



Monday, 23 September 2019

## **CABINET**

A meeting of **Cabinet** will be held on

**Tuesday, 1 October 2019**

commencing at **4.30 pm**

The meeting will be held in the Meadfoot Room - Town Hall

### **Members of the Committee**

Councillor Steve Darling (Chairman)

Councillor Long

Councillor Stockman

Councillor Morey

Councillor Law

Councillor Carter

Councillor Cowell

---

**A prosperous and healthy Torbay**

---

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

**Teresa Buckley, Town Hall, Castle Circus, Torquay, TQ1 3DR  
(01803) 207087**

Email: [governance.support@torbay.gov.uk](mailto:governance.support@torbay.gov.uk)

[www.torbay.gov.uk](http://www.torbay.gov.uk)

# CABINET AGENDA

1. **Apologies**  
To receive apologies for absence.
2. **Minutes** (Pages 4 - 13)  
To confirm as a correct record the Minutes of the meeting of the Cabinet held on 17 September 2019.
3. **Disclosure 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.)
4. **Communications**  
To receive any communications or announcements from the Leader of the Council.
5. **Urgent Items**  
To consider any other items the Chairman decides are urgent.
6. **Matters for Consideration**
7. **Land Release Fund** (To Follow)  
To consider the submitted report setting out the recommendations of the Overview and Scrutiny Board in respect of the Land Release Fund and proposed changes to governance arrangements.
8. **Torbay Economic Growth Fund Criteria** (Pages 14 - 25)  
To consider the submitted report on the above criteria.

9. **Budget Monitoring 2019/020 - Quarter One** (Pages 26 - 51)  
To note the current position in respect of the Council's Revenue and Capital Budgets for 2019/2020.
10. **Exclusion of Press and Public**  
To consider passing a resolution to exclude the press and public from the meeting prior to consideration of the following items on the agenda on the grounds that exempt information (as defined in Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) is likely to be disclosed.
11. **CSW Group Ltd: Reforming Group Governance and Operations to Meet Future Need** (Pages 52 - 66)  
To consider the submitted report on the above.
12. **New Investment Opportunities**  
To consider potential investment opportunities.
13. **Update on Existing Investments**  
To receive an update on existing investments.



## Minutes of the Cabinet

17 September 2019

-: Present :-

Steve Darling (Chairman)

Councillors Morey, Carter, Law and Cowell

(Also in attendance: Councillors Amil, Brooks, Bye, Doggett, Douglas-Dunbar, Ellery, Loxton and Mills)

---

### 23. Apologies

Apologies for absence were received from Councillors Long and Stockman.

### 24. Minutes

The Minutes of the meetings of the Cabinet held on 30 July and 3 September 2019 were confirmed as a correct record and signed by the Chairman.

### 25. Communications

The Cabinet Member for Corporate and Community Services, Councillor Carter provided a verbal update on the Community Conference held on 11 September 2019. The conference had been well attended and participants provided useful feedback and shared ideas and good practice across the groups. There was a clear willingness for the community and Council to work together for the benefit of Torbay.

### 26. Urgent Items

The Cabinet considered the item in Minute 27.1, and not included on the agenda, the Chairman being of the opinion that it was urgent by reason of special circumstances i.e. the matter having arising since the agenda was prepared and it was unreasonable to delay a decision until the next meeting.

### 27. Matters for Consideration

The Cabinet considered the following matters, full details of which (including the Cabinet's decisions and recommendations to Council) are set out in the Record of Decisions appended to these Minutes.

### **27.1 Update on Operation Yellowhammer**

The Assistant Director of Community and Customer Services, Tara Harris, provided a verbal update in respect of Brexit. The Government published a document 'Operation Yellowhammer' on 11 September 2019 which provided reasonable worst case scenario options for the purpose of developing contingency plans if the United Kingdom leaves the European Union (EU) without a deal. It is normal practice to produce such a document, which is not an impact assessment or prediction of what would happen, but will be used to assess the risks of the potential impact on the area. Members noted that the Council had been working with key partners across Devon and Somerset with clear communications with Central Government to consider what action may be taken to mitigate a no deal Brexit.

Members noted the action currently being taken by Torbay Council to provide additional resources to mitigate the impact of Brexit, which included supporting the local fishing industry and working with the TDA to help provide advice and support to local businesses.

### **27.2 DOVES Group Presentation**

The Cabinet received a short film from the Doves Group which had been made by local young people in conjunction with the Children's Society to highlight the issues of loneliness and social isolation faced by young people in Torbay, especially those with a disability and extra needs. The Doves Group was made up of young people who have a disability or need for extra support, who come together once a fortnight to socialise. This was the national launch of the film and project.

Representatives from the Doves Group requested that consideration be given to helping them with funding and access to suitable disabled toilet facilities and meeting spaces so that the young people can feel safe and access appropriate facilities. It was noted that work was being undertaken at Parkfield which would bring the building back to use for the community, particularly during out of school hours and the Deputy Leader of the Council agreed to ensure that further details of this was communicated to the Doves Group.

### **27.3 Echo Building Consideration of Community Proposal**

### **27.4 Ash Dieback Financial Allocation**

### **27.5 Demolition of the Old Car Park, Garfield Road, Victoria Centre, Paignton**

### **27.6 Appointment of Member Champions**

### **27.7 New Investment Opportunities**

There were no new investment opportunities.

---

Chairman

## Record of Decision

### Echo Building, St James Road, Torquay - Consideration of Community Proposal

#### Decision Taker

Cabinet on 17 September 2019

#### Decision

- (i) that the Interim Director of Place be requested to explore with King's Arms Church Charity if it would be more appropriate to enter into a long lease at nil cost to the charity to enable them to invest the proposed £30,000 purchase cost, in delivering community projects sooner, especially in respect of work around foster carers, and if this is a more appropriate option to revise the report to Council to reflect this proposal which was supported by the Cabinet; and
- (ii) that, subject to the outcome of (i) above, the Cabinet recommend to the Council that the Interim Director of Place, in consultation with the Chief Executive, be authorised to dispose of the freehold interest of land and building known as the Echo Building, St James Road, Torquay, as shown on Plan EM3127 set out at Appendix 1 to the submitted report, at below market value to the King's Arms Church Charity. The disposal will include a suitable provision that will enable the Council to recover any uplift in value should the community group dispose of the building at a future point for any alternative use.

#### Reason for the Decision

The proposed purchaser had submitted a financial offer of £30,000 for the freehold ownership of the land and building known as the Echo Building, St James Road, Torquay. This offer was considered to be below the market value of the property, which was estimated to be circa £85,000. The proposed purchaser had provided evidence demonstrating how projects and initiatives intended to be implemented at the property would offset the difference between the market value and the offer made.

#### Implementation

The recommendation of the Cabinet will be considered at the Council meeting on 26 September 2019.

#### Information

At the Cabinet meeting held on 23 July 2019 the Cabinet agreed to extend the time for the community to come up with a suitable proposal and bid for the Echo Building, St James Road, Torquay to ensure continued community use, under the Council's Asset of Community Value Policy, by three months (Minute 9.1/7/19 refers). This period has now elapsed and the Council has received a proposal from King's Arms Church Charity as set out in the submitted report. Peter Clayton, Pastor from the King's Arms Charity attended the meeting and outlined his aspirations for the use of the Echo Building which focussed around working with the community to improve outcomes for vulnerable people.

The proposal included the following:

- Working with Home for Good (Foster Group) to help provide more foster carers within Torbay.
- Weekly Coffee morning – aimed specifically at those suffering from social isolation and loneliness.
- Become a partner with 'Homes for Good', to promote adoption and fostering in Torbay amongst local churches.
- Use of the building for local community buildings.
- Set up a baby bank for the provision of second hand clothes and donations to be distributed to those in need.
- Set up weekly children and / or youth club.
- Set up weekly parent / carer and toddler groups.
- The building would become the office base for the church.

As the proposal is below market value the Council's Asset Management Plan requires this to be a Council decision as it would be contrary to this Policy Framework document.

It was suggested that a long lease could be offered for the Echo Building at nil cost instead of the disposing of the asset via a freehold which may enable the Kings Arms Church Charity to use their proposed investment to accelerate delivery of community support and particularly in respect of foster carers as this could save the Council significant amounts of money if this resulted in increased foster care places within Torbay.

Councillor Law proposed and Councillor Cowell seconded a motion which was agreed unanimously by the Cabinet as set out above.

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

Alternative options were set out in the submitted report but not discussed at the meeting.

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

No

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

No

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

None

### **Published**

20 September 2019

Signed: \_\_\_\_\_  
Leader of Torbay Council on behalf of the Cabinet

Date: 18 September 2019

## Record of Decision

### Ash Dieback Financial Allocation

#### Decision Taker

Cabinet on 17 September 2019

#### Decision

- (i) that the risk and cost of Ash Dieback is managed via a phased and triaged approach and the Director of Corporate Services be requested to allocate £200,000 from the Insurance Reserve, so as to mitigate the risk to the public and third party property and ensure that Torbay Council is not subject to legal claims and likely prosecution; and
- (ii) that the Interim Director of Place be requested to ensure that when reviewing the Council's Tree Risk Management Strategy, a specific section is included on Ash Dieback and other emerging biological threats due to climate change, and that it includes a plan of how the Council can work towards further mitigating the loss of trees and what processes are available to replenish lost tree stocks going forward, also that when reviewing the Council's Climate Change Strategy links with the revised Tree Risk Management Strategy and carbon capture be included within the document.

#### Reason for the Decision

To ensure that funding is allocated to undertake the removal of Ash Trees within Torbay Council Land that are diseased and pose a serious risk to people, property or traffic.

#### Implementation

The decision will come into force and may be implemented on Monday, 30 September 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

The submitted report provided details on a proposal to allocate funding of up to £200,000 from the Council's Insurance Reserve to enable the Council to undertake the removal of Ash Trees within Torbay Council Land that are obviously diseased with Ash Dieback and pose a serious risk to people, property or traffic.

Trees on private land within Torbay are not the responsibility of Torbay Council, but are the responsibility of the landowner who like Torbay could face significant fines and prosecution if their trees are not kept in a safe condition and cause harm to persons, traffic and infrastructure. Guidance will be made available for private landowners explaining that if the tree is on their land it's their responsibility.

The report also highlighted that a communications strategy would be developed to ensure that the reasons for the removal of the trees is clearly understood, as it is not always obvious that the trees are diseased as Ash Dieback mainly affects the tree canopy which can only be seen from above, and also measures that would be undertaken to replace the trees, including further details of a bid to inspire communities to rebuild flourishing treescapes for the future for which

Torbay was one of the priority areas. The Council's Tree Risk Management Strategy would also be updated to reflect the emerging issues impacting on trees and action to be taken to replenish lost trees in the future. It was also suggested that links be made with the Tree Risk Management Strategy and revised Climate Change Strategy, which would also include reference to carbon capture.

Councillor Morey proposed and Councillor Steve Darling seconded a motion which was agreed unanimously by the Cabinet as set out above.

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

None

**Is this a Key Decision?**

No

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

Yes

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

None

**Published**

20 September 2019

Signed: \_\_\_\_\_  
Leader of Torbay Council on behalf of the Cabinet

Date: 18 September 2019

## Record of Decision

### Demolition of the Old Car Park, Garfield Road, Victoria Centre, Paignton

#### Decision Taker

Cabinet on 17 September 2019

#### Decision

- (i) that the Cabinet reaffirm the decision of the Investment and Regeneration Committee to approve the demolition of the old car park, Garfield Road, Victoria Centre, Paignton and that the Interim Director of Place be instructed to gain vacant possession and be authorised to proceed with the demolition and a contract for such being in place by the end of December 2019 to be funded from the Land Release Fund; and
- (ii) that Exempt Minute 205/2/19(ii) “a draft design brief be brought back to the Investment and Regeneration Committee for consideration prior to the planning application for demolition being submitted” be rescinded as this decision is no longer required in order to progress with the proposed demolition of the old car park, Garfield Road, Victoria Centre, Paignton.

#### Reason for the Decision

To enable the Council to proceed with the decision and governance arrangements to demolish the Old Car Park at Garfield Road.

#### Implementation

The decision will come into force and may be implemented on Monday, 30 September 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

At the meeting of the Investment and Regeneration Committee held on 12 February 2019, Members considered an exempt proposal in respect of the demolition of the unused old car park, Garfield Road, Victoria Centre, Paignton to unlock the site for development. The resolved (Exempt Minute 205/2/19 refers). The Investment and Regeneration Committee was disbanded in May 2019 and the governance and decision making transferred to the Cabinet.

The submitted report proposed that the Cabinet rescinds the decision in Minute 205/2/19(ii) as this is no longer required in order to progress with the demolition of the old car park site. Any future development of the site will go through the normal planning consent process in any event but community groups are already engaged with Council officers and the TDA on a range of evolving design proposals.

Councillor Morey proposed and Councillor Carter seconded a motion which was agreed unanimously by the Cabinet as set out above.

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

None

**Is this a Key Decision?**

No

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

Yes

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

None

**Published**

20 September 2019

Signed: \_\_\_\_\_  
Leader of Torbay Council on behalf of the Cabinet

Date: 18 September 2019

## Record of Decision

### Appointment of Member Champions

#### Decision Taker

Cabinet on 17 September 2019

#### Decision

That the following Member Champions be appointed until May 2023 with their job description as set out in Annex 1 to Appendix 1 to the submitted report:

- a) Armed Forces – Councillor Amil;
- b) Foster Carers – Councillor Mills;
- c) Climate Change – Councillor Atiya-Alla;
- d) Volunteering – Councillor Bye;
- e) Domestic abuse and sexual violence – Councillor Foster; and
- f) Mental health and wellbeing – the Cabinet Member for Adults and Public Health (Councillor Stockman) and Councillor Douglas-Dunbar.

#### Reason for the Decision

To enable Member Champions to be appointed for the current four year term of office.

#### Implementation

The decision will come into force and may be implemented on Monday, 30 September 2019 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

#### Information

Member champions are elected members who act as an advocate or spokesperson for a specific area of the Council's business. The main responsibility of each member champion is to encourage communication and positive action over the issue they represent.

In accordance with the Local Protocol on Member Champions it was proposed to appoint six Member Champions for the next four years to champion key aspects of the Council's work and work with the relevant Cabinet Member and senior Council officer as set out overleaf.

<b>Champion Role</b>	<b>Councillor Appointed</b>	<b>Cabinet Member</b>	<b>Senior Officer</b>
Armed Forces	Councillor Amil	Councillor Morey	Tara Harris
Foster Carers	Councillor Mills	Councillor Law	Anne Osborne
Climate Change	Councillor Atiya-Alla	Councillor Morey	Kevin Mowat
Volunteering	Councillor Bye	Councillor Carter	Tara Harris
Domestic abuse and sexual violence	Councillor Foster	Councillor Stockman	Caroline Dimond
Mental health and wellbeing	Councillors Stockman and Douglas-Dunbar	Councillor Stockman	Caroline Dimond

Councillor Carter proposed and Councillor Steve Darling seconded a motion which was agreed unanimously by the Cabinet as set out above.

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

None

**Is this a Key Decision?**

No

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

Yes

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

None

**Published**

20 September 2019

Signed: \_\_\_\_\_  
Leader of Torbay Council on behalf of the Cabinet

Date: 18 September 2019



**Meeting:** Cabinet

**Date:** 1<sup>st</sup> October 2019

**Wards Affected:** All Wards

**Report Title:** Torbay Economic Growth Fund Criteria

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

**When does the decision need to be implemented?** As soon as possible

**Cabinet Member Contact Details:** Councillor Long, Cabinet Member for Economic Regeneration, Tourism and Housing, 07419 111618 [swithin.long@torbay.gov.uk](mailto:swithin.long@torbay.gov.uk)

**Supporting Officer Contact Details:** Kevin Mowat, Interim Director of Place, 01803 208433, [Kevin.Mowat@torbay.gov.uk](mailto:Kevin.Mowat@torbay.gov.uk) / Alan Denby, Director of Economic Strategy and Performance, TDA, 01803 208671, [alan.denby@tda.uk.net](mailto:alan.denby@tda.uk.net)

## 1. Proposal and Introduction

1.1 At the Council meeting held on 18 July 2019, the Council agreed to establish a Torbay Economic Growth Fund of up to £100 million of prudential funding for the progress of a range of capital projects for economic growth and regeneration within Torbay and, to be funded from the future income from those projects. Approval of the criteria and for each project was delegated to the Cabinet (Minute 41/7/19 refers). This report sets out the criteria which the Cabinet will use to assess investments under the Torbay Economic Growth Fund.

## 2. Reason for Proposal and associated financial commitments

2.1 To enable the Cabinet to make decisions to release funding from the Economic Growth Fund, for the benefit of Torbay's economy, in accordance with the Torbay Economic Growth Fund Criteria set out in Appendix 1.

## 3. Recommendation(s) / Proposed Decision

(i) that the Torbay Economic Growth Fund Criteria set out at Appendix 1 to the submitted report be approved.

### Appendices

Appendix 1: Torbay Economic Growth Fund Criteria

Appendix 2: Torbay Economic Growth Fund – Application Checklist

## Background Documents

Council Meeting 18 July 2019 -

[www.torbay.gov.uk/DemocraticServices/ieListDocuments.aspx?CId=163&MId=10314&Ver=4](http://www.torbay.gov.uk/DemocraticServices/ieListDocuments.aspx?CId=163&MId=10314&Ver=4)

<b>Section 1: Background Information</b>	
<b>1.</b>	<b>What is the proposal / issue?</b>  The Cabinet needs to agree the allocation criteria relating to the new Economic Growth Fund, following the establishment of this new £100m Fund at the Council meeting on 18 July 2019.
<b>2.</b>	<b>What is the current situation?</b>  There is currently no set criteria to allocate funds from the new Torbay Economic Growth Fund.
<b>3.</b>	<b>What options have been considered?</b>  To update the current Investment and Regeneration Fund Strategy to include the new Torbay Economic Growth Fund Criteria. This was not recommended as it was felt that there could be confusion between the regeneration element of the Investment and Regeneration Fund and the new Torbay Economic Growth Fund.
<b>4.</b>	<b>What is the relationship with the priorities within the Partnership Memorandum and the Council's Principles?</b>  Priorities: <ul style="list-style-type: none"><li>• Thriving People and Communities</li><li>• A Thriving Economy</li><li>• A Climate Fit for the Future</li><li>• A Council Fit for the Future</li></ul> Principles: <ul style="list-style-type: none"><li>• Use reducing resources to best effect</li><li>• Reduce demand through prevention and innovation</li><li>• Integrated and joined up approach</li></ul>

5.	<p><b>How does this proposal/issue contribute towards the Council's responsibilities as corporate parents?</b></p> <p>The Torbay Economic Growth Fund will be used to support maximising local employment and supply chain benefits. This would include local authority care leavers in line with the Economic Strategy.</p>
6.	<p><b>How does this proposal/issue tackle poverty, deprivation and vulnerability?</b></p> <p>See 5 above.</p>
7.	<p><b>How does the proposal/issue impact on people with learning disabilities?</b></p> <p>There is no direct impact.</p>
8.	<p><b>Who will be affected by this proposal and who do you need to consult with? How will the Council engage with the community? How can the Council empower the community?</b></p> <p>Proposals brought forward under the Torbay Economic Growth Fund will be subject to consultation with relevant groups, which may include Torbay Business Forum, Community Partnerships, traders groups, Chambers of Commerce and other stakeholders depending on the project. Specific details will be confirmed for those projects and appropriate consultation will be the responsibility of the project manager.</p>

## Section 2: Implications and Impact Assessment

9.	<p><b>What are the financial and legal implications?</b></p> <p>The financial implications of this recommendation could be significant and when making any funding decision the Cabinet will need to consider the total borrowing commitments of the Council, along with the ongoing repayment obligations.</p> <p>The risks and rewards of a significant level of borrowing are outlined in the Capital Strategy that was approved by Council in February 2019. All decisions to allocate from the Economic Growth Fund will need to be taken in the context of the Council's total borrowing position, whilst determining whether the level of borrowing is proportionate and is affordable and with a clear understanding of the potential risks and rewards of the proposals.</p> <p>All investments and regeneration schemes will be dealt with on a full repayment basis (on an annuity basis over the asset life).</p>
----	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	The borrowing associated with these assets will comply with the Prudential Code of Practice 2017.
<b>10.</b>	<b>What are the risks?</b>  Risks will be set out for each project as they come forward.
<b>11.</b>	<b>Public Services Value (Social Value) Act 2012</b>  Not applicable
<b>12.</b>	<b>What evidence / data / research have you gathered in relation to this proposal?</b>  None
<b>13.</b>	<b>What are key findings from the consultation you have carried out?</b>  Not applicable
<b>14.</b>	<b>Amendments to Proposal / Mitigating Actions</b>  Not applicable

## Equality Impacts

15.	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)			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		

### Appendix 1: Torbay Economic Growth Fund Criteria

This appendix sets out an outline for the management of the Torbay Economic Growth Fund including direct development, acquisitions and loans subject to appropriate security.

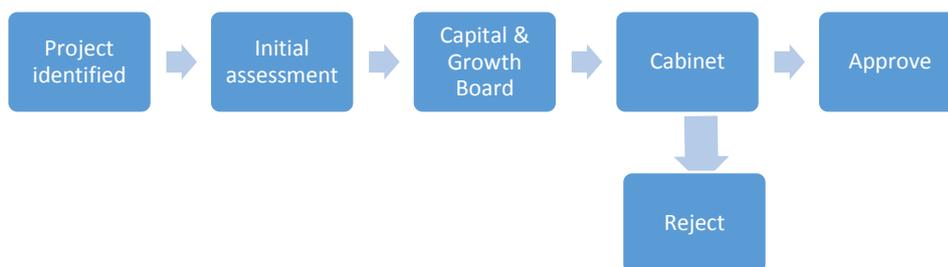
It is intended that project proposals made under the Economic Growth Fund are robust, therefore proposals will be considered initially by the Council's Capital & Growth Board who will ensure that there is a robust justification for the proposal in line with the assessment criteria set out in this Appendix.

The ambition of the fund, to have a direct impact on the economic performance of Torbay, is inherently higher risk than for the Council's Investment Fund where decisions are made principally for financial return. Therefore the assessment criteria for the Torbay Economic Growth Fund are intended to;

- complement the Council's Investment Strategy;
- reflect a suitable balance between the risks inherent in the types of projects supported and the financial/economic rewards obtainable; and
- ensure effective governance and due diligence on any proposal.

The assessment process will require all Growth Fund requests to meet the initial 'gateway criteria' set out below. Furthermore, all proposals will be expected to set out a strategic business case which will need to demonstrate that the proposal meets the additional assessment criteria set out in (a) to (i) below. Proposals will also need to demonstrate the value for money that they offer for the outcomes being delivered, that they are commercially viable and are affordable. The ability of proposals to be successfully delivered will also be tested through this process. A strong proposal will also include a clear explanation, based on appropriate evidence, of: why the proposal will work (for instance including need and market demand) and will show clearly how the planned outcomes will be realized.

If approved by the Capital & Growth Board then the proposal will be brought to Cabinet for a decision in line with the process set out below.



The Economic Growth Fund is intended to create direct impact within the Torbay economy. That is, there is a direct relationship between the project and the

outcomes that the Council has determined it wants to achieve and the benefit that is intended to be created for the community of Torbay including for instance :-

- An increase in local employment by at least:
  - Jobs safeguarded;
  - Additional investment in Torbay whether from public or private sources;
  - Additional employment space; and
  - Improved public realm.

For clarity though, the Fund is not a “cash fund” but based on future Council borrowing to fund the proposals with the borrowing repaid from future income streams generated by the project. As borrowing by the Council, the Prudential Code will need to be complied with and section 151 officer approval will be required.

For property based projects the Fund will typically seek pre-lets or good unexpired lease terms with tenants of strong financial standing. Where a loan is requested by a third party, an appropriate level of security against the loan will be required, which might include parent company or director guarantees, asset mortgages or other security which the Council’s section 151 officer is prepared to accept. Where proposals require the Council to appoint external accountancy or legal support these costs will typically be met by the proposer and added to the proposal costs.

Other costs relating to aborted projects and scheme administration will be charged to the fund where appropriate.

In considering value for money there will be an assessment of the cost per job. Government guidance suggests that lower gross cost per job can be achieved where projects have a key focus on job creation such as in the development of employment space, where there is high private sector investment, low remediation costs or where the project is focused on a small local area.

Conversely projects which have wider objectives such as regeneration (town centre or more disadvantaged communities) or where there is a specialist purpose then higher costs per job would apply. Where project proposals are submitted which have a short term carry cost they will only be considered if the Economic Growth Fund as a whole is able to meet this cost i.e. it is expected that the cost of one project’s deficit is at least being met by surplus from other projects keeping the overall Fund costs covered.

The assessment criteria for the Economic Growth Fund does not prescribe a specific cost per job benchmark as a range of figures can be expected depending on the type of proposal under consideration.

The Council will not support proposals which would result in funds being used for activities which could bring the authority into disrepute and the issue of ‘state aid’ rules will be considered and applied where appropriate.

Cabinet will also take into consideration the Council’s overall ability to service increased levels of debt. As such, while individual projects, proposals or requests may not meet their full borrowing costs in the very short term (allowable under the

initial gateway criteria) the Economic Growth Fund as a whole must always be in a position whereby it is able to meet its overall costs.

**Initial Gateway Criteria (projects must meet each)**

No.	Criterion	Pass	Fail
1	The proposed Economic Growth Fund commitment is for a sum equal to or greater than £250,000		
2	There are measurable economic benefits that will be achieved within a maximum period of 3 years from the delivery of the project i.e. <ul style="list-style-type: none"> <li>• Create a minimum of ten jobs for Torbay residents or</li> <li>• Modernise Torbay’s business infrastructure or</li> <li>• Encourage inward investment, relocation and business start-up within Torbay or</li> <li>• Promoting higher level skills</li> </ul>		
3	Projects will achieve a 0% minimum return over forecast borrowing costs and any other relevant operating costs (including operational costs through any construction and operational phases) taking into account the expected average return over a 5 year period from the expected date of completion of the loan.		

**Additional Assessment Criteria**

Assuming that Economic Growth Fund proposals meet the Gateway Criteria then all proposals will also be assessed against the following;

- a) Ability of the Proposal to provide financial benefits to the authority i.e. where future income or sales can be used to;
  - provide short term support for Economic Growth Fund projects that cannot fully meet borrowing repayments in short term, a period of no longer than three years;
  - accelerate delivery of the Council’s Economic Strategy;

- support of the Council's wider service delivery;
  - reduce borrowing.
- b) Proposing acquisitions will normally only be considered if they are good quality commercial property in traditional sectors, i.e. office and industrial, unless they are to be acquired for land assembly purposes. There would be an expectation of new or existing tenants to be on full repairing and insuring leases with a lease of at least 5 years.
  - c) The financial business case will be considered taking into account the rate of return and income growth potential.
  - d) Projects will be expected to achieve a positive net return after borrowing costs (assuming the prevailing PWLB interest rate at time of expenditure). Projects not meeting this position in the short term, by year three of the project, will be considered exceptionally and projects which cannot meet this threshold in the medium term, by year 5 of the project, will not be considered.
  - e) Proposing property acquisitions where the property may have a strategic value to the Council would allow Cabinet to relax some of the above criteria where acquisition has potential for redevelopment or to enable development.
  - f) Loans will require applicants to offer appropriate security to the Council and the term of the loan would typically be expected to be 5 to 10 years. The rate of interest on the loan would be consistent with the Council's Investment & Regeneration Fund i.e. 2% minimum return over borrowing costs and other relevant operating costs. Loans which do not offer full security will have a higher rate applied commensurate to the risk involved.
  - g) Loans made to third party entities, outside of the Council and its owned companies, will be subject to a maximum loan to value rate (LTV) of 75% but the Council will typically expect the LTV to be no greater than 50%.
  - h) Location of the project, the Council expects that the majority of commitments made through the Economic Growth Fund will be in Torbay but by exception may choose to support schemes in the immediate travel to work area where the objectives of the Economic Growth Fund can be met. Within Torbay project proposals located within the town centres and within, or principally for the benefit of, Torbay's more disadvantaged communities will be able to offer higher costs per job.
  - i) Project proposals are expected to demonstrate how they will generate additional benefits for Torbay by adopting social value principles for instance indicating how employment opportunities will be recruited to from disadvantaged wards, how training and/or apprenticeship opportunities will be created or how the project will develop and use a locally based supply chain.

### Appendix 2

#### Torbay Economic Growth Fund – Application Checklist

Project proposals submitted to the Torbay Economic Growth Fund will each be subject to an assessment against the criteria of the Fund approved by Torbay Council’s Cabinet on 1<sup>st</sup> October 2019.

To allow for proposals to be assessed consistently and ensure that there is a robust process in place the Council will require applicants to demonstrate that there is a business case which justifies why the Torbay Economic Growth Fund will commit to the project.

Proposals should provide;

- Strategic justification – what is the rationale for the project and the outcomes that will be delivered, how does this meet the Council’s corporate policies particularly the Corporate Plan and Economic Strategy ?
- Economic justification – what is the value to Torbay from the project, what risks has the proposer considered and how will they be managed.
- Commercial/Financial justification – does the proposal clearly demonstrate that the criteria of the Growth Fund in terms of return, security and risk are being met.
- Management justification – is there a robust and realistic delivery plan for the project, does the proposer have a track record and/or appropriate skills to demonstrate that the project can be delivered?

Does the strategic case cover the rationale, background and strategic fit ?	
Are there clear objectives for the proposal ?	
Are there clear outcomes ?	
Are all the costs & benefits quantified ?	
Is there a sensitivity analysis ?	
Is there an options appraisal ? (may not be required in all cases)	
Is there a clear plan for securing the outcomes ?	
Does the project have potential to offer more social value for Torbay ?	
Is the project commercially feasible and deliverable ?	
Is there a clear programme with milestones and delivery dates identified ?	
Have risks been identified and managed ?	

Is there match funding ?	
Is it secured ?	
What security is being offered by the proposer ?	
Has the proposer indicated how the project will be managed ?	



**Meeting:** Cabinet

**Date:** 1 October 2019

**Wards Affected:** All Wards

**Report Title:** Budget Monitoring 2019/20 – Quarter One

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

**When does the decision need to be implemented?** n/a

**Cabinet Lead Contact Details:** Darren Cowell  
[Darren.cowell@torbay.gov.uk](mailto:Darren.cowell@torbay.gov.uk)

**Supporting Officer Contact Details:** Sean Cremer, Deputy Head of Finance  
[Sean.Cremer@Torbay.gov.uk](mailto:Sean.Cremer@Torbay.gov.uk), 01803 207553

---

## 1. Purpose and Introduction

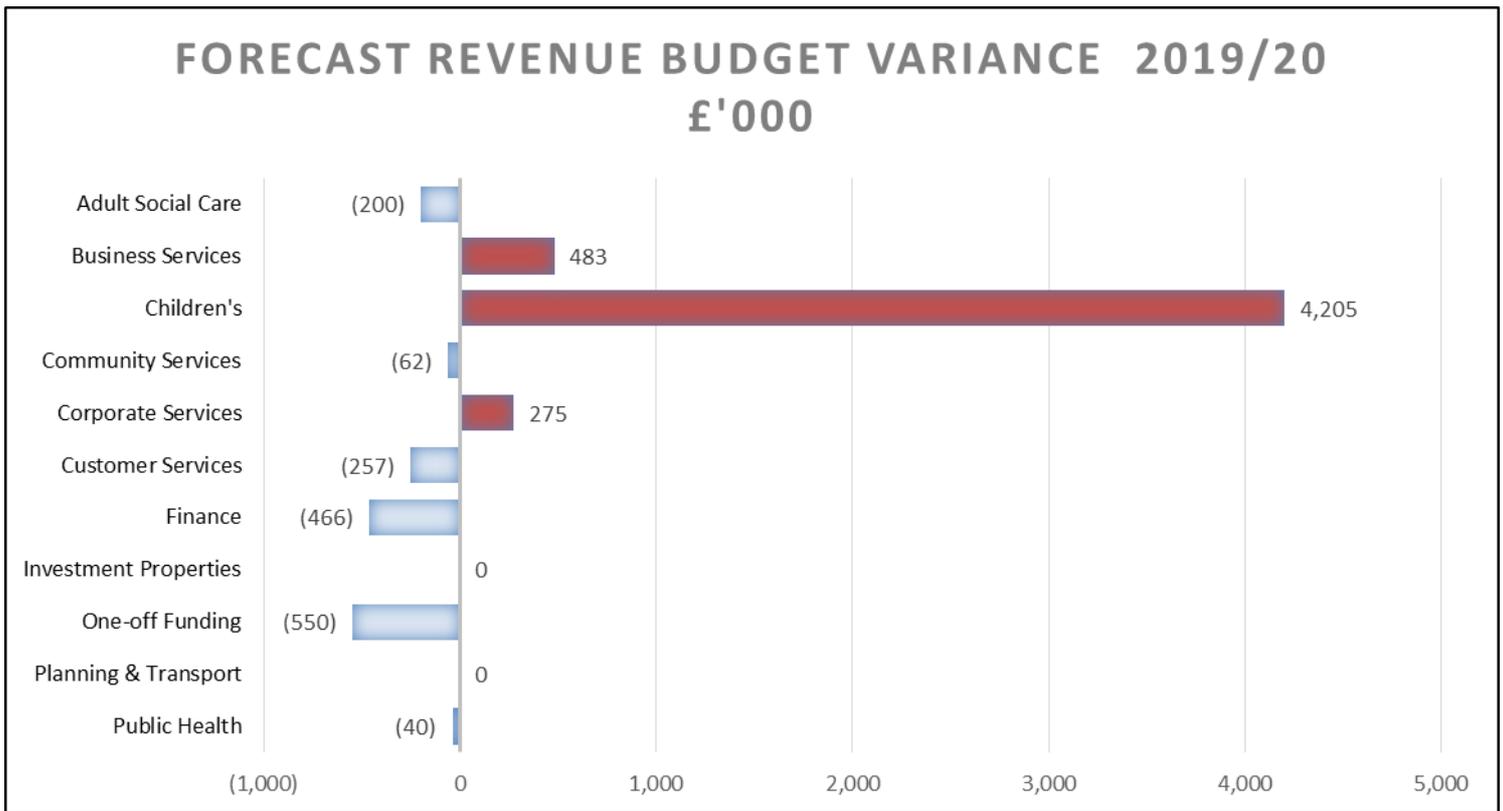
- 1.1. This report provides a high level budget summary of the Council's forecasted revenue and capital income and expenditure for the financial year 2019/20. This quarter report 1 is based on figures reported as at 30<sup>th</sup> June 2019.
- 1.2 The Council's **Revenue** budget is under significant pressure. There are continued pressures within Children's Services and the service is forecasting an overspend at Quarter 1 of £4.2m. This position requires mitigating actions to be undertaken. The required actions have been identified but need to be achieved. If the mitigating actions are achieved, then the Council will have an underspend of £0.2m. If the mitigating actions are not achieved, then the overspend would be in excess of £2m.
- 1.3 In order to contain overall spend to within the 2019/20 agreed budget mitigating action has been approved by the Council's Senior Leadership team. More detail on the mitigating action is available in section 4 of this report.
- 1.4 The **Capital Plan** budget totals £367.3m for the 4 year programme, with £78.6m currently scheduled to be spent in 2019/20, including £30m to enable Investment Fund opportunities, £2.3m on the Western Corridor and £24m on various Regeneration projects but still requires £2.3m from capital receipts and capital contributions over the life of the Capital Plan.

## 2 Recommendation (s) / Proposed Decision

- 2.1 That the Cabinet notes the revenue outturn position and mitigating action identified.

### 3 2019/ 20 Revenue Budget Summary Position

3.1 The below graph shows a visual breakdown, highlighting budget variance for each service



#### Children's Social Care

- 3.2 There is continued pressure within Children's Social Care. Despite a £4.4m budget increase for 2019/20 Children's social care is forecasting a £4.2m overspend. This follows a previous increase of £3m as part of the 2018/19 budget.
- 3.3 The main pressure area is Looked After Children (LAC). Over the last 12 months the overall LAC numbers have remained relatively stable around 355-360. However, within this headline figure the mix of placements has seen an increasing number of residential placements. In addition due to complexity of need the average cost of residential placements has been increasing.
- 3.4 There remains a significant risk around any further increases in the number of residential placements. These are the highest cost placement type, where typical costs per child are between £5 – 10k per week. The figures reported in this report for quarter 1 2019/20 factor in individual plans for the children who are currently looked after. Increases to placement numbers without a reduced demand elsewhere would further increase the service overspend as would any extensions of placements where there are planned end dates.

3.5 Whilst not factoring into the figures set out in 1.2 above, it is important that Members are aware that since the quarter 1 figures were prepared there have been material increases to the forecast, As at the end of period 4 the forecasted spend on residential placements for 2019/20 has increased by a further £830k. The table below outlines the main movements.

Reason for variation	No.	Weekly impact	2019/20 Financial impact
New cases	3	£19k	£539k
Move from fostering to residential	3	£9k	£359k
Residential cases stepped down	1	£3k	£108k
Revised residential packages	3	£2k	£71k
Extension of placement length	2	£10K	£222K
Reduction of placement length	3	£11K	£130K

3.6 Of the reasons listed above, preventing the breakdown of existing foster placements, resulting in a move to residential and the extension of placements due to the inability to return the child to a family based setting must be a priority for action in order to recover the financial position of Torbay Council.

3.7 An in year recovery plan has been prepared with the intention of addressing the growing demand and cost pressures faced by the service. The plan commits to the delivery of improvements to;

- 1) Sufficiency of local placements,
- 2) Use of residential placements
- 3) Recruitment and retention

3.8 The recovery plan is being overseen by the Chief Financial Officer, who is chairing a weekly meeting comprising of the Chief Executive, Director for Children’s Services and the Director of Corporate Services.

3.9 The actions identified on the recovery plan are vital to ensuring service delivery improves and in turn the financial position is initially stabilised and, in time improved upon. The successful delivery of this recovery plan depends upon effective collaboration across services.

3.9 As mentioned in paragraph 3.4 the revised forecasts are based on the current children’s plans (as at July). The below table outlines the number of residential placements expected to end before 31<sup>st</sup> December 2019. Any extension of these will cause further financial pressure.

Month	No. Placements due to end
August	5
September	0
October	2
November	1
December	3

*Note, of the above placements 2 are due to end as a result of the child turning 18.*

#### Higher Needs Block – Special Education Needs

- 3.10 The schools' higher needs block in the Dedicated Schools Grant (DSG) has been under financial pressure as a result of an increasing level of referrals from schools for higher needs support for children. For 2019/20 there is a forecast overspend of £1.0m. The Council does not receive any funding for schools therefore the over spend will remain in the DSG to be funded in future years and is not a cost that the Council will fund. The cumulative deficit balance brought forward from 2018/19 was £2.7m. As a result the DSG reserve is forecast to be a £3.7m deficit by the end of 2019/20. The Spending Round announced in September allocated £700m nationally to support Special Education needs. Torbay's allocation for 2020/21 is yet to be announced.

#### Approval of £100m Economic Growth Fund

- 3.11 At Council on July 18<sup>th</sup> 2019 approval was given to establish a £100m Economic Growth Fund enabling up to £100m of prudential borrowing. This fund has been established in order to progress a range of capital projects for the economic growth and regeneration within Torbay. The cost of borrowing is to be funded from the future income streams from the projects. The criteria for use of the Torbay Economic Growth Fund are shortly to be considered by Cabinet.

#### Authorisation to increase the Investment and Regeneration fund to £300m

- 3.12 At Council on July 18<sup>th</sup> 2019 authorisation was given to increase the Investment & Regeneration Fund by a further £100m. This increases the total fund to £300m. The Council also set the investment boundary to the Greater South West peninsula and the Functional Economic Market Area (FEMA).
- 3.13 TDA are actively identifying investment opportunities which will be presented to Cabinet for a decision as to whether or not to progress. The final purchases are subject to due diligence checks, including independent valuations.

## Service Budgets a

3.14 The budget position for each service is shown in the table below:

Torbay Council Revenue Q1 2019/20	Budget £000s	Forecast £000's	Variance £000's
1. Adult Social Care	38,747	38,547	(200)
2. Business Services	15,140	15,623	483
3. Children's Services	40,697	44,902	4,205
4. Corporate Services	1,458	1,733	275
5. Community Services	2,871	2,809	(62)
6. Customer Services	2,484	2,228	(257)
7. Finance	(8,723)	(9,189)	(466)
8. Investment properties	(3,685)	(3,685)	0
9. Planning and Transport	12,557	12,557	0
10. Public Health	9,822	9,782	(40)
<b>Revenue total</b>	<b>111,367</b>	<b>115,307</b>	<b>3,938</b>

Mitigating Actions	£'000
11. Use of CSR Reserve	(550)
12. Target savings to be identified through a moratorium	(1,383)
13. 2020/ 21 savings brought forward	(960)
14. One off funding	(1,217)
<b>Net Variance</b>	<b>(172)</b>

3.15 A narrative of the position in each service area is as follows

### 1. Adult Social Care - Underspend £200k

The majority of this budget is spent against a fixed contract with the ICO. Within the remaining discretionary budgets there are a number of identified savings which have been offered to mitigate the in year financial position for the Council.

### 2. Business Services – Overspend £483k

There are emerging budget pressures within car parking which is forecasting an underachievement of income of £271k. This forecast may vary further depending on the

financial performance of the car parks over the summer months. There are also pressures within Resort Services which is forecasting an overspend of £52k.

### 3. Children's Services – Overspend £4.2m

At the end of quarter 1, the main pressures within Children's Services is in relation to Children's Safeguarding. There is a forecast overspend of £3.9m associated with placements. The service is also facing high levels of vacancies resulting in a forecast overspend against agency staff of £0.7m. These overspends are partially offset by £0.5m Troubled Families grant. As referenced in paragraph 3.5 since the quarter 1 figures were produced, there has been material increase to the outturn, and this will be formally reported in the Quarter 2 report.

### 4. Community Services – Underspend £62k

There are a number of vacancies across this service area.

### 5. Corporate Services – Overspend £275k

Legal services are forecasting a £170k overspend. This is in part due to use of agency staff to fill vacancies which have been necessary to meet the caseload requirements of the organisation, namely Children's and Adult Social work. There is also an expected £80k shortfall on income throughout the service.

### 6. Customer Services – Underspend £257k

The printing service remains a cost pressure with an anticipated overspend of £150k. Mitigating savings have been identified across Revenues and Benefits resulting in an underspend of £239k. Within IT there is a forecast underspend of £135k brought about by revised timescales to recruitment and delays to previously planned spend.

### 7. Finance – Underspend £466k

As part of setting the 2019/20 budget a £300k contingency was established in response to known pressures which were not funded as part of the core budget. The Council's S151 officer has now released this in order to offset the overall council position which contributes to an underspend of £466k.

### 8. Investment Properties – Breakeven £0k

Overall Investment properties is forecast to break even.

### 9. Planning & Transport – Breakeven £0k

No material variances

### 10. Public Health – Underspend £40k

No material variances

## **4 Mitigating actions**

4.1 The projected overspend within revenue before the application of all mitigating actions is £3.938m. In order to address this, a number of mitigating actions have been agreed by the Council's Senior Leadership Team (SLT).

### 1. Use of CSR Reserve – £0.55m

As detailed in the 2018/19 Q4 finance report, the £550k underspend was transferred to

the Comprehensive Spending Review Reserve in order to be released in 2019/20 for issues in Childrens' Social care.

#### 2. Target savings to be identified – £1.383m

SLT were tasked with identifying additional in year savings totaling £1.89m to offset the overall financial position through a combination of identified reduction in expenditure and a moratorium on expenditure. At the end of Period 3 there was £1.383m still to be identified, which is therefore a risk. The achievement of these savings remains a standing item on the SLT agenda.

#### 3. 2020/ 21 Savings brought forward – £0.960m

A number of savings previously identified for delivery in 2020/21 are being brought forward. The achievement of these savings does not require cessation of services and are not matters which require a Council decision. £0.825m of the savings are achieved through reviews of recharges to capital, maximisation of grant funding, and the application of the revised and approved MRP calculation.

#### 4. One off funding – £1.317m

The final step for mitigation of the forecast variance is the utilisation of a number of one off funding streams, drawing down on unrestricted balances which have been built up through previous underspends. This also includes additional use of the Comprehensive spending review reserve of £0.847m which is in addition to item 1 above. This will reduce the projected balance on this reserve to the target minimum level of £2m. Should the financial position improve during the year, these one off funding items will be returned to reserves.

- 4.2 In respect of the application of the moratorium, in keeping with last financial year the Chief Finance Officer has arranged additional scrutiny in order to monitor and challenge all orders and contracts placed by officers across the Council.

### **5 Spending Round – September 2019**

- 5.1 The Chancellor announced a one year (2020/21) Spending Round on 4 September 2019. The implications for Torbay Council will be included in the 2020/21 budget proposals. In summary the totals for public sector expenditure were very different to the totals being indicated by the previous Government earlier this year. Specific detail for Torbay will be announced over the next few months with the Local Government Finance Settlement expected early December.

- 5.2 A few key headlines include:

- No funding reduction for local government
- Inflationary increase on Councils' funding baseline
- Council Tax referendum limit to be set at 2% and MHCLG will consult on an additional 2% council tax precept for adult social care
- £1 billion extra nationally for social care (adults and childrens)
- Majority of grants received in 2019/20 will continue into 2020/21 including BCF, IBCF, Troubled Families, Flexible Housing, New Homes Bonus and the 2019/20 one off social care grant

- MHCLG have announced the deferral to 2021/22 of the proposed changes to the NNDR retention system and Council funding formula.

## 6 Risks & Sensitivity

6.1 There are a number of financial risks facing the Council as shown below:

Risk	Impact	Mitigation
Delivery of approved savings for 2019/20	Medium	Further to regular budget monitoring for all budget holders, the Council's Senior Leadership Team receive monthly updates on the 2019/20 position including a savings tracker for each of the approved savings.
Delivery of Children's Services cost reduction plan	High	Weekly meetings have been convened to monitor the current rate of delivery against the identified actions from the recovery plan.
Identification, and achievement, of £18m of savings for 2020/21 to 2022/23 per Medium Term Resource Plan March 2019	High	Finance colleagues are working with the transformation team coordinate the implementation of potential transformation savings.  Senior Leadership Team and Cabinet will need to consider options for future years.
Unable to recruit staff and need to use agency staff.	High	Recruitment & retention of Social Work staff, particularly in safeguarding is one of the core priorities for the Senior management team within Children's Services.
Pressure achieving income targets in some services	Low	A small number of services are not meeting their income targets (which increase by 3% each year).
Additional demand and cost pressures for services particularly in children's social care	High	2019/20 Budget monitoring, use of service performance data and recovery plan.
Investment Property Income changes	Low	Regular review of income and tenant negotiation

## 7 Balance Sheet

### Council Subsidiary Companies

- 7.1 The Council has interests in a number of companies. The financial performance for 2018/19 of these companies is included in the Council's statement of accounts (link below). <http://www.torbay.gov.uk/council/finance/statement-of-accounts/>
- 7.2 All of these companies form part of the Council's group boundary, therefore Members should be aware of the assets and liabilities of these companies.
- 7.3 In April 2019 the TDA, a Council subsidiary, acquired the shares in C&A Consultancy Limited.
- 7.4 The Council has also established Torbay Education limited (for the Medical Tuition Service) and a company for the future service delivery currently provided by TOR2.

## 8 Debtor – Write offs

- 8.1 The total value of debtor “write offs” in quarter 1 of 2019/20 were

Service	Number of records written off	Value of write offs £000's
Council Tax	680	152
NNDR	24	188
Housing Benefit	44	22

- 8.2 EXEMPT Appendix 2 contains details of write offs over £5,000
- 8.3 As at 30th June 2019, the total percentage of the current year liability collected was:

Collection Fund	2019/ 20	For the same period in 2018/19
Council Tax	28.46	28.18
NNDR	30.99	31.58

## 9. Capital Plan Summary Position

- 9.1 The Capital Plan budget totals £367.3m for the 4 year programme, with £78.6m currently scheduled to be spent in 2019/20, including £30m to enable Investment Fund opportunities, £2.3m on the Western Corridor and £24m on various Regeneration projects but still requires £2.3m from capital receipts and capital contributions over the life of the Capital Plan.
- 9.2 The spend profile for the Capital Plan is included in Appendix 2
- 9.3 Of the £2.3m funding requirement for Capital receipts, £0.4m has been received by the end of June 2019, leaving a balance of £1.9m still to be realised from both capital receipts and capital contributions. It is only after this target has been reached that any capital receipts should be applied to new schemes.
- 9.4 As the target income for capital receipts and capital contributions are required to meet existing Council commitments, it is important that any capital income raised is allocated to existing commitments and not used to support additional expenditure on new schemes.
- 9.5 The movements in the estimate of expenditure in 2019/20 on the Capital Plan between the last monitoring report at February 2019 of £90.8m and the current approved budget for 2019/20 of £78.6m are shown below. Please note the format of this table shows schemes ordered by Council's Targeted Actions, as is Appendix 2.

## 10. Updates to Capital Plan

Scheme	Variation in 2019/20	Change £m	Reason
2019/20 profiled spend as at Q3 2018/19		90.8	Capital Plan Update – 2018/19 Quarter 3 (Report 7th Feb 2019)
<b>Budget changes since last report (Q3 2018/19)</b>			
Scheme budgets brought forward from 2018/19 and year end adjustments.	Re profiled to 2019/20	27.2	For details see 2018/19 Capital Outturn report (Cabinet 23 July 2019)
	<b>Total</b>	<b>118.0</b>	
<b>Protecting Children</b>			
Brunel Academy Vocational Classrooms	Reprofiled budget	(0.4)	Part budget transferred to 2020/21
School Condition (Capital repairs & maintenance) 19/20	Additional resources	0.4 (0.2)	New Government grant allocation Allocation to PCSA (Council Jan19)
Devolved Formula Capital	Additional Government grant allocation	0.2	2018/19 ringfenced grant allocation
	New year allocation	0.1	2019/20 allocation
Special Provision Fund	Additional Government grant allocation	0.2	Additional 2018/19 Government grant allocation
PCSA additional places	Additional funding	0.2	Transfer budget allocation from School Condition 2019/20 grant
Torbay School Relocation (now for Burton Academy expansion)	Rephase budget	(0.2)	Part budget transfer to future years
	<b>Total</b>	<b>0.3</b>	
<b>More Prosperous Torbay</b>			
Claylands Redevelopment	Rephased budget	(6.5)	Latest review of estimated expenditure
Edginswell Business Park	Budget moved	(3.5)	Site being marketed for potential tenants.

Investment Fund	Budget rephased	(15.0)	Transfer to future years based on latest information
Land acquisition from TCCT	Final cost of scheme	(0.1)	Purchases completed
TEDC Loans	Transfer budget to next year	(0.6)	Part budget moved to 20/21
Town Centre Regeneration	Budget moved to future years	(10.0)	Expenditure likely to be incurred from next year.
- Harbour View hotel		(4.7)	Transfer to next year
- Retail Units	New scheme	17.1	Council approved acquisition
Transport – Highway Structural Maintenance	Additional budget	0.2	19/20 Incentive element allocation
		0.1	Additional Pothole Action Fund
		(0.2)	Rephased to future years
Transport – Torquay Gateway	Budget moved	(1.6)	Main parts of scheme temporarily on hold
	<b>Total</b>	<b>(24.8)</b>	
<b>Attractive and Safe place</b>			
Brixham Harbour – Provision of Water Meters	New Scheme	0.1	Funded from Harbours Reserve
Paignton Harbour Light refurbishment	Increase budget	0.2	Tender price higher than estimated cost
Torre Valley North	Budget transferred to next year	(0.1)	Unlikely to be used in current year
	<b>Total</b>	<b>0.2</b>	
<b>Protect and Support Vulnerable Adults</b>			
Adult Social Care	Budget allocation	0.9	Part of BCF 2019/20 grant allocation
		0.5	Contribution from ICO
		(1.6)	Rephase budget
Affordable housing	Budget transfer to 20/21	(15.3)	Report on Housing to Council in July 2019
CSC Case Management IT system - replacement	New budget	1.0	Council approval Feb 19 (Review of Reserves)

Disabled Facilities Grants	Budget allocation	1.0  (0.6)	Part of BCF 2019/20 grant allocation  Budget rephased to 20/21
	<b>Total</b>	<b>(14.1)</b>	
<b>Corporate Support</b>			
Corporate IT developments	Increased budget allocation	0.5	Council approval Feb 19 (Review of Reserves)
Essential Capital repairs	Budget to 2020/21	(0.8)	No plans to use in 19/20
General Contingency	Budget moved to 2020/21	(0.6)	Contingency unlikely to be required this year
	<b>Total</b>	<b>(0.9)</b>	
<b>Estimate – Quarter One 2019/20</b>		<b>78.6</b>	

10.1 Further information on variations to scheme budgets is detailed below.

#### Protecting Children

- 10.2 Brunel Academy Vocational Classrooms – Planning application has been submitted and assuming approved it is hoped to start on site in October 2019. £0.4m budget has been re-profiled to next financial year 2020/21.
- 10.3 Capital Repairs and Maintenance (Condition funding) – the 2019/20 allocation of School Condition grant of £0.418m has been confirmed. In January 2019, Council approved the use of £0.15m of this allocation (and similarly £0.15m from 2020/21 allocation, when announced) to fund Paignton Community and Sports Academy expansion work.
- 10.4 Devolved Formula Capital grant allocation for 2019/20 of £0.081m is a ring fenced grant and has been added to the Capital Plan together with an additional allocation for 2018/19 of £0.158m.
- 10.5 Special Needs provision – the Government have provided an additional grant allocations of £0.233m, which will be allocated to individual schools depending on need.
- 10.6 Paignton Community and Sports Academy - Additional Secondary places. As approved by Council on 31 January 2019 this £1.84m project will rely on future Government grant allocations for Basic Need and School Condition grants. To date £0.7m Basic Need 2020/21 and £0.15m School Condition 2019/20 have been utilised to provide budget for the scheme. Further amounts will be earmarked as new allocations are announced.

10.7 Torbay School Relocation – The remainder of this budget allocation is to enable the extension of Burton Academy at its Hillside site allowing relocation and release from its Polsham Centre site. £0.2m of the budget has been moved to next financial year to reflect anticipated spending plans.

#### More Prosperous Torbay

- 10.8 Claylands Redevelopment – Planning application has been submitted and shortly expect to secure pre-let agreement and appoint main contractor. The budget has been reviewed to reflect latest expenditure predictions moving £6.475m of budget from current year to future years.
- 10.9 Edginswell Business Park – following its purchase, the site is currently being marketed for potential tenants with the likelihood that £3.5m of the remaining budget will not be required until next financial year.
- 10.10 Investment Fund – Cabinet on 9 July 2019 (and Council 18 July) agreed to increase the total budget for the Investment Fund from £200m to £300m, funded by additional prudential borrowing. This increase has been reflected in the Capital Plan for next year attached as the decision occurred after the Quarter 1 period. Furthermore, following a review of current acquisition proposals £15m of the current budget has been transferred to next year.
- 10.11 Land acquisition from TCCT – Council completed purchases of land from TCCT in February 2019. The costs were slightly less than estimated so there is a small saving on scheme.
- 10.12 Oxen Cove Landing Jetty – the budget for this scheme is likely to increase following extra costs arising from unexpected ground conditions. Amounts are being quantified and any increase in scheme budget and required borrowing will be reported to Harbour Committee.
- 10.13 South Devon Highway – The major element for the remaining budget of this project is for Part 1 Compensation claims. As these amounts are still to be determined the final position cannot yet be accurately assessed and timing is difficult to predict, however the latest information from Devon CC (the 'lead Authority') suggests that Torbay's total required contribution to the project may be £1m higher than the remaining budget, which could require additional borrowing above the Council's original approval. No change has yet been made to the scheme budget and resources until the likely outcome of the outstanding issues is clearer.
- 10.14 TEDC Capital Loans – the provision for loans to TEDC to enable capital works remains available and whilst some is being drawn down part (£0.6m) of the budget provision is now being moved to next financial year
- 10.15 Town Centre Regeneration – £10m of the budget for regeneration projects has been re-phased to 2020/21 based on current proposals. Similarly with Harbour View hotel development, £4.7m budget is now transferred to 2020/21.

- 10.16 In April 2019, Council confirmed approval of the acquisition of a property and sanctioned a budget of £17.1m (including fees) for the purpose, to be funded by additional prudential borrowing.
- 10.17 Again Council (July 19) agreed to provide a further £100m for Growth Fund schemes which will fall under this heading. This decision has been added to the Capital Plan in future years although it was announced after the end of Quarter 1.
- 10.18 Transport Integrated Transport Schemes – Council Officers successfully bid for a small grant to improve the entrance at Torre Station, Torquay. Other works in programme will proceed in accordance with business case priorities.
- 10.19 Transport Structural Maintenance – The Government have provided grant allocations from their Incentive Fund of £0.244m for 2019/20 and additional Pothole money of £0.095m. These amounts will be added to the Highways Structural Maintenance budget to improve the condition of roads in Torbay.
- 10.20 In addition £0.25m of this budget allocation has been moved to next financial year.
- 10.21 Transport – Torquay Gateway. Much of this work is now programmed for next year although negotiations are in progress with Network Rail with regard to land acquisition in the area. £1.6m of this budget has been re-phased to future years.

#### Attractive and Safe Place

- 10.22 Brixham Harbour – Provision of Water Meters – The Council's Harbour Committee on 18 March 2019 agreed to use £0.11m from its Reserves to fund the provision of water meters for moorings in Brixham Harbour, improving the facilities available for users.
- 10.23 Paignton 'Harbour Light' Restaurant redevelopment – Based on tenders received for scheduled work to Harbour Light restaurant the cost of the scheme has increased by £0.2m to £0.8m, and an urgent Council decision has been made in this respect.
- 10.24 Princess Pier Structural repair – All main works planned have now been completed.
- 10.25 Other proposed works are being considered taking account of their relative priorities.

#### Protecting and Supporting Vulnerable Adults.

- 10.26 Better Care Fund - Adult Social Care – £0.876m of the Government's capital grant allocation within the Better Care Fund is to be used to support Adult Social Care under the terms of the Better Care Fund. The Council budget has been further increased by an external contribution of £0.5m from the Integrated Care Organisation (ICO) Better Care Fund. Potential uses of these resources including the development of Extra Care Housing are being considered but £1.6m of the

budget has been moved to next year as it is unlikely to be required in this financial year.

- 10.27 Affordable Housing – whilst consideration is given to potential schemes it is unlikely that there will be significant expenditure in 2019/20, consequently £12.5m of the Housing Company loans budget and £2.9m of the general Affordable Housing budget are rescheduled to future years.
- 10.28 Case Management IT System – agreed to provide £1m funds from the Council’s Reserves to fund the replacement Case Management system for Childrens Social Care.
- 10.29 Better Care Fund - Disabled Facilities Grants – Government has announced the 2019/20 capital allocation of £1.876m within the Better Care Fund. £1.0m will be allocated to DFGs with the remaining £0.876m to Adult Social Care. Historically the Council received two separate capital grants for Adult Social Care and Disabled Facilities Grants that were merged into one grant when the Better Care Fund was created. The funding has however continued to be split over the two headings and reported to the Health and Wellbeing Board.
- 10.30 In line with recent spending patterns £0.6m of the DFG budget is moved to next financial year.

Corporate Support

- 10.31 Essential Capital Repairs – this original £3m budget (to be funded from borrowing) was provided to enable urgent works to Council assets including Infrastructure. £0.375m of the budget was previously allocated to Freshwater Cliff stabilisation and £1.753m has been allocated to Brixham Breakwater works and a further £0.035m to repairs to a slipway at Paignton Beach.
- 10.32 General Contingency - The Council has approved a capital contingency of £0.6m. This contingency is still in place to provide for unforeseen emergencies or shortfall in projected income over the 4-year Plan period but represents only 0.4% of the total Capital Plan budget. Currently it is not anticipated that the contingency will be required in this financial year so the budget has been moved to next year.

**11. Receipts & Funding**

- 11.1 The funding identified for the latest Capital Plan budget is shown in Annex 1. This is based on the latest prediction of capital resources available to fund the budgeted expenditure over the next 4 years. A summary of the funding of the Capital Plan is shown in the Table below:

<b>Funding</b>	<b>2019/20 £'m</b>	<b>2020/21 £'m</b>	<b>2020/21 £'m</b>	<b>2021/22 £'m</b>	<b>Totals @ Q1 19/20 (£'m)</b>
Unsupported Borrowing	59	227	50	0	336
Grants	14	8	1	0	23
Contributions	2	0	0	0	2
Revenue	1	0	0	0	1

Reserves	2	1	0	0	3
Capital Receipts	1	2	0	0	3
<b>Total</b>	<b>79</b>	<b>238</b>	<b>51</b>	<b>0</b>	<b>368</b>

## 12. Capital Receipts

- 12.1 The approved Plan relies upon the generation of a total of £2.3m capital receipts from asset sales by the end of 2020/21. The Council has received £0.4m by the end of June 2019, leaving a target of £1.9m still to be achieved. This target is expected to be achieved provided that approved disposals currently “in the pipeline” are completed, the Council continues with its disposal policy for surplus and underused assets, the sites surrendered by the TCCT for housing are sold to a developer and no more new (or amended) schemes are brought forward that rely on the use of capital receipts for funding.
- 12.2 Under Government legislation (‘Flexible Use of Capital Receipts’), Councils are able to use Capital Receipts generated in the year to support the revenue costs in that year on transformation type projects which will result in ongoing savings to the authority. £0.3m was used in 2017/18, a further £0.357m was used in 2018/19 with another £0.057m is scheduled to be used in the current year. There is no plan to use further ‘flexible’ capital receipts in this way in future years as the available assets for disposal is decreasing.

## 13. Capital Contributions – S106 & Community Infrastructure Levy

- 13.1 The Council’s Capital Strategy states that capital contributions are applied to support schemes already approved as part of Capital Plan and are not allocated to new schemes unless the agreement with the developer is specific to a particular scheme outside the Capital plan.
- 13.2 £0.7m Section106 capital contributions have so far been received in 2019/20.
- 13.3 The Council’s Community Infrastructure Levy (CIL) scheme came into effect from 1 June 2017. The main capital project identified for funding from CIL receipts is the South Devon Highway. Some CIL funds are now being received and a percentage will be allocated as the “neighbourhood proportion”

## 14. Borrowing and Prudential Indicators

- 14.1 During the first quarter of 2019/20 the Council has taken out further borrowing of £12m, primarily to support investment property acquisitions and regeneration projects. The council as at end of June 2019 had a total debt of £314m and the Operational Boundary (excluding PFI element) for 2019/20 was set at £450m.
- 14.2 Members need to be fully aware of the financial risks and ongoing revenue impact of significantly increased levels of borrowing. A balanced view needs to be taken between the increased ongoing revenue borrowing cost, the ongoing value of the underlying assets and the robustness of any income stream associated with those assets. The key criteria is not so much the level of quantum of debt but the ability

of the council to afford the higher levels of interest and principal repayments. The Council borrows at fixed rates over a range of maturity profiles, so the risk is with fluctuations in both revenue income streams and asset values. Therefore due diligence, diversification and robust business cases supported by external advice as required is vital.

**Appendices:**

Appendix 1 –Capital Plan summary – Quarter One 2019/20

Appendix 2 Capital Plan 2019/20 Project Status

CAPITAL PLAN - QUARTER 1 2019/20 - EXPENDITURE

Appendix 2

		Revised 4-year Plan July 2019						
		Latest Est Scheme Cost	Expend in Prev Years (active schemes only)	Total 2019/20 Revised	2020/21	2021/22	2022/23	Total for Plan Period
<b>PB</b>	= Approved Prudential Borrowing schemes	£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>Protecting children and giving them the best start in life</b>								
	Brookfield Site / Brunel Academy Phase 1	1,050	995	55				55
	Brunel Academy Ph 2 Vocation Classrooms	1,000	22	578	400			978
	Capital Repairs & Maintenance 2016/17 and 2017/18	655	655	0				0
	Capital Repairs & Maintenance 2018/19	378	224	154				154
	Capital Repairs & Maintenance 2019/20	269	0	269				269
	Devolved Formula Capital (Annual Programme)			304				304
	Early Years - Ellacombe Academy Nursery	907	891	16				16
	Early Years - White Rock Primary Nursery	420	409	11				11
	Education Review Projects (Annual Programme)			89				89
	Medical Tuition Service - relocation	601	43	558				558
	New Paignton Primary school	609	7	602				602
	PCSA Expension	879	5	150	724			874
	Roselands Primary - additional classroom	599	97	502				502
	Secondary School places	2,187	2,139	48				48
	Special Provision Fund (SEND)	849	165	517	167			684
	Torbay School Relocation	1,200	184	316	700			1,016
		<b>17,439</b>	<b>5,836</b>	<b>4,169</b>	<b>1,991</b>	<b>0</b>	<b>0</b>	<b>6,160</b>
<b>Working towards a more prosperous Torbay</b>								
<b>PB</b>	Claylands Redevelopment	10,400	723	1,826	7,400	451		9,677
	DfT Better Bus Areas	1,183	1,095	88				88
<b>PB</b>	Edginswell Business Park	6,620	2,937	183	3,500			3,683
<b>PB</b>	Employment Space, Torbay Business Park	6,645	6,645	0				0
<b>PB</b>	Innovation Centre Ph 3 (EPIC)	7,750	6,420	1,330				1,330
	Land acquisitions from TCCT	2,360	2,360	0				0
	Old Toll House, Torquay (Old scheme prior to Investment Fund project)	28	28	0				0
<b>PB</b>	Oxen Cove Landing Jetty	1,966	738	1,228				1,228
<b>PB</b>	South Devon Highway - Council contribution	20,224	18,294	1,930				1,930
<b>PB</b>	TEDC Capital Loans/Grant	4,040	1,965	1,500	575			2,075
	Transport Highways Structural Maintenance (Annual Programme)			2,137	1,424			3,561
	Transport Integrated Transport Schemes (Annual Programme)			451	562			1,013
	Transport - Torquay Gateway Road Improvements	2,871	1,050	171	1,500	150		1,821
	Transport - Torquay Town Centre Access	420	420	0				0
	Transport - Tweenaway Junction	4,903	4,903	0				0
	Transport - Western Corridor	12,271	9,759	2,312	200			2,512
		<b>81,681</b>	<b>57,337</b>	<b>13,156</b>	<b>15,161</b>	<b>601</b>	<b>0</b>	<b>28,918</b>

CAPITAL PLAN - QUARTER 1 2019/20 - EXPENDITURE

Appendix 2

		Revised 4-year Plan July 2019						
		Latest Est Scheme Cost	Expend in Prev Years (active schemes only)	Total 2019/20 Revised	2020/21	2021/22	2022/23	Total for Plan Period
PB	= Approved Prudential Borrowing schemes	£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>Ensuring Torbay remains an attractive and safe place to live and visit</b>								
	Babbacombe Beach Road	70	0	70				70
	Brixham Harbour - Breakwater	3,892	2,535	1,357				1,357
	Brixham Harbour - Fendering	300	0	300				300
	Brixham Harbour - Water Meters	110		110				110
PB	CCTV equipment	521	226	295				295
	Torbay Community Partnership	50	20	30				30
	Clennon Valley Sport Improvements	70	32	0	38			38
	Flood Alleviation - Cockington	328	43	285				285
	Flood Alleviation - Monksbridge	412	49	363				363
PB	Freshwater Cliffs Stabilisation	330	330	0				0
	Hollicombe Cliffs Rock Armour	1,351	1,351	0				0
	Libraries Unlimited ICT Upgrades	107	0	107				107
PB	Paignton Harbour Light Redevelopment	800	78	722				722
	Princess Pier - Structural repair (with Env Agency)	1,665	806	859				859
PB	Public Toilets Modernisation Programme	1,180	558	622				622
	Torre Abbey Renovation - Phase 2	5,000	4,992	8				8
	Torre Valley North Enhancements	127	40	0	87			87
	Torquay Harbour - Town Dock Pontoons Replacement	276	276	0				0
		<b>16,589</b>	<b>11,336</b>	<b>5,128</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>5,253</b>
<b>Protecting and supporting vulnerable adults</b>								
	Adult Social Care (Annual Programme)			500	1,615			2,115
	Extra Care Housing	1,400	1,301	99				99
	IT replacement - Childrens Case Management System	1,000		1,000				1,000
	Disabled Facilities Grants (Annual Programme)			1,001	600			1,601
		<b>2,400</b>	<b>1,301</b>	<b>2,600</b>	<b>2,215</b>	<b>0</b>	<b>0</b>	<b>4,815</b>
<b>Corporate Support</b>								
PB	Corporate IT Developments	1,534	659	875				875
PB	Council Fleet Vehicles	4,771	333	2,824	1,614			4,438
PB	Essential Capital repair works	875	65	0	810			810
	Enhancement of Development sites	310	107	203				203
	Flexible Use of Capital Receipts (NB. Not Capital expenditure)	714	657	57				57
	Office Rationalisation Project - Electric House refurbishment	700	580	120				120
	Payroll Project	360	360	0				0
	General Capital Contingency	631	0	0	631			631
		<b>9,895</b>	<b>2,761</b>	<b>4,079</b>	<b>3,055</b>	<b>0</b>	<b>0</b>	<b>7,134</b>
<b>Investment Fund</b>								
PB	Investment Fund	300,200	154,907	30,293	115,000			145,293
		<b>300,200</b>	<b>154,907</b>	<b>30,293</b>	<b>115,000</b>	<b>0</b>	<b>0</b>	<b>145,293</b>
<b>Regeneration Projects</b>								
PB	Regeneration Programme	113,700		0	63,700	50,000		113,700

CAPITAL PLAN - QUARTER 1 2019/20 - EXPENDITURE

Appendix 2

		Revised 4-year Plan July 2019						
		Latest Est Scheme Cost	Expend in Prev Years (active schemes only)	Total 2019/20 Revised	2020/21	2021/22	2022/23	Total for Plan Period
		£'000	£'000	£'000	£'000	£'000	£'001	£'000
<b>PB</b>	<b>= Approved Prudential Borrowing schemes</b>							
<b>PB</b>	Regeneration Programme-Retail Opportunity	17,080		17,080				17,080
<b>PB</b>	Regeneration Programme-Harbour View Hotel Developmt	11,316	311	2,000	9,005			11,005
		<b>142,096</b>	<b>311</b>	<b>19,080</b>	<b>72,705</b>	<b>50,000</b>	<b>0</b>	<b>141,785</b>

CAPITAL PLAN - QUARTER 1 2019/20 - EXPENDITURE

Appendix 2

		Revised 4-year Plan July 2019						
	Latest Est Scheme Cost	Expend in Prev Years (active schemes only)	Total 2019/20 Revised	2020/21	2021/22	2022/23	Total for Plan Period	
<b>PB</b>	£'000	£'000	£'000	£'000	£'000	£'001	£'000	
<b>Affordable Housing</b>								
	Affordable Housing	2,884	1	0	2,883		2,883	
<b>PB</b>	Housing Rental Company - Loan	25,000		0	25,000		25,000	
	Housing Rental Company - Aff Hsg Developments	100		100			100	
		27,984	1	100	27,883	0	27,983	
<b>TOTALS</b>			233,790	78,605	238,135	50,601	0	367,341
<b>CAPITAL PLAN - QUARTER 1 2019/20 - FUNDING</b>								
	Unsupported Borrowing			59,126	226,584	50,000		335,710
	Grants			14,380	8,137	601		23,118
	Contributions			1,508	725			2,233
	Revenue			174	43			217
	Reserves			2,366	593			2,959
	Capital Receipts			1,051	2,053			3,104
<b>Total</b>				78,605	238,135	50,601	0	367,341

Capital Plan Projects		Project status report
<b>PB</b>	= <i>Approved Prudential Borrowing schemes</i>	
<b>Protecting children and giving them the best start in life</b>		
	Brookfield /Brunel Academy Phase 1	Project complete. Small retention and fees outstanding.
	Brunel Academy Phase 2 Vocational Classrooms	Planning submitted. Awaiting decision. Start on site expected Oct 2019.
	Capital Repairs & Maintenance 2016/17 & 2017/18	Projects complete. Small residue to be added to YEE43.
	Capital Repairs & Maintenance 2018/19	Commitment for R&M works carried over to Summer holidays 2019.
	Capital Repairs & Maintenance 2019/20	New programme of works identified for 2019/20. Works to start Summer 2019.
	Devolved Formula Capital	Devolved funding for LA schools held by the LA.
	Education Review Projects	Small contingency held for any unforeseen/ delays to major schemes above.
	Medical Tuition Service relocation	On site and due for completion August 2019.
	New Paignton Primary school	Still awaiting an invoice from the ESFA for the Council's contribution to the new free school in Paignton. Work due to start on site Feb 2020 with completion for Autumn Term 2020.
	Roselands Primary Bulge Classroom	On site and due for completion August 2019.
	PCSA Expension	Phase 1 on site. Phase 2 to start early 2020.
	Special Provision Fund	Three year funding programme. Year 2 bids approved and awarded. Funding to be allocated to schools for works starting Summer 2019.
	Torbay School Relocation	Feasibility, consultation and design complete for Burton Academy extension. Expected start on site late 2019/ early 2020.
<b>Working towards a more prosperous Torbay</b>		
<b>PB</b>	Claylands Redevelopment	Planning application submitted and hope to sign pre-let agreement soon. Currently assessing contamination levels and remediation treatment.
	DfT Better Bus Areas	Options are currently under consideration
<b>PB</b>	Edginswell Business Park	Site purchased, awaiting scheme proposals
<b>PB</b>	Employment Space	Scheme completed and tenant in occupation
<b>PB</b>	Innovation Centre Ph 3 (EPIC)	The construction of the Centre is nearing practical completion and due to be handed over at the end of July. A further two weeks of commissioning and testing is due to take place. Three tenants have signed leases and will be occupying the building imminently.
<b>PB</b>	Investment Fund	Several sites under consideration for purchase and subject to due diligence
	Land acquisitions from TCCT	Sites at Collaton St Mary and Preston Down Road acquired in Feb 2019

Capital Plan Projects		Project status report
<b>PB</b>	= <i>Approved Prudential Borrowing schemes</i>	
<b>PB</b>	Oxen Cove Landing Jetty	Project is 40% complete but subject to several very expensive Compensation Event Notices (all of which are being challenged by TDA on behalf of the Authority).
<b>PB</b>	South Devon Highway - Council contribution	Part 1 compensation claims still to be resolved - may exceed remaining budget
<b>PB</b>	TDA Capital Loans/Grant	Funds available to draw on as required by TDA to finance their capital schemes. TC Loan to TDA for Torbay Business Park Unit on track for completion December and spend in this financial year.
<b>PB</b>	Town Centre Regeneration Programme-Harbour View Hotel Development	Planning permission granted and initial works started on site
	Transport Integrated Transport Schemes	Subject to agreement on business case priorities
	Transport Structural Maintenance	On Target, Surface Dressing complete, Resurfacing and reconstruction programme continuing
	Transport - Torquay Gateway Road Improvements	Land Acquisition with Network Rail progressing.
	Transport - Torquay Town Centre Access	Scheme effectively complete, some minor issues to complete only
	Transport - Tweenaway Junction	Whilst there is a possibility of some further compensation payments, the scheme appears to be reaching its conclusion.
	Transport - Western Corridor	Physical delivery of schemes expected by August 2019
<b>Ensuring Torbay remains an attractive and safe place to live and visit</b>		
	Babbacombe Beach Road	Working with adjacent Hotel Owners to find a solution.
	Brixham Harbour - Breakwater structural repairs	Project is almost complete - close down meeting to be held in early August
	Brixham Harbour - Fendering	The Commitments column looks too high and does not seem to reflect recent reduction in scope of works to ensure project does not overspend.
	Brixham Harbour - Water Meters	Project only recently commenced; expenditure being monitored to ensure it does not overspend
<b>PB</b>	CCTV equipment	Torquay part of the project will be completed by mid July, by which time the remainder of the project will have commenced, to be finished by end of September.
	Clennon Valley Sport Improvements	Project awaiting Public Consultation July/August 2019
	Flood Alleviation - Cockington	Due to discussions with local residents who have objected to the original proposals we have amended the design of the scheme. Further discussions are being held with the residents and providing there are no objection the scheme will be out to tender in August and commence on site in October.
	Flood Alleviation - Monksbridge	This scheme will be included in the tender documents for Cockington in order to reduce the cost of preliminaries. Design works are complete and tender documents should be sent out in August 2019 with a commencement on site in October 2019 and completion by the end of March 2020.
<b>PB</b>	Freshwater Cliffs Stabilisation	A report was presented at Capital Board on 15th May. Project finalised.
	Libraries Unlimited ICT upgrades	Work on Libraries IT replacement kit is progressing and should complete this year.

Capital Plan Projects		Project status report
<b>PB</b>	= <i>Approved Prudential Borrowing schemes</i>	
<b>PB</b>	Paignton Harbour Light Redevelopment	Chief Executive decision to amend scheme in August 2019 in consultation with group leaders
	Princess Pier - Structural repair (with Env Agency)	Works to superstructure of Princess Pier have come in under budget and discussions are being held with council officers as to whether further repair works to the substructure should be carried out using this funding.
<b>PB</b>	Public Toilets Modernisation Programme	Refurbishment of several toilet blocks has commenced and a clear project plan is in place. We would not anticipate any change in the set budget although some works timing is linked to obtaining planning consent.
	Torbay Community Partnership (Paignton Seafront Shelters)	Work on shelters is going well; two complete and third starting soon. Remaining four shelters scheduled
	Torre Abbey Renovation - Phase 2	Project complete. Final invoice now agreed and paid
	Torre Valley North Enhancements	Awaiting community's position on future lease of Torre Valley Sport Hub
	Torquay Harbour - Town Dock Pontoons Replacement	Project is complete subject to some minor works.
<b>Protecting and supporting vulnerable adults</b>		
	Adult Social Care	Project(s) still to be identified although proposals and options are being discussed.
	Affordable Housing	Initial investigation work underway at some appropriate sites
	Extra Care Housing	We are developing (via TDA) a scheme at Torre Marine, target completion by 2022. In addition to Torre Marine we intend one further scheme in next 4yrs.
<b>PB</b>	Housing Rental Company - Loan	Principal of a Council loan to help establish and resource Housing Company approved by Council
	Housing Rental Company - Affordable Housing development	Funds for necessary works to obtain planning permission on Council sites.
	IT Childrens Case Management System replacement	Tender progressing and provider due to be selected in September
	Disabled Facilities Grants	Statutory provision of financial assistance for adaptations to private residences enabling independence for recipients
<b>Corporate Support</b>		
<b>PB</b>	Corporate IT Developments	Needs and plans being identified and expected to utilise remaining budget this year to include telephony system and desktop replacement.
<b>PB</b>	Council Fleet Vehicles	Balance of funding available for acquisition of Council's fleet vehicles as required.
<b>PB</b>	Essential Capital repair works	Consideration will need to be given to replenishing this fund in future years.
	Enhancement of Development sites	Budget to enable moderate expenditure to enhance value of potential sites.

Capital Plan Projects		Project status report
<b>PB</b>	<b>= Approved Prudential Borrowing schemes</b>	
	Office Rationalisation Project - Electric House refurbishment	Works to update office accommodation are largely complete.
	Payroll Project	Currently investigating the feasibility of implementing the Recruitment module into MyView but other modules within MyView require upgrading before this can happen. The Systems Team are working through this work and we then plan to look at implementing the Recruitment module in 2020/21.
	General Capital Contingency	Contingency for unforeseen emergencies or funding shortfalls

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted