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Torbay Economic Development Company

Draft Business Plan

2011 - 2012



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EXECUTIVE SUMMARY

The Directors and Executive of the Torbay Economic Development Company Limited (TEDC) are pleased to present their business plan covering the period from summer 2011 to March 2012.

Torbay Council has established and commissioned the Torbay Economic Development Company to promote the physical and economic development of Torbay and deliver the benefits to the local community. This business plan is focused on the mission of achieving economic prosperity for Torbay, with the TEDC charged with delivering employment and regeneration through inward investment, physical regeneration, business support, improved asset management services which in turn generate improved public finances.

This Business Plan addresses Torbay Council's objectives, more fully articulated in Torbay's Economic Strategy, and summarises the high level challenges that the TEDC will respond to over the coming year, and outlines probable challenges to be faced in the medium term.

It sets out the Key Performance Indicators that Torbay Council has asked the TEDC to report against and the indicators that the TEDC will use to monitor our own performance. (Workplans contained in the Appendices set out the on-going and future activities that the TEDC will be engaged in.)

Torbay's economy remains extremely weak and the activities of the TEDC alone are unlikely to lead to a significant or immediate improvement in economic performance. However, the TEDC can be very effective in bringing about change, improving skills and influencing others.

For the coming year the key challenges relate to the identification of employment related programmes to reflect Torbay Council's emphasis on job creation, and adjusting to the impact of a significant reduction in public and private sector funding, whilst continuing to deliver a varied and demanding asset management and capital works programme.

As well as managing these challenges, the TEDC needs to harness the opportunities presented by the changing economic environment and new initiatives such as the Local Economic Partnership. The TEDC must lobby national opinion formers to make the right decisions about the Bay that could affect our future prosperity, such as the establishment of Enterprise Zones and the South Devon Link Road.

Historically the TEDC has achieved for Torbay:

- In excess of £30 million of external funding received for delivery of economic development projects, plus funds for other projects such as the restoration of Torre Abbey
- Safeguarded over 500 jobs
- Created over 150 jobs through the Innovation Centre project generating over £4.5 million in value added for the Torbay economy
- Assisted over 200 businesses
- Delivered an improved asset base for Torbay Council
- Delivered a substantial capital works programme
- Taken an 'asset backed' joint venture proposal to the market which has the capability to lever in significant private sector funding

Moving forward the TEDC can offer its expertise in property services, asset management and economic development to other partners, and because the TEDC is a 'not for profit' company it can re-invest income into the delivery of its strategic plans for regeneration, that will further benefit the prosperity of the local community.

BUSINESS OVERVIEW & STRATEGY

Introduction

The Torbay Economic Development Company (TEDC) was incorporated in February 2010. It is wholly owned by Torbay Council and established for the purposes of leading economic development and regeneration for the Torbay area. This includes the promotion of economic development, physical regeneration, the renewal of infrastructure, socio-economic improvements and business growth. Torbay Council has also asked through the Commissioning Agreement that the TEDC identifies ways of generating new income or efficiencies.

The TEDC is known locally and trades as the Torbay Development Agency (TDA).

The TEDC has a board of twelve directors and is chaired by John Richards. There are seven private sector board members and three elected Councillors on the board alongside the TEDC's Chief Executive¹. The TEDC Board meets quarterly and it is proposed to hold an Annual General Meeting in March.

Torbay Council (TDA) staff transferred to the TEDC on the 1st May 2011 under TUPE and a number of assets were also transferred to the TEDC. Following the May 2011 Local Election the executive team has worked alongside the new Mayor and Council to understand their aspirations and to identify any changes that might be required to the work programme.

The TEDC as separate body commissioned by Torbay Council is now coming out of its 'set up' up phase; however the services which it provides are well established. This provides an opportunity for the business to develop within Torbay and to build on its reputation outside of Torbay very quickly.

¹ <http://www.torbaydevelopmentagency.co.uk/tda-index/tda-aboutus/tda-edc.htm>

This Business Plan is developed against a backdrop of considerable change to the public sector framework for the delivery of economic development and regeneration and against financial restrictions which are likely to face the public sector in the medium to long term. The impact of these issues, such as the closure of Business Link and Regional Development Agencies, is likely to present opportunities for the TEDC over this financial year and into the medium term.

This Plan includes details on the individual service areas which the TEDC is responsible for, the performance indicators which the TEDC has been requested to deliver against planned actions for the year alongside further detail on the budget and structure. The Business Plan is based upon the following documents, which have already been consulted on, approved and adopted:

- Torbay Community Plan
- Torbay Economic Strategy
- Torbay Council & TEDC Ltd Commissioning Agreement.

Current position & objectives

Torbay's economy continues to be one of the weakest in the country with a real need for rebalancing with an increase in private sector employment a critical issue. This is against a changing local and national political landscape where acute financial pressures will continue to present policy makers with challenging decisions over the availability of resources. These are strategic areas which are likely to have an impact on delivery of the work programme so in anticipation of these issues the TEDC's immediate objectives within the current financial year are to;

- Effectively and efficiently deliver the work programmes set out in the appendices of this document in particular concentrating on business growth, inward investment, physical regeneration and effective asset management
- Continue to develop the TEDC as a credible and effective economic delivery vehicle for Torbay
- Identify prospective funding source, powers and revenue streams from the private and public sectors

- Identify the markets and customers where the TEDC will be able to develop a commercial offer and prioritise those customers
- Deliver the cultural changes that are required to deliver the business plan
- Improve data collection and management systems
- Responding to the localism agenda
- Promote the services and work of the TEDC
- Work with the Heart of the SW local enterprise partnership to ensure that the TEDC and Torbay is a full partner to the work of that body.

Growth plan & competitive advantage

The TEDC has the opportunity to grow, it is well positioned to work with businesses and with a variety of customers in Torbay including the growing number of academy schools and is also well positioned to work with neighbouring authorities and others such as the Heart of the South West partnership in delivery of services. The development of shared services possibly across the economic sub region is the most realistic and cost effective way to become more efficient in the short term.

The TEDC has a range of services it can offer to others:

- Property Services - highly experienced Building Surveyors, Engineers and Our team of qualified Building Surveyors; Engineers provide peace of mind by delivering a comprehensive building support service to our clients.
- Project Managers to provide peace of mind by delivering a comprehensive building support service to our clients from business cases, maintenance, refurbishments and new builds.
- Estates - Professional management of Torbay Council Property Assets Portfolio - maintaining and maximising value and revenue whilst facilitating the delivery of individual services, asset management planning, disposals
- Facilities Management – Managing corporate assets to deliver quality service and driving revenue from all spaces
- Regeneration – Experienced development surveyors and programme managers that can deliver site and programme appraisals
- Partnerships – Experienced experts in public private partnerships

- Business Advice and Innovation Centres – Experienced in helping business start up and small and larger businesses to grow
- Economy, Research and Funding – Experienced in bid writing, project development, economic strategy and assessment
- Inward Investment – promoting the area for new employment

The TEDC is focused on the primary objective of creating and sustaining employment and regeneration of the local economy. It also needs to explore options to improve its efficiency and diversify its income. Over the period of the business plan it is therefore proposed that the TEDC will dedicate some resource on soft market testing of the opportunities to work with others. There will be discussions with partners around collaborative working on inward investment delivery as a result of the process that the TEDC has introduced over the past 12 months including improved customer relationship management systems, better data on local business base and a clear proposition for marketing Torbay. This business plan proposes the following principles;

- Establishing the product. This will identify the services and activities that the TEDC can deliver.
- Telling the Market about the TEDC. This will be a process of informing potential customers that we can offer services.
- Team Building. This will review the skills and capacity of the relevant teams to equip the organisation for commercial fee work and will include development of management systems and accreditations. Work begins in summer 2011 and will be on-going.
- Procurement. Helping others understand how they can procure services through the TEDC
- Ensure that relationships are built or enhanced with public and private sector organisations that might want to work with the TEDC
- Identification of the appropriate medium term income target for the TEDC and to identify other income streams in support of that target and reducing Torbay Council's fee paid to the TEDC.

Over the period of this business plan and into the medium term the TEDC will continue to develop appropriate relationships with other organisations that will support delivery of the TEDC objectives. These relationships are expected to be with the proposed Local Asset Backed Vehicle, with the Heart of SW Local Enterprise Partnership approved in April 2011 and with potential customers through the South West Consultants Framework.

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MARKETING OF THE TEDC AND TORBAY

There is a separate marketing strategy which goes into more detail and the business plan presents a summary of the key issues and actions set out in that document. The aims of the marketing strategy are to:

- Reposition Torbay as a business location and promote the destination to generate inward investment
- Raise awareness and enhance the reputation of Torbay Economic Development TEDC as an effective delivery vehicle for delivering economic development activities.
- Promote TEDC projects and services to generate maximum benefits to local resident and the business community

The strategy identifies the target audiences that we need to reach in order to generate awareness of Torbay as an excellent place to live, work, visit and invest in. The key messages for each target audience, set out below, underpin all of the TEDC's marketing and communication activity.

<p>Torbay Businesses</p> <ul style="list-style-type: none">● Supporting Enterprise in Torbay● Nurturing new businesses, providing support and advice.● Help the TDA shape and influence the economic development of the Bay.● Driving business growth in Torbay● Working together to maximise your business potential.● Business Information Service, bringing you the essential knowledge to develop and grow.● Sharing expertise, striving for excellence, promoting success.● Low cost, contemporary workspace for start ups, expansion or relocation.● Creating networking forum for sharing expertise.● Be part of a Brighter Bay.	<p>Potential Investors</p> <ul style="list-style-type: none">● A thriving business location with unique opportunities, excellence quality of life and competitive costs.● Be part of a Brighter Bay● Major regeneration opportunities● A highly skilled workforce● Unique geographical location on the New English Riviera● Excellent healthcare and education● At the heart of the south west, mainline rail link, close to 2 international airports and motorway network.● Home to a thriving electronics sector.	<p>Residents</p> <ul style="list-style-type: none">● Creating the new economy at the heart of the Torbay Community Plan.● Delivering the physical and economic regeneration of Torbay for the benefit of the local community.● Committed to improving employment and skills opportunities for local people.● Providing essential business expertise in the Bay.● Creating a thriving destination to live, work, visit and invest in
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A portfolio of communications tools including publicity materials, virtual tools and advertising is proposed to reach our target sectors. This marketing activity will be backed up by consistent public relations and engagement that will generate awareness and word of mouth endorsement of Torbay as a prime contender for investment and development.

Distribution channels

The TEDC trades as the Torbay Development Agency (TDA) and it is known under that name, marketing and more general information on the work of the TEDC has been distributed via a variety of sources which include the following;

- Website www.torbaydevelopmentagency.co.uk
- Monthly newsletter
- CRM Database
- Media communications
- Specific Promotional materials
- Advertising

The period of the business plan will see additional social media routes explored to increase interest in and awareness of the TEDC and its work programme. Twitter accounts for the TEDC and the inward investment programme have now been established.

The purpose of this is to ensure that more of the key audience in particular businesses and prospective customers develop a greater affinity with the work of the TEDC and leading to increased interest in supporting or working with the TEDC.

FINANCIAL BUDGETS AND FORECASTS

The TEDC budget is separated into two parts. The first deals with TEDC activity and the second deals with Torbay Council 'client side' activity. Employee costs are held in the TEDC side following the transfer of employees from the Torbay Council to the TEDC in May 2011.

TEDC Budget for fy11/12

Description	Income	Expenditure
Government Grants	17,000	
Fees & Charges - Sr Vat	672,000	
Sub Total Property Income	537,392	
From Reserves	1,431,696	
Torbay Council Contract Fee	2,085,100	
Total Income	4,743,188	
Employees		2,404,652
Premises		100,260
Transport		54,170
Equipment & Office Supplies		78,021
Project Costs		1,942,325
Postage		4,855
Telecoms		77,739
Publicity Advertising		29,600
Misc Costs		16,242
Finance Lease Rentals		5,224
Bad debt provision		30,100
Total Spend		4,743,188

Torbay Council 'Client Side' Budget for fy11/12

Description	Income	Expenditure
Property Income	1,236,200	
Suspense Accounts ATL	100,000	
Torbay Council Budget	2,785,900	
Total Income	4,122,100	
Employees		99,300
Premises		3,153,900
Supplies & Services		699,400
Tor2		19,500
Capital Charges/Financing		150,000
Total Spend		4,122,100

With inflation and other staffing increments agreed prior to TUPE it means to standstill additional income or efficiency savings need to be found. Opportunities to generate additional income are therefore being developed.

In the short to medium term the pressures on the Council's budget are likely to be acute and it is envisaged that Torbay Council will seek to reduce its contract's fee payable to the TEDC.

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PERFORMANCE MANAGEMENT

Torbay Council's Commissioning Agreement confirms the indicators which Torbay Council wishes the TEDC to deliver against:

Commissioning Agreement Indicators	Frequency
Submission of approved Economic Strategies and Plans	Annual
Gross new jobs & jobs safeguarded both the aggregate of jobs created from all activities and specifically those key sectors identified in the economic strategy	Annual
Qualitative assessment of Inward Investment activities	Annual
Delivery of the physical regeneration projects	Annual
Investment in infrastructure levered in through physical regeneration projects	Annual
Increase in earnings	Annual
Variance from budget	Annual
Up to date Workforce Plan in place	Annual
Risk Management	Annual

Outside of these main indicators there will be a number of project related performance indicators and projects that the TEDC will report on internally. The TEDC's key performance indicators will include:

- Number of businesses supported
- Jobs created
- Number of Inward Investment enquires
- % of business space occupied
- % of variance from budget and fee income generation
- % of asset valuations completed per quarter in accordance with rolling programme

These will continue to be managed through the Torbay Council performance system SPAR and reported against to the TEDC board, the Torbay Council's Environment Commissioner at the programmed review meetings and to Overview and Scrutiny where required. There will also be a written Annual Progress Report, produced by the TEDC for the Torbay Council. The TEDC shall also host Annual General Meetings to which the public will be invited where appropriate and where the annual progress report will be presented and discussed.

Appendix 1 – Workplans

Economy, Investment & Enterprise Development

The creation of a strong enterprise culture in Torbay is vital to reduce business failures and encourage business growth.

Specific efforts will be made to support sectors which have shown growth in advance of regional and national trends which may indicate sector strengths for Torbay. If developed successfully the culture will also stimulate demand for improved transport and ICT connectivity, greater skills within the labour market and will encourage new investors to invest or locate in Torbay.

The TEDC will also support business growth and the development of the area through the provision of purpose built workspace and allocations brought forward through the Local Development Framework.

Other outputs include:

- Innovation Centre network - The Innovation Centres currently operate from four sites: Vantage Point (Paignton), Lymington Road (Torquay), Cockington Court (Torquay) and the Watermark Centre (Ivybridge). The centres have been a tremendous success with near full occupancy being achieved well ahead of plan.
- Opportunities to expand the existing network will be explored with partners and offer the potential to develop an income stream for the TEDC.
- Networking - for example, breakfast networking events have set a high standard for the quality of networking around South Devon. These events are regularly attended by 60 to 70 business representatives from all sectors, banks, accountants and solicitors.
- Mentoring - South Devon Business Mentors are a successful deliverer of business support by experienced business professionals who work on a voluntary basis visiting early stage companies who are referred onto them by Business Link or through the Innovation Centre network. Mentors may visit 'mentees' up to once a fortnight to reassure and 'handhold' the business through early teething problems and issues that their owners are inexperienced to handle without guidance. The success rate is considerable and helps sustain many companies during their early stages of development.
- Inward Investment Promotion - Torbay needs to be recognised as an investment friendly location and build on its quality of life advantages to attract and support new business investment. The TEDC will aggressively focus on this requirement and will develop a targeted response towards inward investment for the area. In doing this the TEDC will develop a clear brand with its partners and will ensure that clear brand guidelines are generated and used by the TEDC and its partners to increase investment.

The service will be responsible for development of the Torbay Economic Strategy; this will include either commissioning or delivering in-house preparation of the evidence base, analysis and policy recommendations for the economic strategy. Responding to relevant policy consultations from regional, national and European bodies and advising Torbay Council of the potential impact on Torbay's economic objectives.

The service will be responsible for monitoring performance against the Economic strategy across the TEDC and will be the main point of contact with partner organisations in and outside of Torbay including the Heart of SW Local Enterprise Partnership, Homes & Communities Agency and other relevant regional, national and European bodies to influence their plans and strategies.

The service will develop effective decision making, forward planning and delivery programmes across TEDC's activities.

The unit's workplan for 2011/12 will see the following activities taken forward

- Supporting delivery of the EU Competitiveness programme in Torbay
- Delivery of the inward investment strategy
- Development of the Business Boost workshop programme to take into account of new opportunities such as the potential for face to face business support provision
- Completing a study into the maritime economy potential of Torbay
- Completing a study into the viability of establishing a workhub or hubs in Torbay
- Working with Torbay Council to secure Tax Increment Finance status for Torbay in support of regeneration proposals
- Identifying further opportunities to bid for Regional Growth Fund assistance for delivery of key projects in Torbay
- Working with partners to bid for Broadband UK funding for super fast broadband speeds
- To work with Torbay Council to establish the benefits of a simplified planning zone or enterprise zone at a location in Torbay.
- Working with regional Universities to increase the take-up of graduate placement and internship programmes
- Working with local School and other partners to encourage young enterprise and graduates back to Torbay and South Devon
- Increasing opportunities for training and employment for over 50s
- promoting the provision of affordable housing & improve quality of private rented stock
- Work with partners to ensure better public transport links to centres of employment
- Work with partners to determine the feasibility of and pilot a community economic development trust in one of the most deprived areas in Torbay
- Support social enterprise and community led development in particular for most disadvantaged areas
- Develop and implement a worklessness strategy & action plan

Asset Management

Reinforcing the link between the physical development of Torbay Council assets and the regeneration of Torbay, the TEDC will proactively manage, on behalf of Torbay Council, its assets. The benefits of this approach will be to maximise economic growth and ensure that the Torbay Council's substantial assets are proactively used to support of the economic outcomes required by Torbay Council and the Strategic Partnership. Also potential to provide asset management function for Torbay Strategic Partnership members and other organisations within the Torbay travel to work area.

It will ensure that Council business units have asset plans in place which support the regeneration objectives of Torbay Council and satisfy the needs of users. The TEDC will deliver the outcomes of Torbay Council's Accommodation Review and continue to provide comprehensive office related facilities management through the provision of: building security, cleaning and catering etc.

This will deliver improved public finances through more efficient management of Torbay Council's estate, the identification of assets that can be disposed of to achieve an income, through the uplift in development values and through other benefits such as section 106 or community infrastructure levy payments.

Estates Function

- Valuations and Property advice
- Acquisitions and Disposals
- Rating
- Property Insurance
- Property Management – Let Portfolio (including 'leased out' & 'leased in' properties)
- Property Income Management
- Vacant Property Management
- Compliance with RICS Red Book
- Estates quality standards (ISO 9000 Equivalent)

Corporate Asset Management Function:

- Annual review, preparation and implementation of the Corporate Asset Management Plan
- Condition surveys of corporate assets on a rolling 5-year programme
- Repairs and maintenance programme based upon condition survey results
- Reactive repairs and maintenance upon corporate assets
- Type 2 asbestos surveys of assets (including tenanted estate)
- Annual re-inspection of assets with ACMs
- Water hygiene risk assessments within corporate assets every 2 years.
- Water hygiene maintenance contract for corporate and TCT assets
- Radon surveys for assets in high risk areas with remedial work if needed
- DDA surveys and works

Data Management Function:

- Maintenance of property data on TOAD and National Land and Property Gazetteer
- Property data enquiries
- Updating Service Performance and Risk Database (SPAR)
- Audit high risk area

Energy Management Function:

- Monitor and manage energy and water consumption on Torbay Council's estate
- Deliver the Local Authority Carbon Management Plan
- Determine Torbay Council's carbon footprint bi-annually
- Reduce consumption by 5% per annum (measured from 06/07 baseline)
- Deliver efficiency savings of £1,750,000 over 5 years
- Reduce carbon emissions by 25% over 5 years
- Meet government targets on emissions reductions
- Ensure compliance with the Carbon Reduction Commitment
- Data gathering for reporting to central government, e.g. NI's 185 and 186
- Assist Procurement with the development of energy supply contracts
- Provide technical advice and support to all services on energy and water efficiency
- Manage the Building Management System to achieve best operation of corporate property
- Manage the TEAM monitoring and targeting software
- Ensure timely production of energy certificates required of corporate property
- Provide conditional interest free loans to services and schools for energy and carbon saving initiatives

Asset Management Workplan

Action	Timescale
To provide a Strategic Asset Management Plan to Torbay Council for annual review	Sept 2011
To provide a Repairs and Maintenance Plan to Torbay Council for annual review	Sept 2011
Work with IT to further develop TOAD	Ongoing
To review data on TOAD to ensure accuracy	Ongoing
To manage Salix Fund for 'Invest to Save' energy schemes	Ongoing
To seek finance for non-Salix funded energy schemes	Ongoing
To seek advantageous energy supply contractors	Ongoing
To commission property re-instatement valuations for insurance purposes as part of 5-yearly rolling programme	Ongoing
To procure Rating Surveyors to review and challenge Torbay Council's non-domestic rates liability	April – October
To develop and populate a new software system to help identify future R&M liabilities	April – October
To manage and dispose of surplus assets as part of the	Ongoing

Asset Rationalisation Project	
To provide of condition, asbestos and Legionella surveys on Torbay Council properties	Ongoing
To deliver Torbay Council's repairs and maintenance programme.	Ongoing
To work with other public sector partners to explore the possibility of rationalising the public sector estate.	Ongoing
To explore feasibility of expanding the functions with the likely re-organisation of the Torbay Care Trust.	April 2012
To work with other departments to consider the consolidation of minor leases and concessions	April 2012
To work with other departments to consider the feasibility of redeveloping / upgrading assets to generate higher yields	April 2012
To work with Torbay Council to identify opportunities to generate energy	April 2012
To consider ways to reduce the number of invoices being sent and to consider the creation of charities or trusts for low rent / service charge	April 2012
To explore opportunities to charge fees for estate management work	April - October
To generate opportunities for generating additional income through the consolidation of other service providers	April 2012
To identify future opportunities to acquire or develop assets to generate future revenue income streams	Ongoing

Facilities Management Workplan

The refurbishment of all floors Tor Hill House.	March 2011
Upgrade to the CAFM helpdesk system. All scheduled surveys, works issued through the FM helpdesk	April – June
To coordinate the clearance and relocation of all staff currently occupying Oldway Mansion. Tor Hill House has been identified as final location	July – Sept
New Facilities Management framework to be procured. To include all ME works to be undertaken with Property Services team	Ongoing
All room bookings with in the authority to be channeled through the corporate bookings system. To include libraries	Oct – Dec

Business Services

The Business Services team provides management and direction to the business, administration and financial functions of the TEDC; provides guidance and support in these functions to all activities and departments of the TEDC

This includes:

- Seeking budget proposals from all budget holders, arranging for this detail to be loaded to FIMS, subsequent monitoring and reporting of performance to plan, seeking proactive action to address deviations from budget to ensure balanced budget by year end.
- Recommendation, agreement monitoring and reporting of efficiency targets and vacancy management.
- For externally funded projects, ensuring all claims submitted in timely and accurate fashion; monitoring receipt of claim payments, ensuring projects have sufficient funding to meet expenditure plans and meeting all audit requirements for projects.
- Taking responsibility for the establishment, development, refinement and implementation of financial and administrative procedures for all functions of the TEDC.
- Ensuring probity and compliance by the TEDC with all regulations including Financial Regulations/Standing Orders.
- Retaining registers such as for contracts, gifts, and absence.
- Authorisations for all claims and maintenance of authorisation lists for all functions
- Liaison with all appropriate council functions
- Management of the effective operation of the business and financial aspects of all “trading” and other revenue generating operations.
- Effective development of sound efficient administrative systems including the provision of co-ordination, avoidance of duplication, and the effective use of ITC support.
- Development and operation of all office functions for the TEDC including, procurement, security, Human Resources, health & safety, effective risk management, equality & diversity etc and remote centres.
- Provision of all administrative support to the teams

The Business Manager also performs the TEDC Secretary role covering all aspects of Board meetings as they relate to compliance to constitution, maintenance of the TEDC’s House register and submission of returns to critical deadlines.

Key actions

- Review the potential for a quality management system for the TEDC
- Ensure that the TEDC budget is managed properly and reaches balanced budget by year end, with the management team and Board alerted where appropriate.
- Meet all deadlines for TEDC house submissions.

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Physical Regeneration

The TEDC will promote sympathetic physical regeneration projects across the Bay to improve Torbay's competitiveness, enhance visitor and resident's experiences, attract inward investment and create permanent jobs. Sample projects include:

- Torquay Harbourside, including Harbour expansion feasibility
- Torquay Town Centre – Retail and Offices
- Riviera International Conference Centre - Capital works
- Paignton Victoria Centre
- Paignton Station Road
- Brixham Town Centre
- Brixham Northern Arm feasibility
- Clennon Valley and Goodrington replacement sports provision
- Oldway Mansion
- Third Phase Innovation Centre
- Cockington Craft Centre
- Whiterock
- Claylands
- MyPlace development for Children's Services
- Torre Abbey Phase II for Resident and Visitor Services
- Managing the South West Consultants Framework on behalf of Torbay and eight other local authorities
- Schools Capital Programme for Children's Services
- South Devon Link Road (support)

To ensure that these projects are well managed and deliver the expected outcomes the TEDC will operate as a Centre of Excellence for Project Management. It will also offer Prince2 training to clients and maintain Torbay Council's Prince2 methodology.

It is proposed that the TEDC will represent Torbay Council in the proposed Local Asset Backed Vehicle and provide services to it. The TEDC will ensure that the Joint Venture is successful and delivers the economic outcomes that Torbay Council requires.

Recognising that all major construction projects have regenerative benefits the TEDC will monitor Torbay Council's Capital Expenditure and submit a Capital Programme Monitoring Report to Torbay Council four times a year.

Appendix 2 Risks & Controls

Customer Focused		Current Risk Scoring			
		within 'existing measures' tab on SPAR			
Aim	Risk Description ("why?") If.....due to..... ("what?") There is a risk that..... ("so what?") This will/may result in....	Impact of Risk	Current settings : Risk Status	Existing/ New control measures	Additional control measures (mitigation) required (How will this reduce the probability and/or impact)
Encouraging a more diverse economic base.	If there is a lack of finance or change in regeneration policy due to budget cuts or policy change, then there is a risk that there will be failure to stimulate business growth creation and inability to diversify Which will result in a continual narrow and weak economy.	Will cause a major impact as business growth and stimulation will be affected.	High	Develop support structures for businesses	<ol style="list-style-type: none"> 1. Develop Innovation centre programme. 2. Work to increase public sector business support availability and access in Torbay. 3. Potential for more innovative solutions around s106 and business rate treatments
Encouraging a more diverse economic base.	If there was a lack of opportunity exploitation due to lack of investment, skills or lack of relocation opportunities, Then there is a risk that there will be failure to position the economy to exploit key opportunities? Which will result in a continual narrow and weak economy	Will see business productivity and wages fall further. There will be increased disparities and associated social problems	Medium	Develop investment programme	<ol style="list-style-type: none"> 1. Develop Inward investment programme, 2. identify public sector relocation opportunities, 3. develop skills and retraining opportunities

Ensuring the community benefits from economic regeneration.	If we are unable to respond to increased competition from global & surrounding regional centres, due to lack of skills, sites etc Then there is a risk that there will be further business loss Which will result in increased unemployment and decreased quality of life for all residents.	Will see business productivity and wages fall further. There will be increased disparities and associated social problems	Medium	Delivery of inward investment	1. Develop Inward investment programme, 2. Deliver sites and premises for growth, 3. lobby for better infrastructure, 4. identify public sector relocation opportunities, 5. develop skills and retraining opportunities
Improving the performance of Torbay's traditional sectors	If the outdated tourism product & lack of innovation continues, due to lack of inward investment or global recession Then there is a risk that there will be a continual decline in comparative position of the Bay as visitor destination. Which will result in significant decline in prosperity of Torbay	Continuing falling visitor numbers and spend per head leading to lack of investment, fewer jobs, shorter season and degradation of resort	Low	Delivery of a new tourism strategy.	1. Delivery of the new tourism strategy including attraction of new hotels, visitor attractions, 2. delivery of skills and business support activity
Raising GVA per head through development of higher value industries.	If there is fragmentation of initiatives / failure to develop an holistic, integrated approach to address attracting higher value industries, due to lack of skills, R&D and application of new technologies or processes, Then there is a risk that there will be failure to develop skills required to exploit key business opportunities. Which will/could result in negative impact on enhancement of average earnings, unemployment & (what?) other factors.	Would see sub optimal economic base continue with attendant problems around wages, business growth, full time employment	Medium	Develop sector networks and links.	1. Develop sector networks, develop links between health, education and business to develop new technologies, to identify ways to develop low carbon economy in the Bay i.e. around the growth of housing

Supporting business growth and innovation.	If there is failure to secure grant funding to improve transport infrastructure, due to grant cuts, then there is a risk that there will be restricted growth and potential loss of larger employers Which will result in inability to raise the prosperity of the Bay to at least the national average	Would see sub optimal economic base continue with attendant problems around wages, business growth, full time employment	High	Delivery of identified transport plan.	1. Delivery of identified transport plan and growth point schemes. 2. Lobbying of government and transport providers and work with business community for them to lobby directly
Supporting business growth and innovation.	If there is failure to secure sites for business growth and their supporting infrastructure, due to lack of funding, Then there is a risk that employers will not be attracted to the area Which will result in continued narrow employment base and current poor prosperity status	Would see sub optimal economic base continue with attendant problems around wages, business growth, full time employment	Medium	Identification of business growth & attraction of public money.	1. Identification of grow on space for businesses, innovation centre phase 3, core sectors development (i.e. tourism & retail). 2. Attraction of available public funding and lobbying for innovative measures
Reduce revenue costs and maximise income	If our options and/or our ability to respond to the current economic climate are inadequate due to insufficient funds, then there is a risk that our funding to support projects will be significantly reduced Which will result in a need to consider our options to reprioritise/ reschedule our Programme to manage within budget	Will cause a Major impact as business growth and stimulation will be affected.	Medium	Ensure existing processes and Finance are maintained	1. Ensure existing processes to ensure avoidance of voids is robustly maintained. 2. Provide finance contingency funding to provide for lost income or increased costs from inflation
Effective management of the Business Unit's assets	If we are unable to retain our estate in a usable condition due to the high costs of repair. Then there is a risk that the available funding will not secure occupancy/ usage Which will result in reduced income and thus budget to retain the estates and a spiralling decline of the resident and tourist environment.	Will cause a Major impact as business growth and stimulation will be affected.	Medium	Continue to maintain close management of repair bills.	1. Continue to maintain close management of repair bills to anticipate increased costs. 2. Provide contingency funding to cover R & M bills

Effective management of the Business Unit's Budget	If there is a lack of human resource due to budget cuts, Then there is a risk that there will be insufficient access to appropriately skilled human resource Which will result in an inability to deliver the TEDC Programme for the Community	Will cause a Major impact as business growth and stimulation will be affected.	Low	Insufficient staff resource	None at present. (Loss of key staff would have a significant impact)
Effective delivery of Project Management	If the skills are not available or in place due to lack of budget/ courses or complacency there is a risk that there will be failure to develop PRINCE2 training + skills or to properly implement. Which will/could result in inability to deliver the TEDC Programme to the time/quality/budget requirements	Could result in inability to deliver the TEDC Programme to the time/quality/budget requirements	Low	TEDC organizing PRINCE2 courses.	TEDC organizing PRINCE2 courses and training support for TEDC & other business units
Clear understanding of customers' needs and aspirations	If there is an ineffective consultation processes due to inexperienced/wrong staff there is a risk that there will be failure to understand partners & councils expectations and business needs. Which will result in Community requirements not being met	Would lead to services and projects being delivered out of sync with customer needs and perceptions	Low	Development of Business awareness	1. Development of our awareness of business and wider community expectations. 2. Briefings with Commissioner and other strategic influencers i.e. SWRDA and economic partnership
Effective information management	If staff are inadequately trained due to restraints, lack of courses, high staff turnover Then there is a risk that the information management systems are ineffective Which will result in poor timeliness and decision making delaying and adding cost into TEDC Programme	Will cause a high impact as business growth and stimulation will be affected.	Low	Retain relevant records	None - existing process has been implemented to retain contract documents
Effective risk management & H & S in place	If managers are not committed to H&S due to lack of buy in to training. Then there is a risk that Health and Safety risks are not identified and managed Which will result in Health and Safety of employees and visitors compromised - impacting on delivery of TEDC Programme.	Consider this will have a low to medium impact on operational effectiveness	Low	Effective planning and management	No - just need to ensure that nominated staff set up and follow planned activities

Ensuring equality and diversity in service delivery	If owing to high volumes of information and inadequate training due to insufficient training or high staff turnover Then there is a risk that there will be lack of compliance with equality and diversity policy/legislation Which will result in discrimination and consequent legal effects - resulting in additional cost to the business	Will cause a Major impact as compliance & risks would be increased.	Low	Early identification of issues	Nothing specific - Ongoing close monitoring is required to ensure continued compliance
Motivated employees with the right skills	If management/ leadership style/ competencies are inadequate due to people management skills, Then there is a risk that staff will not be motivated to have the required approach to work Which will result in poor service delivery	Underperformance in delivery or no delivery.	Medium	RADAR Process & team meetings	1 RADAR process & business planning process to identify emerging pressures. 2. Review JD and re-evaluate.
Effective workforce and workforce planning	If there is inadequate workforce planning due to lack of training or resources, Then there is a risk that there will be insufficient skilled resource Which will result in poor delivery of the TEDC Programme	Failure to ensure that the spread of skills is equal across the team would lead to underperformance	Low	RADAR Process & team meetings	1. RADAR process & business planning process to identify emerging pressures. 2. Team and Unit meetings and communications to ensure all aware of outcomes and programme.
Objectives - 16. Managing our Assets	If we do not improve the management of corporate buildings, property and land assets, then we may fail to fulfil our statutory duties to ensure buildings are fit for purpose, so assets may become unusable and we may see health and safety legal action taken against us.	Major	Medium	Corporate Asset Management team	
Objectives - 04. Economic Regeneration	If we fail to provide adequate support to local businesses, then local business may fail, so the local economy may be negatively affected	Impact on the diversity of the local economy and especially owners of small businesses	Medium	Regular performance management of internal controls and regular liaison with external bodies.	Regular performance management of internal controls and regular liaison with external bodies.

Appendix 3 Equalities

Our service will support equality and diversity ensuring inclusion, fairness and equality of access. Our key actions for our in relation to equality and diversity are as follows: -

- In reviewing tenders and contracts we will include equality and diversity issues to ensure that our prospective partners adopt policies consistent with Torbay Council's corporate approach.
- Ensuring that the whole community benefits from regeneration projects and working with partners to minimise the barriers that can prevent individuals from fulfilling their economic potential.
- We will deliver services that do not discriminate against any sector of the community but at the same time we recognise the need to reflect cultural differences in our services.
- Ensuring that our services understand and meet the needs of different groups of customers so that are services are accessible to all sections of the community. In particular we will ensure that alternative formats of our communications are available as required and will advertise the availability of the different formats. Where necessary we will ensure that staff is aware of the availability of the translation service.
- We will apply equality of opportunity in our employment practices and we will ensure that anti discriminatory (including race) perspectives are integrated into all processes.
- We aim to ensure that all staff are treated fairly and are not discriminated against in the provision of training, opportunities for personal development and promotion. Current strategies include part-time and disabled employees.
- We will attend meetings of the Equalities Action Group so that staff throughout the TEDC can be kept informed of policy changes and have the opportunity to contribute to the formulation and evolution of such policy.
- We will carry out and update our Equality Impact Assessments on an annual basis.

Appendix 4 Workforce Plan 2011/12

Key Objectives

1. Build capacity and capability

This requires development of our people and engaging them in the continual process of developing the TEDC. All local government bodies are being expected to work differently with a clear focus on partnership working and the development of non-traditional local government roles that encompass commercial and flexible approaches to management and delivery.

The TEDC will have a strong focus on working flexibly and providing employees with the support, training and technology to do this. TEDC employees will serve as advocates for flexible working. It is imperative that equal opportunities to work flexibly are applied.

The TEDC will continue to use and apply Torbay Council's Human Resources policies, and in areas of capability and performance, line managers will utilise these to performance manage their teams.

In terms of capacity, a skills audit has been conducted across the TEDC to identify what skills are held within the TEDC in order to identify areas which need to be developed, and also where people's skills can be shared to help cover in times of need. (Please see appendix A for summary of the skills audit with recommendations).

All TEDC managers need to be trained in the application of HR policies and keep up to date with any changes to these. They must also ensure they are being followed. This includes holding regular appraisals with their team and recording any issues/needs arising from these. Any issues of performance management must be captured and dealt with appropriately. Changes to HR policies and legislation should be discussed at Management Team meetings and a record of managers' training should be held centrally.

2. Recognise reward and success

We will attract, retain and motivate our staff by managing rewards in a more flexible way; responding to market conditions, learning from other employers and using innovation to develop the TEDC as employers of choice in the South West of England. The TEDC will ensure that employee pay is in line with Torbay Council policies and the single status agreement. The TEDC Finance and Governance sub-committee should review its pay and grading structure and remuneration policies from time

to time, to ensure they are both fair and equitable and also in line with market conditions.

There need to be career development opportunities to help attract and retain employees. It is imperative that employees are performance managed and exceptional performance is acknowledged, recognised and rewarded appropriately.

The TEDC also needs to ensure that its employees are given training and development opportunities in order to enhance their skills and allow career development within the TEDC. Managers must identify training needs and notify the Business Manager of budget requirements to cover staff training with as much advance notice as is possible.

3. Developing people and talent

The TEDC aims to achieve a number of key objectives which will require a workforce that has the appropriate knowledge, skills and behaviours. Delivery of the TEDC's goals will require a workforce that has the right skills and attitudes and we are committed to the continuous development of our people. The skills audit identifies the key skills and knowledge required to deliver the TEDC's goals.

Further to the above objective, the TEDC needs to ensure that employees are given the opportunity to discuss their training needs with their manager, and that they are given opportunities to develop within their role. This involves up-skilling current staff to aid career development, and commitment to this will improve recruitment and retention of staff. Managers need to ensure that the staff appraisal process is being properly applied and that appropriate training needs are being identified.

4. Resource the right people

In order to ensure that the local area receives the best quality services, we need to attract and retain high quality people. We will be required to proactively manage the workforce, anticipating changes in the job market, effectively addressing equality and diversity and modernising pay and reward systems that reflect local and national market trends. This is in line with the Torbay Council's HR policies.

Managers need to ensure that due care and attention is paid to the recruitment process, and that relevant selection methods are utilised to maximise the effective recruitment of staff.

The skills audit conducted across the TEDC identifies areas where there may be a need to recruit in the future, and these should be closely monitored to ensure the TEDC is not left with gaps in key roles which could impact on service delivery.

5. Enhance employee engagement

The TEDC must be a stimulating, rewarding and supportive place to work, with opportunities to influence, innovate and impact on the design and delivery of services to help regenerate the local area. In order to achieve this, visionary leadership is key. All managers need to inspire confidence in their teams and engage employees in decision-making which affects their service delivery.

Training and development opportunities; clear communication and transparency; and effective change management can help to raise morale within the workplace. Managers need to be approachable, available and supportive to their teams in order to achieve this.

Managers should be trained in management skills to cover coaching; performance management; motivational skills etc. and to be trained in the application of HR policies.

New line managers should also be mentored by an existing manager to provide support and pass on key skills.

To ensure that managers within the TEDC have the right skills balance, promotion opportunities within the TEDC should be considered in order to develop and reward high performing staff before externally recruiting to positions. This should be based on skills and attitudes as opposed to target-hitting and outcomes. However all recruitment to the TEDC must be open, transparent and carried out fairly and equitably.

SUMMARY OF SKILLS AUDIT

Statistical breakdown of TEDC staff:

TEDC Staff Statistics	No.	%
Total number of staff	67	100%
Gender		
Total number of male staff	43	64.2%
Total number of female staff	24	35.8%
Age		
20 or under	1	1.5%
21-30	8	11.9%
31-40	18	26.9%
41-50	18	26.9%
51-60	16	23.9%
61-70	5	7.5%
71 and over	1	1.5%
Working hours		
Full time	56	83.6%

Part time	11	16.4%
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TEDC Staff - skills and qualifications	No.	% *
5 GCSE or O levels A-C or 5 CSE's grade 1 (or equivalent)	33	75%
1 or more A level or 2 AS levels (or equivalent)	26	57.8%
Degree (or equivalent)	24	54.5%
ECDL (or equivalent IT qualification)	15	34.1%
Advanced ECDL	3	6.7%
ILM level 2 Team Leader	5	11.1%
ILM level 3 First Line Manager	5	11.1%
ILM other (or equivalent management qualification)	3	6.7%
NVQ	15	33.3%
PRINCE2 Foundation	15	33.3%
PRINCE2 Practitioner	1	2.2%
Managing Successful Programmes Foundation	1	2.2%
Managing Successful Programmes Practitioner	0	0.0%
RICS Membership	6	13.3%

*N.B. the % calculated is of total employees for whom information is held, not total number of employees.

- **Please note that workforce data is accurate as of 8th April 2011.**

Key Issues:

1. The TEDC has an extremely high proportion of staff over the age of 31 (86.7%). Whilst this in theory brings a wealth of experience to the TEDC, it must be noted that younger staff can be essential to provide new and innovative ideas and ways of working to a TEDC.

Action needed: Whilst age should not be a factor in recruitment – the TEDC should actively encourage people from all age groups to apply for positions, and consider a way of attracting graduates and school leavers to work for the TEDC. This should be considered in vacancy management including considering apprenticeships, utilising work experience placements, and considering reviewing the TEDC structure to allow for career progression within the TEDC.

2. The TEDC has a number of employees who are approaching or are beyond the former default retirement age. Whilst as of April 2011 the default retirement age has been abolished, it should be noted that there will be key staff members who may be considering retirement in the not too distant future.

Action needed: Managers should ensure that they communicate with their team members regularly and are aware in advance of any staff who may be considering retirement. Managers must ensure that key

skills and knowledge are not lost through retirement and that knowledge-sharing is encouraged. When a member of staff declares their intention to retire, their line manager should immediately put in place steps to ensure that the role and responsibilities of that staff member are covered by another member of the team who can shadow them. If it is felt that the position needs to be recruited to, this process should happen immediately to ensure there is adequate time for the new employee to shadow the retiree and ensure a smooth handover. If this is not possible, then an alternative member of the team should be brought up to speed in the handover process which can then be passed on once a new employee commences the position.

3. The TEDC is responsible for project and programme management functions. The TEDC adopts PRINCE2™ project management methodology as the preferred methodology for project management, and Managing Successful Programmes™ (MSP™) for programme management. At present, the TEDC has approximately a third of its workforce qualified in PRINCE2™ foundation level. However, only one member of staff is qualified in MSP™.

Action needed: The TEDC staff structure should be reviewed to consider which roles require MSP™ training/awareness and relevant training should be arranged and allocated within the appropriate budget.