.2%	n/a	5.5%	7.1%	6.0%	n/a	6.8%	6.7%	n/a	8.4%	9.4%	n/a	n/a	n/a	n/a	142/150	137/148	n/a	Q1	Q1	n/a

**Appendix 3: Trust Wide Improvement and Savings Plans – *to follow once endorsed via ASCPB***

The table below summarises Trust and System wide savings workstreams and projects where they impact on Adult Social Care and Unit Cost Improvement

TO BE PROVIDED BY ICO MARCH 2018

## Appendix 4: Summary of the Adult Social Care Outcomes Framework for Torbay

January 2017 UPDATED VERSION TO BE INSERTED POST MONTH 9

SUMMARY OF THE ADULT SOCIAL CARE OUTCOMES FRAMEWORK FOR TORBAY (JAN '17)									
Indicator	Time period	Count	Torbay value	Comparison group average	England average	Unit of measure	Trend	Trend guide	
1A: Social care-related quality of life score	2015/16	359	19.7	19.3	19.1	%		Higher is better	
1B: The proportion of people who use services who have control over their daily life	2015/16	401	81.5	79.1	76.6	%		Higher is better	
1C(1): Proportion of people using social care who receive self-directed support	2013/14	3,155	62.8	57.2	61.9	%		Higher is better	
1C(2): Proportion of people using social care who receive direct payments	2013/14	790	15.7	15.1	19.1	%		Higher is better	
1C(1A): The proportion of people who use services who receive self-directed support	2015/16	1,294	93.6	96.0	86.9	%		Higher is better	
1C(1B): The proportion of carers who receive self-directed support	2015/16	306	83.4	79.3	77.7	%		Higher is better	
1C(2A): The proportion of people who use services who receive direct payments	2015/16	369	26.7	29.2	28.1	%		Higher is better	
1C(2B): The proportion of carers who receive direct payments	2015/16	306	83.4	57.9	67.4	%		Higher is better	
1D: Carer-reported quality of life	2014/15	345	8.3	8.0	7.9	%		Higher is better	
1E: The proportion of adults with a learning disability in paid employment	2015/16	15	3.9	5.7	5.8	%		Higher is better	
1F: The proportion of adults in contact with secondary mental health services in paid employment	2015/16	-	3.1	-	6.7	%		Higher is better	
1G: The proportion of adults with a learning disability who live in their own home or with their family	2015/16	263	70.1	76.4	75.4	%		Higher is better	
1H: The proportion of adults in contact with secondary mental health services living independently, with or without support	2015/16	-	63.2	-	58.8	%		Higher is better	
1I(1): The proportion of people who use services who reported that they had as much social contact as they would like	2015/16	395	49.4	47.0	45.4	%		Higher is better	
1I(2): The proportion of carers who reported that they had as much social contact as they would like	2014/15	370	41.5	38.9	38.5	%		Higher is better	
2A(1): Permanent admissions of younger adults (aged 18 to 64) to residential and nursing care homes, per 100,000 population	2013/14	25	36.4	16.3	14.4	Rate per 100,000		Lower is better	
2A(1): Long-term support needs of younger adults (aged 18-64) met by admission to residential and nursing care homes, per 100,000 population	2015/16	12	16.3	16.2	13.3	Rate per 100,000		Lower is better	
2A(2): Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population	2013/14	205	614.1	729.3	650.6	Rate per 100,000		Lower is better	
2A(2): Long-term support needs of older adults (aged 65 and over) met by admission to residential and nursing care homes, per 100,000 population	2015/16	176	513.0	707.5	628.2	Rate per 100,000		Lower is better	
2B(1): The proportion of older people (aged 65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services	2015/16	173	75.9	84.5	82.7	%		Higher is better	
2B(2): The proportion of older people (aged 65 and over) who received reablement/rehabilitation services after discharge from hospital	2015/16	228	4.4	3.4	2.9	%		Higher is better	
2C(1): Delayed transfers of care from hospital, per 100,000	2015/16	6	5.9	12.4	12.1	Rate per 100,000		Lower is better	
2C(2): Delayed transfers of care from hospital that are attributable to adult social care, per 100,000 population	2015/16	3	2.3	5.3	4.7	Rate per 100,000		Lower is better	
2D: The outcome of short-term services: sequel to service	2015/16	781	81.8	81.7	75.8	%		Higher is better	
3A: Overall satisfaction of people who use services with their care and support	2015/16	389	67.9	66.2	64.4	%		Higher is better	
3B: Overall satisfaction of carers with social services	2014/15	290	46.4	43.8	41.2	%		Higher is better	
3C: The proportion of carers who report that they have been included or consulted in discussion about the person they care for	2014/15	265	75.7	73.1	72.3	%		Higher is better	
3D: Proportion of people who use services and carers who find it easy to find information about services	2012/13	-	75.2	74.5	71.4	%		Higher is better	
3D(1): Proportion of people who use services and carers who find it easy to find information about services	2015/16	273	81.3	76.4	73.5	%		Higher is better	
3D(2): The proportion of carers who find it easy to find information about support	2014/15	265	74.9	68.7	65.5	%		Higher is better	
4A: The proportion of people who use services who feel safe	2015/16	399	72.3	70.6	69.2	%		Higher is better	
4B: The proportion of people who use services who say that those services have made them feel safe and secure	2015/16	390	85.2	88.0	85.4	%		Higher is better	

### Notes:

- Torbay value is statistically significantly higher or better than the England average
- Torbay value is not statistically significantly different to the England average
- Torbay value is statistically lower or worse than the England average
- No statistical significance calculated

Source: NHS Digital, Measures from the Adult Social Care Outcomes Framework (ASCOF), England

<http://www.content.digital.nhs.uk/catalogue/PUB21900>

Comparator group based on CIPFA nearest neighbours



**Appendix 5: Eligibility Criteria** – *to follow after consultation & agreement at ASCPB and to be presented to Policy Development and Decision*

## Appendix 6: Strategic and Micro-commissioning functions

**Drafting Note: These are to be reviewed and approved via the ASCPB during 2018/19**

Function/role lead	Torbay Council Strategic Commissioning function	Torbay and South Devon Trust ASC function
<b>MICRO COMMISSIONING OF PROVIDERS, PROCUREMENT AND BROKERAGE</b>		

<b>STRATEGIC COMMISSIONING FUNCTION</b>		
Market shaping and developing new providers to fill gaps in provision and oversight of decommissioning plans	✓	
Market Position statement and Joint Strategic Needs Assessment	✓	
Market mapping	✓	
Gap analysis	✓	
Analysis of sufficiency of supply	✓	
Manage provider failures and market exits	✓	✓
Strategic Commissioning Strategy	✓	
Proactive strategy to develop the market as a whole	✓	
Market engagement with provider market as a whole	✓	
Run Multi Provider Forum for all providers with strategic themes	✓	
Joint commissioning arrangements with partner organisations and other areas	✓	
Lead on co-design of new service models with providers and stakeholders	✓	✓
Develop population outcome based commissioning approach for market	✓	
Develop and co-produce Payment by Results mechanisms that encourage sound outcomes	✓	
Co-ordinate user and carer engagement and consultation	✓	
Contract review and performance management of ASC	✓	
Review budget for ASC and sign-off cost improvement plans related to ASC	✓	
Develop and implement operational commissioning plans		✓
Overarching sub contracts between Trust and other ASC providers, e.g. Care homes, community care		✓
Prepare and agree individual service specifications		✓
Develop and monitor outcome based commissioning approach for each provider at service level	✓	✓
Develop personal outcome based commissioning for each service user		✓
Contract management & performance review of independent & voluntary sector including, grant funding		✓
Proactive quality assurance of individual providers including, develop/implement service improvement		✓

Function/role lead	Torbay Council Strategic Commissioning function	Torbay and South Devon Trust ASC function
plans		
Achieving value for money from providers including, cost improvement planning		✓
Procurement of ASC providers		✓
Manage provider failures and market exits including, for service users and relatives/carers involved		✓
Individual contracts for care packages		✓
Brokerage/purchasing processes and brokerage of individual care packages		✓
Direct payments and personal budgets		✓
Lead and manage safeguarding processes including, Whole Provider/Provider of concern/quality concerns		✓
Resolution of Safeguarding incidents and implementation of lessons learned		✓
Run and co-ordinate forums for specific provider areas with operational focus e.g. forums for care homes		✓
Collection, collation and regular reporting of data on need, demand, supply, cost, workforce and performance (Trust and sub-contractors) with interpretation and presentation		✓
Benchmarking of cost/performance of services – own and sub-contracted		✓
Management of pooled budget to achieve value for money and cost improvement		✓



## Appendix 7: Emergency Cascade

Adult Services Primary Contacts		
Name/Title	Emergency Role	
Frances Mason, Head of Partnerships, People and Housing	Communication with contracted providers of Care and Support for vulnerable people. Availability and co-ordination of needs assessment. Safeguarding vulnerable adults and serious case review including authorisation of deprivation of liberty under Mental Capacity Act.	
Joanna Williams, Deputy Director of Adult Social Services	The role will provide professional leadership for social care services and lead on workforce planning, implementing standards of care, safeguarding and support the running of the ASCPB. The role also oversees the Deprivation of Liberty Safeguards and Guardianship arrangements in Torbay.	
Adults Services Secondary Contacts		
Robin Willoughby, Lead AMHP	Assessment and placement, access to services, medication and packages of care and place of safety for older people with poor mental health	
Sharon O'Reilly, Manager Older Person Mental Health Team	Assessment and placement, access to services, medication and packages of care and place of safety for people under 65 with poor mental health.	

## **Appendix 8: Annual Audit Programme**

### Background

For Torbay Council, Internal Audit is a statutory service in the context of The Accounts and Audit (England) Regulations 2015.

From April 2013, organisations in the UK public sector are required to adhere to the Public Sector Internal Audit Standards (the Standards). Internal Audit for Torbay & South Devon NHS Foundation Trust is delivered by Audit South West.

### Internal Audit Plans

When preparing the internal audit plan for Torbay and South Devon NHS Foundation Trust it is expected that Audit South West will:

- Consider the risks identified in Torbay Council's strategic and operational risk registers that relate to Adult Services;
- Discuss and liaise with Directors and Senior Officers of Torbay Council regarding the risks which threaten the achievement of the Council's corporate or service objectives that relate to Adult Services, including changes and / or the introduction of new systems, operations, programs, and corporate initiatives;
- Take account of requirements to support a "collaborative audit" approach with the external auditors of Torbay Council;
- Consider counter-fraud arrangements and assist in the protection of public funds and accountability;
- Support national requirements, such as the National Fraud Initiative (NFI) which is run every two years.

Draft plans, showing proposed audits covering Adult Services should be shared and agreed with Torbay Council's Director of Adult Services (DAS). The DAS should also be made aware of planned audit reviews that will provide overall assurance that control mechanisms operated by the Trust, but that are key to the workings of Adult Services, are working effectively (e.g. audits of key financial systems (payroll, payments, income collection etc.), and corporate arrangements (e.g. procurement, information governance etc.)).

The Audit Plan will not be a "tablet of stone" and changes may be required or advised during the year.

### Internal Audit work

Internal audit work should be completed in accordance with the PSIAS. Proposed briefs for work covering ASC should be shared with the DAS prior to fieldwork commencing.

### Reporting – Assignments

The DAS will be provided of copies of all final reports that specifically relate to Adult Services. The DAS will also be provided with early sight of draft reports for which the audit opinion is "fundamental weaknesses" or similar. The Director of ASC will also be

provided with copied of final audit reports for wider subject areas (e.g. payroll) where the audit opinion is "fundamental weaknesses" or similar.

#### Reporting – Annual Report

Audit South West will provide the Council with an annual assurance report on the adequacy and effectiveness of the overall system of internal control for the Trust, and in particular, those areas directly affecting Adult Services. It is noted that this assurance can never be absolute. The most that the internal audit service can do is to provide reasonable assurance, based on risk-based reviews and sample testing, that there are no major weaknesses in the system of control.

The report should provide:

- A comparison of internal audit activity during the year with that planned, placed in the context of Adult Services;
- A summary of significant fraud and irregularity investigations carried out during the year and anti-fraud arrangements; and
- A statement on the effectiveness of the system of internal control in meeting the Council's objectives.

Together with a summary of the performance indicators set for internal audit and performance against these targets.

## **Appendix 9: Risk Share Agreement (RSA2)**

Please see separate document.

## Appendix 10: List of Improved Better Care Fund Schemes Approved by BCF Working Group

Project Name	Approved
Extension of TSDFT Care Home Education and Support Team (CHEST) (DPT- note also apvd by DCC)	Approved - with conditions
Mental Health and DPT (MSB)	Approved
Proud to Care South West	Approved
Leadership development in care homes	Approved
Development of the out of hospital care system	Approved
IPC	Approved
Transition Worker	Approved
Health Care Videos	Approved
Market Analysis for Care Homes (see also Transformation Funding)	Approved
LD Peer Review	Approved
Non-injured fallers	Approved
City & Guilds Accreditation	Approved
Low Cost Packages / Eligibility Criteria - Age UK	Approved

### Annual Strategic Agreement 2019/20 - Review List

Version 3.1.4

Section no	Item	Page	2018/19 Update / briefing note
0	Introduction	5	In 2018 the ASA was approved as a two year document running through to March 2020. The fabric of integrated care systems across England continues to develop and at a local level there is significant work towards further and broader integration working arrangements through the Sustainability and Transformation Partnership (STP). New forms and new arrangements are likely to reveal themselves during 2019/20 and the future (Annual) Strategic Agreement will both influence and be influenced by those.
1.1	Scope of the Agreement	5	
1.2	Summary of services to be provided	5	
2	ASC Commissioning Priorities	6	
2.1	New Model of Care	6	
2.2	Autism	7	<p>2.2 Autism</p> <p>First bullet point to reference delivery against the aims of the National Autism Strategy – Think Autism and the local Autism Commissioning Strategy Living Well with Autism in Devon 2016- 2020.</p> <p>Second bullet point to reference develop Autism Services in line with the recently completed Autism SAF 2018.</p> <ul style="list-style-type: none"> <li>• Training to be developed and provided in line with the LD STP multi-agency training plan – 3 tiered model. Provide Autism awareness training for Trust staff who come into contact with people with autism;</li> <li>• Ensure that staff of organisations and agencies commissioned by the Trust who come into contact with people with autism have appropriate training;</li> <li>• Provide specialist training for key staff in the trust who come into contact with people with autism;</li> <li>• Undertake assessments under the Care Act for adults;</li> <li>• Key partner and in the development and delivery of the Joint Learning Disability and Autism Strategy and action plan, following the ADASS Peer Review.</li> <li>• a sustainable supported living market for people with Autistic Spectrum Disorder diagnosis through procurement of Supported Living Shared Hours and Supported Living 1:1 Hours contract</li> </ul>

2.3	Learning Disabilities	7	<p><b>2.3 Learning Disabilities</b></p> <p>First bullet point needs to reference Torbay will works towards implementing the newly created Learning Disability Commissioning Strategy, Living Well with a Learning Disability in Devon 2018-2022</p> <ul style="list-style-type: none"> <li>• Focus on people living full and independent lives, where secure homes and fulfilling lives are a priority;</li> <li>• Help people and let them know what options they have to help them achieve their goals;</li> <li>• Improved accessibility to community services for those people who have a learning disability;</li> <li>• Improve access to employment and housing;</li> <li>• Key partner and in the development and delivery of the Joint Learning Disability and Autism Strategy and action plan, following the ADASS Peer Review.</li> <li>• secure a sustainable supported living market for people with a Learning Disability diagnosis through procurement of Supported Living Shared Hours and Supported Living 1:1 Hours contract</li> </ul> <p>Mental Health needs to be a section e.g. 2.4. Format currently reads as a continuation of section 2.3 Mental Health The Council has statutory responsibilities for providing services to eligible people with poor mental health under the Mental Health Act 1983 and NHS and Community Act 1990, which are delegated to the Trust. These include:</p> <ul style="list-style-type: none"> <li>• Approval and provision of ‘sufficient’ numbers of Approved Mental Health Practitioners (AMHP);</li> <li>• guardianship under section 7;</li> <li>• Financial and Budgetary responsibilities for the whole Mental Health budget, including activity below assigned to DPT.</li> </ul> <p>Devon Partnership Trust will be directly commissioned under a Service Level Agreement by Torbay and South Devon NHS Foundation Trust as part of the section 75 agreement between TSDFT and the Council. A specific Memorandum of Understanding will be developed for 2019/2020 as a continuation of that developed in the previous financial year. The MOU will outline clear lines of accountabilities and responsibility Devon Partnership Trust will be commissioned to operationally deliver these under 65 social care mental health services in Torbay. This is in compliance with Torbay Council’s statutory duties under the Care Act, Mental Health Act and other relevant legislation, including:</p> <ul style="list-style-type: none"> <li>• Aftercare under section 117;</li> </ul>
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			<ul style="list-style-type: none"> <li>• Care management services, including operational brokerage of social care packages. At the end of this bullet point include the following phrase “packages duties under the Care Act and S117 responsibilities”</li> </ul> <p>Contract management of Devon Partnership Trust will be undertaken by Torbay Council, Strategic Commissioning Support for this arrangement will be provided by Torbay Council’s Joint Commissioning Team.</p> <p>Professional Practice oversight of AMHP needs to be defined and agreed. This arrangement will be governed by this ASA and a contract between DPT and the Trust.</p> <p>Professional practice oversight will be delivered as outlined in the Torbay Adult Mental Health MOU 2018/19.</p> <p>The priorities for the commissioned service in 2017 to 2018 extend into 2018 / 19 and are outlined in the Adult Mental Health, Priorities to be included in the MOU 2019/20 suggest these include:</p> <p>Reduction in use of residential care</p> <p>Embed supported living shared hours and 1:1 contract</p> <p>Improve ASCOF indicators “adult in contact with secondary mental health in settled accommodation and paid employment”.</p> <p>DPT social work model implementation</p> <p>Sufficiency of staffing, AMHP’s and social care to meet the demand of adult mental health social care in the BayJoint Delivery Plan between the Council, TSDFT and DPT. Close working with other commissioners such as the CCG will see this developed and monitored through Social Care Programme Board Quarterly performance and finance reports will be submitted to the ASCPB. A governance structure is in place with the Council, the Trust and DPT. Greater alignment of this work will be required during the 2018/19 financial year through the development of the Mental Health ACS. It is envisaged greater alignment of governance and strategic approach will be agreed through this structure. It is expected that during this period employment of the Approved Mental Health Practitioners will transfer from the Council to DPT. It has been agreed in the 2018/19 MOU that as positions become vacant from assigned staff employed by Torbay Council, those vacant posts will transfer to TSDFT to be recruited. The aim is to have one employing organisation (TSDFT) who will then assign staff to DPT.</p> <ul style="list-style-type: none"> <li>• Trust finance team support Trust finance team to work in partnership with DPT to set budgets for adult mental health under 65 contract. For improvement plan and development and implementation of cost improvement projects. Torbay Council Commissioners to agree</li> </ul>
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			<p>improvement plan and development of cost improvement projects with DPT</p> <ul style="list-style-type: none"> <li>• Support for integrated personal care planning and brokerage including implementing and embedding systems plans.</li> <li>• Review and redesign of all current assigned staff roles within the Adult Mental Health contract to ensure value for money and focused approach to delivering better outcomes for people with mental ill health.</li> <li>• a sustainable supported living market for people with a Mental Health diagnosis through procurement of Supported Living Shared Hours and Supported Living 1:1 Hours contract</li> </ul>
2.4	Social Care Workforce	9	
2.5	Enhanced working between the commissioning functions	9	<p>2.5 Enhanced working between the commissioning functions</p> <p>Supporting engagement with independent and voluntary sector providers is now through the Torbay Care Managers Network and associated groups.</p> <p>Implementation of a strategy for the adult social care market in partnership with external providers to support delivery of our integrated care model in 2019/20</p> <p>Refresh of single joint commissioning and operational plan for adult social care 2019/20</p> <p>Consideration of opportunities for STP wide commissioning.</p>
2.6	Housing and Care	9	<p>2.6 Housing and Care</p> <p>2019/20 Priorities include:</p> <ul style="list-style-type: none"> <li>• Completion of the Extra Care Housing strategy and a further extra care housing scheme in development by 2020</li> <li>• Homelessness system change through implementation of Housing First approach</li> <li>• Increase supply of affordable and social housing fit for all stages of life</li> </ul>
2.7	Safeguarding Adults	9	
2.8	Carers	9	<p>2018-21 Carers Strategy includes 5 priorities : Identification of Carers;</p> <p>Information, Advice and Support Services; Assessments; Involvement of Carers;</p> <p>Improvement of Support to the person cared for (particularly Replacement Care and technology). Most targets within strategy action plan being achieved.</p> <p>Pan-Devon Commitment to Carers embedding NHSE Commitment to Carers and Triangle of Care.</p>
3	Current Services	10	
3.1	Activity Baseline and Planning Assumptions	10	<p>The figures and detail requested of the ICO (Torbay and South Devon NHS Foundation Trust) remain outstanding at this time (22 Jan 2019)</p>

			<p>As part of the Trust's ongoing review long term packages of care a standard weekly report has been formulated and will now be the basis of both the assumptions and projections, and ongoing monitoring</p> <p>The figures operating as a baseline for planning assumptions appear separately</p> <p>These form part of the planning cycle of the ICO and are to be provided following internal approval</p>
3.1	Activity Baseline and Planning Assumptions		
3.2	Projected activity	11	
3.2	Projected activity		
3.3	Operational Delivery, Monitoring & Oversight	11	Performance measures will be set on the basis of month 11 (Feb 2019) out-turn figures and confirmed once the full year out-turn figures are available (May 2019) with any changes to be by exception
3.4	Impact on quality, activity and cost including cost improvement	11	
3.5	Adult Social Care Workforce	11	
3.6	Safeguarding	12	
3.7	Delivery and Performance Management: Adult Social Care Services	13	
4	Service developments	14	
4.1	Social Care Workforce Plan	14	
4.2	Strengths Based Approach	15	<p>4.2 Residential and Day Services for Older People</p> <ul style="list-style-type: none"> <li>• Further develop market position statement during 2019/20</li> <li>• Implementation of a strategy for the adult social care market in partnership with external providers to support delivery of our integrated care model in 2019/20</li> <li>• Development of replacement care offer</li> </ul>
4.3	New Approaches to Person Centred support Planning	15	
4.4	Wellbeing Coordinators	16	
4.5	Self-Directed support – including direct payments	16	
4.6	Care Model Implementation	16	

4.7	Services for people with learning disabilities including Autism	17	
4.8	Residential and Day Services for Older People	17	
4.9	Reviews	17	
4.10	Key Milestones	17	
5	Quality Assurance	17	
5.1	National: CQC (Care Quality Commission)	17	
5.2	Local: Torbay and South Devon NHS FT	18	
6	Finance and Risks	18	
6.1	Financial Risk Share	18	The council contribution to the Risk Share Agreement in 2019/20 is £38.6m. This is the last full year of the agreement and discussions are underway in respect of the future 5 year Risk Share Agreement (RSA) in link with the memorandum of understanding agreed by the three parties - NHS Foundation Trust, Clinical Commissioning Group and Council - in autumn 2018 The council and partners also continue to effectively use the improved Better Care Fund in respect of supporting system development and sustainability
6.2	Care Home Fees Judicial Review Appeal	18	The Judicial Appeal in respect of care home fees has now been completed
6.3	Better Care Fund	18	
6.4	Efficiency Risks	18	The care model has been implemented and is no longer a pertinent risk A new operational structure is being implemented 2019 and will require embedding
6.5	Risks pertinent to Adult Social Care expenditure include	18	
7	Client Charges	19	
7.1	Power to Charge	19	
7.2	Residential and Non Residential Charges	19	
7.3	Carers	19	
7.4	Universal Deferred Payments	20	
8	Governance	20	
8.1	Adult Social Care Programme Board (ASCPB)	20	
8.2	Consultation, engagement and involvement process	21	
8.3	Programme Management	21	

8.4	Key Decisions	21	
8.5	Governance of other decisions	22	
8.6	Governance of Placed People	22	
8.7	Risk Share Oversight Group	22	
8.8	Individual Roles and Responsibilities	23	
8.8.1	Torbay Council Executive Lead Adults and Children	23	Torbay Council Executive Lead for Adults
8.8.2	Director of Adult Social Services	23	
8.8.3	Deputy Director of Adult Social Services	23	
8.8.4	Deputy Chief Executive and Chief Operating Officer	23	System Director - being the new post created within the new structure of the integrated care organisation
8.8.5	Organisational Roles and Responsibilities	23	
8.9	Emergency cascade	23	
8.10	Annual Audit Programme	23	
Appendix 1:	Carers' Strategy – to follow after consultation & agreement at ASCPB – Consultation and finalisation expected mid- April 2018	25	All appendices to be referred to as Annexes in future versions This change is to support clarity in Public papers where the main document is an appendix to the Committee report (Council)
Appendix 2:	Performance Measures:	26	Updated - in-year figures for 2018/19
i.	Adult Social Care Outcomes Framework (ASCOF)		
ii.	Better Care Fund	26	
iii.	Local Measures	26	
Appendix 3:	Trust Wide Improvement and Savings Plans – to follow once endorsed via ASCPB	27	The Trust continues to develop its business plans in relation to 2019/20 and will provide an update following consideration by its Board
Appendix 4:	Summary of the Adult Social Care Outcomes Framework for Torbay	28	Appendix 2 Data and performance measures cover
Appendix 5:	Eligibility Criteria – to follow after consultation & agreement at ASCPB and to be presented	29	Included

	to Policy Development and Decision Group March 2018		
Appendix 6:	Strategic and Micro-commissioning functions	30	
Appendix 7:	Emergency Cascade	32	Robin Willoughby to be replaced by Simon Porter
Appendix 8:	Annual Audit Programme	33	
Appendix 9:	Risk Share Agreement (RSA2)	35	
Appendix 10:	List of Improved Better Care Fund Schemes Approved by BCF Working Group	36	Updated

## **Torbay Carers' Strategy 2018-21**

**An inter-agency commitment to meet the  
needs of Torbay's Carers,  
including Young Carers.**

DRAFT

## Foreword

### **Diana – A Carer**

30 years ago I became a Carer, although I didn't know that I was, as at that time we had never heard of the term. The only help in those days, if you were lucky, was your Doctor. My..... how times have changed! Support for Carers has improved dramatically - we can now access practical help and advice from many quarters. We have the Carers' Register, Carer Support Workers in surgeries, even one in Torbay Hospital, and the plight of Carers is at the forefront of public notice.

In 2014, we started the Carers' Strategy Steering Group, involving other agencies to work closer with us to progress the Identification, and support of the approximately 17000 Carers known to live in Torbay.

Look round the table now, and you will often see a range of Carers including Parent Carers, a Councillor, someone from Children's Services, Adult Services and the NHS, Home Care, representatives from Mental Health, Substance Misuse, or Learning Disabilities, a Carer Support Worker, someone from Young Adult Carers and Young Carers. All these people and others will at some point help and advise us in our support for Carers.

The Action Plan for 2018 – 2021 includes early Identification of Carers, including Young Carers and Young Adult Carers, and actions to ensure that all Carers get the support required.

I am still a Carer, now also a Carer Evaluator working with Torbay and South Devon NHS Foundation Trust, and I feel privileged to be part of this team of people who work so hard to provide the help and support for all the Carers of Torbay.

### **Julien - Executive Lead for Adults and Children, Torbay Council**

Torbay is an award winning authority, recognised at national level for its progress in joining up its care systems across adult social care and health services. That process is known as the New Model of Care.

We recognise that the community plays a major and increasing part in supporting the NHS and Council services in enabling people to get the support they need to remain where they really want to be, at home. We recognise that Carers - adults, children and young people - are often the people who really make the New Model of Care work.

This strategy and its accompanying action plan is about what we can all do to support the Carers who give so much. It has been estimated that Carers contribute annually the same value to the support of people as the entire budget for the NHS. That is a truly huge social investment.

To ensure that it is the best it can be, the strategy has been put together in consultation with Carers, and with the full cooperation of the wide range of agencies that come into contact with them. My grateful thanks to the steering group and all who have helped with this work, but most importantly to the Carers themselves.

All very best wishes,

Julien Parrott

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## **1. Introduction**

**Who is a Carer?** It might be you!

A Carer is anyone, including a child, who provides care for another person, apart from those who do it as paid work, voluntary work or ordinary parenting.

It includes caring for a partner, relative, friend or neighbour, who due to physical, sensory or learning disability, mental health or drug/alcohol misuse issues, frailty, illness, long-term health condition and/or vulnerability cannot manage alone in the community.

Sometimes people are 'mutual carers' where they both provide support to each other, and everything works well until one of them deteriorates or their situation changes. This is especially common in older couples.

Two out of three of us will be a Carer at some time in our life, but many people do not realise that they are considered to be Carers, or that there is a wealth of support available to them. Torbay Carers' Strategy helps us to address this issue.

### **Why have a Carers' Strategy?**

Torbay has had an inter-agency strategy (plan) for Carers since 2000 and it is updated every three years. Torbay's Carers are consulted to find out what their priorities are, and these are worked into the Carers' Strategy, along with consideration of the national priorities for Carers. All of the agencies who come into contact with Carers then commit to the Strategy with its action plan, working together to achieve these priorities.

We find that having an inter-agency Strategy and Action Plan helps us work together in a joined-up way, to achieve what Carers really need. We have a quarterly Strategy Steering Group meeting of the various agencies and Carer Representatives to ensure that we keep on track. The updates are published on-line at

<https://www.torbayandsouthdevon.nhs.uk/services/carers-service/strategy-policy-and-quality/> .

## **2. National Context**

Since our first Strategy in 2000, there has been a huge increase in the awareness about Carers, especially Young Carers. In 2015, the Care Act and Children and Families Act became law. The Acts have some common principles :

- Health and wellbeing of Carers
- Involvement of Carers, in the choices they make and in the services they are offered
- Planning ahead, providing preventative services, planning for 'transitions' e.g. move to adult services
- Integration i.e. services working together to meet Carers' needs

The Government's Carers' Strategy: Second National Action Plan 2014-16 identified four national priorities:

- 1: Identification and recognition
- 2: Realising and releasing potential

- 3: A life alongside caring
- 4: Supporting carers to stay healthy

Although this has not yet been updated, the future national Carer priorities are likely to be similar, and to include employment and technological support to Carers. If there are any significant differences from our Strategy, the Steering Group will agree how best to address this.

Although there is increased awareness about Carers, the changes within health and social care have meant increased pressure on Carers. Every two years there is a National Survey of Carers of Adults (NSCA) who have had a Carers' assessment. The 2016-17 survey showed deterioration nationally in Carers' quality of life, with many Carers neglecting their own health and wellbeing. Carers UK undertakes an annual survey of all types of Carers, and its data also backs this up. In 2017, 6 out of 10 Carers (61%) have had a deterioration in their physical health due to their caring role, 7 out of 10 (70%) have had mental health issues, 8 out of 10 (78%) are more stressed, 7 out of 10 more anxious (72%), and 7 out of 10 (69%) Carers have sleep difficulties due to their caring role. These figures worsen for Carers who care for more than 50 hours per week, of which Torbay has more than the national average.

### **3. Local Picture**

From 2011 census data, approximately 1 in 8 people in Torbay identified themselves as Carers. Yet we know that many people do not identify themselves as Carers, or do not identify their children as having a caring role for them, so actual numbers are likely to be much higher.

Torbay has a long history of supporting Carers through partnership working, often attracting national recognition such as in the Care Act Statutory Guidance 2018. Torbay's Strategy for Carers under 25 in 2012 was cited as the first in the country providing integrated support to this age group, and was recognised as a model of good practice.

However, the national deterioration in Carers' health and wellbeing is mirrored here, as shown in the comparison between NCSA 16-17 and NCSA 14-15. Torbay Carers' quality of life measure dropped from 8.3 to 7.8 out of 10. There was a drop of 10% in carers who felt they looked after themselves in terms of getting enough sleep or eating well (55% compared with 65%). 3 in 10 (29%) Carers are not looking after themselves well enough and there has been an increase of 5% of Carers neglecting themselves (16% compared to 11%).

In Torbay, the age of Carers and the number of hours for which they provide care are significantly higher than nationally, which has an inherent impact on their health and wellbeing. Over half of Torbay Carers in NCSA 16-17 (51.4%) care for more than 100 hours per week compared to 1 in 4 (25.7%) nationally, and compared to 39% in Torbay in the previous survey. 6 in 10 of Torbay's Carers in NCSA 16-17 (63%) are aged over 65, and the proportion is expected to increase.

It is, therefore, essential for this Strategy to support Carers' Health and Wellbeing.

#### **4. Review of Measure Up 2015-17**

Most targets within the last 3-year strategy have been fully achieved. The main summary is below, with the detail published in Measure Up Action Plan Section of <https://www.torbayandsouthdevon.nhs.uk/services/carers-service/strategy-policy-and-quality/> with a hard copy available on request by phoning (01803) 666620.

##### **Identification of Carers**

- The awareness-raising activities in GP practices has resulted in them exceeding their targets for increasing numbers of Carers registered at their practices. However it is clear from our recent consultation that there is still more work to do.
- Torbay and S Devon NHS Foundation Trust ('the Trust') introduced free hospital parking for Carers when supporting the person they care for. This has really encouraged people to self-identify as Carers and is the most-valued service.
- Awareness campaigns have been undertaken with pharmacies, Fire Service, Living Well@Home, Ambulance Service, Wellbeing Coordinators and others.
- A Devon-wide Carer Recognition Tool was launched to encourage professionals to identify Carers and link them to support.
- Insufficient Young Carers have been identified by adult community health and social care services, so this is an ongoing priority.

##### **Information, advice and support**

- We have maintained all Carers' Information and Support Services, although these will change slightly from 2018 onwards.
- Signposts Information service has expanded to cover the Hospital Advice Point.
- Carers' Support Workers have been maintained in each GP practice, with hours now based on practice list size.
- Torbay Carers' Register more than achieved the target of 10% increase in applications each year, with almost 2000 new applications during three years. There are now over 4000 Carers on the Register. (NB it is not a net increase of 2000, due to people leaving the Register when their caring role ends.)
- Signposts newsletter is sent electronically to 1500 Carers, thus reducing costs.

##### **Carers' Assessment and Support**

- The role of GP Carer Support Workers undertaking Carers' Assessments is fully embedded, with them exceeding their target of 500 Health and Wellbeing Checks (HWBCs) each year, and a stunning 622 HWBCs in 2017-18.
- Carers' Aid Torbay (formerly Crossroads Care, and Carers' Trust Phoenix) continue to provide independent enabling, brokerage and advocacy.
- The target for Carers' Assessments which in 2014-15 was 35% was increased significantly which resulted in variable performance, but culminated in 42.2% being achieved against a target of 43% for 2017-18. NB The changes to assessments processes have resulted in a lower target being set for 2018-19.
- All assessments and processes meet the legislative requirements brought in in 2015. Adult Social Care is reviewing processes in line with the 'three conversation model' and a lighter touch Carers' Assessment is being developed.

### Developing a whole family approach

- The inter-agency strategy for Carers Under 25 has been refreshed and remains the focus of work with this age group.
- Transition arrangements for young Carers appear to work very well.
- Transition arrangements for children with additional needs are now in place between Children's and Adult's Services, with staffing support.
- Parent Carer Needs Assessments remain an area of concern
- The Lifestyles Team has done significant work with Carers, consistently exceeding their target (184 Carers against target of 100 in 2017-18)

### Involvement of Carers in Service Delivery, Evaluation and Commissioning

- Carers are involved in improving services across Adult and Children's health and social care. The Parent Participation Forum was re-branded to be Parent Carer Forum with a new website and over 400 members.
- Torbay Carers' Electronic Forum became a Facebook page, with increasing membership, but still needs more active Carer involvement.
- More Carer evaluators have been recruited and they have undertaken some excellent evaluations and additional projects.

### Targeting Carers and Employment

- Support to Carers wishing to return to employment was mapped and gaps identified
- Careers coaching for Carers was set up by Trust, and an Employment event was run jointly with Devon County Council.
- Carers' Services extended Carer Support to include one evening per week.
- Staff who are Carers have been targeted in Trust and Council via payslips.

## **5. Formulation of Priorities for 2018-21**

The development of potential priorities for 2018-21 was based on Carer Consultation while taking account of national and local priorities, and evidence of what works well.

Healthwatch Torbay carried out a huge Carers' engagement exercise in late 2017, with over 800 Carers responding. The questions had been devised on the basis of Carers' anecdotal feedback about what were the key issues for them. The full report can be seen at <https://www.torbayandsouthdevon.nhs.uk/uploads/carers-consultation-2018-2021-strategy.pdf>. A hard copy is available on request from Signposts for Carers on (01803) 666620.

The draft priorities underwent a public consultation, and a detailed action plan was then devised. A multi-agency Strategy Steering Group led by a Carer will monitor progress against the strategy. We are still awaiting National guidance, so the attached action plan may need to be amended in light of this.

## 6. **Key Priorities for 2018-21**

1. Identification of Carers at the first opportunity;
2. Information, advice and support services available to all Carers;
3. Carers' assessments proportionate to needs, including a whole family approach
4. Involvement of Carers in service delivery, evaluation and commissioning;
5. Enhancement of support to person being cared for.

Within these priorities are two underlying themes of supporting Carers with employment-related issues, and improving the use of technology for both Carers and the people for whom they care.

It has been necessary to redesign Carer Support in light of increased demand and diminishing resources. Public consultation has approved the development of peer support and carer-led projects, particularly improving the links with former Carers to use their wealth of skills to develop and deliver Carer Support. Specialist Carer Lifestyles support is no longer funded, as Carers are well-supported within the mainstream Lifestyles offer. We plan to enhance this with volunteers who have used the service themselves in the past, and continue to fund Lifestyles Carers' events.

The Emotional Support Scheme for Carers of Adults was proposed to be reduced from ten to six sessions but, in response to the public consultation, six vouchers will be issued, with the option at the end to extend by up to a further four in extenuating circumstances. A lighter touch Carers' Assessment will be developed to free up Carer Support Worker (CSW) capacity, and ensure that Carers do not have to undergo a more detailed assessment than necessary. The level of CSW support which has been in place since 2016, has been enhanced by a three-day 'floating' support worker to cover areas of pressure and set up and manage volunteer support within Carers' Services.

With the NHS's Sustainability and Transformation Plans (known as 'Devon-wide Working'), more of our work will include liaising across Devon, to ensure broad consistency of approach where possible, especially as many of our providers, such as Devon Partnership Trust and the Ambulance Service, cover more than one area. This should also allow us to benefit from economies of scale in large developments, such as replacement care\*.

The entire agenda with Carers is about prevention and early intervention. Early identification ensures that Carers know what support is available well before a crisis arises. Timely information and advice, with access to appropriate benefits, enables Carers to make informed decisions about their caring role. Assessment, coupled with early support, aims to prevent, reduce or delay the negative impact on Carers' health and wellbeing, thus supporting both them and the person for whom they care.

*\* 'Replacement Care' is the term which includes services historically known as 'respite' care, where someone else provides the care which is normally provided by the Carer. It covers all categories of care such as residential care, day care, day opportunities, night care, and sitting services, where services are actually used by the person with needs, but which result in support to the Carer, by giving them a break.*

# Torbay Carers' Strategy Action Plan 2018 – '21

## 1. Identification of Carers at the First Opportunity

	Priority	Target/Service Standard	Timescale	Responsible
1.1	To work across Devon, using NHSE's Memorandum of Understanding (MoU) for Carers as the basis of inter-agency agreements to identify and support Carers	Finalise Devon-wide MoU for Carers Get sign-up from agencies listed in NHSE MoU - six key partners signed up (as opposite)  Agree Timescale and priorities for remainder	Oct 2018  March 2019  Jan 2019	Devon's Carers Leads Carers Services Council/ Trust/ DPT/ CCG SWASFT/ Fire Service Strategy Steering Group
1.2	With Carers, to run a programme of awareness training and embed use of Carer Recognition Tool to improve early identification of Carers	Maintain a rolling program of awareness training to - all GP practices in Torbay (see 1.4, 1.5) - pharmacies in Torbay - Ambulance Service - Fire Service - Police	3-year period	Carers Services in liaison with - Practice Managers - Pharmacists - SWASFT - Fire Service - Police Service
1.3	As above	Identify other priorities areas for Carer Awareness Training - Devon Partnership Trust (DPT) - Set Targets 2019-20, 20-21	March 2019 Jan 2019	Carers Services / DPT Strategy Steering Group
1.4	Improve GP Practices' identification of Carers (minimum target increase across all practices average of 2%)	Agree GP practice targets for identification of Carers and reporting arrangements Achieve targets	Annually  Annually	Strat. Steering Group / Practice Managers
1.5	As above	Individual GP practices to develop strategies to target Carers at Flu Clinics	All in 3 years	Practice managers /CSWs
1.6	Improve Hospital identification of Carers via adoption of Triangle of Care	Develop Hospital Working Group and Action Plan to implement this and report quarterly	Oct 2018	Carers Services with Hospital Staff

1.7	Develop communication strategy to enable efficient use of staff time in public awareness campaigns	Draft Strategy to enable quarterly press / publicity, use of media, GP and hospital screens etc.	July 2018	Carers Services
1.8	Measure effectiveness of training	Use variety of methods eg staff survey, course evaluation, issue of info cards, source of Register and Signposts referrals	Ongoing as per training in 1.2 and 1.3	Carers Services

## 2. Information, Advice and Support Services available to all Carers

	Priority	Target/Service Standard	Timescale	Responsible
2.1	Enable Carers to find information easily, by maintaining a range of information, in a variety of formats, and available at a range of places.	Use engagement report to address information needs. Repeat during next major consultation. Target - National Carers Survey results to remain in top quartile nationally	Ongoing  2021 Next survey	Carers Services (Adults and Children)
2.2	Review Web-based information for Carers to ensure it meets Carers needs, especially those in employment (links with 2.14)	Trial Carers UK Digital Offer Engage with Carers for their feedback Improve Parent Carer information on Trust website Develop Carers + Employment web-page	April 2018 Aug 2018 Oct 2018 Nov 2018	Carers Services  Employment Group
2.3	As above	Further the use of Health and Care Video Library to meet the needs of Carers, especially those in work Develop use of videos to support Carer Awareness	Ongoing  Oct 2018	Carers Services / Health and Care Videos
2.4	Maintain Signposts for Carers' Information Service. Investigate extending hours to support Carers in employment	Investigate with Devon Carers feasibility of using them to extend hours If unable, consider other means.	May 2018  Aug 2018	Carers Services
2.5	Maintain drop-in services at Carers Centres in Brixham, Paignton and Torquay.	Work with Brixham Does Care to move Brixham Carer Support to new Centre. Ensure Paignton Carers Centre fits with Paignton Wellbeing Centre plans.	April 2019  Oct 2019	Carers Service / Brixham Does Care  Carers Services

2.6	Maintain drop-in service for staff and Carers at Advice Point Torbay Hospital	Undertake evaluation to develop service – staff awareness / survey / Carer feedback / times of usage	Jan 2019	Carers Services
2.7	Maintain specialist Carer Support Services	Maintain Carer Support in Hospital, Mental Health, Older People's Mental Health, Substance Misuse services, Young Carers (YC), Young Adult Carers (YAC) Support transfer of YC service to Youth Trust	Ongoing April 2019	Carers Services (Adult and Children's)/ DPT Children's Services
2.8	Provide for minimum of 1 day per week of Carers' Support Worker (CSW) time in all GP practices	All GP practices to have access to a Carers' Support Worker for at least one day per week. Proportionate to list size.	Annual review	Carers Service / practice managers
2.9	Develop the use of volunteers and peer supporters at GP practices to support the CSW role, to link with Patient Participation Groups, and support Practice Action Plans.	Employ 'floating' Carer Support Worker to manage volunteers. Start pilot at 1 GP practice initially	April 2018 Nov 2018	Carers Services / practice managers
2.10	Maintain voluntary sector support of Carers providing -independent advocacy and enabling service, -support to Older Family Carers of people with learning disability	Renewed contracts with Carers Aid Torbay Mencap	Jan 2018 April 2018	Carers Service / Carers Aid Torbay / Mencap
2.11	Maintain the Universal Carer support services available through Torbay Carers Register	With change of provider, ensure quality of service is maintained. Update standard letters and undertake data audit. Develop web-based Carers register to enable on-line application	On-going May 2018 Oct 2018	Carers service /commissioners Carers Service Carers Service / Torbay Council
2.12	Increase the number of Carers joining Carers' Register	Increase of 10% in applications per annum	Quarterly review	Carers Services / Carers Register
2.13	Carers' support around hospital discharge to be linked in to Triangle of Care work 1.6 above	Pilot use of Carer Supporters in RADS (Rapid Assessment and Discharge Service) Ensure Carer Support embedded in 'Onward Care' pathway	July 2018 Oct 2018	Hospital Working Group Adult Social Care



		Seek funding to support Carers as peer supporters in hospital	April 2019	Hospital Working Group
2.14	Improve support to Carers in Employment or wishing to seek employment by improving opportunities, targeted support and ensuring that TSDFT is a good example of a Carer-friendly employer	Set up Employment Working Group Develop Employment Strategy for Carers and action plan and report quarterly Sign up to Carers UK Employers for Carers Review Trust's HR policies. Undertake staff survey	May 2018 Dec 2018 Quarterly April 2018 March 2019 Oct 2018	Carers Services Employment Group  Carers Services Employment Group Carers Services
2.15	Target groups of Carers where there are gaps in service or particular needs to address, whether due to changes in service or increase in demand.	Investigate and, where possible, enhance support to <ul style="list-style-type: none"> <li>- Parent Carers</li> <li>- People affected by substance misuse</li> <li>- Carers of people with dementia</li> <li>- Carers of people with mental health issues</li> <li>- Carers 25-40</li> <li>- Carers of adults with learning disability</li> <li>- Carers of vulnerable people at risk of radicalisation</li> </ul>	Develop plans by Oct 2018	Carers services / Children's Services / substance misuse services / Older people's Mental health Services / vol sector
2.16	Due to loss of specialist Carers Lifestyles workers, develop use of volunteers to support the Carers Lifestyles offer.	Maintain Lifestyles team links with Carers, with targeted events. Monitor annually Develop Carers volunteer-led support	Ongoing Annual April 2019	Carers Service / Lifestyles
2.17	Ensure that Carers are aware of technological support that may assist their caring role whether supporting them or the person they care for (see also 5.7 below)	Trial Carers UK Digital Offer (DO) including free use of 'Jointly' App for Carers Set up Carers Technology Group to look at options and evaluate usefulness of DO Be involved in development of new Technology-Enabled Care Service (links with 4.4 below)	April 2018  June 2018  Ongoing	Carers Services  Carers Services  Carers Services
2.18	Building on existing community support (eg community builders, wellbeing coordinators and voluntary sector) Develop micro-community models of Carer support across Torbay, based on local need.	Link with community builders to encourage use of time-banking by Carers and former Carers to build links to support each other in local area Prioritise and develop one project in each area of Torbay, based on Carers' need	Oct 2018 April 2019	Carers Services / Community Development Trust Carers Services / Voluntary sector

### 3. Carers Assessments Proportionate to Need, using a Whole Family Approach

	Priority	Target/Service Standard	Timescale	Responsible
3.1	Ensure that our response to Carers is appropriate to the level of need and that we provide early access to Carers' assessments and support, in line with a preventative approach.	Develop 'lighter touch' assessment for quick and easy access to Universal Carers services, where full Health and Wellbeing Check not required Improve review processes – annual review	June 2018 June 2018	Carers Services Carers Services
3.2	Maintain offer of a Carers' Health and Wellbeing check (HWBC) to all Carers	Achieve target HWBC per annum to be provided by Carers' Support Workers in primary care – 500 in 2018-19 Set target for 2019-20, 20-21	April 2019	Carer Support Workers Strategy Steering Group
3.3	Ensure Adult Services has a clear pathway for Carer Support, with appropriate recording on PARIS database Ensure that this fits with Adult Services general assessment model ('three conversation')	Review pathway and processes annually with rolling program of awareness training. Address recording anomalies from monthly report Achieve target for Carers assessments – 36% in 2018-19	Annually At least quarterly April 2019	Carers Services / Trust Operations / PARIS Trust zone and specialist teams Trust Operational managers
3.4	Ensure Children's Services' pathway for Parent Carer Support is clear to parents Ensure Parent Carer Needs Assessments are being undertaken	Review pathway and processes annually Report number of assessments – frequency to be determined	Annually At least annually	Carers Services / Children's Services Children's Services
3.5	Ensure whole family approach is embedded, addressing the needs of Carers of disabled children, Young Carers, and parenting support.	Awareness raising in induction and ongoing with - Trust Zone + specialist teams - Children's Services - Devon Partnership Trust Measure referrals to Children's Services by adult social care / DPT. Annual Targets to be set.	Ongoing April 2018 Annually	Carers Services Adult Services / Children's Services / DPT Adult Services DPT Strategy Steering Group

3.6	Ensure Carers under 25 are identified, and receive proportionate assessments that enable appropriate support	Carers under 25 Strategy to formally feed in to Strategy Steering Group. Continue family events for young Carers	Annually  Ongoing	Young Carers Service / Young Adult Carers Services /Children's Services
3.7	Ensure parent Carers are supported whilst their children are in transition between Children's and Adult Services	Ensure Transition Worker in liaison with Carer Support Workers – check processes Review annually	June 2018  Annually	Childrens Services / Adult Services / Carer Support Workers
3.8	Ensure Young Carers are supported in the transition to adulthood and to Adult Services	Maintain robust transition processes and transition events Continue skills-based training for Carers under 25 eg finances / cooking on a budget	Ongoing  Ongoing	Young Carers Service / Young Adult Carers Service

#### 4. Involvement of Carers in service delivery, evaluation and commissioning

	Priority	Target/Service Standard	Timescale	Responsible
4.1	Ensure local and national surveys of Carers are used to develop services that affect them	Use Healthwatch Engagement Report to develop Torbay's Carers' Strategy	April 2018	Carers Services
4.2	Ensure genuine Carer representation in Carers Services meetings / developments, with associated support and training as required	Carer representation at Carers' Strategy and Developmental meetings - chairing Carer Involvement in Signposts newsletter, Facebook etc Maintain Young Adult Carer (YAC) Operational Group Maintain involvement of young Carers and their families in YC services	Ongoing	Carers Services  Carers Services  YAC service  Young Carers Service
4.3	Ensure both national and local Carers 'voice' in developing Trust's Carer Friendly Employer status (links with 2.14)	Carer reps in Employment Group Carers UK Employers for Carers materials to be used Trust Staff Survey (links with 1.6)	May 2018 Dec 2018  Oct 2018	Carers Services Carers Services  Carers Services

4.4	Ensure Carers involved in commissioning, review and development of relevant services	Replacement Technology-Enabled Care Service Mental Health Services – Engagement Lead	From May 2018 Ongoing	Carers Services DPT / Carers Services
4.5	Develop peer support opportunities for Carers and former Carers, based on Carers priorities.	Employment of Carer Support Worker to manage volunteers (2.9 above) Set up Peer Support working party to work up priorities, and draft action plan	April 2018 June 2018	Carers Services Carers Services
4.6	Actively target Carers who are moving on from their caring role, to support them in transition, and into peer support or employment	Ensure process for people leaving Carers register Peer support working party to link to support to choose residential homes / bereavement / peer support	Sept 2018 October 2018	Carers Services Peer Support Working Party
4.7	Develop more Carer-led projects, including Carers running (rather than co-running) awareness training.	Continue Carer-led project in hospital Increase number of Carers trained in presentation skills from 6 to 12	Ongoing October 2018	Carers Services/ Trust Carers Services
4.8	Promote employment opportunities for Carers and former Carers as Carer Evaluators (CEs)	Maintain a pool of 15 Carer Evaluators, including Carers under 25. Develop pool of Parent CEs	Ongoing April 2019	Carers Services Carers Services
4.9	Minimum of two services a year to be evaluated and the results published.	Evaluate Intermediate Care, Transitions Determine Evaluations 19-20, 20-21	April 2019 Annual	Strategy Steering Group

## 5. Enhancement of support to the person being cared for.

	Priority	Target/Service Standard	Timescale	Responsible
5.1	Investigate adult replacement Care in Torbay/ Devon, and opportunities to develop market.	Investigate residential replacement care options, (including micro-provider model, Care BnB) and plan to develop these Review Short Break Voucher scheme for existing users	April 2019 Nov 2018	Council Commissioner Carers Service

5.2	As above	Negotiate with voluntary sector partner about pilot of 'sitting' or support services (links with 2.15 above)	Sept 2018	Carers Service
5.3	Adult Social Care to ensure Carers' needs met when assessing clients	Develop Zone-led action plan with targets, including packages of support to Carer/ to benefit Carer	Sept 2018	Carers Services and Adult Social Care
5.4	Encourage use of Direct Payment for both Carer and person for whom they care	Investigate whether enhanced use of DPs can avoid admission to or support discharge from hospital (Links with 2.13 and 5.2 above)	April 2019	Carers Services / Adult Social Care
5.5	Review existing replacement care for children, and opportunities to develop	Recommission Short Break Service. Investigate informal replacement care opportunities, Scope whether formal review is necessary / feasible	Oct 2018 March 2019 March 2019	Council Commissioner Parent Carer Working Party
5.6	Improve technological support for Carers and those for whom they care	Support the procurement of new Technology-enabled Care provider, and continue their engagement with Carers and Service Users	Ongoing	Carers Services and Technology Group
5.7	Improve Carers awareness and use of technological support.	Regular feature in Signposts magazine Develop Trust web-page re technology On-line Register Application complete. Promote usage Scope linking Application into Carers info provision	Ongoing Dec 2018 Sept 2018 Nov 2018	Carers Services Carers services Carers Services Carers Services
5.7	As Above	Improve Carers ability to access technology by linking with Healthwatch project. Promote in Signposts. Investigate buddying projects where IT literate Carers support others.	Ongoing  October 2018	Carers Services / Healthwatch Carers Services / Technology Group
5.8	Review / map Crisis Support available to Carers and the people for whom they care.	Map existing crisis support, and identify gaps / barriers Scope meeting those gaps, linking with existing providers (eg Samaritans)	October 2019  March 2020	Carers Services  Carers Services
5.9	Planning ahead – coordinated approach to planning ahead with and for the person being cared for. (links with 1.2, 1.3 and 2.3)	Promote within awareness training. WRAP (Wellness, Recovery Action Planning) and advance directives for Mental Health. Ensure Suite of information re Power of attorney, Advance Directives, Funeral planning Promote within and using relevant literature / videos	Ongoing Ongoing	Carers Services Carers Services / DPT

Performance Measures from the Adult Social Care Outcomes Framework (ASCOF), Better Care Fund (BCF) & Local Indicators

Version 2.6

-Outturns = 2017/2018 -Benchmarking = 2017/2018 -Targets = 2018/2019

Domain & KPI	Frame work / Source	2015/16 Outturn	2016/17 Outturn	2017/18 Outturn	2015/16 Target	2016/17 Target	2017/18 Target	2018/19 Target	2015/16 England Average	2016/17 England Average	2017/18 England Average	2015/16 SW Average	2016/17 SW Average	2017/18 SW Average	2015/16 CG Average	2016/17 CG Average	2017/18 CG Average	2015/16 Rank	2016/17 Rank	2017/18 Rank	2015/16 Quartile	2016/17 Quartile	2017/18 Quartile	2017/18 Performance Description	
Domain 1: Enhancing quality of life for people with care and support needs																									
ASC 1A: Social care-related quality of life	ASCOF ASCS Survey	19.7	19.9	19.4	19.2	19.4	19.7	19.7	19.1	19.1	19.1	19.3	19.2	19.3	19.4	19.4	19.3	11/150	4/151	45/150	Q4	Q4	Q3	Within agreed tolerance of target Worse than previous outturn Better than Eng ave Better than SW ave Better than CG ave Worse than previous ranking Moved from best to 2nd best quartile	
ASC 1B: The proportion of people who use services who have control over their daily life	ASCOF ASCS Survey	81.5%	82.7%	80.6%	79.0%	79.0%	81.5%	81.5%	76.6%	77.7%	77.7%	78.8%	79.8%	79.3%	79.0%	79.8%	79.0%	15/150	9/151	37/150	Q4	Q4	Q4	Within agreed tolerance of target Worse than previous outturn Better than Eng ave Better than SW ave Better than CG ave Worse than previous ranking Remain in top quartile	
ASC 1C part 1A: The proportion of people using social care who receive self-directed support (adults aged over 18 receiving self-directed support)	ASCOF SALT	93.6%	92.4%	93.5%	no tgt	90.0%	92.0%	94.0%	86.9%	89.4%	89.7%	81.1%	84.2%	89.6%	96.0%	91.9%	95.1%	64/152	87/152	88/151	Q3	Q2	Q2	Achieved target Better than previous outturn Better than Eng ave Better than SW ave Worse than CG ave Same as previous ranking Remain in 3rd best quartile	
ASC 1C part 1B: The proportion of people using social care who receive self-directed support (carers receiving self-directed support)	ASCOF SALT	83.4%	90.7%	84.3%	no tgt	83.0%	85.0%	85.0%	77.7%	83.1%	83.4%	55.4%	60.5%	63.3%	79.3%	78.1%	82.3%	112/150	104/150	116/150	Q2	Q2	Q1	Within agreed tolerance of target Worse than previous outturn Better than Eng ave Better than SW ave Better than CG ave Worse than previous ranking Moved from 3rd best to 4th best quartile	
ASC 1C part 2A: The proportion of people using social care who receive direct payments (adults receiving direct payments)	ASCOF SALT	26.7%	24.9%	26.7%	no tgt	26.0%	28.0%	28.0%	28.1%	28.3%	28.5%	28.5%	29.2%	29.9%	29.2%	27.4%	28.0%	78/152	89/152	84/151	Q2	Q2	Q2	Within agreed tolerance of target Better than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Better than previous ranking Remain in 3rd best quartile	
ASC 1C part 2B: The proportion of people using social care who receive direct payments (carers receiving direct payments for support direct to carer)	ASCOF SALT	83.4%	90.7%	84.3%	no tgt	83.0%	85.0%	85.0%	67.4%	74.3%	74.1%	44.4%	55.1%	52.7%	57.9%	64.6%	64.4%	90/150	78/150	93/150	Q2	Q2	Q2	Within agreed tolerance of target Worse than previous outturn Better than Eng ave Better than SW ave Better than CG ave Worse than previous ranking Remain in 3rd best quartile	
ASC 1D: Carer-reported quality of life	ASCOF SACE Survey	n/a	7.8	n/a	n/a	9.0	n/a	9.0	n/a	7.7	n/a	n/a	7.6	n/a	n/a	7.9	n/a	n/a	46/151	n/a	n/a	n/a	Q3	n/a	n/a biennial survey
ASC 1E: Proportion of adults with a learning disability in paid employment	ASCOF C-Corp SALT	3.9%	3.7%	3.8%	4.5%	4.0%	4.0%	6.4%	5.8%	5.7%	6.0%	7.0%	5.8%	5.9%	5.7%	6.4%	6.2%	98/152	103/152	103/151	Q2	Q2	Q2	Did not achieve target Better than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Same as previous ranking Remain in 3rd best quartile	
ASC 1F: Proportion of adults in contact with secondary mental health services in paid employment (commissioned outside ICO)	ASCOF MHSDS	3.1%	n/a	1.0%	7.1%	6.0%	6.0%	6.4%	6.7%	n/a	7.0%	9.4%	n/a	11.0%	n/a	n/a	7.2%	137/148	n/a	146/148	Q1	n/a	Q1	No 16/17 data for comparison Not achieving target Worse than Eng ave Worse than SW ave Worse than CG ave In 4th best quartile	

Appendix 4

Domain & KPI	Frame work / Source	2015/16 Outturn	2016/17 Outturn	2017/18 Outturn	2015/16 Target	2016/17 Target	2017/18 Target	2018/19 Target	2015/16 England Average	2016/17 England Average	2017/18 England Average	2015/16 SW Average	2016/17 SW Average	2017/18 SW Average	2015/16 CG Average	2016/17 CG Average	2017/18 CG Average	2015/16 Rank	2016/17 Rank	2017/18 Rank	2015/16 Quartile	2016/17 Quartile	2017/18 Quartile	2017/18 Performance Description
ASC 1G: Proportion of adults with a learning disability who live in their own home or with their family	ASCOF  SALT																	110/152	78/152	94/152	Q2	Q2	Q2	Achieved target Worse than previous outturn Worse than Eng ave Better than SW ave Worse than CG ave Worse than previous ranking Remain in 3rd best quartile
ASC 1H: Proportion of adults in contact with secondary mental health services who live independently, with or without support (commissioned outside ICO)	ASCOF C-Corp MHSDS																	88/152	n/a	104/152	Q2	n/a	Q2	No 16/17 data for comparison Not achieving target Worse than Eng ave Worse than SW ave Worse than CG ave In 3rd best quartile
ASC 1I part 1: Proportion of people who use services who reported that they had as much social contact as they would like	ASCOF  ASCS Survey																	29/150	4/151	108/150	Q4	Q4	Q2	Not achieving target Worse than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Worse than previous ranking Moved from best to 3rd best quartile
ASC 1I part 2: Proportion of carers who reported that they had as much social contact as they would like	ASCOF  SACE Survey																	n/a	75/151	n/a	n/a	Q3	n/a	n/a biennial survey
ASC 1J: Adjusted Social care-related quality of life – impact of Adult Social Care services	ASCOF  ASCS Survey																	n/a	71/151	92/150	n/a	Q3	Q2	Worse than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Worse than previous ranking Moved from 2nd best to 3rd best quartile
D40: % clients receiving an annual review	Local																	n/a	n/a	n/a	n/a	n/a	n/a	Worse than previous outturn
D40b: % clients receiving a review within 18 months	Local																	n/a	n/a	n/a	n/a	n/a	n/a	Not achieving target Worse than previous outturn
SC-007b: Number of OOA placements reviews overdue by more than 3 months (snap shot)	Local C-Corp																	n/a	n/a	n/a	n/a	n/a	n/a	Low value is better Achieved target Better than previous outturn
D39: % clients receiving a Statement of Needs	Local																	n/a	n/a	n/a	n/a	n/a	n/a	Not achieving target Worse than previous outturn
NI132: Timeliness of social care assessment	Local																	n/a	n/a	n/a	n/a	n/a	n/a	Achieved target Better than previous outturn
Domain 2: Delaying and reducing the need for care and support																								
ASC 2A p1: Permanent admissions to residential and nursing care homes, per 100,000 population. Part 1 - younger adults	ASCOF  SALT																	110/152	131/152	141/151	Q2	Q1	Q1	Low value is better Achieved target Worse than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Worse than previous ranking Remain in 4th best quartile
ASC 2A p2: Permanent admissions to residential and nursing care homes, per 100,000 population. Part 2 - older people	ASCOF / BCF  SALT																	37/152	42/152	36/152	Q4	Q3	Q4	Low value is better Achieved target Better than previous outturn Better than Eng ave Better than SW ave Better than CG ave Better than previous ranking Moved from 2nd best to best quartile
ASC 2B p1: Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services. Part 1 - effectiveness	ASCOF / BCF  SALT																	133/152	123/152	142/152	Q1	Q1	Q1	Worse than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Worse than previous ranking Remain in 4th best quartile

Domain & KPI	Frame work / Source	2015/16 Outturn	2016/17 Outturn	2017/18 Outturn	2015/16 Target	2016/17 Target	2017/18 Target	2018/19 Target	2015/16 England Average	2016/17 England Average	2017/18 England Average	2015/16 SW Average	2016/17 SW Average	2017/18 SW Average	2015/16 CG Average	2016/17 CG Average	2017/18 CG Average	2015/16 Rank	2016/17 Rank	2017/18 Rank	2015/16 Quartile	2016/17 Quartile	2017/18 Quartile	2017/18 Performance Description	
ASC 2B p2: Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services. Part 2 - coverage	ASCOF SALT	4.4%	4.3%	6.5%	no tgt	no tgt	5.0%	5.0%	2.9%	2.7%	2.9%	2.9%	2.7%	2.6%	3.4%	2.9%	3.2%	26/152	21/152	12/152	Q4	Q4	Q4	Achieved target Better than previous outturn Better than Eng ave Better than SW ave Better than CG ave Better than previous ranking Remain in best quartile	
ASC 2C p1: Delayed transfers of care from hospital per 100,000 population. Part 1 - total delayed transfers	ASCOF BCF UNIFY2	5.9	7.9	7.9	no tgt	no tgt	5.1	8.4 (TBC)	12.1	14.9	12.3	17.3	20.3	15.9	12.4	15.2	9.8	33/152	39/152	52/151	Q4	Q3	Q3	Low value is better Did not achieve target Same as previous outturn Better than Eng ave Better than SW ave Better than CG ave Worse than previous ranking Remain in 2nd best quartile	
ASC 2C p2: Delayed transfers of care from hospital per 100,000 population. Part 2 - attributable to social care	ASCOF C-Corp UNIFY2	n/a	n/a	1.9	n/a	n/a	no tgt	2.6 (TBC)	n/a	n/a	4.3	n/a	n/a	6.0	n/a	n/a	2.5	n/a	n/a	45/151	n/a	n/a	Q3	Low value is better No 16/17 data for comparison Better than Eng ave Better than SW ave Better than CG ave In 2nd best quartile	
ASC 2C p3: Delayed transfers of care from hospital per 100,000 population. Part 3 - jointly attributable to NHS and social care	ASCOF UNIFY2	n/a	n/a	0.5	n/a	n/a	no tgt	no tgt	n/a	n/a	0.9	n/a	n/a	1.0	n/a	n/a	0.8	n/a	n/a	73/151	n/a	n/a	Q2	Low value is better No 16/17 data for comparison Better than Eng ave Better than SW ave Better than CG ave In 3rd best quartile	
ASC 2D: The outcomes of short-term support % reablement episodes not followed by long term SC support	ASCOF SALT	81.8%	86.7%	85.1%	no tgt	85.0%	85.0%	83.0%	75.8%	77.8%	77.8%	82.9%	86.5%	84.6%	81.7%	79.5%	78.8%	43/152	33/152	45/152	Q3	Q4	Q3	Achieved target Worse than previous outturn Better than Eng ave Better than SW ave Better than CG ave Worse than previous ranking Moved from best to 2nd best quartile	
LI-404: No permanent care home placements at end of period	Local C-Corp	635	642	604	630	617	617	600	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Low value is better Within agreed target threshold Better than previous outturn	
LI-450: Proportion of clients supported in a care home at end of period	Local	21.3%	21.0%	20.4%	no tgt	no tgt	no tgt	no tgt	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Low value is better Better than previous outturn	
BCF-01: Non-elective hospital admissions (general and acute)	BCF	13,669	16,921	15,546	14,119	17,688	17,694	TBC	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Low value is better Achieved target Better than previous ranking	
LI-451: % of social care service users receiving 5 hours or less of dom care per week only	Local PJB C-Corp	n/a	n/a	10.4%	n/a	n/a	n/a	8.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Low value is better No 16/17 data for comparison	
% of people (65+) given reablement prior to a social care package of care	Local PJB	n/a	n/a	53.4%	n/a	n/a	n/a	70.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No 16/17 data for comparison	
LI-452: % Intermediate Care placements not resulting in short or long term placement	Local PJB	n/a	n/a	84.9%	n/a	n/a	n/a	75.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	No 16/17 data for comparison	
LI-453: Number of people discharged from hospital into permanent residential care (social care funded)	Local PJB	n/a	n/a	7	n/a	n/a	n/a	no tgt	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Low value is better No 16/17 data for comparison	
Domain 3: Ensuring that people have a positive experience of care and support																									
ASC 3A: Overall satisfaction of people who use services with their care and support	ASCOF ASCS Survey	67.9%	68.4%	69.2%	68.5%	68.0%	70.0%	70.0%	64.4%	64.7%	65.0%	66.3%	67.4%	67.3%	67.4%	66.6%	65.8%	30/150	33/151	29/150	Q4	Q4	Q4	Within agreed target threshold Better than previous outturn Better than Eng ave Better than SW ave Better than CG ave Better than previous ranking Remain in best quartile	
ASC 3B: Overall satisfaction of carers with social services	ASCOF SACE Survey	n/a	37.9%	n/a	n/a	46.4%	n/a	46.4%	n/a	39.0%	n/a	n/a	38.8%	n/a	n/a	41.0%	n/a	n/a	80/151	n/a	n/a	n/a	Q2	n/a	n/a biennial survey



Domain & KPI	Frame work / Source	2015/16 Outturn	2016/17 Outturn	2017/18 Outturn	2015/16 Target	2016/17 Target	2017/18 Target	2018/19 Target	2015/16 England Average	2016/17 England Average	2017/18 England Average	2015/16 SW Average	2016/17 SW Average	2017/18 SW Average	2015/16 CG Average	2016/17 CG Average	2017/18 CG Average	2015/16 Rank	2016/17 Rank	2017/18 Rank	2015/16 Quartile	2016/17 Quartile	2017/18 Quartile	2017/18 Performance Description
ASC 3C: The proportion of carers who report that they have been included or consulted in discussions about the person they care for	ASCOF SACE Survey	n/a	71.7%	n/a	n/a	75.7%	n/a	75.7%	n/a	70.6%	n/a	n/a	71.4%	n/a	n/a	73.5%	n/a	n/a	59/151	n/a	n/a	Q3	n/a	n/a biennial survey
ASC 3D part 1: The proportion of people who use services who find it easy to find information about services	ASCOF ASCS Survey	81.3%	77.3%	75.4%	77.3%	81.3%	85.0%	80.0%	73.5%	73.5%	73.3%	73.3%	74.7%	72.8%	76.1%	75.7%	77.3%	12/150	33/151	44/150	Q4	Q4	Q3	Did not achieve target Worse than previous outturn Better than Eng ave Better than SW ave Worse than CG ave Worse than previous ranking Moved from best to 2nd best quartile
ASC 3D part 2: The proportion of carers who find it easy to find information about services	ASCOF SACE Survey	n/a	73.6%	n/a	n/a	75.0%	n/a	75.0%	n/a	64.2%	n/a	n/a	66.5%	n/a	n/a	67.9%	n/a	n/a	12/151	n/a	n/a	Q4	n/a	n/a biennial survey
NI135: Carers receiving needs assessment, review, information, advice, etc.	Local C-Corp	43.3%	38.3%	42.2%	40.0%	40.0%	43.0%	36.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Within agreed target threshold Better than previous outturn
Domain 4: Safeguarding adults who circumstances make them vulnerable and protecting from avoidable harm																								
ASC 4A: The proportion of people who use services who feel safe	ASCOF ASCS Survey	72.3%	71.0%	70.6%	69.6%	72.3%	72.3%	72.3%	69.2%	70.1%	69.9%	69.6%	70.0%	70.3%	71.2%	71.2%	71.9%	32/150	63/151	72/150	Q4	Q3	Q3	Within agreed target threshold Worse than previous outturn Better than Eng ave Better than SW ave Worse than CG ave Worse than previous ranking Remain in 2nd best quartile
ASC 4B: The proportion of people who use services who say that those services have made them feel safe and secure	ASCOF ASCS Survey	85.2%	82.4%	83.9%	85.6%	85.2%	88.0%	85.0%	85.4%	86.4%	86.3%	87.1%	86.6%	86.7%	88.3%	87.9%	88.5%	80/150	111/151	106/150	Q2	Q2	Q2	Within agreed target threshold Better than previous outturn Worse than Eng ave Worse than SW ave Worse than CG ave Better than previous ranking Remain in 2nd best quartile
QL-018: Proportion of high risk Adult Safeguarding Concerns where immediate action was taken to safeguard the individual	Local	n/a	100%	100%	n/a	100%	100%	100%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Achieved target Same as previous outturn
TCT14b: % repeat safeguarding referrals in last 12 months	Local C-Corp	4.9%	7.0%	7.1%	7.0%	8.0%	8.0%	8.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Low value is better Achieved target Same as previous outturn

#### Notes:

- Rank: 1 is best rank
- Quartile: Q4 is best quartile
- CG Average = Comparator Group Average (calculated from average of outturns)
- RAG rating is against ASA target. Green = on target or within agreed tolerance
- Differences in survey KPIs are not always statistically significant due to survey margin of error

# **Care Act Eligibility for Adults with Care and Support Needs and their Carers in Torbay**

**Ref No: 2303 Version 1**  
**Date: 25 May 2018**

**Partners in Care**

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#### Document Information

Date of Issue:	25 May 2018	Next Review Date:	25 May 2021
Version:	1	Last Review Date:	
Author:	Principal Social Work (SW Education Lead)		
Owner:	Principal Social Work (SW Education Lead)		
Directorate:	Community		
Approval Route			
Approved By:		Date Approved:	
Care and Clinical Policies Group		16 April 2018	
Links or overlaps with other policies:			
The Trust is committed to preventing discrimination, valuing diversity and achieving equality of opportunity. No person (staff, patient or public) will receive less favourable treatment on the grounds of the nine protected characteristics (as governed by the Equality Act 2010): Sexual Orientation; Gender; Age; Gender Reassignment; Pregnancy and Maternity; Disability; Religion or Belief; Race; Marriage and Civil Partnership. In addition to these nine, the Trust will not discriminate on the grounds of domestic circumstances, social-economic status, political affiliation or trade union membership.			
The Trust is committed to ensuring all services, policies, projects and strategies undergo equality analysis. For more information about equality analysis and Equality Impact Assessments please refer to the <a href="#">Equality and Diversity Policy</a> .			

#### Amendment History

Issue	Status	Date	Reason for Change	Authorised
1	Ratified	25 May 2018	New	Care and Clinical Policies Group

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## Introduction

This policy has been developed to set out the social care assessment practice in the context of *Getting it right for every adult, their family and their carers*.

Torbay & South Devon NHS Foundation Trust ("the Trust") Adult Social Care is changing the way it works to develop a 'new approach' and in line with Torbay Council's strategy, it has been re-shaping its model of care (post Care Act 2014) to utilise a more strengths based approach. This means working together with people to find out what they want to achieve and the best way to do this, supporting people to use their strengths and those of their family, friends and community. The aim is to enable people to achieve their goals, reach their full potential and reduce reliance upon traditional services where there are existing community resources that can meet the assessed need.

This change in the way we work is essential to help us get better at supporting people to achieve:

- Choice
- Independence
- Being in control of their lives
- Having fulfilling lives – family, friends, work, leisure
- Promoting their strengths, to be the best they can be

The Care Act 2014 sets out the individual aspects of wellbeing or outcomes and places a duty on local authorities to promote wellbeing when carrying out any of their care and support functions. They must

- use the national eligibility criteria to determine your eligible needs
- focus on the best outcomes for you

Furthermore, the Care Act 2014 states that the eligibility threshold is based on identifying how a person's needs affect their ability to achieve relevant outcomes, and how this impacts on their wellbeing. This relates both to adults who may need care and support and their carers.

Wellbeing is a broad concept, and it is described as relating to the following areas:

- § personal dignity (including treatment of the individual with respect);
- § physical and mental health and emotional wellbeing;
- § protection from abuse and neglect;
- § control by the individual over day-to-day life (including over care and support that is provided and the way it is provided);
- § social and economic wellbeing;
- § domestic, family and personal wellbeing;
- § participation in work, education, training or recreation;
- § suitability of living accommodation;
- § the individual's contribution to society.

## Legal Framework

The national eligibility threshold for adults with care and support needs and their carers is set out in the Care Act 2014 and the Care and Support (Eligibility Criteria) Regulations 2014 (“the Eligibility Regulations”).

## Scope of policy

This policy applies to our approach to care and support involving adults, who are ordinarily resident in Torbay, and are over the age of 18 to include those that are eligible for care and support under the Care Act 2014. It also applies to young people supported by Children’s Services when planning for their transition to adult care.

In deciding whether the early provision of information, advice or preventative services would delay a person from developing needs which then go on to meet the eligibility criteria or whether longer term care and support might be needed, we will work alongside the person needing care or with their carer and family where appropriate, to think more broadly about what support might be available in the local community or through support networks to meet the needs of the individual and support the outcomes they want to achieve.

## Principles of the policy

In Torbay we are changing the conversation to empower people and become more creative in the way we meet their needs and will ensure that all needs are considered, including those currently being met informally whilst working with the adult, carer and their family to identify what matters to them and how best this can be met.

We will not just focus on need and will consider what people can do for themselves as well as what services can do for them. We will prepare for an assessment by having a number of conversations:

**Conversation 1:** “How can we connect you to the things that will help you get on with your life?”

§ What would you like to achieve?

**Conversation 2:** “What do we need to do to ensure you are safe and have control over things that are important to you?”

§ What are your concerns and risks to your independence?

§ What has already been tried to help you with your independence

**Conversation 3:** “How can we help you use your resources to support yourself?”

§ What is your current support networks including family friends and the community?

§ Who or what else do you think might help you to regain and/maintain independence?

These conversations could be initially over the phone, or in a place convenient to you.

## How we will work with you

Torbay Council and Torbay and South Devon NHS Foundation Trust have a responsibility to fund or commission agencies that reduce or delay the risk of people needing care and support, provide information and advice as well as a duty to ensure that all eligible care and support needs are appropriately met. This will involve considering a range of factors including:

- § Understanding what each person's goals are and what they need in order to achieve them.
- § Action available to each person to reduce the need for assistance (self-help).
- § Access to and the availability of universal services and community resources such as funded voluntary sector services, housing related support and community groups (considering what is available that could prevent, meet or reduce the needs that are not eligible).
- § The contribution willingly made by family carers and informal support.
- § The contribution of Reablement and Intermediate Care Services (reducing or removing the need for long-term care and support).

The purpose is to ensure the advice, information and provision of adequate support (as outlined above) meets the eligible social care and support needs and achieves the desired and agreed outcomes at best value for money.

Once we have discussed what solutions are best for you we will help you to make plans to achieve your goals, we may signpost you to other services which are not commissioned and provided by us. If those solutions do not work we will then undertake a formal assessment against the national eligibility criteria. The national eligibility threshold is based on identifying how a person's needs affect their ability to achieve relevant outcomes, and how this impacts on their wellbeing.

The Eligibility Regulations list ten outcomes that should be considered when determining a person's eligibility for care and support. They cover broad life areas where people might experience difficulty in achieving the personal outcomes they want.

The ten specified outcomes are:

1. managing and maintaining nutrition;
2. maintaining personal hygiene;
3. managing toilet needs;
4. being appropriately clothed;
5. being able to make use of the adult's home safely;
6. maintaining a habitable home environment;
7. developing and maintaining family or other personal relationships;
8. accessing and engaging in work, training, education or volunteering;
9. making use of necessary facilities or services in the local community including public transport, and recreational facilities or services; and
10. carrying out any caring responsibilities the adult has for a child.

You will have eligible needs if you meet all of the following criteria (as set out in the Eligibility Regulations):

- § You have care and support needs as a result of a physical or mental impairment or illness.
- § Because of those needs, you cannot achieve two or more [specified outcomes](#)
- § As a result, there is or is likely to be a significant impact on your wellbeing

The outcomes include dressing and other activities of daily living, maintaining personal relationships, and working or undertaking education or training.

What we will do differently is that we will use our specialist skills in different ways to visualise situations from the conversations with you to help signpost and resolve issues in the most timely and effective way. In the first instance we will consider whether there are existing resources in the community that can meet your eligible needs/that we can agree to try.

It may also be that you do not need support permanently, rather a short term offer of help whilst you recover. We will always focus our support on getting you better so you don't need long term support.

### **Fluctuating needs**

Adults with fluctuating needs may have needs which are not apparent prior to or at the time of the assessment, but may have arisen in the past and are likely to arise again in the future. Therefore, in discussing solutions we will consider the individual needs over an appropriate period of time to ensure that all of the needs have been accounted for when eligibility is being determined. Where fluctuating needs are apparent, this will also be factored into assessment and the care plan, detailing the steps we will take.

### **Needs not covered by Adult Social Care**

Assessments and reviews may identify non-eligible needs that other agencies are responsible for meeting, including housing and health services. These include:

- § NHS responsibilities for meeting Continuing Health Care needs
- § Nursing care as set out in Section 49 of the Health and Social Care Act 2001
- § Intermediate healthcare
- § Supporting People
- § Disabled Facilities Grants (Grants are funded externally unless the individual's needs exceed a maximum funding threshold. IF the eligible needs assessed under the Care Act (2014) are in excess of this threshold, funding can be reviewed via adult social care)

Torbay and South Devon NHS Foundation Trust is able to commission and or provide a range of rehabilitation, prevention, reablement and treatment services from other agencies that are not subject to the current national eligibility criteria.

If you have savings that exceed the national threshold we are unlikely to be able to help you pay for support, but will assess you and offer advice. (This financial limit does not apply if we agree aids or equipment could help you).



**Other legal duties**

Our assessment of your eligibility will also pay due regard to our legal duties under the following Acts:

- Mental Health Act 1983
- Mental Capacity Act (Deprivation of Liberty Safeguards) 2005
- *(And any other relevant statutory duties that may come into force)*

**References and related information**

- Care Act 2014
- Department of Health Care and Support (Eligibility Criteria) Regulations 2015
- SCIE Eligibility Quick Guide

**Complaints**

To undertake a complaint there is information on the Trust's internet page with a useful flow diagram on the link below;

<https://icon.torbayandsouthdevon.nhs.uk/areas/complaints/Documents/complaints-flow-chart.pdf>

## The Mental Capacity Act 2005

The Mental Capacity Act provides a statutory framework for people who lack capacity to make decisions for themselves, or who have capacity and want to make preparations for a time when they lack capacity in the future. It sets out who can take decisions, in which situations, and how they should go about this. It covers a wide range of decision making from health and welfare decisions to finance and property decisions

Enshrined in the Mental Capacity Act is the principle that people must be assumed to have capacity unless it is established that they do not. This is an important aspect of law that all health and social care practitioners must implement when proposing to undertake any act in connection with care and treatment that requires consent. In circumstances where there is an element of doubt about a person's ability to make a decision due to 'an impairment of or disturbance in the functioning of the mind or brain' the practitioner must implement the Mental Capacity Act.

The legal framework provided by the Mental Capacity Act 2005 is supported by a Code of Practice, which provides guidance and information about how the Act works in practice. The Code of Practice has statutory force which means that health and social care practitioners have a legal duty to have regard to it when working with or caring for adults who may lack capacity to make decisions for themselves.

**"The Act is intended to assist and support people who may lack capacity and to discourage anyone who is involved in caring for someone who lacks capacity from being overly restrictive or controlling. It aims to balance an individual's right to make decisions for themselves with their right to be protected from harm if they lack the capacity to make decisions to protect themselves". (3)**

All Trust workers can access the Code of Practice, Mental Capacity Act 2005 Policy, Mental Capacity Act 2005 Practice Guidance, information booklets and all assessment, checklists and Independent Mental Capacity Advocate referral forms on iCare

[http://icare/Operations/mental\\_capacity\\_act/Pages/default.aspx](http://icare/Operations/mental_capacity_act/Pages/default.aspx)

## Infection Control

All staff will have access to Infection Control Policies and comply with the standards within them in the work place. All staff will attend Infection Control Training annually as part of their mandatory training programme.

### Rapid (E)quality Impact Assessment (EqIA) (for use when writing policies)

<b>Policy Title (and number)</b>		<b>Version and Date</b>	
<b>Policy Author</b>			
An (e)quality impact assessment is a process designed to ensure that policies do not discriminate or disadvantage people whilst advancing equality. Consider the nature and extent of the impact, not the number of people affected.			
<b>Who may be affected by this document?</b>			
Patients/ Service Users <input type="checkbox"/> Staff <input type="checkbox"/> Other, please state... <input type="checkbox"/>			
<b>Could the policy treat people from protected groups less favorably than the general population?</b>			
<i>PLEASE NOTE: Any 'Yes' answers may trigger a full EIA and must be referred to the equality leads below</i>			
Age	Yes <input type="checkbox"/> No <input type="checkbox"/>	Gender Reassignment	Yes <input type="checkbox"/> No <input type="checkbox"/>
Race	Yes <input type="checkbox"/> No <input type="checkbox"/>	Disability	Yes <input type="checkbox"/> No <input type="checkbox"/>
Gender	Yes <input type="checkbox"/> No <input type="checkbox"/>	Pregnancy/Maternity	Yes <input type="checkbox"/> No <input type="checkbox"/>
Sexual Orientation			Yes <input type="checkbox"/> No <input type="checkbox"/>
Religion/Belief (non)			Yes <input type="checkbox"/> No <input type="checkbox"/>
Marriage/ Civil Partnership			Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Is it likely that the policy could affect particular 'Inclusion Health' groups less favourably than the general population?</b> (substance misuse; teenage mums; carers <sup>1</sup> ; travellers <sup>2</sup> ; homeless <sup>3</sup> ; convictions; social isolation <sup>4</sup> ; refugees)			Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Please provide details for each protected group where you have indicated 'Yes'.</b>			
<b>VISION AND VALUES:</b> Policies must aim to remove unintentional barriers and promote inclusion			
Is inclusive language <sup>5</sup> used throughout?			Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Are the services outlined in the policy fully accessible <sup>6</sup> ?			Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Does the policy encourage individualised and person-centred care?			Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Could there be an adverse impact on an individual's independence or autonomy <sup>7</sup> ?			Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
<b>EXTERNAL FACTORS</b>			
<b>Is the policy a result of national legislation which cannot be modified in any way?</b>			Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>What is the reason for writing this policy?</b> (Is it a result in a change of legislation/ national research?)			
<b>Who was consulted when drafting this policy?</b>			
Patients/ Service Users <input type="checkbox"/>	Trade Unions <input type="checkbox"/>	Protected Groups (including Trust Equality Groups) <input type="checkbox"/>	
Staff <input type="checkbox"/>	General Public <input type="checkbox"/>	Other, please state... <input type="checkbox"/>	
<b>What were the recommendations/suggestions?</b>			
<b>Does this document require a service redesign or substantial amendments to an existing process?</b> <i>PLEASE NOTE: 'Yes' may trigger a full EIA, please refer to the equality leads below</i>			Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>ACTION PLAN:</b> Please list all actions identified to address any impacts			
<b>Action</b>	<b>Person responsible</b>	<b>Completion date</b>	
<b>AUTHORISATION:</b>			
By signing below, I confirm that the named person responsible above is aware of the actions assigned to them			
<b>Name of person completing the form</b>		<b>Signature</b>	
<b>Validated by (line manager)</b>		<b>Signature</b>	

**Please contact the Equalities team for guidance:**

For South Devon & Torbay CCG, please call 01803 652476 or email [marisa.cockfield@nhs.net](mailto:marisa.cockfield@nhs.net)

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For Torbay and South Devon NHS Trusts, please call 01803 656676 or email [pfd.sdhct@nhs.net](mailto:pfd.sdhct@nhs.net)

**This form should be published with the policy and a signed copy sent to your relevant organisation.**

<sup>1</sup> Consider any additional needs of carers/ parents/ advocates etc, in addition to the service user

<sup>2</sup> Travelers may not be registered with a GP - consider how they may access/ be aware of services available to them

<sup>3</sup> Consider any provisions for those with no fixed abode, particularly relating to impact on discharge

<sup>4</sup> Consider how someone will be aware of (or access) a service if socially or geographically isolated

<sup>5</sup> Language must be relevant and appropriate, for example referring to partners, not husbands or wives

<sup>6</sup> Consider both physical access to services and how information/ communication is available in an accessible format

<sup>7</sup> Example: a telephone-based service may discriminate against people who are d/Deaf. Whilst someone may be able to act on their behalf, this does not promote independence or autonomy

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## Clinical and Non-Clinical Policies – New Data Protection Regulation (NDPR)

Torbay and South Devon NHS Foundation Trust (TSDFT) has a commitment to ensure that all policies and procedures developed act in accordance with all relevant data protection regulations and guidance. This policy has been designed with the EU New Data Protection Regulation (NDPR) in mind and therefore provides the reader with assurance of effective information governance practice.

NDPR intends to strengthen and unify data protection for all persons; consequently, the rights of individuals have changed. It is assured that these rights have been considered throughout the development of this policy.

Furthermore, NDPR requires that the Trust is open and transparent with its personal identifiable processing activities and this has a considerable effect on the way TSDFT holds, uses, and shares personal identifiable data. The most effective way of being open is through data mapping. Data mapping for NDPR was initially undertaken in November 2017 and must be completed on a triannual (every 3 years) basis to maintain compliance. This policy supports the data mapping requirement of the NDPR.

For more information:

- Contact the Data Access and Disclosure Office on [dataprotection.tsdf@nhs.net](mailto:dataprotection.tsdf@nhs.net),
- See TSDFT's [Data Protection & Access Policy](#),
- Visit our [GDPR](#) page on ICON.

Project Name	Approved
Kinetics Sport Group (Child Holiday Placements)	Approved
Supporting effective reablement and admission avoidance through TEC	Approved - With conditions
Mental Health Prevention CVS Resilience through social work (Social Work Team Manager -DPT)	Approved - With conditions
Redirection of MSB Monies	Approved
Leadership in Care Homes	In Principle allocation
Replacement Care	In Principle allocation
Development Unit	Approved
LW@H	Approved - With conditions
Residential and Nursing Care Homes Market Shaping	Approved
Young People 16-24 Enhanced Outreach Service	Approved
Extra Care Housing and Capital Investment	Approved - With conditions
Crisis Café	Approved
Recovery College Plus Torbay	Approved
Learning Disability and Independent Living	Approved
Wellbeing Co-ordinators	Approved
Procurement Support	In Principle allocation
Karing Community Transport	Approved
Strengthening Transition to Adulthood	Approved
Community Led Support Programme - NDTi	Approved - With conditions
Renrows Content	Approved
Social Care Enhancing Quality in Dom Care	Approved
Wellbeing Co-ordinator IT Hardware	Approved
Dementia EOL Wellbeing Co-ordinators (WAITING AMENDED FORM)	Approved
Focusing on Plus Size Patients	Approved
Voluntary Sector Strategy	Approved
Community Catalysts	Approved
Postural Stability Strength and Balance	Approved
Brixham Does Care	Approved
Healthwatch Torbay (Quality Checkers)	Approved
IAG (Information Advice and Guidance Strategy for Torbay)	Approved - With conditions
ASC and Housing Media Com Post	Approved

Record of Decision

**Strategic Agreement between Torbay and South Devon NHS Foundation Trust and  
Torbay Council/South Devon and Torbay Clinical Commissioning Group**

**Decision Taker**

The Elected Mayor, Mayor Oliver

**Decision**

That Council be recommended to approve the Annual Strategic Agreement between Torbay Council, South Devon and Torbay Clinical Commissioning Group and Torbay and South Devon NHS Foundation Trust, as set out in Appendix 1 to the submitted report.

**Reason for the Decision**

To ensure that the current agreement which covers the period to March 2020 remains up to date.

**Implementation**

This is a recommendation to Council.

**Information**

The Policy Development and Decision Group considered the a report setting out the Annual Strategic Agreement which sets out the way in which Torbay Council and South Devon and Torbay Clinical Commissioning Group would commission services from Torbay and South Devon NHS Foundation Trust. The Group noted that the present agreement covered the period to March 2020 and Appendix 1 to the submitted report provided the annual update to that agreement.

**Alternative Options considered and rejected at the time of the decision**

None

**Is this a Key Decision?**

Yes – Reference Number: I044277

**Does the call-in procedure apply?**

No

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

None

**Published**

11 February 2019

Signed:

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The Elected Mayor of Torbay

Date: 11 February 2019