

Budget 2025/26 – Summary Financial Sustainability Plans

As part of Torbay Council's medium term financial planning and budget setting a more strategic approach has been taken focusing on key areas of budget spend and risk across the Council, many of which have identified as budget pressures as part of regular budget monitoring.

Financial Sustainability Plans have been prepared for these areas, focusing upon actions that can make the biggest difference to the Council, both in terms of outcomes and financial savings. The Plans underpin the 2025/26 revenue budget and provide the basis for continued management of these pressure through 2026/27 and 2027/28.

There is an expectation that these plans will manage emerging pressures within the corresponding budgets, with definitive savings targets and budget reductions actioned only if/when they are achievable and can be evidenced.

The Financial Sustainability Plans that we will be focussing on throughout 2025/26 are:

- Locality Model for children and young people
- Children's social care placements
- Home to school transport
- Housing needs
- Legal Services

Summaries of the above current Financial Sustainability Plans are shown in the table at the end of this document.

Adult Social Care is recognised as an area of significant spend and risk, but a Financial Sustainability Plan has not been prepared for this area in the same way as those above. This is part of a separate and joint transformation programme with health partners, supported by our transportation partners, focusing on a strength based and person/outcomes centred approach that helps people maintain their independence for longer. Although not purely financially driven, there is a clear need, and expectation, to reduce costs over the medium term in order to bring spend more in line with the funding available within the integrated care model of Adult Social Care delivery.

A Financial Sustainability Plan was in place during 2024/2025 on the optimisation of Council assets. Work has been completed during the year to better understand our ownership, condition and current costs and income from the Council's entire estate holding. A separate paper will be presented in 2025 to consider the disposal of a number of non-income generating assets with the objective of reinvesting the proceeds into maintained assets to improve overall condition and reduce identified backlog maintenance.

The three other Financial Sustainability Plans identified in 2024/2025 were:

- Livestreaming of Council meetings;
- The management and facilitation of events within the Bay;
- Further potential to expand the commercial activity of SWISCo.

These have now either been delivered or incorporated into 'business as usual' within their respective service areas.

A new Financial Sustainability Plan will be developed in advance of setting the final budget for 2025/26 to review the Council's support to, and long-term sustainability of, the cultural assets of Torre Abbey, Cockington Court and Torbay Coast and Countryside Trust.

Financial Sustainability Plan (Responsible Officer/Cabinet Member)	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact
<p><u>Locality Model for children and young people</u> (Nancy Meehan, Director of Children’s Services/Cllr Nick Bye, Cabinet Member for Children’s Services)</p> <p>Following a full Needs Analysis and Review of the Special Educational Needs and/or Disabilities (SEND) provision within Torbay, alongside the increasing demand for specialist education support, consultation is underway on the proposed implementation of a locality model across the area.</p>	<p>This is designed to bring services together to support the children and young people of Torbay in their local community. This will help children and young people to thrive at school, be valued, visible, and supported to feel that they are included in their local communities, and are better prepared for a happy, healthy, and productive adulthood.</p> <p>Along with other benefits, the proposed model will be Needs Led; providing support or specialist provision without an EHCP or medical diagnosis. There will be localised decisions by local stakeholders about how children and young people’s needs can be best met.</p> <p>This will reduce the delays that families are experiencing in receiving the support that their children need to thrive and will allow the support to be received more rapidly and in their own communities.</p> <p>The proposed model aims to repair the current fragmentation within the education and SEND system to bring all stakeholders within communities together in Clusters. The aim is to bring about the required improvements for children, young people and their families.</p> <p>The model will make better and more effective use of the money available and therefore develop a more financially sustainable school system.</p>	<p>The consultation is due to close in early December and there is a risk that there is not wide support for the proposal.</p> <p>Whilst the proposed model covers children and young people of statutory school age (5-18) there are associated risks at both pre 5 and post-18. We need to ensure that by starting this model at age 5 that a cohort of children with speech, language and communication needs are not excluded from being 'school ready', meaning they may enter their primary school with unmet need. There's a risk that much of the work of the Family Hubs (focusing on age 0-2) may be 'undone' by not having enhanced provision aged 3-5 and this being an age gap which falls between two systems.</p> <p>We need to ensure that there are processes in place for the continuation of placements post-16 to avoid the potential for young people becoming NEET – not in employment, education or training. The cost of bespoke provision at South Devon College is significant within the High Needs Block. Both of these risks are being mitigated through reviewing post-16 provision within specialist schools.</p> <p>There is also a risk that there will be a change in demand for provision for different need types. This will be mitigated through a review of funding arrangement for need types and placements.</p>	<p>Organising schools in geographical and phase clusters will reduce the need for children and young people to travel beyond their local communities. This will reduce the demand for home to school transport.</p>	<p>The proposal is aimed at supporting children and young people so that they are better prepared for a happy, healthy and productive adulthood. We want to ensure as few young people as possible are not in education, employment and training once they reach 16.</p>	<p>The proposal will positively impact those aged between 5 and 18 and those who are carers, children and young people with a disability.</p> <p>A Equality Impact Assessment has been prepared as part of the consultation on the proposed Locality Model and can be found on Torbay Council’s website: Locality Model for Special Educational Needs Appendix.pdf</p> <p>The Equality Impact Assessment will be updated with the results of the consultation and will be considered when decisions are made.</p>
<p><u>Children’s Social Care Placements</u> (Nancy Meehan, Director of Children’s Services/Cllr Nick Bye, Cabinet Member for Children’s Services)</p> <p>The cost of placing children in care, including Unaccompanied Asylum-Seeking Children, continues to be a significant pressure within Children’s Services – both with Torbay and nationally.</p> <p>Despite the overall numbers of cared for children being lower than previous years, significant shortages of suitable available placements are driving up costs within the market. The legislation on unregulated placements changed in September 2022</p>	<p>We want to see more children maintained within a family-based environment, including implementing robust and safe reunification models and early permanence through adoption.</p> <p>We are seeking appropriate accommodation for our children and young people (including those who are care experienced) which meets their needs, including working to increase the number of foster carers in Torbay.</p> <p>We are also continuing to focus on early help, prevention and the development of a sustainable Family Hub model to help</p>	<p>There remains a high financial risk to the Council as the Children’s Services budget has been impacted by national changes and the significant increase in cost for residential and unregulated/unregistered placements.</p>	<p>There will be no differential environmental impact.</p>	<p>Through having high aspirations for all of our children and young people, including those who have cared experienced, there will be a positive economic impact across Torbay</p>	<p>We would seek to see a positive impact on young people who are enabled to be maintained in family based placements wherever possible.</p> <p>Further details are included within the overarching Equality Impact Assessment for the Revenue Budget 2025/2026.</p>

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<p>and continues to result in further pressure on this budget.</p> <p>The lack of fostering placements is putting pressure on the placements budget as we are aware there is a national reduction of 9.7% of fostering households.</p>	<p>reduce the number of children who become cared for.</p> <p>Further, there are plans to review the targeted support in relation to learning disability placements and associated joint work with health partners.</p>				
<p>Home to school transport (Nancy Meehan, Director of Children’s Services/Cllr Nick Bye, Cabinet Member for Children’s Services)</p> <p>The Home to School Transport budget has increased by 104% from a budget of circa £2.14m in 2018/19 to £4.34m in 2023/24, whereas during this period the number of children in receipt of Home to School Transport has decreased from 711 to 642</p> <p>A thorough review of provision is being undertaken and key areas for improvement have been identified, including:</p> <ul style="list-style-type: none"> • An increase transport options, including use of minibuses, less use of single occupancy taxis and the promotion of independent travel. • Route planning and route optimisation • More robust check and control over contracts and payments • More collaboration and integration with other children and young people teams • Redesign of the service as part of the “one Children’s Service” vision. 	<p>We will review and consider the appropriate alternatives to home to school transport for children and young people, including directing parents to free bus transport, the purchase of bikes or direct payments to families and/or children and young people who are eligible.</p> <p>We will support children to travel independently where this aligns to their needs. This will have a positive impact on children and young people with Special Educational Needs and/or Disabilities - promoting independence and life skills.</p> <p>We will consider whether there is a business case for an in-house fleet for some schools and routes. Route planning and route optimisation will be used to, where possible, amalgamate routes and the use of escorts.</p> <p>Robust oversight and governance will ensure decisions are taken in a consistent, transparent manner.</p>	<p>Without delivery of this Financial Sustainability Plan there remains a risk to the Council’s overall budget if the overspend on the home to school transport budget continues. The Council needs to be able to reasonably estimate and agree the budget for home to school transport. This is a statutory service and the Council needs to identify the means to ensure that the service is sustainable.</p>	<p>Promoting independent travel, have less single occupancy taxis and route planning and optimisation should reduce the level of carbon emissions associated with home to school transport.</p>	<p>Ensuring our children and young people have the skills, support and confidence to travel independently will have a positive economic impact across Torbay</p>	<p>We would seek to see a positive impact on children and young people with Special Educational Needs and/or Disabilities being provided with training and support to promote independence and life skills.</p> <p>Further details are included within the overarching Equality Impact Assessment for the Revenue Budget 2025/2026.</p>
<p>Housing Needs (Joanna Williams, Director of Adult and Community Services/Cllr Alan Tyerman, Cabinet Member for Housing and Finance)</p> <p>The current level of the cost of living and the increasing cost of accommodation costs means that the affordability of housing for residents in Torbay is challenging. Numbers accessing the Housing Needs service and the unit cost of accommodation have increased resulting in a rise in expenditure</p>	<p>We want to see a reduction in homelessness and improved outcomes for households.</p> <p>We will work to identify alternative accommodation models which are more cost effective and have better outcomes, including preventing re-occurrence of homelessness. We will consider the provision of specialist accommodation where the market will not meet the needs of our community.</p>	<p>There are risks associated with the capacity of officers within the Council to develop business cases and, if approved, to acquire property.</p> <p>There is also a risk that there is no increase in the level of subsidy received by the Council in relation to homelessness.</p>	<p>There will be no differential environmental impact.</p>	<p>Supporting individuals, and families, to remain in stable, sustainable housing provision will have a positive economic impact.</p>	<p>All individuals, and families, will continue to be assessed based on their identified needs without prejudice.</p>

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<p>related to prevention activity and the provision of temporary accommodation.</p> <p>Nationally Torbay is an outlier for people losing their home through loss of a private tenancy. Those approaching the service also have higher support needs at almost double the England average. These two reasons alone impact on the requirement of the service and system to mitigate expenditure and improve outcomes for households.</p> <p>Due to the complex nature a series of strategic and operational interventions are being implemented with the following focus:</p> <ul style="list-style-type: none"> • Prevention of homelessness • Length of stay in temporary accommodation. • Cost effectiveness of temporary accommodation. • Improved access to permanent homes. 	<p>We will ensure the effective use of alternative funding streams to support service delivery and provision.</p>				
<p>Legal Services (Matthew Fairclough-Kay, Director of Corporate Services/Cllr Jacqueline Thomas, Cabinet Member for Tourism, Culture and Events, and Corporate Services)</p> <p>Legal Services deliver a professional support function, therefore its non-staff cost base is low with little scope for efficiencies. Moreover, some areas of budget provision are very modest, and consideration needs be given to adequately resource a professional service.</p> <p>The pressures experienced by the department over time have resulted in reliance on (i) locum staff and (ii) the requirement to outsource work to the private sector. This is due to insufficient capacity or specialism within the established staff structure and linked to the challenges in recruitment over a long period of time.</p> <p>This has impacted on both the Legal Services budget (locums) and client department spend, where project codes are identified to pay for external legal advice and representation.</p>	<p>We are seeking to recruit to Legal Services alongside an agreed remuneration increase to better compete with the market and allied other elements in our offer to make the posts attractive and competitive. Further successful staff recruitment is intended to deliver value for money, by enabling a further reduction in locum spend.</p> <p>Alternative delivery methods such as shared services or shared commissioning has been explored but proven difficult to achieve, as neighbouring and wider authorities are themselves working at capacity.</p>	<p>There is a risk that increased costs from market supplements might not result in successful recruitment.</p> <p>Further, demand for legal support is likely to continue to rise in excess of capacity available.</p>	<p>There will be no differential environmental impact.</p>	<p>There will be no differential economic impact although action will ensure that Value for Money is delivered by the service.</p>	<p>There will be no differential equality impact.</p>

