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## **Democratic Support**

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Published 06 February 2014

## **CABINET**

Tuesday 11 February 2014  
2.00 pm  
Council House (Next to the Civic Centre), Plymouth

### **Members:**

Councillor Evans, Chair  
Councillor Peter Smith, Vice Chair  
Councillors Coker, Lowry, McDonald, Penberthy, Vincent and Williams.

Members are invited to attend the above meeting to consider the items of business overleaf.

This agenda acts as notice that Cabinet will be considering business in private if items are included in Part II of the agenda.

This meeting will be broadcast live to the internet and will be capable of subsequent repeated viewing. By entering the Warspite Room and during the course of the meeting, Councillors are consenting to being filmed and to the use of those recordings for webcasting.

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**Tracey Lee**

Chief Executive

# **CABINET**

## **AGENDA**

### **PART I (PUBLIC MEETING)**

#### **1. APOLOGIES**

To receive apologies for absence submitted by Cabinet Members.

#### **2. DECLARATIONS OF INTEREST (Pages 1 - 2)**

Cabinet Members will be asked to make any declarations of interest in respect of items on this agenda. A flowchart providing guidance on interests is attached to assist councillors.

#### **3. MINUTES (Pages 3 - 8)**

To sign and confirm as a correct record the minutes of the meeting held on 14 January 2014, subject to the amendment of minute 91 to swap the figures so that it reads 'reducing from 25 per cent to 20 per cent'.

#### **4. QUESTIONS FROM THE PUBLIC**

To receive questions from the public in accordance with the Constitution.

Questions, of no longer than 50 words, can be submitted to the Democratic Support Unit, Plymouth City Council, Civic Centre, Plymouth, PL1 2AA, or email to [democraticsupport@plymouth.gov.uk](mailto:democraticsupport@plymouth.gov.uk). Any questions must be received at least five clear working days before the date of the meeting.

#### **5. CHAIR'S URGENT BUSINESS**

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

#### **6. OFFICE OF THE DIRECTOR OF PUBLIC HEALTH ANNUAL REPORT FOR PLYMOUTH 2013/14 (Pages 9 - 68)**

Dr Stephen Horsley (Interim Director of Public Health) will submit his annual report which identifies how local government can play a part in improving the health of the public in Plymouth.

**7. PARK AND RIDE BUS SERVICES REVIEW SCRUTINY REPORT (Pages 69 - 114)**

Councillor Murphy (Chair of the Working Plymouth Co-operative Review Scrutiny Group) has been invited to attend Cabinet to present the recommendations in the scrutiny report on the Park and Ride Bus Services Review.

Anthony Payne (Strategic Director for Place) will submit a report on the recommendations which came from this review.

**8. SCRUTINY REPORT ON DELIVERING THE CO-OPERATIVE VISION WITH A THREE YEAR SUSTAINABLE BALANCED BUDGET TO FOLLOW**

Councillor James (Chair of the Co-operative Scrutiny Board) has been invited to attend Cabinet to present the recommendations in the scrutiny report on Delivering the Co-operative Vision within a three year sustainable balanced budget.

Tracey Lee (Chief Executive) will submit a report on the recommendations which came from this review.

**9. CORPORATE PLAN PERFORMANCE FRAMEWORK MONITORING (Pages 115 - 132)**

Giles Perritt (Head of Performance, Policy and Partnerships) will submit a report tracking progress and delivery of the outcomes in the Corporate Plan with details of progress highlighting both cause for celebration as well as delays and issues requiring corrective action. This report provides details for the third quarter and will also be discussed at the Co-operative Scrutiny Board 19 February 2014.

**10. CORPORATE MONITORING REPORT AS AT 31.12.13 (INCLUDING CAPITAL SCHEMES AND PROGRAMME APPROVALS) (Pages 133 - 146)**

The Corporate Management Team will submit a report outlining the finance monitoring position of the Council as at the end of December 2013 and will provide details on how the Council is delivering against its financial measures using its capital and revenue resources and to approve relevant budget variations, virements and new capital schemes.

The report will also provide details on Human Resources and Organisation Development data including workforce and sickness statistics.

**11. TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE: INCOME STRATEGY AND REVENUE AND CAPITAL BUDGET 2014/15-2017/18. (Pages 147 - 180)**

Anthony Payne (Strategic Director for Place) will submit a report on the recommendations of the Tamar Bridge and Torpoint Ferry Joint Committee on the proposed revenue and capital budgets to deliver its Business Plan, to be funded from income subject to the introduction of a TamarTag account fee.

The report requests that Cabinet endorses the proposals of the Tamar Bridge and Torpoint Ferry Joint Committee and recommends the income strategy and proposed budgets to Full Council.

**12. DELIVERING THE CO-OPERATIVE VISION WITHIN A THREE YEAR SUSTAINABLE BALANCED BUDGET TO FOLLOW**

Further to the indicative report “Delivering the Co-operative Vision within a three year sustainable balanced budget” which was agreed by Cabinet on 10 December 2013 for consultation, Tracey Lee (Chief Executive) will submit a report on proposals for the 2014/15 budget.

The local government financial settlement for 2014/15, (with indicative allocations for 2015/16), is still subject to final approval by the Government with the decision not expected until mid-February 2014.

This update report details:

- the impact of the settlement for Plymouth compared with our resource assumptions;
- how we have closed the £1.1m revenue gap for 2014/15;
- a breakdown of costs to be incurred by, and benefits attributable to, the Council's Transformation Programme in 2014/15;
- a risk register detailing the high level risks associated with the revenue and capital budgets 2014/15 to 2016/17.

In addition to complying with our statutory requirements for budget setting, we are also publishing a three year Co-operative Council Financial Plan to provide clarity as to how we are managing and investing our finances through these challenging economic times.

**13. TREASURY MANAGEMENT STRATEGY AND ANNUAL INVESTMENT STRATEGY (Pages 181 - 212)**

Malcolm Coe (Assistant Director for Finance) will submit a report setting out the Treasury Management Strategy and Prudential Indicators, including the Annual Investment Strategy as required by the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services which had been considered and recommended by the Audit Committee.

**14. DERRIFORD AND SEATON AREA ACTION PLAN (Pages 213 - 224)**

Anthony Payne (Strategic Director for Place) will submit a report on the implications of the Inspector's report on the Derriford and Seaton Area Action Plan and to determine what course of action should now be taken by the City Council, including deciding whether or not the area action plan should now be withdrawn.

**15. STRATEGIC ECONOMIC PLAN - HEART OF THE SOUTH WEST LOCAL ENTERPRISE PARTNERSHIP (Pages 225 - 232)**

Anthony Payne (Strategic Director for Place) will submit a report on the first draft of the Strategic Economic Plan (SEP) 2014 – 2020 which has been produced by the Heart of the South West Local Enterprise Partnership, and describes the suggested investment priorities and high level projects for the south west and the priorities for Plymouth. The final SEP will need to be submitted to Government by the end of March 2014.

**16. EXEMPT BUSINESS**

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

(Members of the public to note that, if agreed, you will be asked to leave the meeting).

**PART II (PRIVATE MEETING)**

**AGENDA**

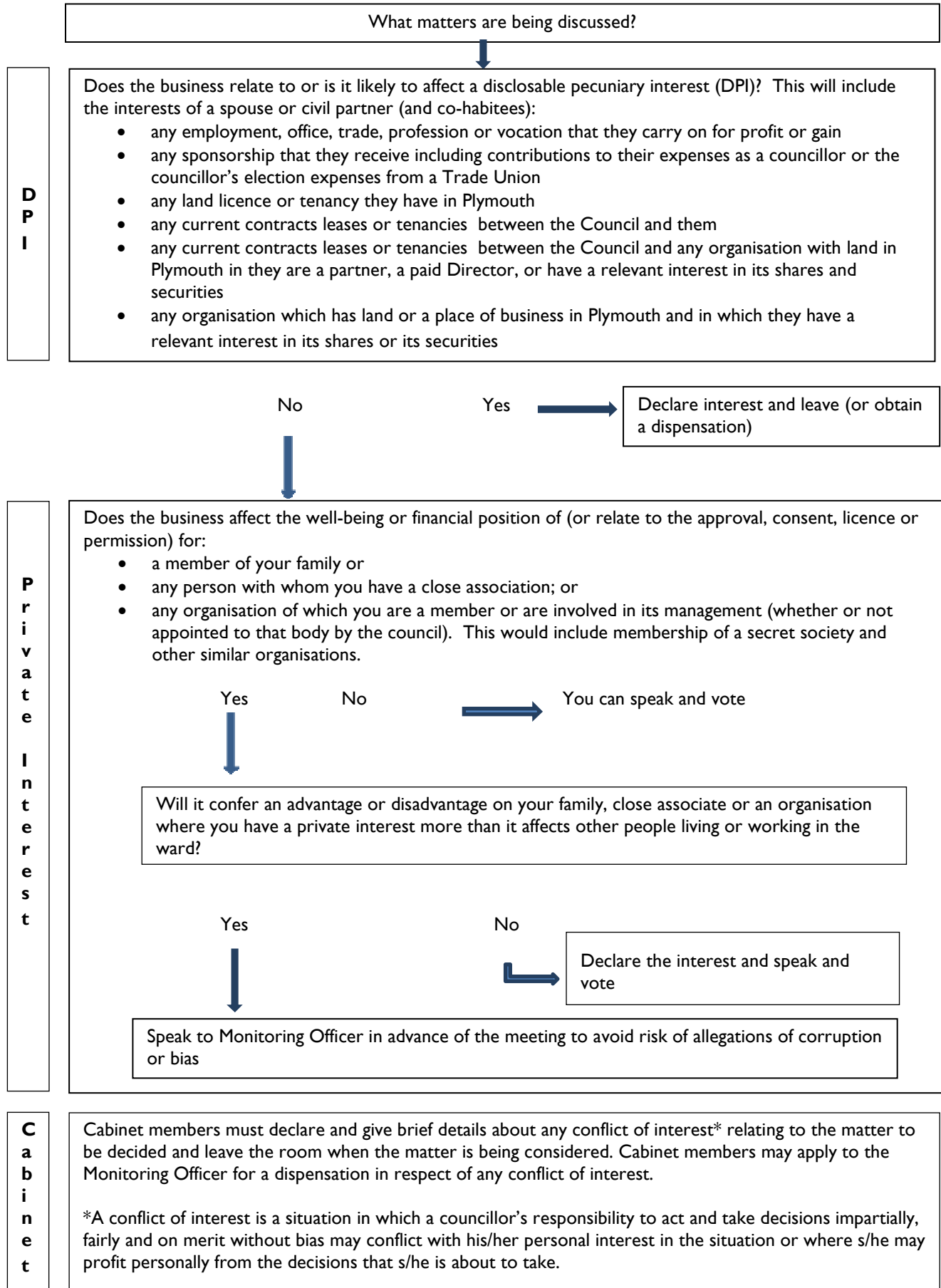
**MEMBERS OF THE PUBLIC TO NOTE**

that under the law, members are entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

Nil

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## DECLARING INTERESTS – QUESTIONS TO ASK YOURSELF



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## Cabinet

**Tuesday 14 January 2014**

### **PRESENT:**

Councillor Peter Smith, Vice Chair in the Chair.

Councillors Coker, Lowry, McDonald, Penberthy, Vincent and Williams.

Also in attendance: Carole Burgoyne (Strategic Director for People), Anthony Payne (Strategic Director for Place), Stephen Horsley (Interim Director of Public Health), Malcolm Coe (Assistant Director for Finance), David Northey (Head of Finance), Nathan Sanders (Project Manager) and Nicola Kirby (Democratic Support Officer).

Apologies for absence: Councillor Evans (Chair) and Tracey Lee (Chief Executive).

The meeting started at 2.00 pm and finished at 2.15 pm.

*Note: At a future meeting, the Cabinet will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.*

### 87. **DECLARATIONS OF INTEREST**

There were no declarations of interest made by councillors in accordance with the code of conduct in relation to items under consideration at this meeting.

### 88. **MINUTES**

The urgent decision to implement minute 71 immediately was noted.

Agreed the minutes of the meeting held on 10 December 2013.

### 89. **QUESTIONS FROM THE PUBLIC**

One question was submitted by a member of the public for this meeting, in accordance with Part B, paragraph 11 of the Constitution.

In the absence of the questioner, a written response would be sent to him as set out below -

<b>Question No</b>	<b>Question By</b>	<b>Cabinet Member</b>	<b>Subject</b>
5 (13/14)	Mr F E Sharpe	Councillor Peter Smith, Deputy Leader	Plymstock Swimming Pool update

Could there be a press statement regarding the latest news on a Plymstock swimming pool. Residents have waited years for one and it is needed now with more houses going up in Hooe, Turnchapel, and Oreston etc and on a site of their choice. How about the Downham School site?

**Response:**

There is no update on the situation with Plymstock Pool other than previously advised in several previous answers concerning Sherford. As stated in earlier replies, consultation on Sherford has occurred on several occasions and therefore a press statement is not necessary.

90. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

91. **REVISED COUNCIL TAX SUPPORT SCHEME**

Cabinet received the scrutiny report on the Council Tax (attachment of earnings) and Malcolm Coe (Assistant Director for Finance) submitted a report reviewing the impact of the localised Council Tax Support Scheme for Plymouth and making recommendations for changes in 2014/15 following consideration of the scrutiny report.

Councillor Lowry (Cabinet Member for Finance) introduced the proposals and advised that a number of measures had been taken to assist those in financial difficulty including personal payment plans.

The Chair advised Cabinet Members that Councillor James (Chair of the Cooperative Scrutiny Board), had been invited to attend the meeting today to present the recommendations in the scrutiny report but was unable to attend today.

Councillor Penberthy (Cabinet Member for Co-operatives and Communities) advised that the Council was unable to take payments direct from earnings without a Court order and indicated that the government should review this. He also reported that two schemes had already been introduced for saving with Credit Unions.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that -

- (I) the recommendations from the Co-operative Scrutiny Board are noted and adopted as follows –
  - the Board supported the proposals that Plymouth City Council should reduce the minimum contribution that working age people should pay towards their Council Tax bill from the current 25 per cent to 20 per cent; and

- the Board supported the proposals that Plymouth City Council should reduce the fee charged when the Council makes an application for a Council Tax Attachment of Earnings Order from £83 to £60;
  - the Assistant Director for Finance to consider the benefits of introducing a 'tapered' repayment schedule for those in Council Tax arrears, where initial repayments are lower and gradually increase, and report back to the Board with his findings and recommendations within three months;
  - the Assistant Director for Finance to take steps to ensure that the largest possible number of employers in the city provide the facility for the deduction and payment at source of Council Tax from employees' remuneration;
  - the Assistant Director for Homes and Communities to engage with the city's landlords to ensure that prospective tenants are aware of Council Tax liabilities as part of the lettings process;
  - the Assistant Director for Homes and Communities to engage with the Assistant Director for Finance to identify what financial incentives could be offered from the Council Tax exceptional hardship fund to those at risk from Council Tax arrears to begin saving with a Credit Union;
  - the Assistant Director for Finance to review the language used in correspondence with those in Council Tax arrears and gain an independent verification of its accessibility;
  - the Assistant Director for Finance to engage with the Head of Communications to ensure access to advice and support for those struggling to pay Council Tax through the Council's digital channels;
  - the Assistant Director for Finance to consider the introduction of a free phone number for those needing advice about Council Tax arrears;
- (2) the cost levied by the Council for Liability Orders is reduced from £83 to £60 with effect from 1 April 2014.

**91a Recommendation to the City Council**

The City Council is Recommended to approve that the 2013/14 Council Tax Support Scheme continues for the 2014/15 financial year and that all elements of the scheme remain the same except the requirement for minimum contribution for all working age residents reducing from 20 per cent to 25 per cent.

92. **COUNCIL TAX BASE SETTING 2014/15 Recommendation to the City Council**

Malcolm Coe (Assistant Director for Finance) submitted a report on the proposed Council Tax base for tax setting purposes in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012.

The report indicated that a tax base of 67,066 would a Council Tax requirement of £86,847,153.38, assuming a 1.99 per cent increase.

Councillor Lowry (Cabinet Member for Finance) introduced the proposal which would feed into revenue budget setting.

Alternative options considered and reasons for the decision –

As set out in the report.

The City Council is Recommended to approve the Council Tax base for 2014/15 tax setting as 67,066 Band D equivalents, which is the tax base after allowing for an estimated collection rate of 97.5 per cent.

93. **CONTRACT AWARD FOR THE REFURBISHMENT OF LAIRA RAIL BRIDGE**

Anthony Payne (Strategic Director for Place) submitted a report on a scheme to restore the redundant Laira Rail Bridge, which crossed the River Plym, to bring the bridge back into operation as a shared use pedestrian and cycle path, linking to the National Cycle Network which passed through the Saltram Country Park, along with other local routes.

Cabinet were asked to award the contract for the refurbishment of the bridge.

A separate private report was also submitted which contained commercially sensitive information and was referred to in minute 95 below.

Councillor Coker (Cabinet Member for Transport) introduced the proposals and indicated that the £3.5m scheme would be due for completion in March 2015.

Cabinet Members welcomed the proposals in view of the planned housing development in Sherford and to secure the city's industrial heritage.

Agreed that the contract for the refurbishment of Laira Rail Bridge is awarded to South West Highways.

94. **EXEMPT BUSINESS**

No representations had been made that this part of the meeting of should be in public.

Agreed that under Section 100(A)(4) of the Local Government Act, 1972, the press and public are excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

95. **CONTRACT AWARD FOR THE REFURBISHMENT OF LAIRA RAIL BRIDGE (E3)**

Further to minute 93 above, Anthony Payne (Strategic Director for Place) submitted a report on commercially sensitive details relating to the contract award for the refurbishment of Laira Rail Bridge.

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**PLYMOUTH CITY COUNCIL**

**Subject:** Office of the Director of Public Health Annual Report for Plymouth 2013/14

**Committee:** Cabinet

**Date:** 11 February 2014

**Cabinet Member:** Councillor McDonald

**CMT Member:** Dr Stephen Horsley (Interim Director of Public Health)

**Author:** Dr Stephen Horsley, Interim Director of Public Health

**Contact details** Tel: 01752 308675  
email: [stephen.horsley@plymouth.gov.uk](mailto:stephen.horsley@plymouth.gov.uk)

**Ref:**

**Key Decision:** No

**Part:** I

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**Purpose of the report:**

The report from the Director of Public Health identifies how Local Government can play a part in improving the health of the public in Plymouth.

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**The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

The report supports the Corporate Plan and recommends key motives that could be supported by the Council in 2014/15.

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**Implications for Medium Term Financial Plan and Resource Implications:  
Including finance, human, IT and land**

The key priorities recommended are funded from the ring fenced Public Health Grant.

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

There are no specific implications.

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**Equality and Diversity**

Has an Equality Impact Assessment been undertaken? No

The recommendations refer to the whole population of Plymouth

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**Recommendations and Reasons for recommended action:**

The Cabinet is asked to support the key priorities identified in the report.

- Building on the 'LoveLIFE campaign, the launch of a 'Healthy Plymouth' campaign to address the poor health outcomes experienced by many of the City's residents.
- Taking further action across the life course to reduce rates of smoking, alcohol consumption and obesity in the city.
- Raising awareness of and providing a coordinated approach to the promotion of mental health and wellbeing, helping to build resilience in our local people and communities and to tackle the stigma that surrounds mental health.

**Alternative options considered and rejected:**

None

**Published work / information:**

None

## Background papers:

None

**Sign off:**

Fin	djn13 14.33	Leg	19486 DVS	Mon Off	19486 DVS	HR	n/a	Assets	n/a	IT	n/a	Strat Proc	n/a
Originating SMT Member: Dr Stephen Horsley													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

Director of Public Health for Plymouth  
Annual Report 2013 - 2014

# Local Government Local Public Health

January 2014



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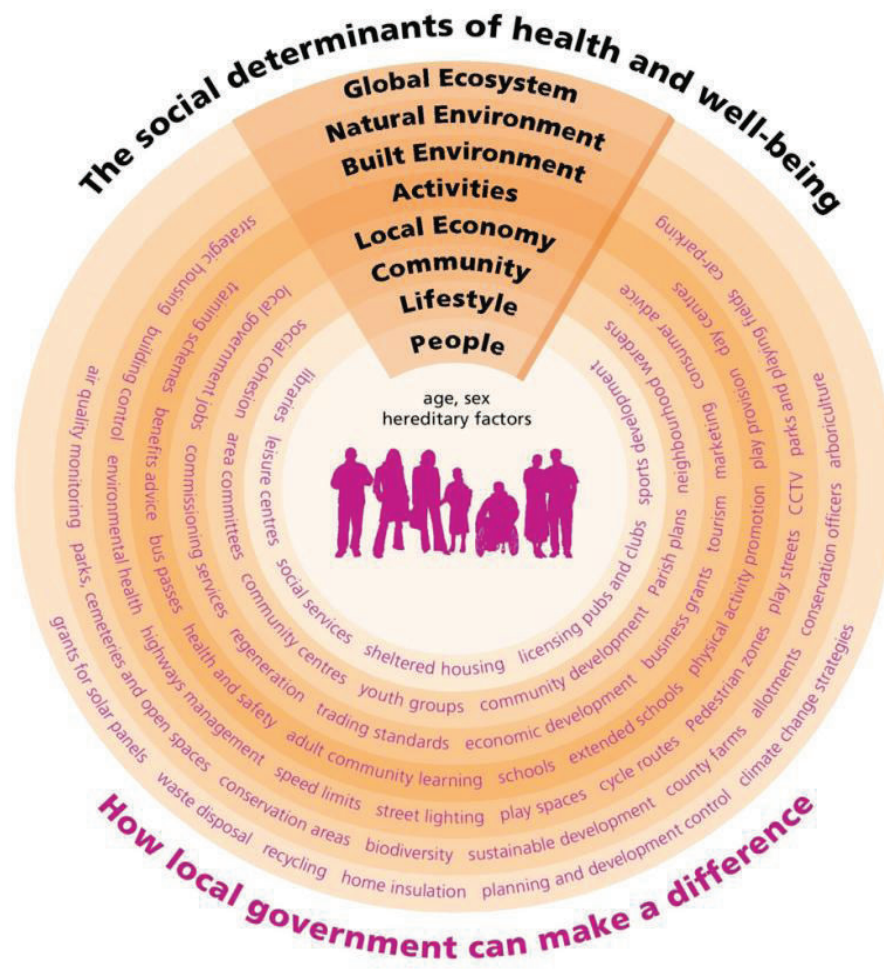


## Introduction

Local government plays a significant role in determining population health and wellbeing. It has long been understood that the decisions taken in the 'town hall' have a direct or indirect impact upon the citizens it seeks to serve. This Annual Report of the Director of Public Health for Plymouth City Council

examines some of the determinants of health and wellbeing that are directly influenced by local government in Plymouth.

Figure 1 identifies the determinants where local government makes a difference to people's health and wellbeing.



**Figure 1** Local government and social determinants of health and wellbeing. (Source: IDeA, 2010)<sup>1</sup>

Plymouth is a city of opportunity and aspires to be one of the finest waterfront cities in Europe. Plymouth has much to offer to support the health and wellbeing of its population. It is bordered by some of the most outstanding natural environments in England. It has accessible green space within the city boundaries, world class leisure facilities, relatively low unemployment, a growing younger population, a wide range of local health services, and an active voluntary and community sector. There are indications of a more diverse local economy, increased interest in marine-type industries, growing tourism, and local heritage and cultural attractions and initiatives.

Plymouth however remains a city of paradox and challenge in relation to the health and wellbeing of its population.

Some neighbourhoods in Plymouth experience poorer health outcomes when compared to near neighbours. A clear social gradient exists across the city as shown by the distribution of occupations and associated income opportunities. Life expectancy varies with a difference of 12.6 years (in 2009-11) between the neighbourhoods with the highest and lowest levels.

Housing stock quality in the private rented sector is variable and sometimes very poor. Before the onset of the economic recession (2008-09), material and social deprivation was lessening, but pockets of deep deprivation remained and have now worsened.

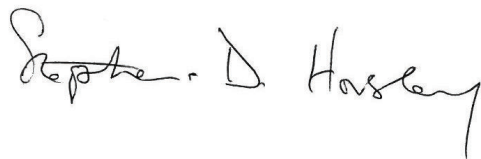
Lifestyle issues continue to be of concern. For example, inequalities in health and premature death from smoking related causes between social classes persist. Dorling<sup>2</sup> estimates that for every cigarette smoked, 11 minutes of life are lost. The financial impact of smoking related ill-health is significant. Action on Smoking and Health<sup>3</sup> estimates the financial burden in Plymouth to be in the region of £75 million per year. Alcohol use and the night-time economy bring significant economic and employment opportunities and are key to the social, cultural, and leisure activities of the city.<sup>4</sup> It is estimated that licensed clubs, pubs, and bars have an annual value of around £26.8 million. The sector provides employment for around 2,000 people. However, these important economic benefits must be considered alongside the estimated health costs (approximately £9.5 million) and the estimated crime costs (£27 million per year) associated with alcohol misuse in Plymouth.

Plymouth has much to celebrate by way of its access to the natural environment, its community assets, its growing younger population, its collective aspiration to achieve great things for its citizens, and the opportunities it presents for inward investment and growth. On the other hand, its overall health status when compared to the rest of England is not good. Characteristic health inequalities which would be expected in northern cities are present in Plymouth and are stubborn to shift. Life expectancy is still largely dependent on people's social status, lifestyle, and where they live.

There is much to do to share the opportunities for health and wellbeing equally for all, across Plymouth's neighbourhoods. This remains the city's greatest public health challenge.

Key priorities to be taken forward in the coming year include:

- Building on the 'LoveLIFE' campaign, the launch of a 'Healthy Plymouth' campaign to address the poor health outcomes experienced by many of the city's residents
- Taking further action across the life course to reduce rates of smoking, alcohol consumption and obesity in the city
- Raising the awareness of and providing a coordinated approach to the promotion of mental health and wellbeing, helping to build resilience in our local people and communities and to tackle the stigma that surrounds mental health



**Dr Stephen Horsley**  
Director of Public Health  
Office of the Director of Public Health (ODPH)  
Plymouth City Council

#### References

1. IDeA. (2010) The social determinants of health and the role of local government. Local Government Association.
2. Dorling, D. (2013) Unequal health: the scandal of our times. Bristol: Policy Press.
3. Action on Smoking and Health. (2013) Local Cost of Smoking for Plymouth. London: ASH.
4. Plymouth City Council. (2013) Promote responsibility, minimise harm. A strategic alcohol plan for Plymouth 2013 – 2018.

## Chapter 1

# What makes people healthy or unhealthy in Plymouth?

Six themes are briefly considered in relation to the question, 'What makes people healthy or unhealthy in Plymouth?'

1. People
2. Health and lifestyle issues
3. Local economy
4. Built environment
5. Natural environment
6. Global ecosystem

## 1. People

Plymouth is the second largest city, by population, on the south coast of England and, after Bristol, is the largest city in the South West. Plymouth has a resident population of 256,400 and includes a further 100,000 in its travel-to-work area.

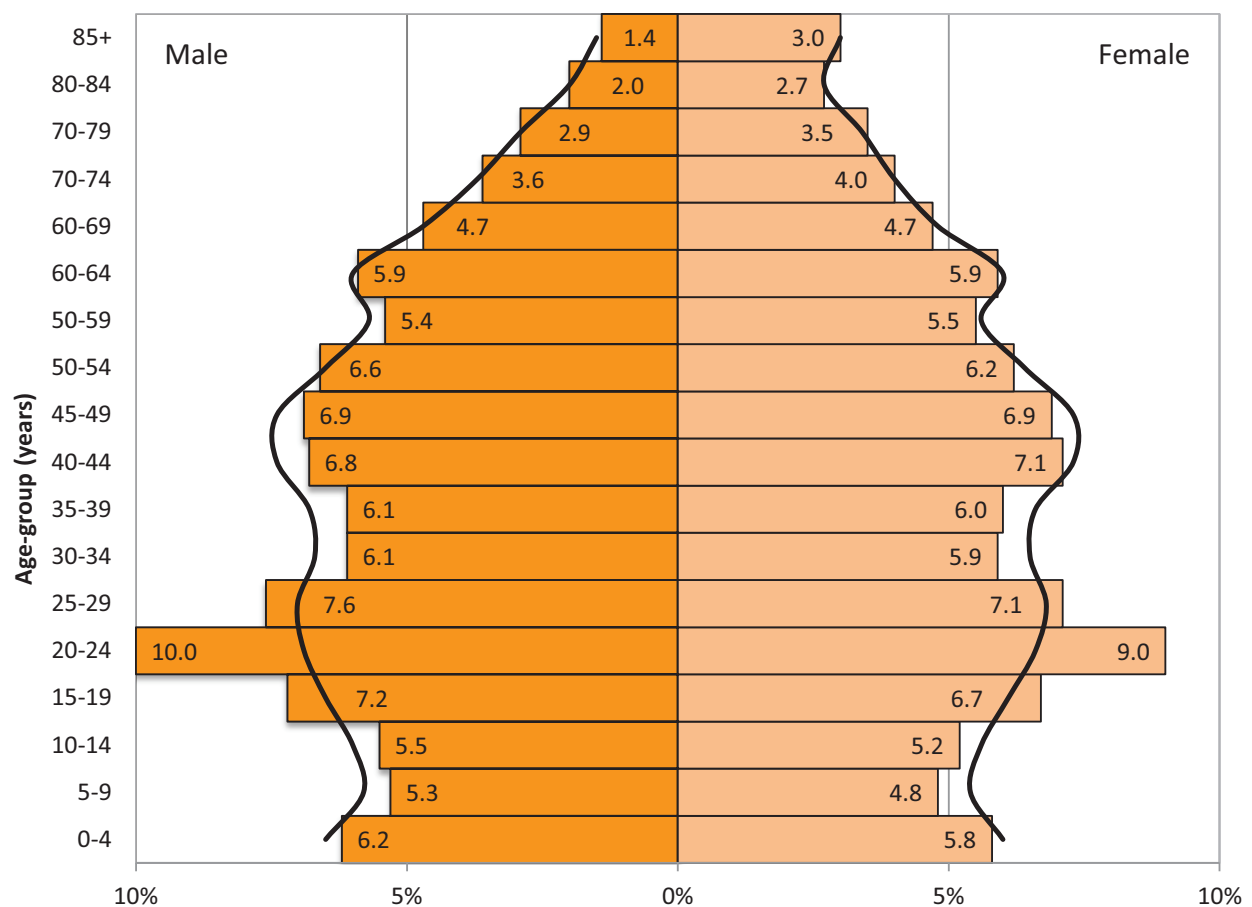
The Office for National Statistics (2010) estimates that Plymouth's population will grow to 269,800 by 2026. Plymouth City Council aspires to increase the usual resident population of the city to around 300,000 by

the year 2026.<sup>1</sup> The local population has grown over the last ten years – there has been an increase in births and life expectancy and a decrease in mortality. Since the 2001 Census, Plymouth's population has increased by 7.5%, a higher rate of growth than the South West (7%) and England (6.3%).

The city's population changes during the course of the year. During the summer, the city is supplemented by a significant number of visitors and, in September, many thousands of students arrive to study at Plymouth University, the University of St Mark and St John, and City College Plymouth. It is therefore likely that the population of Plymouth is in excess of 270,000 at certain times of the year.

### a) Gender and age

The city's population consists of slightly more females (51%) than males (49%). The population structure follows the archetypal 'beehive' pattern characterised by a larger youthful population and a smaller older population. Figure 2 shows the city's age-groups for males and females (as bars) and the equivalent for England (as a black line). Overall, the demographic structure of the city is similar to that of England.



**Figure 2** Population pyramid for Plymouth. (Source: 2011 Census estimates of usual resident population, ONS)

### b) Ethnicity

There is relatively little ethnic diversity in Plymouth. According to the 2011 Census, 92.9% of Plymouth's population is White British – which is 13% higher than the national average. Of the 7.1% Black and Minority Ethnic (BME) population, White Other (2.7%), Chinese (0.5%), and Other Asian (0.5%) were the most common ethnicities stated. Despite the low proportion, the city's BME population has doubled since the 2001 Census. Schools are required to report on the ethnicity of their registered children. Based on the 2012 School Census data, there are 36,711 children and young people in schools with a recorded ethnicity. Of these, 33,646 (91.7%) are

classified as White British. The city has been a dispersal area for asylum seekers since 2000 and is home to an estimated 400 asylum seekers at any one time including unaccompanied children.

Plymouth has a smaller proportion of people from an ethnic minority background than the South West region as a whole or England. Plymouth's population is therefore predominantly white with a small, but growing, BME population. An estimated 100 languages are spoken in Plymouth.<sup>2</sup>

## 2. Health and lifestyle

Over the last 10 years, all-cause mortality rates have fallen in Plymouth. Early death rates from cancer and from heart disease and stroke have fallen. The estimated levels of adult 'healthy eating' are worse than the England average. The rate of teenage conception in Plymouth (44.6 per 1,000 women aged 15-17) is higher and significantly worse than the rate England (34 per 1,000). Breastfeeding initiation, and smoking in pregnancy are worse than the England average. Rates of sexually transmitted infections, smoking related deaths, and hospital stays for alcohol related harm are

worse than the England average. About 19% of Year 6 children are classified as obese.<sup>3</sup>

### a) Smoking related ill-health

There are a number of indicators that illustrate smoking related ill-health. Plymouth is significantly worse than England (Figure 3) for the following:

- Smoking attributable mortality
- Deaths from lung cancer
- Lung cancer registrations
- Smoking attributable hospital admissions
- Oral cancer registrations
- Smoking prevalence
- Smoking status at time of delivery

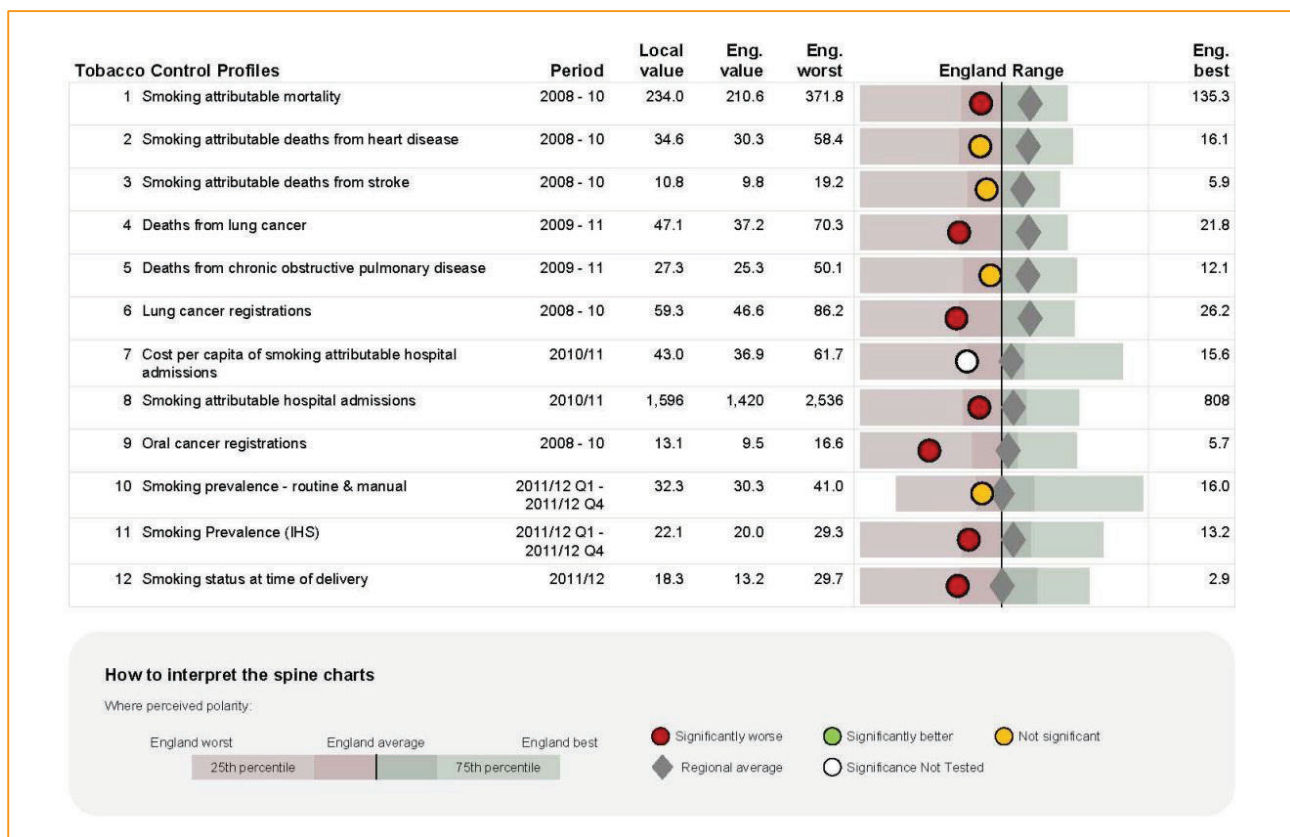


Figure 3 Tobacco Control Profile for Plymouth 2010-2011. (Source: [www.tobaccoprofiles.info](http://www.tobaccoprofiles.info))

**b) Alcohol related ill-health**

Alcohol related ill-health in Plymouth is significantly worse than England (Figure 4) as demonstrated by the following indicators:

- Alcohol-specific hospital admission – under 18 years old
- Alcohol-specific hospital admission – males and females
- Alcohol-attributable hospital admission – males and females
- Admission episodes for alcohol-attributable conditions
- Alcohol-related recorded crimes
- Alcohol-related violent crimes
- Alcohol-related sexual offences
- Binge drinking

**c) Self-reported general health**

The 2011 Census returns for Plymouth show an overall decreasing gradient of self-reported 'very good' health as deprivation levels increase across the city. In the least deprived neighbourhood group, 49.4% stated 'very good' health compared to only 41.6% in the most deprived neighbourhood group. Compared to the city average of 46%, the Plympton locality had the highest percentage of 'very good' self-reported health (48.8%) and the North West locality had the lowest percentage (43%). Compared to the city average of 1.4%, the South West locality had the highest percentage of 'very bad' self-reported health (1.9%) and the Plympton locality had the lowest percentage (1%).

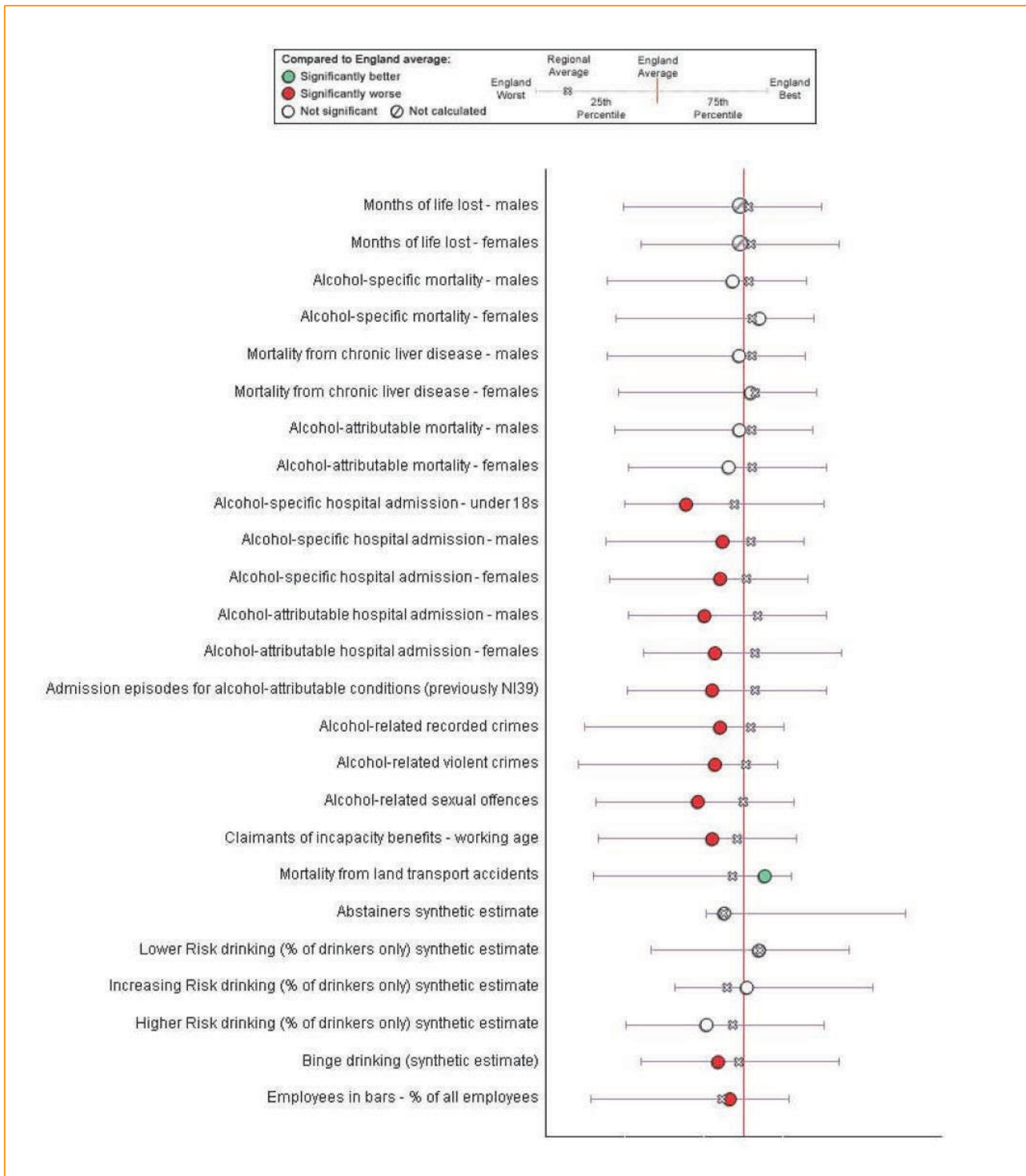


Figure 4 Alcohol related ill-health in Plymouth (2012). (Source: [www.nwpho.org.uk](http://www.nwpho.org.uk))

### 3. Local economy

'[B]ecause of its coastal location, the economy of Plymouth has traditionally been maritime, in particular the defence and the armed forces. Other substantial employers include the public sector in administration, health, education, medicine and engineering as well as the university' – Evidence to Plymouth's Fairness Commission (2013).<sup>4</sup>

Discussion of the local economy is mainly drawn from the South West Observatory Profile (2012) information for Plymouth.<sup>5</sup>

#### a) Deprivation

The Indices of Multiple Deprivation (IMD 2010) measure deprivation against 38 indicators covering a range of economic, social and housing issues. Plymouth's IMD 2010 ranking is 72<sup>nd</sup> out of 354 authorities in England. Before the onset of the economic recession (2008-09), the city overall was becoming less deprived, but pockets of deep deprivation remained and have now worsened. Neighbourhoods exhibiting deteriorating levels of deprivation include Devonport, East End, North Prospect and Weston Mill, Stonehouse, and Whitleigh. Figure 5 shows the variation in deprivation across the city.

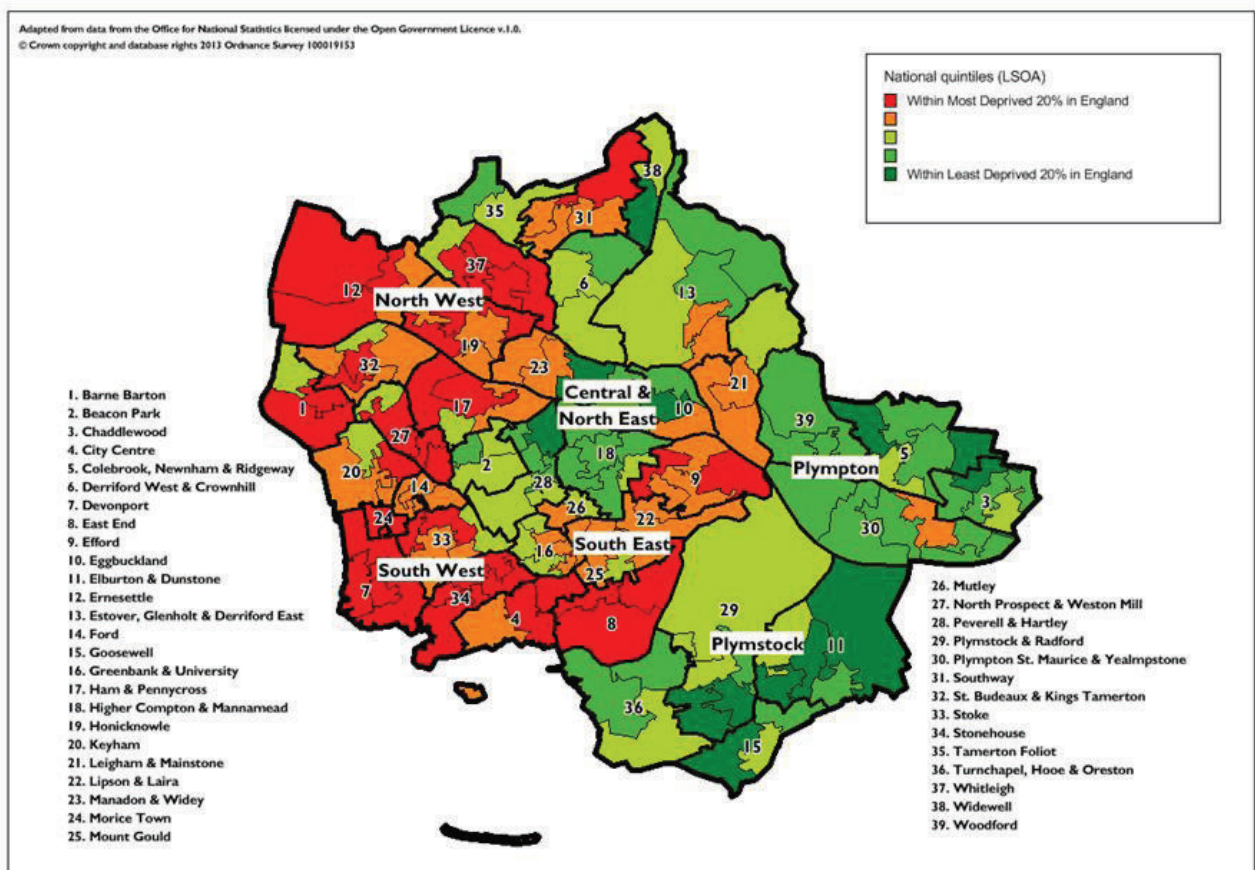


Figure 5 Variation in deprivation across Plymouth (2013). (Source: Office of the Director of Public Health)

### b) Patterns of employment

Plymouth has the second highest percentage after Bristol City of working-age people in the South West. Plymouth's working-age employment rate is lower than the South West and the England rates and has fallen since the previous reporting period of 2009.

The trend for employment has followed the national pattern during the recession. The rate of long-term unemployment is lower than the England average. The latest unemployment rate for Plymouth is 7.3%. In the South West the rate is 6% and in England it is 7.6%. Plymouth's claimant count rate is higher than a year ago, and is higher than the rates for both the South West and for

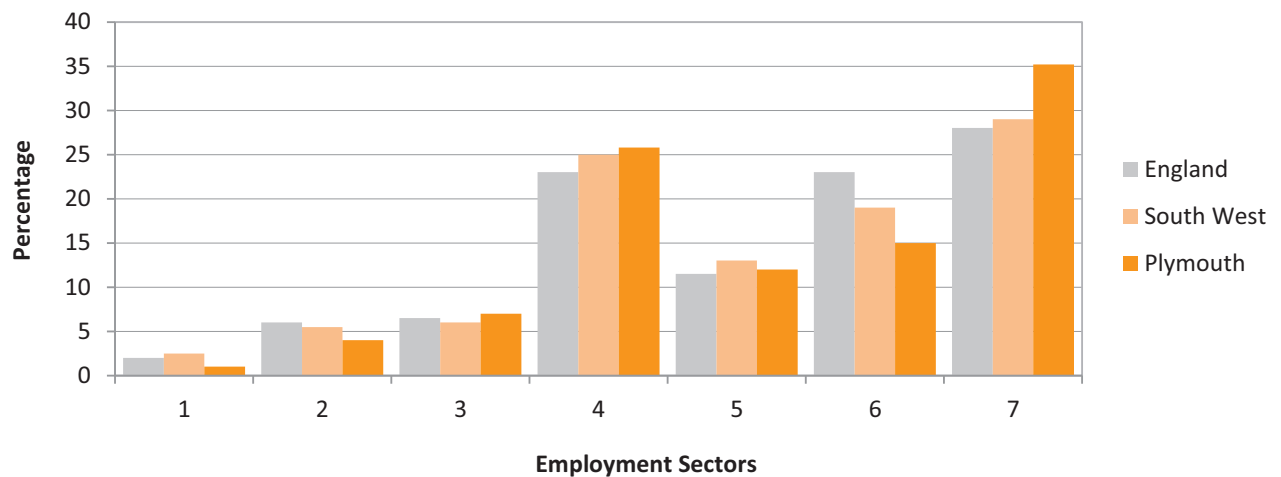
England. In 2012/13 there were 36,800 adults of working age in Plymouth who were economically inactive.<sup>6</sup> The number of residents claiming Job Seekers Allowance has increased over the last five years, from 4,154 (October 2008) to 4,823 (October 2013).<sup>6</sup> There were also 13,430 Employment and Support Allowance and Incapacity Benefit claimants in Plymouth, equating to about 8% of the working age population in November 2013.<sup>6</sup>

Employment by sector varies. Figure 6 reveals that the largest sector in Plymouth is 'public administration, defence, education and health' (35.3%) followed by 'manufacturing and wholesale and retail' (25.7%).

**Table 1** Plymouth's working-age population in employment 2009-2010. (Source: South West Observatory)<sup>5</sup>

Area	% of working-age pop in employment Jan 09 – Dec 09	% of working-age pop in employment Jan 10 – Dec 10	% point change
Plymouth	71.4	69.4	-2.0
South West	74.2	73.6	-0.6
England	70.9	70.4	-0.5

The links between economic inequities and health outcomes are well evidenced.<sup>5</sup> Figures 7 and 8 show the uneven distribution of professional occupations across Plymouth using 2011 Census data. Professional and managerial occupations, usually higher paid jobs, tend to be in the less deprived neighbourhoods, while elementary and lower paid occupations are more evident in the more deprived neighbourhoods.



- 1 = Agriculture, Farming & Fishing + Mining, Quarrying & Utilities  
 2 = Construction + Property  
 3 = Motor Trades + Transport & Storage  
 4 = Manufacturing + Wholesale + Retail  
 5 = Accommodation & Food + Arts, Entertainment, Recreation & Other  
 6 = Information & Communication + Finance & Insurance + Professional, Scientific & Technical + Business, Administration & Support  
 7 = Public Administration, Defence, Education & Health

Figure 6 Employment by sector in Plymouth (% of total). (Source: South West Observatory)<sup>5</sup>

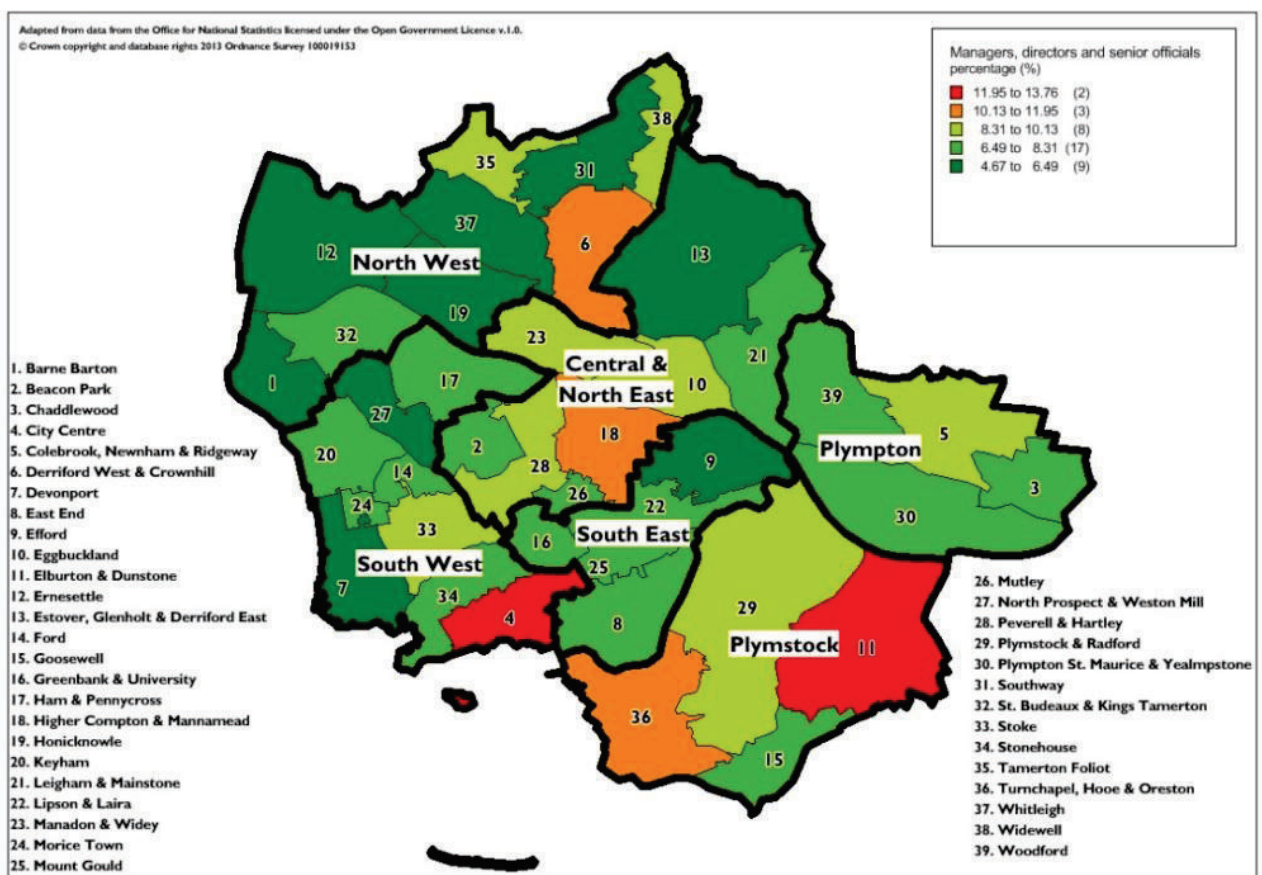


Figure 7 Professional occupations (shown as a percentage) in Plymouth neighbourhoods. (Source: 2011 Census, ONS)

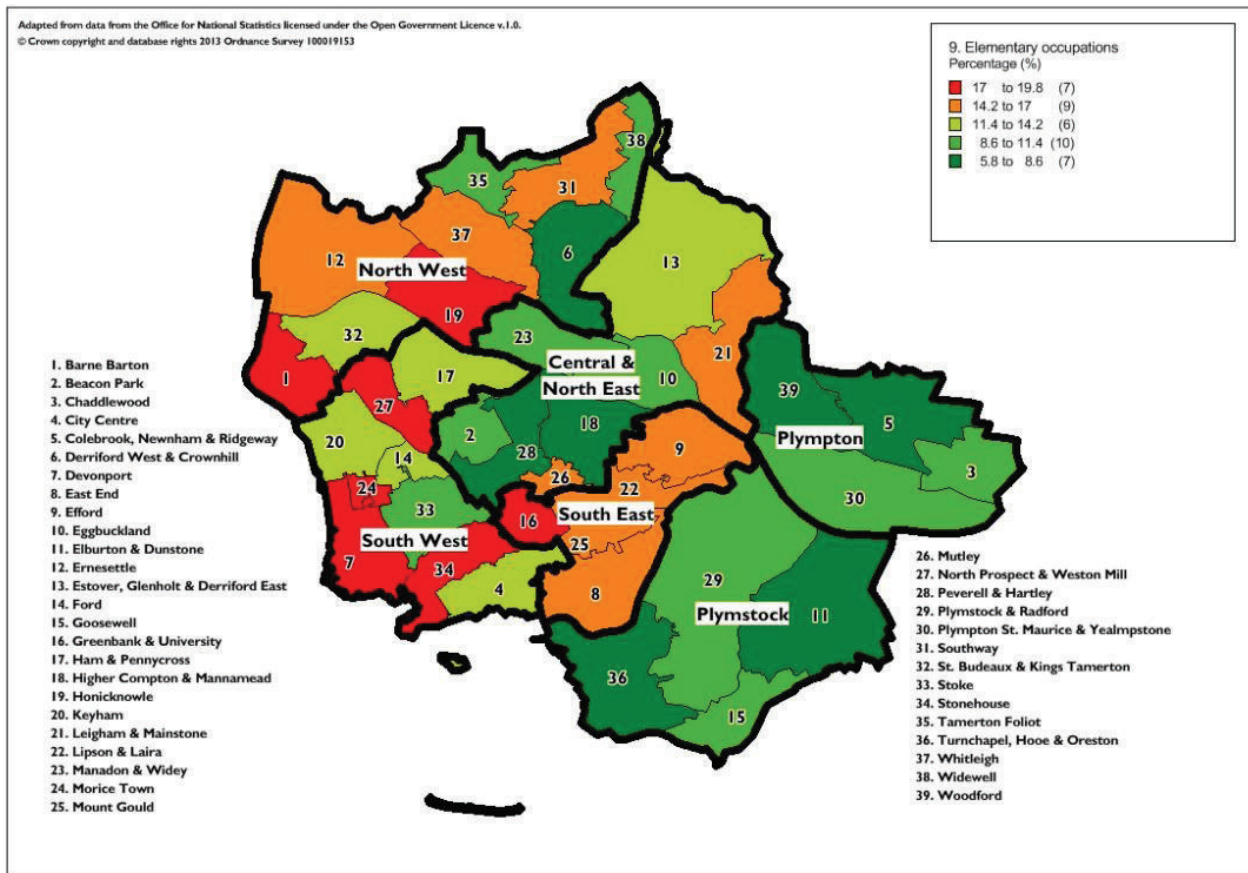


Figure 8 Elementary occupations (shown as a percentage) in Plymouth neighbourhoods. (Source: 2011 Census, ONS)

### c) Gross annual pay

In 2011, the median gross full-time annual pay for Plymouth residents was £23,879 (an increase of 1.1% on 2010).<sup>7</sup> This is below the median for both the South West (£24,922) and England (£26,615). The equivalent pay figure for those working in Plymouth (including non-residents) is £25,978 – illustrating a tendency for those commuting into the city to be among the highest earners.

Median gross full-time annual pay for Plymouth resident men is 21% higher than for

women. In the South West men's pay is 29% higher and in England 25% higher).<sup>7</sup>

### d) Local Enterprise Partnerships

Local Enterprise Partnerships (LEPs) are locally-owned partnerships between local authorities and businesses. They play a central role in determining local economic priorities and drive economic growth and the creation of local jobs. The new brand for Plymouth, 'Plymouth – Britain's ocean city', intends to capitalise on the natural assets of the waterfront and harbour and develop a strong marina economy.

**Table 2** Key facts across local authorities within the 'Heart of the South West' LEP. (Source: South West Observatory)<sup>5</sup>

	Median pay	Enterprise 3 yr survival rate (from 2007)	School Qualifications *	Median House Price	Affordability **	Crime Rate (per 1000 pop)
Devon	£22,570	66.70%	58.00%	£195,000	9.2	23.5
Somerset	£24,202	67.40%	56.70%	£170,000	7.8	28.9
Plymouth	£23,879	61.30%	56.50%	£140,000	6.3	45
Torbay	£22,053	59.20%	56.80%	£158,000	8	39.2
South West	£24,922	65.90%	57.50%	£181,500	8.2	33.8
England	£26,615	62.90%	58.30%	£175,000	6.7	41.3

\* % scoring 5+GCSEs at grade A\* - C, including Maths and English

\*\* ratio of lowest quartile earnings to lowest quartile house prices

Plymouth is a member of the 'Heart of the South West LEP' with Devon and Somerset counties and Torbay Unitary Authority. Table 2 summaries some key facts across local authorities within this LEP.

#### e) Productivity

In 2009, Plymouth's Gross Value Added (GVA) per head was £16,197. In comparison, the South West GVA was £18,184 and England's was £20,498. Between 2008 and 2009, Plymouth's GVA per head decreased by -2.8% compared to a decrease of -2.3% in the South West and -2.2% in England. However, over the last 10 years GVA per head in Plymouth has increased by 36.2%. This compares to an increase of 43.2% in the South West and 44.3% in England.<sup>7</sup>

#### f) Enterprise survival rate

At the end of 2010, there were 61,460 VAT/PAYE registered businesses in the 'Heart of the South West LEP' area, of which 5,690 were in Plymouth. During 2010, there was a fall of -4.3% in the number of VAT registered businesses in Plymouth. This was the second largest decrease of any South West county or unitary authority. The three year survival rate of enterprises that started in 2007 in Plymouth is 61.3%. This compares to the South West rate of 65.9% and the England rate of 62.9%. The survival rate has decreased from 69.4% in 2006. Plymouth had 550 new businesses in 2010, a fall of -9.1% from 2009. This was the largest decrease in new businesses for any South West county or unitary authority.<sup>7</sup>

## 4. Built environment

The links between the built and natural environment and population health are well established.

The largest proportion of land in Plymouth is classified as green space, accounting for 35,000 m<sup>2</sup> or 42% of its total area.<sup>12</sup> This is lower than the Devon county average of 92.4% and regional average of 91%, but is in keeping with a more urban area. The Council needs to build around 30,000 new homes. Their target is to build 80% of new homes on brown field sites (previously developed land) by 2026. The target includes 12,250 homes to be built by 2016. Plymouth is predicted to have an increase in households of 23.6% between 2008 and 2033, a total of 26,000 additional households.<sup>12</sup> Plymouth's lowest quartile affordability ratio (house price to earnings ratio – a higher ratio means less affordable housing) was 6.3 (compared to the South West 8.2, and England 6.7).

## 5. Natural environment

Plymouth is surrounded by three Areas of Outstanding Natural Beauty, Dartmoor National Park, and a European Marine Site. In addition, Plymouth has eight Local Nature Reserves, three Special Sites of Scientific Interest, and 24 County Wildlife Sites which recognise the value of the green space, biodiversity and geodiversity within the city.<sup>8</sup> In 2010, the Council published its Green

Infrastructure Delivery Plan<sup>9</sup> which set out the strategic interventions required to deliver sustainable growth, including the following:

- Site specific projects – such as new and improved parks
- Theme projects – such as flood reduction, fuel and food production, active lifestyles, biodiversity and landscape connections, and sustainable transport.

There are five river water bodies within Plymouth and in the latest Environment Agency ecological assessment all five were classified as 'moderate'.<sup>12</sup> The main reasons for the less than 'good' status include: impacted fish communities, physical modification, high levels of copper, phosphate and an impacted diatom community.

Plymouth is 'blessed by nature with one of the world's finest harbours, for Plymouth the sea does not simply mark the city's edge, it is central to its livelihood and personality. Every aspect of Plymouth's life is touched by its maritime setting: from climate to culture, from education to the economy, from work to leisure, the influence of the sea is all-pervasive. Most beneficially for residents and visitors alike, the beautiful scenery of Plymouth Sound and the Plym and Tamar estuaries, plus to the north the rugged slopes of Dartmoor, has given the city an unrivalled geographical location which has proved its greatest asset' – Chalkley, et al. (1991).<sup>10</sup>

'One could say without doubt that Plymouth has one of the most enviable locations of any city in the world. The views across the waters of the Sound and the rolling green hills to both the east and west of the city provide a setting of outstanding natural beauty. Rarely does a city and its citizens have the opportunity to establish a close and intimate relationship with the surrounding high quality landscape' – Vision for Plymouth Report (2003).<sup>11</sup>

## 6. Global ecosystem

The ecological footprint is an indicator of the total environmental burden humans place on the planet.<sup>12</sup> It represents the area of land needed to provide raw materials, energy and food, and to absorb pollution and waste created. It is measured in global hectares (gha – a hectare of land with world average productivity) and is usually expressed as a per person measure. The Stockholm Environmental Institute calculates the ecological footprint of consumption activities. One of the main features of an ecological

footprint indicator is that it is based on consumption, not just domestic production. It takes into account the impact of all products that are consumed, whether they are produced in the country of consumption, or elsewhere in the world. In 2006, an average UK citizen had an eco-footprint of 4.64 gha, which is significantly above the available budget of 1.89 gha. The South West Regional average was 4.74 gha. Plymouth citizens had an average eco-footprint of 4.38 gha. This was the lowest recorded in both Devon and the South West Region.<sup>12</sup>

Plymouth produced 1,414 kilotonnes (kt) of end-user carbon dioxide (CO<sub>2</sub>) in 2008, the sixth highest for a local authority in the South West.<sup>12</sup> Between 2005 and 2008, end-user CO<sub>2</sub> emissions decreased by 5% (from 1,489 kt to 1,414 kt). The highest proportion of end-user emissions in Plymouth, in 2008, was due to 'Industry and Commercial' (accounting for 41% or 586 kt), followed by 'Domestic' (accounting for 34% or 486 kt). Plymouth was respectively the fifth and fourth highest local authority in the South West for these sources.

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## Using scrutiny to improve health and reduce health inequalities

Work undertaken by the Centre for Public Scrutiny in 2012 highlighted the importance of scrutiny processes in local government.

Successful scrutiny processes require

- The full range of health providers to give evidence of their impact upon health and care
- That the wider determinants of health, care, and wellbeing are considered at every opportunity
- Scrutiny panels to adopt 'appreciative inquiry' to identify why initiatives succeed

Opportunities for local scrutiny include

### **a) Health and Wellbeing Boards – scrutiny will be able to:**

- Contribute to and review the Joint Strategic Needs Assessment and the Joint Health and Wellbeing Strategy
- Scrutinise the decisions and actions of the Health and Wellbeing Board, and make reports and recommendations
- Help redefine relationships between clinicians, other professionals, and service users.
- Scrutinise the development and operation of the Health and Wellbeing Board

### **b) Healthwatch – scrutiny will be able to:**

- Review arrangements for local Healthwatch
- Scrutinise performance and value for money
- Draw on evidence from Healthwatch
- Receive concerns from Healthwatch
- Seek help with consultation from Healthwatch

### **c) Clinical commissioners – scrutiny will be able to:**

- Seek information and evidence for reviews
- Send reports and make recommendations
- Scrutinise arrangements for Clinical Commissioning Group
- Liaise with NHS England on concerns about the Commissioning Group
- Undertake joint health scrutiny of cross-border commissioning decisions

## Chapter 2

### People-centred public health

Three areas concerning people-centred public health are considered:

1. Homes and health in Plymouth
2. Improving quality in dementia services
3. Health improvement including NHS Health Checks

#### 1. Homes and health in Plymouth

Money spent on dealing with poor housing is money invested in health – when local authorities act to improve housing conditions, there is a resulting financial benefit to the health sector’ – Warwick Law School with the Building Research Establishment (2010).<sup>1</sup>

##### a) Overview of the impacts of poor housing

Housing has been acknowledged as a major determinant of health for many years.

Evidence shows that:

- More than one million children live in housing in England that is considered sub-standard or unfit to live in.
- In 2011, an estimated 3.2 million (15%) households in England were living in fuel poverty – in Plymouth, this includes an estimated 13,712 (12.8%) households.

- Over 700,000 older people in the UK attend hospital Emergency Departments after a fall and many more attend minor injury units or call for ambulance assistance (many of these incidents are a result of hazards in the home).
- 45% of accidents occur in the home (accidents are in the top 10 causes of death for all ages).
- There are 29,930 ‘non decent’ private sector dwellings (33.3%) in Plymouth and 9,500 (37.6%) of them are occupied by vulnerable residents.
- Referrals are increasing for ‘major adaptations’ which enable disabled people and their families to live independently in their own homes.
- There are 1,541 people registered for social housing through Devon Home Choice (13% of the register) who require an accessible home (that is, a home with no more than three steps).
- Over 4,604 people currently registered for social housing through Devon Home Choice state that their health and welfare is compromised by their current accommodation.

Postponing entry into residential care by just one year through adapting people’s homes saves £28,080 per person. We believe the time is right ... to recognize the value of housing in preventing the need for institutional care, in easing pressures on the health service and in enabling more of us to “live well at home” as we all grow older’ – Laing and Buisson (2008).<sup>2</sup>

The Council's Housing Plan<sup>3</sup> 2012-17 considers four key themes in setting out a strategic approach to improving the city's housing:

- 'Growing the City'
- 'Better Homes, Healthy Lives'
- 'Housing Choices, Smarter Solutions'
- 'Successful Communities'

This includes a focus on promoting independence and reducing health and social inequality through good quality housing.

#### b) Housing conditions in Plymouth

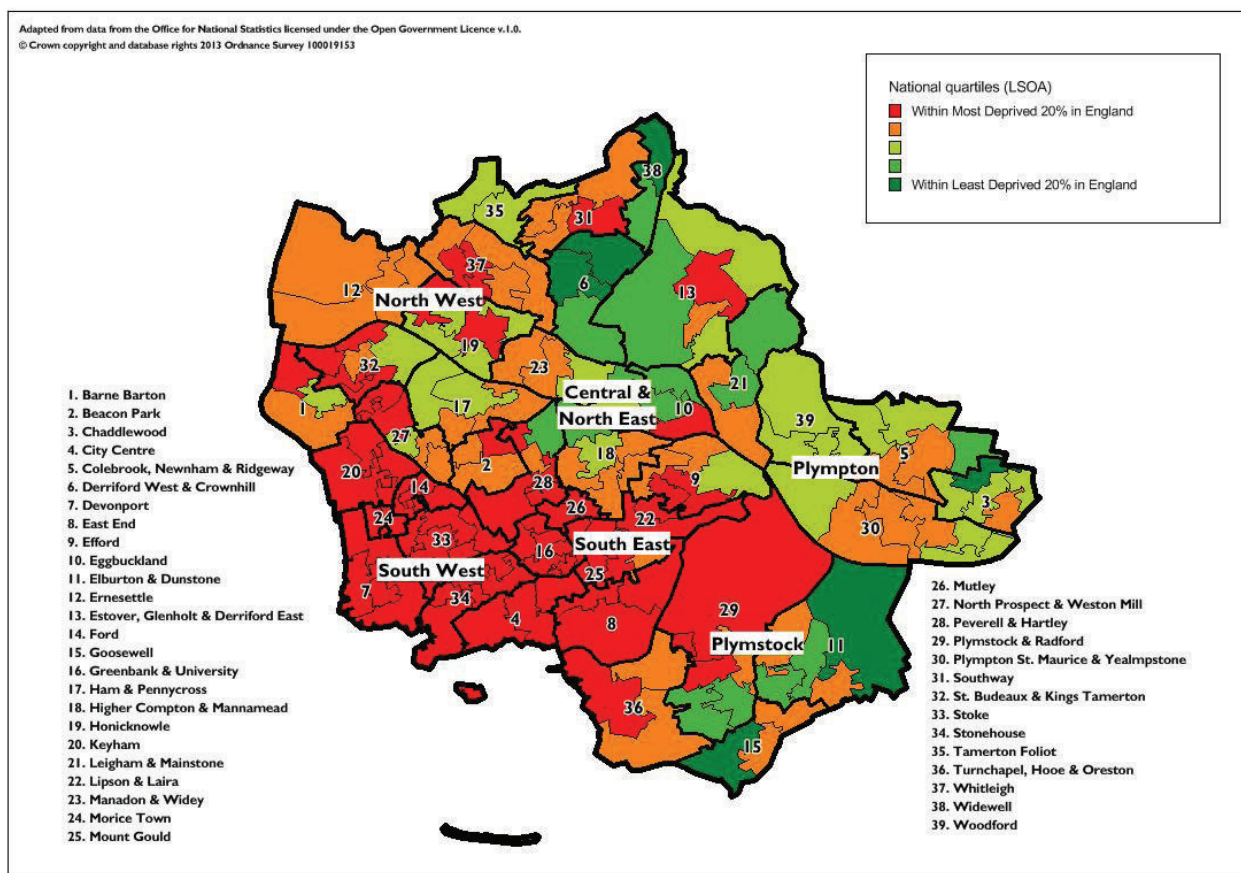
There are over 112,000 dwellings in Plymouth of which roughly 60% are owner occupied, 20% are privately rented and 20% are social housing. The CPC Private Sector Housing Stock Conditions report (2010) sets out the scale of poor housing across the city: <sup>4</sup>

- There are 29,930 'non decent' private sector dwellings (33.3%) and the estimated cost of repairing them is £170 million
- 18,800 private sector dwellings have Category 1 hazards (20.9%)
- A further 5,000+ social houses are considered to be non-decent

- There are 25,700 private sector dwellings occupied by vulnerable residents (those in receipt of 'qualifying benefits')
- 37.6% (9,680) of dwellings occupied by a vulnerable resident are 'non decent'
- 37% of the city's 22,000 private rented dwellings are non-decent (the worst across all tenures)

'There is a compelling case for improving the environmental standards of housing across all sectors. Poor housing conditions and design have substantial impacts on health inequalities' – Living Well at Home Inquiry (2011).<sup>5</sup>

There is a clear link in Plymouth between the areas of poorest housing condition, deprivation and health inequalities. The poorest condition housing stock is largely found in the west and inner central parts of the city, where most of the pre-1919 housing stock and former council housing is found. This is illustrated in Figure 9. The map of the 'indoors environment' closely matches (and is a sub component of) the map of variations in deprivation across the city, Figure 5, presented in Chapter 1. Poor housing and environments contribute to these inequalities.



**Figure 9** Plymouth's Indoors Environments (2013)

[‘Indoors’ living environment relates to housing in poor condition, and without central heating]

(Source: IMD 2010 updated LSOA boundaries 2013).<sup>6</sup>

### c) Health and safety hazards at home

The Housing Health and Safety Hazard Rating System (HHSRS) came into operation under the Housing Act 2004. This assesses the risks to health and safety from deficiencies in dwellings: the HHSRS identifies 29 potential housing hazards, such as damp and mould growth, excess cold, crowding and space, trips and falls. Using the Building Research Trust’s ‘Real Cost of Housing’ (2010) analysis, it has been estimated that Category 1 health and safety ‘hazards’ in homes nationally cost the NHS in excess of £600 million every year. In Plymouth they cost the NHS in excess of £3 million annually. The Office of the Director of

Public Health (ODPH) identified 158 and 70 Excess Winter Deaths in Plymouth in 2009/10 and 2011/12 respectively, linking poor housing and poverty to low indoor temperatures and cold-related deaths.

### d) Energy efficiency and fuel poverty

The latest Department of Energy and Climate Change figures reveal that 13,712 (12.8%) households in Plymouth were living in fuel poverty in 2011. Occupiers are considered to be in fuel poverty if more than 10% of their net household income needs to be spent on heating to give an adequate provision of warmth and hot water. Fuel poverty impacts

particularly on older people with no central heating, children in low income families, disabled people, and people with longstanding medical conditions and may lead to excess Winter deaths and respiratory diseases.

## e) Overcrowding

There are high levels of overcrowding in Plymouth. Of the 10,431 people currently registered for social housing through Devon Home Choice (DHC), 1,795 (17%) lack a bedroom and 244 (2%) lack two bedrooms. More worryingly, those who are more overcrowded (lacking two or more bedrooms) are unlikely to be housed through DHC. Children in families living in overcrowded housing will have no, or limited, space to do their homework, reducing their ability to thrive or to attain the standards they might otherwise have reached.

## f) Homelessness and rough sleeping

After sustained reductions since 2002, recent homelessness trends have shown an upturn, with current levels showing a 15% increase since 2009/10. The city's hostels accommodate an average of 183 single homeless people/rough sleepers at any one time. These people suffer enduring or multiple health inequalities and experience barriers to accessing both primary and secondary health services – particularly in relation to addressing mental health needs.

Increasing numbers of homeless families are bringing up their children in temporary accommodation in the city – an average of 105 children live in this form of accommodation at any one time. Shelter<sup>7</sup> reveals that children living in temporary accommodation are almost twice as likely as other children to suffer from poor health, such as respiratory problems, asthma and bronchitis. It is also recognised that the prolonged and transient nature of life in temporary accommodation makes it harder to safeguard vulnerable children.

## g) Gypsies and travellers

The city includes established gypsy and traveller communities. Evidence shows that these communities live shorter lives than settled communities and that they are less likely to use local preventative or early intervention health services.

## h) Poor housing and child poverty

Plymouth has a higher rate of child poverty (21.9%) than the national average, amounting to 11,560 children including 10,190 children under 16.<sup>8</sup> The Social Care Institute for Excellence (2005)<sup>9</sup> highlights the following issues:

- More than one million children live in housing in England that is considered sub-standard or unfit to live in
- The research indicates that there is an association between homes with visible damp or mould and the prevalence of asthma or respiratory problems among children

- Poor quality housing can have an adverse effect on children's psychological wellbeing
- Interventions such as installing or improving heating systems have been found to be effective in alleviating the potentially adverse effects of damp on the health on children

## 2. Improving quality in dementia care

Just over 3,000 people in Plymouth are believed to have dementia – it is anticipated this number will increase to over 3,600 people

by 2020. More women than men have dementia in their later years. The projections for Plymouth are presented in Table 3 and the gender breakdown is given in Table 4.

Early onset dementia is less common. However, the condition presents challenges for the individual diagnosed with this condition and impacts on every feature of their lives and their future care needs. Table 5 and Table 6 present projections for early onset dementia, by gender, for Plymouth to 2020.

**Table 3** People aged 65 and over predicted to have dementia in Plymouth, projected to 2020  
(Source: www.poppi.org.uk version 8.0)

	2012	2014	2016	2018	2020
Aged 65-69	168	175	173	156	151
Aged 70-74	267	288	312	352	355
Aged 75-79	481	493	504	521	561
Aged 80-84	744	754	778	801	835
Aged 85-89	728	767	822	861	900
Aged 90 and over	659	689	748	807	865
Total population aged 65 and over	3,047	3,166	3,337	3,498	3,667

**Table 4** Dementia by gender and age in Plymouth (2012).  
(Source: www.poppi.org.uk version 8.0)

Age range (years)	% males	% females
Aged 65-69	1.5	1
Aged 70-74	3.1	2.4
Aged 75-79	5.1	6.5
Aged 80-85	10.2	13.3
Aged 85-89	16.7	22.2
Total population aged 90 and over	27.9	30.7

**Table 5** Projections for early onset dementia for men in Plymouth to 2020.  
(Source: www.poppi.org.uk version 8.0)

	2012	2014	2016	2018	2020
Aged 30-39	1	1	1	1	1
Aged 40-49	3	3	3	3	3
Aged 50-59	18	19	19	19	19
Aged 60-64	14	13	13	14	14
Total men aged 30-64	36	36	36	37	38

**Table 6** Projections for early onset dementia for women in Plymouth to 2020.  
(Source: www.poppi.org.uk version 8.0)

	2012	2014	2016	2018	2020
Aged 30-39	1	1	1	1	2
Aged 40-49	4	4	4	4	3
Aged 50-59	12	12	12	13	13
Aged 60-64	9	8	8	8	8
Total women aged 30-64	26	26	26	26	26

### a) Joint Dementia Strategy

Plymouth has a jointly agreed dementia strategy 'Living Well with Dementia'<sup>10</sup> and has developed care services in line with this strategy, including the implementation of a 'Dementia Quality Mark' for care homes. As a result of the improvements and an increase in service provision, there are a number of independent sector care homes in Plymouth that now provide a mixed economy of care for people with dementia. The profile of people with dementia is becoming increasingly more complex, and people with dementia often require nursing care in the latter stages of their condition.

'[S]ervices currently provided by specialist and non-specialist staff for people diagnosed with dementia are of good quality however there is a significant number of older people living in our communities with dementia who have not had the benefit of a specialist assessment and early intervention and therefore have not had their care needs identified, or met. In addition as people live longer we can expect the number of people with dementia to increase significantly which will place an additional burden on local services. There is no option or desire to stand still on this pressing demographic need.' – Living Well with Dementia strategy.<sup>10</sup>

Over the last few years, the Council has made significant progress in introducing more personalised approaches to help people have more choice and control over the care and

support they receive, enabling them to live the life they choose.

### b) Dementia: Public health challenges

The challenge for Plymouth, as it is for many cities and communities, is to continue to work towards the gold standard, set out in the National Dementia Strategy,<sup>11</sup> in which a society where people with dementia can say:

"I was diagnosed in a timely way."

"I know what I can do to help myself and who else can help me."

"Those around me and looking after me are well supported."

"I get the treatment and support which are best for my dementia and for my life."

"I feel included as part of society."

"I understand so I am able to make decisions."

"I am treated with dignity and respect."

"I am confident my end of life wishes will be respected. I can expect a good death."

"I know how to participate in research."

### 3. Health improvement including NHS Health Checks

Cardiovascular health is poor in some parts of Plymouth. The ODPH is working with GP practices to support the delivery of the NHS Health Checks Programme for men and women aged 40-74. The programme focuses on early detection of cardiovascular disease through screening the target population every five years. It will promote opportunities for health improvement and early access to treatment where necessary. In Plymouth 39 of the 41 GP practices are engaged in the NHS Health Checks Programme.

#### a) 'Know Your Pulse' campaign

Atrial fibrillation is a major pre-disposing factor to stroke. The annual risk of stroke is five to six times greater in people with atrial fibrillation than in people with normal heart rhythm. Pulse checks are a part of the NHS Health Check, the 'Hearty Lives' check, and work is in progress to include pulse checks with the annual flu vaccination programme for those over 65 years of age.

#### b) Stop Smoking Programme

The Tobacco Plan for Plymouth aims to significantly reduce the harm caused by tobacco in the city and intends to make smoke free lifestyles easier to achieve. The plan describes ambitions to protect Plymouth's communities, especially young people and children. The Council supports a

number of initiatives including smoke-free workplaces, access to smoking cessation advice, and 'smoke-free hospitals' and the 'Stoptober' campaigns. A comprehensive range of 'smoking cessation support' is commissioned through the Stop Smoking Team, general practice and pharmacies.

#### c) Healthy weight and physical activity

The Council has a programme of interventions to help people recognise, achieve, and maintain a healthy weight. It is working with partners to develop a strategic approach to healthy weight. This includes a comprehensive menu for individuals ranging from brief interventions to increasingly complex and tailored programmes.

The Plymouth Community Health Improvement Team delivers a healthy weight programme for the more disadvantaged areas of the city. This comprises a multi-component model of diet, exercise, and education – helping to improve knowledge and support change. For the remainder of the city, and in support of NHS Health Checks, a 'Health Improvement Hub' supports behaviour change through motivational interviewing and referral to a range of commercial weight management programmes and opportunities to increase physical activity. A Tier 3 weight management programme is provided for those with a BMI above 35 kg/m<sup>2</sup>.

Achieving healthy lifestyle behaviours across the life-course is important. A number of initiatives are offered across the city for children:

- A breastfeeding strategy – working towards UNICEF BFI accreditation, and including latch on clubs, peer supporters, 'Great Expectations Course', and breastfeeding workshops
- Children's centres – offering a range of support to parents, including cooking skills, parenting courses, food hygiene courses, and allotment projects
- HENRY training to enable early years' staff to work with families on behaviour change linked to healthy eating and physical activity

Following the excellent engagement of Plymouth schools with the 'Healthy Schools' and 'Healthy Schools Plus' awards, a local successor to these national programmes has been developed called the 'Healthy Child Quality Mark'. This is intended to support schools to develop and demonstrate their contribution to the health and wellbeing of children and young people in Plymouth. The Education Catering Service that provides school food across Plymouth is recognised nationally as being amongst the best in the country. Menus have been awarded the Soil Association top award, the 'Gold Catering Mark'. Plymouth is the first local authority caterer in the country to hold this award. Every school has its own kitchen enabling them to offer freshly prepared hot food every day of the school year.

Each school in the city has conducted a survey on how children travel to school. At the end of each year, the survey is repeated to monitor changes in travel behaviour. In 2013, to encourage more children to walk, cycle, and scoot to school, 'Bike It Plus' (a project delivered by Sustrans in partnership with the Council) was introduced in selected schools in the west and north of the city. The first year of the project in Plymouth has shown very positive changes at the 'Bike It Plus' schools. The number of children cycling regularly to school (once or twice a week or more) more than doubled – increasing from 3.6% to 7.6% of children surveyed. Scooting to school saw a much bigger jump, increasing from 6.2% to 19.9%. This has been accompanied by a drop in car use, the percentage of pupils being driven to school three times a week or more dropped from 29.8% to 26.4%.

Increasing physical activity improves cardiovascular health and mental health and wellbeing. A number of initiatives are supported outside of healthy weight programmes which include:

- Community gyms and activities for those who are not physically active in deprived neighbourhoods
- 'Walk for Health' providing walking groups and training for group leaders
- 'Active for Life' programme which supports and promotes physical activities for adults with mental health problems and/or learning disabilities

- 'Healthy Futures' programme in North Prospect offers physical activities for families and children/young people

#### d) Leisure

The Council aims to improve culture and leisure opportunities in the city and acknowledges the role that this can play in improving health outcomes, quality of life, and educational attainment. Key to this is Plymouth's 'Life Centre', an innovative sports building in Central Park, which offers world class facilities to the local community and aspiring sportsmen and women from the city and the South West.

The Council's Sports Development Unit creates and enhances sport and physical activity opportunities. It coordinates and promotes many national initiatives such as 'Street Games', 'Sportive', and 'Run England' and works with a variety of agencies and organisations to deliver activity at a local level.

Currently 42.1% of Plymouth's adult population (16 years and over) participate in 1 x 30 minutes of moderate physical activity per week.<sup>12</sup> However, participation rates are much lower among women and girls, older people, people with disabilities, and ethnic minority groups. As a result the unit prioritises and targets its services towards under-represented groups and those most in need by developing suitable activities and programmes. For example, the unit has led the development of disability sport in the city, including wheelchair basketball, wheelchair rugby, and swimming for autistic people and those with learning difficulties. They provide accessible and affordable sporting opportunities to the Kurdish and the Filipino communities and to refugee and asylum seekers. They also provide recreational opportunities for women and girls including beginner running, 'Back to Netball', and 'Breeze Cycling'.

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## Plymouth City Council as an employer

### Working towards a healthier workforce

The Council as an employer has a significant impact on the health and wellbeing of its workforce. It has designed structures, processes, and policies that support a safe and healthy working environment and encourages good working relationships. Some specific approaches are outlined below.

**‘Beat the Bug’ – flu vaccinations were offered to all staff in 2012.** A business case demonstrated the potential return on investment in terms of reduced sickness absence, and also highlighted qualitative outcomes –such as enhanced morale, better employee engagement, and improved reputation as an employer

### Supporting smoking cessation

An in house smoking cessation clinic was held in 2011 and since then staff are supported to attend smoking cessation clinics in working hours. In 2012 a competition was run to encourage staff to take part in ‘Stoptober’. This year the Council has agreed to pay for nicotine replacement therapy for ‘Stoptober’ quitters. A smoking policy that proactively supports smokers to stop is currently being negotiated.

### Walking challenge

In 2012 and 2013 staff were encouraged to walk at least 10,000 steps each day. There was a competition for staff giving free pedometers and a prize for the team that walked the furthest. This was part of the Evening Herald’s ‘LoveLIFE’ promotion.

### Health Checks

Work is underway to raise awareness of the NHS Health Checks for the over 40’s. In addition, staff are being encouraged to attend on-site clinics. This helps reach high risk groups (male, manual workers over 40 years old), raises awareness amongst staff and their friends and families about health risks and lifestyle choices.

## Chapter 3

## Healthy places

The Marmot Review shows that socio-economic inequalities, including the built environment, have clear effects on the health outcomes of the population. It confirms that there is a social gradient in health and also shows that there is a social gradient in environmental disadvantage. Published in February 2010, the review proposed six policy objectives and related interventions that aim to reduce the gap in life expectancy between people of lower and higher socio-economic backgrounds. The six key policy objectives are:

1. Give every child the best start in life.
2. Enable all children, young people, and adults to maximise their capabilities and have control over their lives.
3. Create fair employment and good work for all.
4. Ensure a healthy standard of living for all.
5. Create and develop healthy and sustainable places and communities.
6. Strengthen the role and impact of ill health prevention.

Further work by the Marmot Review Team's 'Implications for spatial planning report' highlights the links between the 'place' and the public's health.<sup>1</sup> The report identified a number of factors where the evidence of the relationship with health was particularly strong. These include:

## 1. Pollution

There is clear evidence of the adverse effects of outdoor air pollution, especially for cardio-respiratory mortality and morbidity. Poorer communities tend to experience higher concentrations of pollution and have a higher prevalence of cardio-respiratory and other diseases. Nationally 66% of carcinogenic chemicals emitted into the air are released in the 10% most deprived wards. There is strong evidence that reductions in traffic to reduce air pollution are successful in improving health.

## 2. Green/Open space

Numerous studies point to the direct benefits of green space to both physical and mental health and wellbeing. Green spaces have been associated with a decrease in health complaints, blood pressure and cholesterol, improved mental health and reduced stress levels.

## 3. Transport

Transport accounts for around 29% of the UK's CO<sub>2</sub> emissions. The relationships between transport and health are multiple and complex. Transport provides access to work, education, social networks and services and presents opportunities to enable and encourage greater levels of physical activity through walking, cycling, and integrated

transport schemes. However, transport can also have adverse impacts on health. The impact of transport on health inequalities is greatest when looking at deaths from road traffic injuries – especially for children, as they are four times more likely to be hit by a car in the 10% most deprived wards than in the least deprived wards. Fatal accidents on the road are particularly high among children of parents classified as never having worked or as long-term unemployed.

## 4. Housing

Over the past 20 years, the poorest groups have become concentrated in social housing and the association between social housing and negative outcomes applies across several domains, including health, education, self-efficacy, and income. It is suggested that children in bad housing are more likely to have mental health problems, such as anxiety and depression, to contract meningitis, to have respiratory problems, to experience long-term ill health and disability, and to have slow physical growth and delayed cognitive development. Cold housing is also a risk to health, affecting the levels of Winter deaths and respiratory diseases. Evaluation of home insulation programmes concluded that targeting home improvements at low-income households significantly improved social functioning, as well as physical and emotional wellbeing. Adequate heating systems improve asthma and reduce the number of days off school.

## 5. Community participation and social isolation

Community capital differs in areas of deprivation, with less volunteering and unpaid work, less socialising, and less trust in others in those neighbourhoods that are perceived to be less safe. Evidence of the association between social capital and health is strong. In many communities facing multiple deprivation, stress, isolation, and depression are common, and low levels of social integration and loneliness significantly increase mortality. Social participation acts as a protective factor against dementia and cognitive decline over the age of 65, and also reduces the risk of mortality by aiding recovery when becoming ill. Furthermore, there is some evidence that increasing community empowerment may result in communities acting together to change their social, material, and political environments.

During the Marmot Review, expert task groups analysed all these factors and proposed strategies and interventions to reduce exposure to them. They developed specific policy recommendations to address the problem of environmental inequalities, including three key recommendations:

1. Prioritise policies and interventions that both reduce health inequalities and mitigate climate change by:
  - Improving active travel across the social gradient
  - Improving good quality open and green spaces available across the social gradient
  - Improving energy efficiency of housing across the social gradient
2. Fully integrate the planning, transport, housing, environmental, and health systems to address the social determinants of health in each locality.
3. Support locally-developed and evidence-based community regeneration programmes that:
  - Remove barriers to community participation and action
  - Reduce social isolation

From the evidence presented above, it is clear that environmental disadvantages place an unfair burden on poorer members of society and those living in the disadvantaged areas

within society. Therefore, clear strategies and principles of healthy design and interventions could improve the health and wellbeing of populations and reduce health inequalities.

Details of some initiatives in Plymouth that address the relationship between 'place' and public health are outlined in the case studies that follow:

## Case study 1

### Stepping Stones to Nature

Natural spaces can be used to facilitate improvements in the most deprived areas of cities. Since October 2009, a four-year partnership programme 'Stepping Stones to Nature' (SS2N) has reduced perceptual barriers and delivered access to better quality and more accessible open spaces. Funded by Big Lottery as part of Natural England's 'Access to Nature Programme', SS2N is based within the Council's Planning Services' Green Infrastructure Team and works alongside Street Scene Services who manage the city's green spaces. The project has focused on the more deprived areas of the city as well as targeting groups known to need support to access the outdoors (including black and ethnic minority groups, disability groups, people with health issues, and youth).

The project provides training and support to encourage partner organisations to use natural spaces as a tool to achieve their objectives. Communities and local service

providers have been involved in making decisions to ensure changes meet local need and are sustainable. Good quality paths, signage, seating, and play features have increased use of the sites by local residents and reduced anti-social behaviour. Regular provision of a wide range of free activities from wild-food walks to family bushcraft, from bug hunts to cycling, means sites are well-used by all ages. Activities aim to develop an understanding and appreciation of local natural spaces so that participants are confident to use them independently.

The Council has plans to embed the SS2N team and approach within its Green Infrastructure Team and work with partners to secure funding to broaden the work of SS2N across the city.

## Case study 2

### Cycling in Plymouth

The Plymouth 'Connect-West' project, completed in April 2013, provides new traffic-free and on-road walking and cycling routes linking the south western area of the city (including Devonport, Stonehouse, and Stoke) to existing routes which extend across Plymouth and into Cornwall (including the National Cycle Network). In just one year walking has increased by 25% and cycling has doubled on the routes surveyed on this network.

The network improvements were funded through a Sustrans Big Lottery grant and the Department for Transport (DfT). Investment from the DfT and Sustrans is also supporting improvements around and on the routes to and from Plymouth railway station. This includes new off-road cycling facilities, pedestrian and cycle crossing points, and new cycle parking. Further work will include a new off-road facility between the station and North Cross, along Saltash Road. In spring 2014 the route will continue northwards to Central Park and later in 2014 it will continue towards Derriford.

Funding from the DfT Cycle Safety Fund is enabling the delivery of a new cycling route with pedestrian improvements from Central Park to Honicknowle. The Cycle Safety Fund is also contributing to the delivery of two 'Safer and Sustainable Travel' schemes in Ham and West Park. The schemes aim to improve road safety and encourage more walking and cycling. Both schemes will improve access to Plymouth's strategic cycle network which passes through the two areas. The proposals for Ham and West Park include 20mph zones. Lower traffic speeds reduce the number of road casualties and their severity. They also help to make people feel safer when they are walking and cycling and improve local residents' quality of life, as well as help to reduce pollution.

Over the past two years, the Council has been part of 'Sky Ride' – the national programme designed to encourage behavioural change in cycling habits through recreational cycling. 'Sky Ride Plymouth' focuses on securing sustained participation through understanding people's motivations and addressing barriers.

'Bike It Plus' is a new project delivered by Sustrans in partnership with the Council, and is running in selected schools in the west and north of the city. It aims to increase the number of children and parents and staff who travel actively to school – using many of the new and improved routes to cycle, scoot, or walk for the school run. The Sustrans schools officer works with the participating schools on a programme of events and activities which aim to promote active travel and break down the barriers to cycling, scooting, and walking.

### Case study 3

#### Public transport in Plymouth

The Council's Public Transport function supports the wider commercial bus network through its range of coordination services. The team commissions bus routes to serve locations, and therefore residents, who would otherwise not have a bus service. Times, frequencies, and routes are planned to maximise the journey opportunities available to residents. Access to healthcare facilities is a significant determining factor when prioritising which services are provided. The

Council supports 14 unique services either entirely or by commissioning add-ons such as an evening extension to a route. In partnership with Cornwall Council, the Council provides a subsidy to the Cremyll Ferry operator to help improve the frequency and reduce the cost of using the service. Residents from south east Cornwall are able to interchange at Admiral's Hard and catch a direct bus to Derriford Hospital. The PR3 bus also provides a useful link from the 'George Park and Ride' site to Derriford Hospital, and concessionary pass holders are able to travel for free.

The accessibility of the public transport network has recently been increased through the introduction of a new city and 'dial-a-ride' service and the introduction of a new multi-operator day ticket. The 'Skipper' allows an individual to travel anywhere in Plymouth, all day and with any bus operator. The 'dial-a-ride' service is being delivered through a unique partnership between the Council, local charity 'Access Plymouth' and Plymouth Citybus. The new service offers elderly and disabled adults door-to-door journeys from their home to any destination within the city boundary. It operates from 9am to 4:30pm, Monday to Friday. Passengers benefit from three wheelchair-accessible minibuses and drivers who can help them on and off the bus and to and from their front door.

The Council also administers Plymouth's English National Concessionary Travel Scheme that provides off peak travel to eligible elderly and disabled residents. The Council issues the passes and manages customer data in addition to reimbursing bus operators for each journey made. The total cost annually is in excess of £5 million and represents a sizeable intervention – offering public transport to some of the city's most vulnerable residents. Every ward in the city provides bus services which link to some form of healthcare service, and the majority of these have a direct link to Derriford Hospital.

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## Making a difference using NICE guidance

The National Institute for Health and Care Excellence (NICE) encourages cost effective practice by issuing guidance for:

- Public health – related to promoting good health and the prevention of ill health for those working in the NHS, local authorities, and the wider public and voluntary sector.
- Health technologies – on using new and existing medicines, treatments, and procedures within the NHS including interventional procedures, diagnostics, and devices.
- Clinical practice – on the appropriate treatment and care of people with specific diseases and conditions within the NHS.

Advice and support on putting NICE guidance and standards into practice is provided through its implementation programme, and it collates and accredits high quality health guidance, research, and information to help health professionals and others deliver the best care through NHS Evidence. NHS Evidence – the web resource produced by NICE – provides information and evidence about the impact of a wide range of interventions, including social care and public health interventions likely to be of interest to local government. The NICE website has a dedicated Public Health Resource page and search engine available at:

[www.evidence.nhs.uk/about-evidence-services/content-and-sources/public-health-information](http://www.evidence.nhs.uk/about-evidence-services/content-and-sources/public-health-information)

Users can view the research, evidence, and guidance on best practice relating to the health of the population.

Topics include:

- Accident and injury prevention
- Alcohol misuse – prevention
- Cardiovascular disease – prevention
- Diabetes prevention
- Healthy eating
- Mental health and wellbeing
- Physical activity
- Sexual health
- Substance misuse – prevention
- Tobacco control
- Workplace health

## Chapter 4

### Public health intelligence

Local government must use the best available intelligence to effectively deliver its new public health responsibilities. This requires access to appropriate information and a wide range of evidence from a number of sources.

To plan and intervene effectively in ways which will improve and protect health and reduce inequalities, Plymouth City Council and its partners need an in-depth understanding of both the population as a whole and a detailed understanding of the profile of the population – including the groups who are most vulnerable and disadvantaged.

To enable this, the Council's public health intelligence function underpins the delivery of public health practice across all three of the domains of public health practice:

1. Health protection
2. Health improvement
3. Healthcare public health

Specifically the public health intelligence function is concerned with the management of the knowledge needed to inform action. This includes the analysis of data and statistics, learning from practical experience, sharing best practice, and implementing new research findings.

The Council already produces a considerable amount of information for many purposes, much of which relates to the social determinants of health. Some of this information can be disaggregated by neighbourhood, electoral ward or even smaller geographical areas and when put alongside public health information can be used to produce detailed socio-economic profiles of different subgroups of the population.

The ODPH has an opportunity to work with other departments in the Council to make best use of this intelligence so that the wider determinants of health are prioritised and addressed and health outcomes across the city are improved. Specific examples of the work carried out in this area are outlined below.

### 1. The Public Health Outcomes Framework

The Public Health Outcomes Framework (PHOF) for England, 2013-2016, was published in January 2012 by the Department of Health. It outlines the overarching vision to improve and protect the nation's health and wellbeing and to improve the health of the poorest fastest. There are 104 separate indicators in the PHOF. To enable the Council and its partners to prioritise against the PHOF a local (Plymouth-specific) PHOF tool has been developed. This enables the Council and its partners to see at a glance which indicators

Plymouth is performing poorly on when compared to the national average, and against other similar areas of the country. In addition to this high level overview, the tool allows indicators to be analysed at sub-city level (for example, by neighbourhood, electoral ward or locality). Using this local tool it is therefore possible to focus on those indicators where Plymouth appears to be performing poorly and also to target interventions appropriately at sub-city level.

## 2. Area profiles

A set of area profiles has been developed. These profiles are available for each of the city's 39 neighbourhoods, 20 electoral wards, and six localities. They contain statistical information on a number of topics including demography, health, crime, and benefits uptake. Information is presented for the area as well as for the city as a whole (for comparison purposes). Trend data for the area is also included.

## 3. 'Healthy Smiles' evaluation

Plymouth is a city divided in two by oral health. A 2009 survey found that young children living in the most deprived areas of the city had an average of 2.1 teeth affected by dental decay and that in these areas up to 55% of children were affected by the disease. Severe dental decay is not a trivial disease and its impact on the psycho-social and physical development of the child is well

documented. Furthermore, it is costly to manage and has a lasting legacy on those disproportionately affected. One of the key objectives of Plymouth's 2010 Oral Health Strategy was to reduce oral health inequalities in children in these high prevalence areas.

In areas without water fluoridation, like Plymouth, the Department of Health recommends that all children should receive a twice-yearly fluoride varnish (FV) application to their teeth to protect them against the risk of dental decay. Only children regularly attending the dentist are currently able to benefit from this service. For those that don't there was no mechanism in place in Plymouth to directly improve their oral health. The 'Healthy Smiles for Plymouth' programme was developed to provide this service.

'Healthy Smiles' recognises the considerable barriers that prevent some families from accessing regular dental care. The school-based intervention project delivering oral health improvement and clinical treatment (FV application) to the teeth of 4-5 year old children is targeted to 17 schools in the most deprived areas of Plymouth in communities where dental decay rates are high.

The project aims to introduce children and families to dental professionals with the objectives of:

- Reducing oral health inequalities
- Focusing on prevention and promotion in the school environment
- Delivering modern and innovative services that are shaped by patients and the public

Consent forms, school administration systems, the treatment database, case studies, and feedback were all used to analyse and evaluate the first year of the programme. The evaluation shows that it has been successfully implemented and targeted to children most in need of dental interventions. The overall consent rate was 74% (much higher than other schemes across the country) and over 60% of those with validated consents lived in the most deprived quintile of the city. Over 30% were from Mosaic Group O – ‘families in low-rise social housing with high levels of benefit need’.

Many families engaged by the programme did not access regular dental care. There is considerable scope to build on this early success and ensure that the programme is extended to further improve oral healthcare in Plymouth.

## 4. ‘Hearty Lives’ evaluation

To help tackle geographical inequalities in heart disease, the British Heart Foundation (BHF) introduced its pioneering ‘Hearty Lives’ programme in 2009. The programme aims to target and work with communities and groups at high risk of heart disease that may have been given less consideration in the past. The BHF provides funding, and the services and interventions are delivered jointly by local authorities, NHS trusts, voluntary organisations, and other stakeholders.

As part of the £11 million programme, Plymouth received £100,000 to reduce heart health inequalities throughout the city over a three year period. The chosen demographic is adults aged 18 and over, with an emphasis on middle-aged and older people of all genders and ethnicities, who live in eight targeted neighbourhoods.

The project is part of a larger scheme of work by Plymouth Community Healthcare’s Health Improvement Team. This team uses a community development approach to build skills and improve knowledge and attitudes in community settings, to enable people to prevent the onset of illness and live healthier lives. To ensure cost effective, successful primary and secondary prevention interventions, ‘Hearty Lives Plymouth’ (HLP) has linked with already established networks to form partnerships with local stakeholders

including Plymouth's YMCA, Stop Smoking Services, and the Council.

In the targeted neighbourhoods the project aims to:

- Increase awareness and knowledge of cardiovascular disease (CVD) and improve access to information and advice.
- Support behaviour change towards CVD risk reduction in individuals and communities.
- Reduce emergency admissions for CVD (each neighbourhood to be out of the top 10 highest admission rates for CVD in Plymouth).

Lifestyle questionnaires, the health check database, and exercise programme data were all used to analyse and evaluate the first year of the programme. It is clear the project is reaching those who most need to make health improvements. Of the 576 residents who received a heart health check, nearly 65% had a BMI that classified them as overweight or heavier, and just over 35% (n = 204) were referred to a GP/practice nurse for further investigations. As many as 71% of the residents who took part pledged to make lifestyle changes.

The early evaluation has been used to inform how the programme will continue to operate. The focus will be to target and engage those in-need, hard-to-reach individuals to overcome barriers and improve uptake, whilst also monitoring those who have taken part in the first year. It is hoped that messages learnt by those receiving interventions will filter out to family and friends not directly involved with

the project, producing a knock-on effect that may significantly increase the heart health and lifestyle choices made by residents in more socio-economically deprived neighbourhoods.

## 5. Survey of health visitor caseloads

The ODPH co-ordinates and reports on the survey of health visitor caseloads that takes place every two years. As part of this process, each health visitor fills out a form for every family on their caseload. These forms identify the presence or absence of 31 health-need factors. Information on approximately 13,500 families with young children is recorded. This information is analysed to produce reports for each Health Visiting Team. As well as the team-based analysis, analysis is carried out by neighbourhood, electoral ward, and locality – and for the first time this year, by infant, junior, and primary school catchment area.

## 6. National Child Measurement Programme

The ODPH works with partners to ensure the effective delivery of the National Child Measurement Programme (NCMP) in Plymouth. The NCMP is one of the five mandatory public health responsibilities for local authorities. The programme requires children in Reception and Year 6 classes in Plymouth's infant, junior, and primary schools

to be weighed and measured on an annual basis. Parents of all participating children are informed of their child's results. Children found to be underweight or very overweight are pro-actively followed up by Plymouth Community Healthcare's School Nursing Service that offer support, advice, and guidance.

## 7. Suicide audit

The ODPH undertakes an audit of suicides in Plymouth involving intelligence gathering for reported deaths by suicide and undetermined injury. This includes obtaining information from the Coroner's Office, acute and community service providers as well as from the individual's GP Practice. This is then used to build a picture of the circumstances leading up to the event and, when put alongside other deaths from this cause, may be used to make recommendations relating to harm reduction. In addition to this, an epidemiological overview of suicide and undetermined injury is produced on an annual basis.

## 8. Plymouth Fairness Commission

The ODPH is represented on and supports the work of the Plymouth Fairness

Commission. This independent body has been established to investigate issues relating to fairness in Plymouth and will ultimately recommend how inequalities in Plymouth can be reduced. The ODPH has produced a report on 'Health inequalities from the cradle to the grave in Plymouth', to inform the Commission's initial work.

## 9. Joint Strategic Needs Assessment Steering Group

The ODPH leads Plymouth's Joint Strategic Needs Assessment Steering Group (JSNA SG). This group is responsible for producing the suite of reports and tools which makes up Plymouth's JSNA. The JSNA SG comprises representatives from various departments of the Council (public health, planning, economic development, children's services, and adult social care), the Clinical Commissioning Group (both strategic and patient voice representatives) and Healthwatch (representing the views of 'customers'). Information produced as a result of this group's activities is considered by the Health and Wellbeing Board and ultimately informs the selection of the priorities that appear in the Joint Health and Wellbeing Strategy.

## Public health communications

Public health communications within local government requires a proactive and strategic approach. The ODPH communications seek to support all efforts to improve and protect Plymouth's health and wellbeing and improve the health of the poorest fastest. This includes:

- Increasing knowledge and awareness of public health issues
- Influencing behaviours and attitudes
- Highlighting the benefits of behaviour changes
- Supporting access to health services
- Challenging myths and misconceptions about health

Recent ODPH communications have included:

### 1. Supporting defined campaigns and programmes

- Promotion of 'Stoptober'
- Health and Wellbeing community consultation
- Public consultation on the Strategic Alcohol Plan

### 2. Editorial input to the local 'LoveLIFE' initiative covering

- Mental health
- Heart disease and related mortality
- Cancer prevalence and prevention
- Obesity and healthy weight
- Skin protection
- Diabetes

### 3. Supporting Public Health England activities

- 'Flu jab' promotion
- Outbreak of measles – MMR vaccine promotion
- NHS Health Checks – local performance
- 'Longer Lives' – life expectancy data

## Chapter 5

### The enforcement role of local government

The Public Protection Service (PPS) delivers more than 30 functions, which have a fundamental impact on the health of people in the city. They are an effective local health protection service working across five broad disciplines: Trading Standards; Safety, Health, and Licensing; Food Safety and Standards; Environmental Protection and Monitoring; and Neighbourhood and Environmental Quality.

Regulation is used where there is an established link between individual or organisational behaviour and environmental conditions and health. The PPS helps people in Plymouth live longer, safer, happier, and healthier lives. They focus on preventative action that effectively tackles some of the deep-rooted causes of ill health and inequalities. This involves: protecting vulnerable people, controlling the spread of infectious disease, preventing serious accidents, tackling alcohol and tobacco, and managing air quality. They target these causes of ill health by coordinating approaches to influence behaviour, protect the environment, and secure compliance with a broad range of laws.

Training Services	Buy With Confidence	Noise Nuisance
Public Funerals	Food Hygiene Inspections	Swimming Pool Sampling
Abandoned Vehicles	Sex Entertainment Venues	Rogue Traders
Animal Welfare	Port Health Service	Tobacco Control
Protecting the Vulnerable	Bathing Water	Fly Posting
Alcohol Fraud	Fly Tipping	Food Fraud
Air Pollution	Explosive Licencing	Underage Sales
Petroleum Licencing	Alcohol Sales	Food Labelling
Food Sampling	Toy Safety	Pest Control
Bereavement Service	Illegal Tobacco	Accident Investigation
Dog Attacks	Outbreak Investigations	Trade Descriptions
Taxi Licencing & Ranks	Land Quality Service	Food & Feed Standards
Stray Dog Control	Licenced Premises	

Figure 10 Work areas of the Public Protection Service.

The PPS predominantly works with those who are legally required (businesses, landlords, occupiers, and individuals) to protect and improve public health. In most circumstances the service offers advice and support. However, it may also use formal enforcement mechanisms, including:

- Fixed penalty notices
- Enforcement notices to require remedial action
- Prohibition notices where there is an imminent risk of serious injury to persons, animals, or the environment
- Revocation of authorisations, withdrawal of approvals, and refusal of registration
- Variations of licences, conditions or exemptions
- Cautions or prosecution

Action taken to secure compliance – whether advice or more formal action – is primarily based upon an assessment of risks to health, safety, and environment in addition to the wellbeing of residents, visitors, and persons who work in the city. This graduated approach to enforcement ensures that action is effective and proportionate to the circumstances.

## 1. Vulnerable people

All adults and children should be able to live peacefully in their own homes, free from fear of harm, and have their rights and choices respected. There may be many reasons why

this is not possible including a person's age or mental capacity. Such people are vulnerable to a variety of factors, for example, to unscrupulous business people or noisy neighbours. The PPS works to ensure these factors do not result in health or welfare problems.

### a) 'Buy with Confidence' and 'Support with Confidence'

Trading Standards operate two approved trader schemes called 'Buy with Confidence' and 'Support with Confidence' aimed at those who offer services in the home of vulnerable consumers. There are over 150 approved traders and personal assistants who have been vetted and checked by Trading Standards to ensure they trade fairly and offer excellent customer service. Consumers know they can rely on these traders and home carers to do a good job. The list of those approved under the scheme is distributed to consumers by partner agencies including Age Concern, Citizens Advice Bureau, and Adult Social Care. This ensures that residents have access to honest, reliable helpers who have been checked by Trading Standards.

### b) Doorstep crime and scams

Trading Standards actively target those who prey on the most vulnerable members of society. There is a direct link between consumers being 'scammed' in their own homes, losing the confidence to live an independent life, and moving into care. Work

in this area led to the formation of the 'Devon and Cornwall Doorstep Crime Group' (made up of four Trading Standards Services plus Devon and Cornwall Police) which is working to reduce this type of criminality. In a recent two month period there were 220 intelligence reports about doorstep crime/cold calling from across the South West. Plymouth Trading Standards receive over 140 doorstep crime/cold calling complaints a year, and has four doorstep crime investigations on-going including a pending crown court trial.

#### c) Noise nuisance

People who are exposed to excessive noise may, as a consequence, experience mental health problems of anxiety or stress, or associated chronic health conditions like heart disease. The PPS tackles this problem by investigating complaints and serving enforcement notices. Last year PPS investigated over 1,500 noise complaints resulting in over 200 enforcement notices.

Officers also work to prevent noise problems from occurring by providing expert advice to the Council's Planning Department. This is done at the earliest opportunity to help developers consider potential environmental factors and protect residents from any

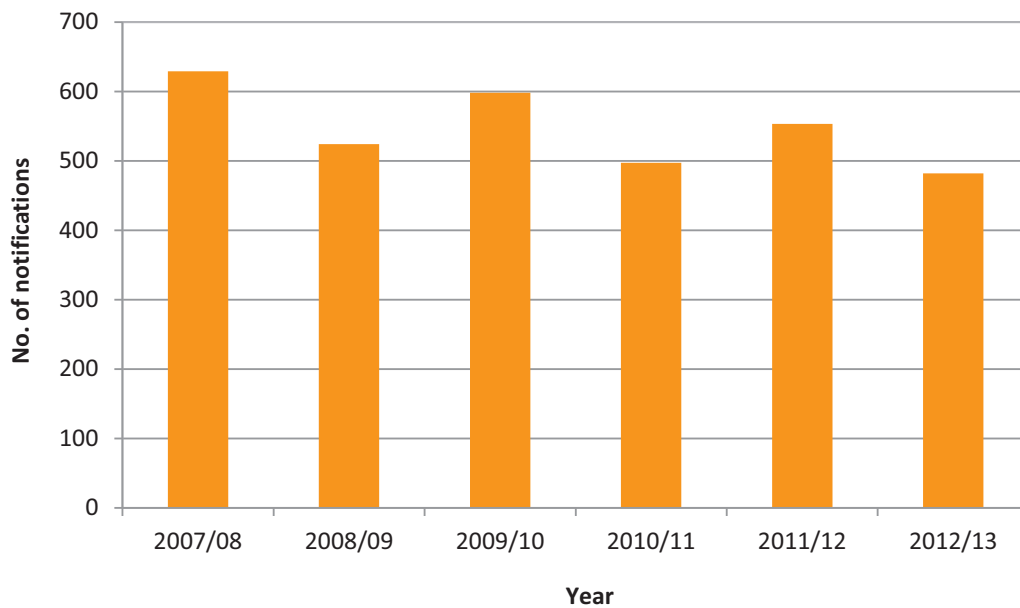
potential nuisance as a result of future developments.

#### d) Filthy and verminous premises

People who live in filthy and verminous premises are often vulnerable for a variety of complex reasons. Their immediate living conditions form a barrier to tackling other problems as well as exposing them, and others, to serious risk of infectious disease. Legal powers are used to clean up these conditions, and officers work closely with colleagues in Adult Social Care and Community Mental Health Teams to provide assistance to help ensure the situation does not recur.

## 2. Infectious disease

There are around 850,000 cases of food poisoning in the UK each year. Some of these can cause serious illness and permanent disability and some types can kill. The PPS works with public health colleagues to identify causes of infection and to take action to control further spread. In 2012, the PPS responded to 584 cases of confirmed and suspected food poisonings. In some instances, people were excluded from school or work and specific improvements were required of businesses that were involved.



**Figure 11** Total annual food poisoning and infectious disease notifications to Plymouth City Council 2007 - 2013.  
(Source: Public Protection Service Flare database)

#### a) Pest control

Pests not only spread disease but may also pose a serious risk to public safety – they can damage peoples' homes and cause electrical and fire damage. The rat population is continuing to rise and recent estimates suggest there are around 80 million rats in the UK.<sup>1</sup> Pests need rubbish for food and shelter and the PPS take enforcement action to remove accumulations of rubbish to prevent infestations from establishing. The pest control service also treats premises where pests such as rats, mice, cockroaches, and those that cause ill health reactions like fleas, wasps, and bedbugs have established themselves. In 2012/13, the PPS treated 1,429 homes in Plymouth.

#### b) Animals and animal welfare

Animal welfare is an important public health issue because animals can spread very serious illness such as rabies and toxocariasis to the human population. In addition some animals pose a serious risk of injury to people. Potential problems are identified through information provided by the public. Last year 1,145 complaints were investigated including dog fouling, dog noise, animal welfare issues, and attacks from dogs. The PPS is currently targeting their enforcement resource to hotspot areas where complaints of dog fouling are most common.

### c) Street waste

Work is undertaken to keep the city's streets clean and clear to improve the quality of the local environment for residents. Legal powers are used to resolve issues such as littering, flytipping, graffiti, and flyposting and to ensure the correct collection and disposal of domestic and commercial waste. In 2012/13, 1,196 complaints were investigated regarding the misuse of bins, flytipping, flyposting, litter, and 549 abandoned vehicles were reported. These complaints were resolved through a graduated approach using advice, warning letters, fixed penalty notices, and prosecution as appropriate.

### d) Food safety and standards

Most food is handled properly and is safe to eat, but food does have the potential to make us ill. The Food Safety and Standards Team is responsible for ensuring that food businesses operate hygienically. They identify key points in the food chain – from farm to fork – and work in various ways to ensure that these do not cause problems. They ensure their work is cost effective by targeting higher risk premises such as food manufacturers and low food hygiene scoring caterers. Their work includes: inspecting and advising the 2,200 businesses that sell food in the city, rating businesses for food hygiene, preventing food fraud, preventing illness, sampling food, Port Health, promoting a healthy diet, and preventing obesity.

- Inspecting and advising businesses

Inspection of food businesses is an effective way to ensure they operate hygienically and in line with the law. Inspections also provide an opportunity to talk to business managers about the way their business operates and the systems they use. Last year, the service visited more than 1,400 food businesses in Plymouth, 932 written warnings were issued about food safety and standards, 58 hygiene notices were served, five detention/seizures of food were made, and two voluntary closures of businesses were secured. By working with local businesses, the service ensures that nutritional labelling on food is accurate and claims made are not misleading. This enables consumers to make informed choices about the food they eat.

- Training

Targeted training is a cost effective way to secure key improvements in businesses and greater compliance with the law, and to deliver the PPS's enforcement policy using a graduated approach. The PPS work with groups of managers, owners, and employees on the best way to introduce improvements. Last year training was targeted towards managers and owners of restaurants and takeaways. After they had completed the specially designed course, 80% made significant improvements to the way they managed food safety. They all improved their food hygiene scores and were more confident to share these with their customers (using the Food Hygiene Rating System).

### 3. Serious accidents

#### a) Product safety

Unsafe consumer goods can cause serious accidents. The Trading Standards Team enforces legislation to ensure that goods supplied in Plymouth are safe by making routine inspections, sampling goods, and investigating complaints. Visits are also made to ensure that dangerous or recalled goods are removed from sale. Recent safety testing has been undertaken on disposable lighters, Christmas lights, UV protection products and children's clothing. Awareness campaigns have recently been run on toy safety and blind-cord safety in partnership with children's centres. The team works with public health partners as part of the Childhood Injury Reduction and Prevention Partnership.

#### b) Health and safety

Accidents and ill health related to work places costs Plymouth millions of pounds every year. As well as the obvious personal health impact from injury, the estimated economic cost of ill health and accidents in Plymouth is between £83.5 million and £136 million each year. Figure 12 shows the annual health and safety notifications reported to the Council for the last five years. There is a generally improving picture of safety at work shown by a reduction in the number of people attending hospital or staying off work for more than three days as a result of an injury sustained in the workplace.

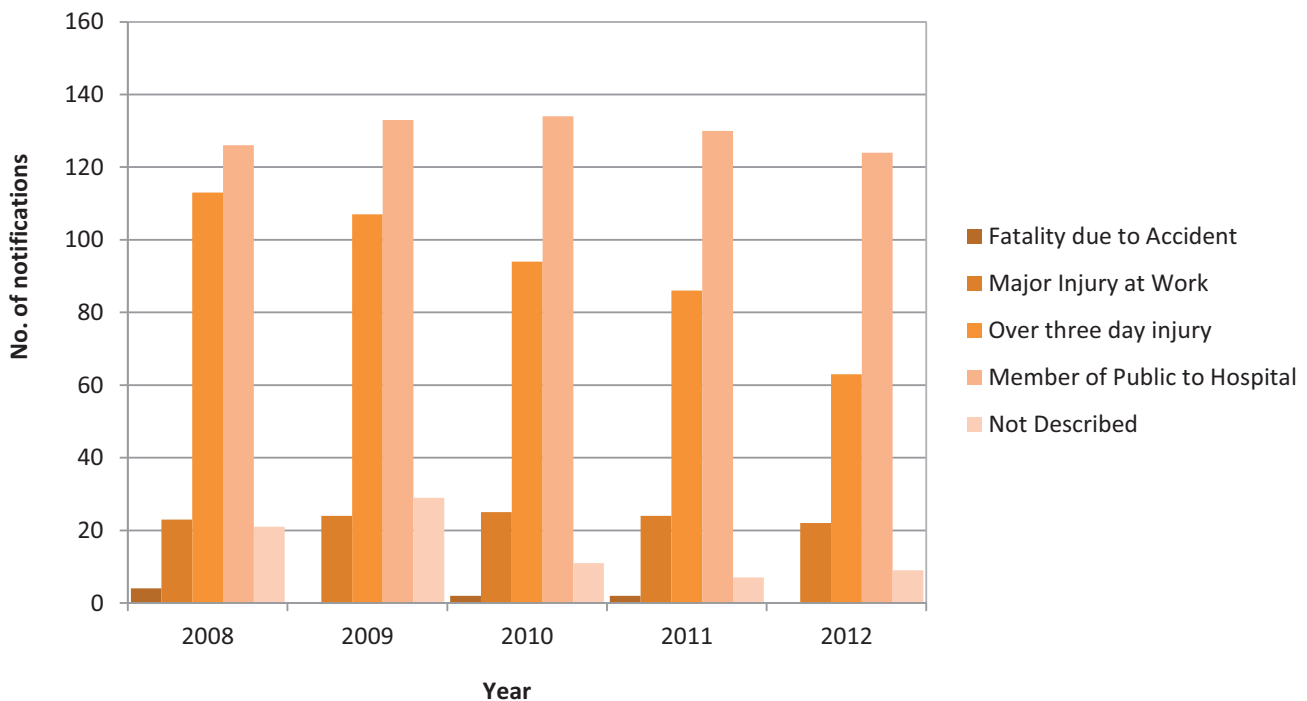


Figure 12 Annual Health and Safety Notifications to Plymouth City Council 2008 - 2012.

Targeted projects are delivered, and accidents and complaints are investigated to help build better businesses through ensuring that workplaces are safe and the health of employees is protected.

The PPS received a notification that a man had fallen down the staircase to the cellar of a local pub and had broken his leg. A health and safety officer visited the pub and found that the staircase had a poor handrail and worn carpet. He concluded that these defects constituted a significant breach of the Health and Safety at Work Act, as they had contributed to the accident. The officer served an Improvement Notice requiring the owner to repair the staircase. The pub has carried out the works and the PPS have not received notification of anyone falling down the stairs since.

A current health and safety project focuses on gas safety in catering premises in conjunction with the Health and Safety Executive following a number of accidents and carbon monoxide deaths caused by gas appliances. Inspections have identified a number of businesses that have not maintained their equipment and have used unregistered engineers to carry out gas installations and repairs (some gas engineers have been operating outside their qualifications). The PPS is working with businesses to address these issues and has taken enforcement action, where needed, to improve safety compliance.

## 4. Alcohol and tobacco

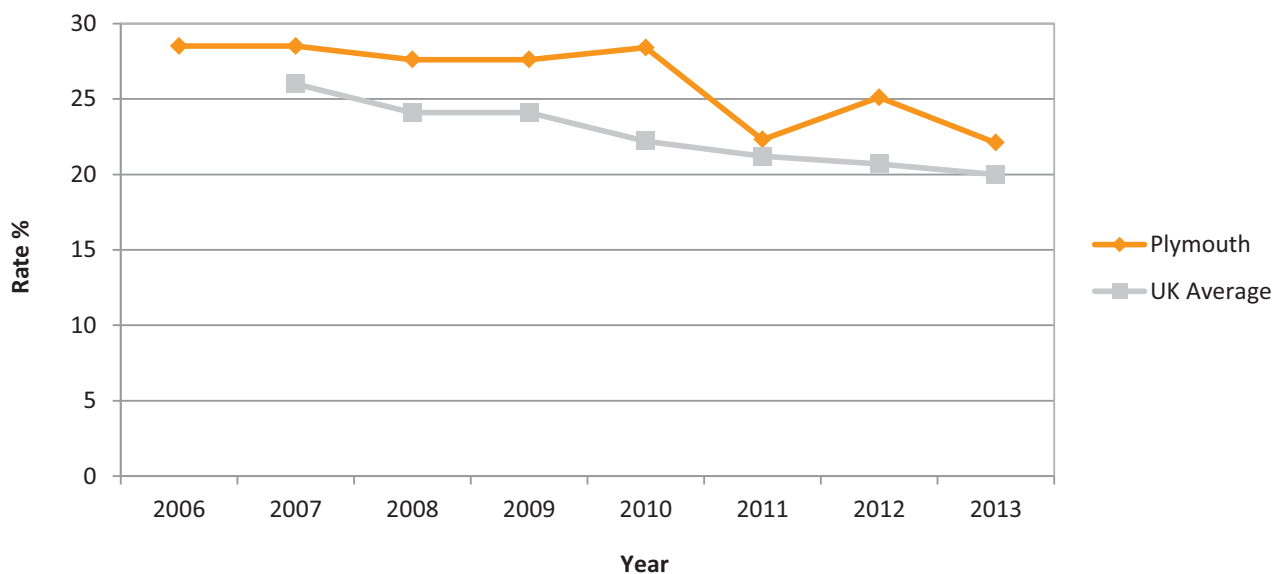
Alcohol-related diseases or disorders are a common cause of premature death and a significant public health issue. Alcohol misuse not only harms the health of the consumer, it also impacts the economy and the crime rate. In 2010, the National Institute for Health and Clinical Excellence estimated the annual cost of alcohol harm in England to be £12.6 billion. This estimate includes the cost of healthcare, crime and anti-social behaviour, and loss of productivity in the workplace due to absenteeism.

It is estimated that nearly 60,000 people in Plymouth drink at hazardous and harmful levels and that over 5,000 people are dependent on alcohol. Increasing numbers of people are being admitted to hospital every year as a result of their alcohol use. In 2011/12, there were 6,942 hospital admissions resulting from alcohol misuse in Plymouth including an increase in chronic liver disease and cirrhosis in those under 65 years old. In 2011/12, there were over 2,500 alcohol-related crimes in the city – with violence accounting for 70%.

Smoking tobacco is the leading cause of preventable death in Plymouth. An estimated 540 people in Plymouth die early every year due to illnesses related to smoking. Tobacco also places a financial burden on the city – the accumulated health and social costs are estimated to be around £85 million every

year. The PPS has worked closely with the ODPH to develop a joint plan to tackle tobacco. This involves the coordination of approaches to reduce the supply of, and drive down the demand for, tobacco. Approaches include enforcement of laws, such as disrupting the sale of illegal tobacco, and

working with retailers on selling tobacco in line with the law. Support to build a positive peer influence to reduce the uptake of smoking during teenage years is being given in partnership with Plymouth Community Healthcare.



**Figure 13** Rates of adult smoking in Plymouth and UK average 2006-2013.  
(Source: PHE Health Profiles for Plymouth)

#### a) Premise licences

The PPS works closely with a number of organisations to support the delivery of the city's Strategic Alcohol Plan. They work with 1,300 licensed premises in to ensure that they comply with the licensing objectives which are:

- To prevent public nuisance arising in the surrounding area, for example, noise disturbance and increased litter
- To prevent crime and disorder
- To protect public safety
- To protect children from harm – by ensuring that premises operate a suitable age restriction policy

Officers monitor licensed premises during their operating hours to ensure they are complying with their licensing conditions. Formal action is taken where they are found to be in breach of their conditions or causing noise disturbance to local residents.

### b) Under-aged sales

Access to both alcohol and tobacco by children is an important factor in the development of their later attitude and use. The law is used to ensure that supply to under 18s is disrupted. 'Test purchasing operations' are undertaken to establish whether businesses are fulfilling their legal duty and challenging young people for age identification. Purchasing operations are also undertaken across a range of other age-restricted products including gambling establishments, sunbeds, fireworks, petrol, knives, solvents, games, and films.

Last year, 18% of businesses tested sold tobacco to an underage person (the majority of them received simple cautions, in line with enforcement policy). In addition, 38% of public houses/clubs and 16% of retailers were found to have sold alcohol to an underage person (one retail business had their licence revoked, two city-centre bars received a 48 hour closure order and, in all of the other cases, the member of staff who sold alcohol received a fixed penalty notice).

### c) Illegal tobacco

Local and national evidence has shown that access to cheaper, illegal tobacco significantly increases the rates of smoking because it allows people to continue smoking when they would otherwise quit. This is a widespread problem, the local market is estimated to be worth around £10 million every year in Plymouth. Trading standards officers target sellers of illegal tobacco, successfully seizing

the illegal goods, restricting and disrupting supply in Plymouth.

In one recent case, officers raided the home of a seller – acting on intelligence. Over 400 pouches of tobacco and cigarettes, lighters, and cigarette papers were seized. The owner of this premise was thought to be selling to local children as well as adults. He pleaded guilty to various offences and was given 180 hours community service and ordered to pay £360 costs. He also lost the tobacco which he claimed had cost him £3,000 to purchase.

## 5. Air pollution

Evidence shows that air pollution reduces life expectancy in the UK by an average of six months, with an estimated annual health cost of up to £317 billion. Susceptible groups include children, the elderly, and those living in poorer areas – often due to the increased levels of industry in those areas.<sup>2</sup>

The PPS undertakes air quality monitoring across the city to identify trends and any new areas of concern. They work closely with colleagues in both Transport and Strategic Planning to ensure that the future growth of the city will not have an adverse effect on the health of local people.

Where monitoring shows that national air quality objectives are not likely to be achieved, local authorities declare an Air Quality Management Area (AQMA). Once an

AQMA has been declared, a plan to improve the air quality in that area – an Air Quality Action Plan (AQAP) – must be put in place. There are currently two AQMAs in Plymouth on Exeter Street and Mutley Plain and a further three are planned.

Monitoring levels of pollution is important in order to understand the impact of emissions in the areas most likely to exceed the health-based standards. In addition it ensures targeted AQAPs reduce or mitigate these health risks through appropriate measures – such as traffic management, development control, and enforcement.

#### References

1. Wardrop, M. (2012) Fortnightly bin collections 'lead to surge in rat population'. Available: <http://www.telegraph.co.uk/earth/environment/9101294/Fortnightly-bin-collections-lead-to-surge-in-rat-population.html>. Last accessed 31 Aug 2013.
2. Local Better Regulation Office. (2011) Priority Regulatory Outcomes A new approach to refreshing the National Enforcement Priorities for Local Authority Regulatory Services. Birmingham: LBRO.

## Acknowledgements

Thanks are expressed to the following people who have contributed to the Annual Report.

Karen	Brindley	Head of Human Resources (Corporate and Community)
Helen	Cheetham	Assistant to the Consultants in Public Health
Katrice	Deves	Transportation Planner
Rachel	Ellis	Communications Officer, Corporate Communications
Kevin	Elliston	Consultant in Public Health
Ryan	Evans	Sustrans Bike It Plus Officer
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Graham	Hooper	Senior Officer Environmental Health Services
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Moiria	Maconachie	Honorary Consultant in Public Health/Senior Research Fellow
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Rosemary	Starr	Transport Smarter Choices Manager
Emma	Watson	Executive Assistant for the Director of Public Health
Julie	Wileman	Transport Projects Manager
Jim	Woffenden	Senior Transportation Planner



## Please give us feedback

This survey can be cut out, completed and posted to the ODPH.

Alternatively complete this survey online at:

<http://plymouth.consult.limehouse.co.uk/public/general/publichealthreport>

1. Did you find the Director of Public Health Annual Report Interesting?

- ☐ Very
- ☐ Fairly
- ☐ Average
- ☐ Not Very
- ☐ Not at all

2. Did you find the Director of Public Health Annual Report easy to read?

- ☐ Very
- ☐ Fairly
- ☐ Average
- ☐ Not very
- ☐ Not at all

3. Did you find the Director of Public Health Annual Report useful?

- ☐ Yes
- ☐ No

Please tell us why?

4. Do you think the correct issues/subjects were covered in the report?

- ☐ Yes
- ☐ No

If no, please tell us why?



5. What was the best part of the Annual Report and why?

6. What was the worst part of the Annual Report and why?

7. Was the report the right length?

- ☐ Too long
- ☐ Just right
- ☐ Too short
- ☐ Unsure

8. Do you have any suggestions for improving this report for the next time?

Thank you for completing the survey

Please post the form to

The Director of Public Health  
Office of the Director of Public Health  
Plymouth City Council  
Windsor House  
Plymouth  
PL6 5UF

## PLYMOUTH CITY COUNCIL

**Subject:** Park and Ride Bus Services Review  
**Committee:** Cabinet  
**Date:** 11 February 2014  
**Cabinet Member:** Councillor Coker  
**CMT Member:** Anthony Payne (Director for Place)  
**Author:** Philip Heseltine, Head of Integrated Transport  
**Contact details** Tel: 01752 307942  
Email: Philip. Heseltine@plymouth.gov.uk  
**Ref:** PB/02/14  
**Key Decision:** No  
**Part:** I

---

**Purpose of the report:**

The Cooperative Scrutiny Board set up a review of the City's Park and Ride bus services. The review was undertaken on five separate occasions during September, October, November and December 2013

This report is to advise Cabinet on each of the recommendations which came from this review.

---

**The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:****Pioneering Plymouth:**

There is potential for the Park and Ride to be a brilliant service which exceeds the needs of Plymouth's residents and visitors enabling lower carbon journeys into the City Centre to take advantage of the City's cultural offer. The recommendations of the report go some way to achieving this.

**Growing Plymouth:**

Any improvement to the Park and Ride service will act as an enabler for growth offering sustainable access to jobs, leisure and shopping which ultimately will help the local economy.

---

**Implications for Medium Term Financial Plan and Resource Implications:  
Including finance, human, IT and land**

The recommendations as presented in this report do not pose any financial impact to existing budgets as they largely involve investigating further changes to the operation of the Park and Ride service. Clearly the outcomes of those investigations may have a financial impact and will therefore be highlighted as part of the decision making process.

**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

N/A

## Equality and Diversity

Has an Equality Impact Assessment been undertaken? No

**Recommendations and Reasons for recommended action:**

Cabinet is recommended to make the following decisions for each of the Scrutiny recommendations:

Recommendation I – Reject

**Recommendation 2 – Accept with proposed amendment**

**Recommendation 3 – Accept with proposed amendment**

**Recommendation 4 – Accept with proposed amendment**

### Recommendation 5 – Accept

Reason:

The recommendations as presented will either lead to an enhancement of the City's Park and Ride or offer clarity to existing users on the future operation of the services.

**Alternative options considered and rejected:**

Not responding to the conclusions of the Working Plymouth Co-operative Review Scrutiny Group would mean that the evidence identified through the review would be ignored resulting in a potentially missed opportunity to deliver improvements and/or budget savings.

**Published work / information:**

Park and Ride Bus Service Review: A report of the Working Plymouth Co-operative Review Scrutiny Group following a review of the Park and Ride Bus Service – attached.

### Background papers:

None

**Sign off:**

Fin	PC.Pl ceF TC131 4 004.23 0114	Leg	JAR /194 06A /Jan 14	Mon Off	19 40 0/ DV S	HR		Assets		IT		Strat Proc	NA/SP U/346/ CP/01 14
Originating SMT Member Paul Barnard													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

## **1.0 Introduction**

The Working Plymouth Scrutiny Panel agreed to hold a review into the Park and Ride Bus Services, which was endorsed by the Cooperative Scrutiny Board on 10 July 2013. Throughout September, October, November and December 2013 the Panel had the opportunity to hear from a range of witnesses including the NHS Trust, local bus operators and passenger representative body, TravelWatch South West

The purpose of this report is to advise Cabinet on each of the recommendations arising from this review. Each recommendation will be shown in turn followed by an appraisal of it in terms of how deliverable it is and any issues or risks that may arise.

## **2.0 Responses to Recommendations**

The recommended responses to the Cooperative Scrutiny Board's recommendations are outlined below. There were five recommendations in total.

- 1. The feasibility of charging for parking at all three Park and Ride sites is investigated with the intention of covering the operating costs of the site.*

Response to recommendation 1 – Reject

The scrutiny review process provided the opportunity to examine a number of different operating models for Park and Ride's around the country and compared them with Plymouth's.

However, the consequences of charging to park could put off current users of the service and lead them to seek alternatives which may be harmful to the City. These alternatives may include driving into the City Centre which would increase congestion and carbon emissions, or visitors to Plymouth could decide to travel elsewhere which would impact negatively on the local economy. It is therefore advised that the feasibility of charging for parking at the sites is not investigated further to give a clear message to current, and potential, users of the Park and Ride services that the Council is committed to encouraging people to use them through keeping it as straightforward as possible.

- 2. The Park and Ride departure charges, charges made to the bus operator, are renegotiated with the intention of possible increases.*

Response to recommendation 2 – Accept with the proposed amendment:

*The Park and Ride departure charges, charges made to the bus operator, are renegotiated with the intention of possible increases. The Council's ambition will be that any increase should not be passed onto passengers.*

Departure charges have been made at Milehouse and Coypool since November 2010 when First Group assumed commercial operation of the Park and Ride bus services into the City Centre. The charge had remained £0.75 until November 2013 when this fixed charge was replaced by a sliding charge based on the age of the buses used on the services. Linking the charge to the age of vehicle reflects the Council's desire to incentivise both quality standards and lower fuel emissions. The current charges vary from £0.50 for a bus up to one year old to £3.00 for a bus that is 9 years old and over.

3. *The feasibility for a new Park and Ride Bus Service to be introduced between Milehouse and Derriford Hospital is investigated.*

Response to recommendation 3 – Accept with the proposed amendment:

*Investigate the feasibility for a new Park and Ride Bus Service to be introduced between Milehouse and Derriford Hospital.*

This recommendation was partly linked to the pending closure of the Plymouth Hospitals NHS Trust's staff car park off Brest Road. The Council have already agreed to support the Trust with trying to encourage sustainable alternatives for its staff to get to work but an additional Park and Ride service linking Milehouse with the Hospital would be attractive for staff and visitors who live to the west and south of the city.

The Council's Public Transport Team would engage with the Trust and bus companies to gauge the interest for operating a new service. It is unlikely the current bus operators will want to take on the route commercially and it may therefore require a subsidy.

4. *The Potential for increased operating hours is explored on all Park and Ride Bus Services, including the PR3, in order to accommodate the users of the service who take advantage of the late night shopping in the City Centre or those who use the Park and Ride to visit patients at Derriford Hospital, bearing in mind the visitor closing time of 8.pm.*

Response to recommendation 4 – Accept with the proposed amendment:

*The Potential for increased operating hours is explored on all Park and Ride Bus Services in order to accommodate the users of the service who take advantage of the late night shopping in the City Centre or those who use the Park and Ride to visit patients at Derriford Hospital, bearing in mind that visiting hours are up to 8 pm. If a subsidy is required for an enhancement to the PR3, the service for Derriford Hospital, the Council will approach the NHS Trust to request a financial contribution.*

5. *Improved journey planning and timetable information is provided at each of the Park and Ride sites*

Response to recommendation 5 – Accept

The Council's Public Transport Team has also identified the need for improved information at the sites. Since the Scrutiny recommendation some measures including better service information have been displayed at the George Junction site. Further improvements are underway for all the sites to be completed by March 2014.

# **PARK AND RIDE BUS SERVICE REVIEW**



A report of the Working Plymouth Cooperative Review scrutiny group following a review of the Park and Ride Bus Service.

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## **I. SUMMARY**

- I.1 The Working Plymouth Scrutiny Panel agreed to hold a scrutiny review into the Park and Ride Bus Service, which was endorsed by the Cooperative Scrutiny Board on 10 July 2013.
- I.2 The review identified that the current Park and Ride Bus Service, whilst valued by the majority of customers as an efficient and direct service from Milehouse, the George Interchange and Coypool was in need of changes in order to aid the interests of customers and the Council. It was recognised that, in the current economic climate, the Council was under greater pressure to reduce spending where necessary and the operating costs of the Park and Ride sites was substantial. At present parking at all three of the Park and Ride sites was free however it was considered that the feasibility of charging for parking should be investigated along with extending the operating hours of the bus service in order to support those using the Park and Ride to go late night shopping or visit patients at Derriford Hospital.
- I.3 Having undertaken a customer survey at all three sites and instructed officers to conduct a benchmarking exercise against other authorities with a Park and Ride bus service it was recognised that there was a possibility that the acceptance of Concessionary Bus Passes could be refused however having received legal advice the panel agreed that this would not be progressed.
- I.4 Other recommendations arising from the review included investigating the feasibility for a new Park and Ride service between the Milehouse site and Derriford, for improved journey information to be displayed at the sites, and for a renegotiation of the departure charges levied to First South West for their PR1 and PR2 services.
- I.5 The panel, in developing their knowledge of Plymouth's Park and Ride Bus Service, were informed about the strategic purpose, current operation and comparative benchmarking data. To aid the panel's discussions a number of witnesses were also interviewed and site visits were held at each of the Park and Ride sites to undertake a customer survey.
- I.6 The panel, in analysing all of the information submitted by officers, witnesses and users of the bus service, agreed to make a number of recommendations; these will be submitted to Cabinet, via the Cooperative Scrutiny Board and are presented in section 7 of the report.

## **2. INTRODUCTION**

- 2.1 This report presents the findings from the Working Plymouth Scrutiny Panel's Cooperative Review on the topic of the Park and Ride Bus Service.
- 2.2 The Cooperative Review took place on five separate dates (including the site visit) throughout September, October, November and December 2013.
- 2.3 Members appointed to the Cooperative Review were as follows:
  - Councillor Murphy (Chair)

- Councillor Mrs Aspinall
- Councillor Darcy
- Councillor Wheeler

2.4 Officers supporting the Cooperative Review were as follows:

- Ralph Ellis (Public Transport Officer)
- Phil Heseltine (Head of Integrated Transport)
- Debbie Newcombe (Public Transport Officer)
- Gill Peele (Lead Officer)
- Helen Rickman (Democratic Support Officer)
- Julie Rundle (Senior Lawyer)
- Andy Sharp (Public Transport Manager)

2.5 This report summarises the findings of the Cooperative Review and makes recommendations for improvements.

## 3. BACKGROUND INFORMATION

### 3.1 Introduction

3.1.1 Plymouth has a range of Park & Ride services. PR1 links Milehouse and the George Junction sites with the city centre whilst PR2 links Coypool to the City Centre, and both are operated by First South West. PR3 links the George Junction site with the University of St Mark and St John and Derriford Hospital, and is operated under contract by Target Travel.

### 3.2 Strategic purpose of Plymouth's Park and Ride services

3.2.1 Plymouth's Third Local Transport Plan (LTP3) places a strategic importance on the need for a park and ride service as an intervention for those driving into the city. The strategy acknowledges that the 'more cars intercepted at park and ride sites, the greater the benefits to the city in terms of reductions in traffic levels, congestion, pollution and reduced parking pressure.' The strategy also makes specific reference to the importance of striking a balance between offering competitive fares balanced with city centre parking charges whilst not abstracting from other local bus services. The sites effectively work to intercept traffic before heading into the City Centre. Whilst Coypool and the George Junction are well located to achieve this aim the close proximity of Milehouse to the city centre means the benefits are more limited from this site.

### 3.3 Current Operation

3.3.1 The PR1 and PR2 bus services have operated without financial subsidy from the Council since November 2010. This is very rare with only a handful of other locations in the UK having a commercial park and ride bus service. The PR3 is operated under contract utilising section 106 funding.

- 3.3.2 The three sites are managed and maintained by the Council including having responsibility for all costs associated with the maintenance and national non domestic rates (NNDR). The total cost for all sites is £178,447. However, this is partly offset by the Plymouth NHS Trust who contribute a third of the NNDR charge for the George Junction and a payment from First Devon and Cornwall of £0.75 per service departure from the Milehouse and Coypool sites. Charges are not currently applied to the George Junction as it was designed as a bus interchange and other services are encouraged to use it. There is also income from the motorcycle training school at Coypool.

- 3.3.3 Table 1: Park & Ride Site income and expenditure in 2012/13

Site	Expenditure (£)	Income (£)	Total site cost (£)
George Junction	83, 764	18,355	65,409
Coypool	52,471	17,958	34,513
Milehouse	42,212	13,158	29,054
Totals	178,447	49,471	128,976

- 3.3.4 Passengers pay on the bus for single or return journeys and English National Concessionary Bus Passes can be used within the scheme times which in the case of park and ride are after 0930 Monday to Friday and any time on a Saturday.
- 3.3.5 First South West staff the building and waiting area at the George Junction and provide intermittent site supervision at Milehouse and Coypool.

### 3.4 Service usage data

- 3.4.1 Table 2 shows the total number of passengers which is split by concessionary pass holders over the last 28 months with a full year forecast for the current financial year. It should be noted that the PR3 frequency was doubled and newer branded buses introduced in November 2012 utilising section 106 funding which has led to the significant increase in passengers. Last year 44% of all Park and Ride journeys made in Plymouth were by concessionary pass holders.

- 3.4.2 Table 2: Total Passengers using each service

	2011/12		2012/13		2013/14 Year to date	
	Total	Concessions	Total	Concessions	Total	Concessions
<b>PRI</b>	644,070	301,910	632,522	286,444	224,337	86,019
<b>Full Year Forecast</b>	n/a	n/a	n/a	n/a	673,011	258,057

<b>PR2</b>	294,408	128,103	312,555	129,415	119,483	44,288
<b>Full Year Forecast</b>	n/a	n/a	n/a	n/a	358,449	132,864
<b>PR3</b>	50,037	23,829	78,834	35,494	37,302	17,769
<b>Full Year Forecast</b>	n/a	n/a	n/a	n/a	111,906	53,307

### 3.5 **Summary of Benchmarking of Park and Ride sites** (found at Appendix B1)

3.5.1 26 Local Authorities with park and ride services around England were asked about their operating model. The results were varied:

#### 3.5.2 Concessionary Travel

- 17 locations accept concessionary pass holders.
- 4 locations do not accept concessionary passes at all and offer no discount.
- 5 locations do not offer free travel to concessionary pass-holders but offer a discounted fare.

#### 3.5.3 Parking

- 22 locations do not charge to park.
- 3 locations charge to park with travel included in the price.
- 1 location (Oxford) charge to park in addition to the bus fare.

### 3.6 **Concessionary Travel**

3.6.1 The English National Concessionary Travel Scheme follows primary legislation to permit free travel on all local bus services within England from 0930 to 2300 Monday to Friday and at any time over weekends and bank holidays for anyone of pensionable age or those who are disabled and meet set eligibility criteria. Each time a journey is made the Local Transport Authority responsible for the area the passenger boards reimburses the bus operator a set fee. As the Park and Ride services in Plymouth are registered as local bus services they have been included in the concessionary travel scheme since it started. However, in 2009 an amendment known as The Travel Concessions (Eligible Services) (Amendment) 2009 was introduced which clarifies eligible services and gives Local Transport Authorities the option to make changes should they wish to. One of these clarifications is detailed below and explains a service could be exempt if an amenity element is included within the fare. In the case of Park and Ride's this may include the provision of car parking.

3.6.2 Direct quote from The Travel Concessions (Eligible Services) (Amendment) 2009

“2 (3)

4.—(1) A service is not an eligible service under section 146 of the Transport Act 2000 if—...

(e) the fare for the service includes a special amenity element....

(4) For the purpose of paragraph (1) (e) a fare is to be regarded as including a special amenity element if it is significantly high in relation to the general level of fares for comparable journeys.'

3.6.3 Whilst certain Park & Ride services have never accepted ENCTS passholders for free, such as Taunton, there are a small number which have amended entitlement since the Travel Concessions Amendment was introduced in 2009. Two examples are given below:

- **Norwich** - Norfolk County Council removed free travel for ENCTS passholders in Norwich, following approval from their Cabinet in 2011, on the Norwich Park & Ride service. ENCTS passholders are now charged a £1 flat fee per single journey. The Council reported receiving approximately 30 complaints, and whilst patronage reduced by 2% following the change in entitlement revenue increased by approximately £100k per annum.
- **Chester** - Cheshire West and Chester Council removed free travel for ENCTS passholders from April 2013. Again there were a number of complaints following the change. No data was available for whether passenger numbers and / or revenue increased or decreased. The service is tendered by the Local Authority.

3.6.4 The tables below details the Park & Ride fares and comparisons with the nearest standard bus services for Norwich, Chester and Plymouth.

3.6.5 Table I: Fare comparisons between Norwich and Chester P&R services and nearest local bus services. (KEY: AS = Adult Single, AR = Adult Return)

Location / Service	Park & Ride AS	Park & Ride AR	Local Bus services AS	Local Bus Services AR
<b>Norwich</b>	£2.40 before 12.30  £2.10 after 12.30	£2.40 before 12.30  £2.10 after 12.30	n/a	£3.00 to £4.20
<b>Chester</b>	£2.00	£2.00	n/a	£3.00 to £3.50

3.6.6 Table I shows the fares for Plymouth's Park & Ride services against the fares for the nearest standard local bus service. If parking and the provision of site facilities such as toilets and intermittent site supervision are considered an amenity then the fares must be considered against those for comparable journeys. The application of the Travel Concessions (Eligible Services) (Amendment) 2009 may depend upon how comparable

the journeys offered by the nearest local bus services are against the specific Park and Ride services in question. A table is shown below showing the distances for the pick-up and drop-off points between the Park & Ride service and the nearest local bus service for each site. It also shows the scheduled journey times.

3.6.6 Table 2: Fare comparisons between Plymouth P&R services and nearest local bus services.

Location / Service	PRI AS	PRI AR	FS W 83 AS	FS W 83 AR	PCB 12 AS	PCB 12 AR	PR2 AS	PR2 AR	PCB 21/A AS	PCB 21/A AR
<b>George Park &amp; Ride</b>	£2.40	£2.70	£2.80	£3.50	£2.30	£3.30				
<b>Milehouse Park &amp; Ride</b>	£1.45	£2.00	£1.10	£2.00	£1.00	£1.80				
<b>Coypool Park &amp; Ride</b>							£2.10	£2.30	£2.10	£3.20

3.6.7 Officers sought advice from both the Department for Transport and Plymouth City Council's legal department regarding the Travel Concessions Amendment; initially it was considered that it would be feasible to demonstrate the amenity of car parking provision for each of the three Park and Ride Services however it was considered that the Council could be open to legal challenge if this was implemented due to the clause in the legislation about comparable fares.

3.6.8 Table 3: Comparisons between P&R services and nearest local bus services.

Site / Journey factor	Nearest alternative inbound service 'Pick up'	Nearest alternative outbound service 'Drop off'	Journey time P&R	Journey time Alternative service (s)
<b>PRI George Junction</b>	-190 metres	-120 metres	-22 minutes to Royal Parade	-21 minutes on service 12 to Royal Parade -20 minutes on service 83 to Royal Parade
<b>PRI Milehouse</b>	-Same location	-100 metres from North drop off on	-9 minutes to Royal Parade	-8 minutes on service 12 to

		perimeter Road.		Royal Parade -9 minutes on service 83 to Royal Parade
<b>PR2 Coypool</b>	-300 metres -520 metres accessible route	-320 metres	-11 minutes to first City Centre drop off -14 minutes to Royal Parade	-13 minutes to first City Centre drop off on service 21 -15 minutes on service 21 to Royal Parade
<b>PR3 George Junction</b>	-Same location	-120 metres	-8 minutes to Derriford	-10 minutes on service 15 from George to Derriford

Distances are not exact and were derived from the online mapping tool available at [www.walkjogrun.net](http://www.walkjogrun.net).

### 3.7 Charging to Park

3.7.1 Officers undertook to find out more information regarding the implementation of parking charges at Park and Ride sites – information derived from a Cambridgeshire County Council Cabinet Report detailed the following:

3.7.2 Cambridge is planning to introduce a £1 car parking charge at its five Park & Ride sites in the city. It is not planned at this stage to introduce charges at the two new sites on the Cambridge Guided Busway. Park & Ride bus services are provided commercially (as in Plymouth) by Stagecoach but site costs amount to £1 million per annum. Various income streams cover 25% of these costs leaving the Council to fund the shortfall. Consultants Atkins submitted estimates that a £1 car park charge would result in 5.4% fall in patronage but would however deliver approximately £1.5 million income generation per annum. A £1 charge at the Park & Ride site would still represent good value as car parking in the centre of Cambridge is limited and all –day parking costs between £12.50 and £25.00 per day.

3.7.3 Cambridgeshire County Council believes therefore that there will be a quick recovery from any reduction in patronage and they quoted the Oxford example where a £1.50 car park charge had little or no long term effect on patronage. It should be noted that Stagecoach has expressed publicly its strong objection to the introduction of parking charges.

### 3.8 Other uses of the sites

- George Junction – Car boot sales
- Coypool – Motorcycle Training School, ad hoc charity events, potential cycle hire scheme, Plym Valley Railway staff and users, and the Speedway.
- Milehouse – Central Park users, Plymouth Argyle match day parking.

- 3.8.1 The review will submit its findings for approval to the Cooperative Scrutiny Board on 18 December 2013; recommendations will then be forwarded to Cabinet on 14 January 2014.

## **4. COOPERATIVE REVIEW PROCESS**

- 4.1 The Cooperative Scrutiny Board approved a request for a Cooperative Review on the establishment of a review into the Park and Ride Bus Service at its meeting on 10 July 2013.

### **4.2 Review Aims and Objectives**

- 4.2.1 The aims and objectives of the Park and Ride Bus Service Review were to –
- review the current operating model with due regard to the legal and financial framework;
  - to analyse service operation, costs, income and maintenance;
  - to undertake benchmarking exercises with other Park and Ride Bus Service operating models across the country;
  - to identify possible efficiency savings;
  - to provide an enhanced service for customers resulting in reduced car congestion/ carbon reduction.

### **4.3 Cooperative Review Methodology**

- 4.3.1 The review convened over five sessions (including a site visit to Plymouth's three Park and Ride Sites) to review the documentation submitted as evidence, undertake a customer survey and to hear from a number of witnesses.

#### **4.3.2 Meeting dates –**

- 30 September 2013
- 8 October 2013 (site visit)
- 28 October 2013
- 18 November 2013
- 2 December 2013

- 4.3.3 At each meeting the group met to consider evidence, review background information and hear from witnesses.

#### **4.3.4 The witnesses who presented evidence to the Panel were –**

- Ray Bentley – Director – TravelWatch South West
- Andrew Davies – Service Line Lead – Derriford Hospital
- Julian Egan – Life Centre Manager
- Robbie Lamerton – General Manager – First South West
- Richard Stevens – Managing Director – Plymouth Citybus

- Ashley Taylor – Transport Manager – Target Travel
- Stuart Windsor - Facilities Operations Manager – Derriford Hospital

## **5. PROCEEDINGS FROM THE COOPERATIVE REVIEW**

### **5.1 Meeting one – 30 September 2013**

- 5.1.1 The panel met on 30 September 2013 where they received an introduction from Gill Peele (Lead Officer) highlighting the remit of the Cooperative Review and heard an explanation of the background report submitted by Andy Sharp (Public Transport Manager).

In response to Members' questions raised it was reported that –

- (l) car-pooling was encouraged at other Park and Ride sites across the country;
- (m) initially the Park and Ride service was subsidised by the Council however since the service went commercial in 2010, the Council was not involved in the setting of prices;
- (n) customers were encouraged to use Park and Ride buses at the Park and Ride sites however this was not enforced; it was understood that some people were parking at Milehouse Park and Ride and were using other bus services nearby;
- (o) several services had been withdrawn from the George Interchange since it was built;
- (p) it was not considered that revenue generating services such as car washing services would be viable at the Park and Ride sites as especially on weekdays there was not a lot of churn of users;
- (q) there was a proposal that cycle hire may be available at Coypool Park and Ride in the future;
- (r) wi-fi facilities were not available on Park and Ride buses; so far in Plymouth this had only been introduced on services that had longer journey times;
- (s) the capacity for the Park and Ride car parks was as follows: Milehouse, 650, the George, 750 including 250 spaces for the hospital and 450 for Coypool including the overflow spaces;
- (t) a sum had been secured through the planning process from the Higher Home Park development to allow for measures to be implemented should parking issues arise as a result of the development;
- (u) there was no contribution from Plymouth Argyle Football Club on occasions when the Park and Ride site was used for parking for spectators;

- (v) the inbound Park and Ride bus at Milehouse no longer drove around the car parks perimeter road; passengers caught the bus from the main road;
- (w) in 2012/13, 44% of users for the park and rides were concessionary users.

Members noted the report.

The draft Park and Ride Bus Service survey for the 8 October 2013 site visit was also discussed at this meeting. Members agreed minor changes to the survey which were to be incorporated before the site visit.

### 5.2 Meeting Two - Site Visit – 8 October 2013.

5.2.1 Members and Officers undertook a site visit to all three Park and Ride sites at Milehouse, The George Interchange and Coypool. It was considered that the best response would be received between the hours of 7.30am and 11.30am in order to question those using the service to travel to work as well as the concessionary bus pass holders that were eligible to travel after 9.30am.

5.2.2 Members asked the following questions as part of the customer survey:

- How often do you travel on Park and Ride?
- Do you use other park and ride sites in Plymouth?
- Do you live in Plymouth?
- What is your postcode?
- What is the purpose of your journey?
- Why do you use park and ride?
- How did you get here today?
- Do you have a concessionary bus pass?
- Would you use the park and ride if you had to pay a full or discounted fare?
- How would you rate your general experience of the Park and ride service in Plymouth?
- Do you use other buses in Plymouth? If not, why?
- What is your gender?
- Which age group are you in?
- Which ethnic group would you say that you belong to?

5.2.3 Results of the survey can be found at Appendix B1.

### 5.3 Meeting Three – 28 October 2013

5.3.1 The Chair informed Members that Richard Stevens, Managing Director for CityBus, would be in attendance at the meeting in order to provide Members with details of his experience having run several Park and Ride Bus Services in the South West and how these Park and Ride services compared with Plymouth.

In response to Members questions Richard Stevens responded that –

- (a) he had previously run Park and Ride Bus Services in Truro, Exeter, Taunton and Bristol;
- (b) from his experience, the majority of Park and Ride Bus Services sold tickets on the bus;
- (c) certain Park and Ride Services had to pay departure charges but these could be changed;
- (d) Park and Ride Bus Services generally had limited stop offs and were direct services however Exeter Green Park and Ride was linked with a registered bus service so had more stop off points;
- (e) Taunton's Park and Ride Bus Service did not allow for concessionary users to use their pass on this service;
- (f) CityBus would be interested in running a Park and Ride Service in Plymouth however this was not yet a priority for the company and would depend on a variety of factors including departure charges and passenger numbers;
- (g) it was considered that to allow concessionary users to use their pass on the Park and Ride Bus Service was discretionary;
- (h) it was considered that First Group PLC did a good job running Plymouth's Park and Ride Bus Service; he considered the fares to be perhaps too cheap but ultimately the main factors customers would judge the service on would be quality and frequency;
- (i) Coypool car park had limited car parking spaces and it was unlikely that patronage could be increased for this specific site due to capacity issues;
- (j) Oxford's Park and Ride Bus Service charged passengers to park as well as for their bus ticket; it was considered that this wouldn't work in Plymouth as there were a lot of competitively priced car parks that could be used if extra charges were added;
- (k) if two operators ran the Park and Ride Bus Service there would be an uplift in perceived frequency and use however it was not known where the new interest for the service would come from;
- (l) it was considered that Coypool Park and Ride site would not work as an interchange as improved facilities would need to be provided.

At this meeting Members also discussed the results of the Park and Ride Bus Service customer survey. The following comments were raised by Members:

- (a) the 'comments' section at the end of the survey needed to be condensed as there was a lot of repetition;

- (b) the 'users of Park and Ride from postcodes outside of Plymouth' section of the survey specified 33% of users were from 'other' locations than those specified however Members considered it would have been beneficial if those locations had been identified; Members agreed that the results of the survey, with regards to users outside of Plymouth, should be specified into percentages from Cornwall, Devon and Somerset;
- (c) the results of the survey highlighted that it was mostly women that used the Park and Ride Bus Service;
- (d) in some instances the survey highlighted that some passengers did not use the Park and Ride service closest to them; it was considered that this could be because of a variety of reasons such as work or childcare arrangements;
- (e) part of the survey asked passengers to identify how they travelled to the Park and Ride site and, if by car, how many passengers were car sharing; Members noted that this information was not contained within the analysis of results however officers confirmed that the number was insubstantial as the majority of passengers drove to the car park alone;
- (f) the figures showed that a considerable amount of users of the Park and Ride Service had a concessionary pass and of those users 75% would still use the service if they were required to pay;
- (g) it was considered that the survey was a success as a significant number of passengers participated;
- (h) 90% of passengers rated the service good; Members welcomed the positive feedback;
- (i) a gentleman at the George Interchange Park and Ride site who was questioned as part of the survey was full of praise for the PR3 service; this extended to the service as a whole and members of staff;
- (j) it was considered that the PR3 was a popular service used by visitors to Derriford Hospital and students of the University of St Mark and St John; the service was considered to be cheaper than the cost of parking;

In response to questions raised it was reported by Officers that –

- (l) some of the questionnaire results were incomplete as several passengers had to stop answering questions in order to catch their bus;
- (m) on the day that Councillors and officers were undertaking the park and ride survey, First Group PLC introduced the offer for concessionary pass holders in which they were able to travel on the bus, before 9.30am, for a charge of £1;

**5.4 Meeting Four – 18 November 2013**

- 5.4.1 At this meeting Members had the opportunity to discuss information regarding Concessionary Travel Passes and an examination of what other Local Authorities had done since the eligible services amendment.

The panel considered the comparative data for the Park and Ride Bus Services and concessionary travel passes.

Members were informed that –

- (a) the report contained more information, as requested at a previous meeting, regarding the Concessionary Travel passes, an examination of what other Local Authorities had done since the eligible services amendment had been introduced and the possibility of removing the acceptance of concessionary passes on Park and Ride Bus Services in Plymouth;
- (b) both Norwich and Chester had amended entitlement, since the introduction of the Travel Concessions Amendment in 2009, to no longer accept concessionary bus passes;
- (c) officers had been in contact with the Department for Transport to discuss the amenity element in relation to the Park and Ride Bus Service;
- (d) in 2011 Norfolk received approval to have concessionary bus passes removed from their Park and Ride Service. There was a charge of £1 for concessionary pass holders to use the service;
- (e) in Chester it was similarly agreed that the concessionary bus passes would no longer be accepted on the Park and Ride; specific data was not supplied as to the percentages of complaints however it was confirmed that it was seen as a positive financial change;
- (f) officers were still awaiting legal advice however in principle, subject to legal approval, it was considered that Plymouth's Park and Ride would fall under the eligible services amendment; negotiations would need to take place with the operators if reduced fares were to be considered as this was a commercial service;
- (g) Cambridge introduced a charge on top of the bus fare ticket for parking however parking was at a greater premium.

In response to questions raised it was reported that –

- (h) toilets were not defined as an amenity however it was considered that there was no reason why this was not the case;
- (i) Cambridge accepted concessionary bus passes on the Park and Ride Bus Service and there were proposals to charge for car parking from January 2014; it was not known if Stagecoach would withdraw their service having strongly objected to this proposed decision;

- (j) Oxford accepted concessionary passes on their Park and Ride Bus Service after 9.30am;
- (k) officers were unaware of the specific Park and Ride Fares for each of the sites however would provide this information to Members.

Agreed that a table of charges for Plymouth's Park and Ride Bus Service would be provided to Members; this would include concessionary fare prices.

At this meeting Members also had the opportunity to hear from a variety of witnesses

The Chair advised the panel that several witnesses, from the Life Centre, Derriford Hospital, TravelWatch South West, Target Travel and First Group PLC, were in attendance at the meeting to answer Members' questions and provide feedback on Plymouth's Park and Ride Service.

All witnesses were informed that the Park and Ride Bus Service had been operating in Plymouth for 20 years and had never been reviewed therefore panel members wanted to scrutinise the service to ensure it was fit for purpose.

Julian Egan, Life Centre Manager, informed Members that –

- (a) he had seen a few people parking at the Life Centre and then walking away to catch a bus however this was not considered to be a big problem at the present time;
- (b) it was considered that Life Centre customers were using the Milehouse Park and Ride car park in the evening as an overspill area due to the popularity of the Life Centre;
- (c) Life Centre customers were also considered to be parking in the Park and Ride car park, catching the bus to go to work and then attending the Life Centre after work whilst keeping their car in the Park and Ride car park;

In response to questions raised Julian informed Members that –

- (d) the Life Centre car park catered for Life Centre customers, dog walkers, users of Central Park recreation field and the bowls club;
- (e) customers had not approached Life Centre staff to inform them that there was a problem with parking however difficulties were experienced when Plymouth Argyle were playing at home as there was displacement of supporters;
- (f) he considered it to be difficult to charge for parking at the Life Centre as it was not only Life Centre customers that used the car park; he had been informed by the Council that the car park was for all park users;
- (g) the new development at Home Park would have a charging car park therefore it was considered that this would cause customers to the site to use nearby

free parking spaces available;

- (h) a joined up approach to parking by the Council, Life Centre and the Home Park developers was required;
- (i) he considered that charging to park was the only way forward to curb potential problems with parking in the future however this could affect customers at the Life Centre who attend events for several days;
- (j) approximately 120,000 customers used the Life Centre on a monthly basis; it would not be feasible to go to the reception desk to reimburse Life Centre customers for their parking ticket as this would cause delays;
- (k) Life Centre management were in talks with the Home Park developers to discuss the potential issues with parking once the development was completed.

Ray Bentley, Director for TravelWatch South West, informed Members that –

- (l) Plymouth's Park and Ride Bus Service was appreciated and valued by its passengers and was an integral part of the city's transport strategy;
- (m) he considered it to be illegal to exclude concessionary pass holders from the Park and Ride Bus Service and highlighted to Members that the Travel Concessions (Eligible Services) (Amendment) 2009 legislation had been selectively quoted from and possible conclusions to exclude concessionary passes from the bus service would be wrong;
- (n) he confirmed that, as stated in the legislation, a bus service would be eligible under section 146 of the Transport Act 2000 to remove the concessionary bus pass holders if 'the fare for the service includes a special amenity element'; however he advised Members that the legislation also stated that a fare would be regarded as including a special amenity element if it was significantly high in relation to the general level of fares for comparable journeys;
- (o) he confirmed that a special amenity element could be demonstrated for the Park and Ride Bus Service with the parking available however he did not agree that this could be applied as the bus fares of comparable journeys was not significantly high in relation to the general level of fares; the cost of the Park and Ride tickets were significantly cheaper than other bus services doing a comparable route;
- (p) with relation to the possibility of passengers being made to pay for parking at the Park and Rides sites, he highlighted that there would be a cost to installing ticket machines and paying someone to monitor them;
- (q) one of the positive attributes of the Park and Rides Bus Service was that it was a streamlined service that was hassle free;

- (r) he considered it would be beneficial for the Council to encourage people living within the vicinity of a Park and Ride site to be encouraged to use this service as it would result in lower overall fares;
- (s) PR3 was an excellent service which was valued by its customers;
- (t) the Park and Ride bus waited for several minutes at a time at Milehouse which was considered to be unnecessary and frustrating;

In response to questions raised, Ray informed Members that –

- (u) he considered it a preferable option to receive a ticket on entry via a machine and barrier at a Park and Ride site however this was still not an ideal solution as the sites would have to have a lot of disruptive building work to put this in place; he confirmed that he represented TravelWatch South West that was a community interest company promoting public transport and looking after the interest of public transport users;
- (v) he accepted that Chester and Norwich had removed the requirement to accept concessionary bus tickets on their Park and Ride services however said that this could have been justified by comparable bus journeys being significantly higher than the Park and Ride; this would be confirmed to Members at the next meeting;
- (w) in Taunton the acceptance of concessionary bus tickets had been removed however it was considered that this was likely to be the subject of a judicial review made by Age Concern;
- (x) the bus timetable information contained within the George Park and Ride Bus Service site was not easy to read, was not contained within a timetable case and often did not reflect buses that stopped at the George Hotel;

Andrew Davies, Service Line Lead for Derriford Hospital and Stuart Windsor, Facilities Operations Manager for Derriford Hospital, informed Members that –

- (y) the PR3 bus service was very successful;
- (z) since the implementation of the PR3 they had recognised a change in the number of staff using the service as well as the number of patients who preferred catching the bus to parking at the hospital;
- (aa) it was considered that patients preferred the PR3 due to the fact that the service was hassle free, they didn't have to pay to park and those patients eligible for the concessionary bus pass could use their ticket to get free travel;
- (bb) it was expected that parking at the hospital would be affected with the construction of the helipad; several spaces would be lost;
- (cc) Plymouth City Council opted to purchase back the land off Brest Road which contained a staff car park with over 700 spaces; this was expected to have an adverse effect on parking at Derriford hospital and would encourage people

to use the PR3;

In response to questions raised, Andrew and Stuart informed Members that –

- (dd) it was considered that there were enough disabled spaces at Derriford to cope with demand however the availability of other parking spaces was likely to be a problem in the future;
- (ee) it was highlighted that if Derriford Hospital staff members only used one bus operator then a single operator bus ticket would help to save them money; the NHS were looking at Single Operator schemes as the price of the Green Travel Pass Scheme had risen steeply;
- (ff) increasing numbers of staff were cycling to work at Derriford;
- (gg) Derriford Hospital promoted the car share scheme to cut down the number of car visits to the hospital;
- (hh) Andrew was still in the process of finding out the viability of promoting the PR3 on hospital literature; there were 236 different types of letter at the hospital and a simple message was required to put at the bottom of the letter to fit within the allocated space available;
- (ii) Andrew confirmed that the last PR3 service was at 6.30pm; for several members of staff this did not accommodate their later working hours therefore taxis were required to transport people from the hospital to the George once they had finished their shift;
- (jj) permits were issued for the Seaton Barracks car park therefore it could be identified where staff members lived and if this would have a potential to increase traffic congestion in Plymouth when driving to the George Park and Ride;
- (kk) it was not yet known if parking charges would increase at Derriford Hospital however it was confirmed that the Hospital's charges aligned with Plymouth City Council charges across Plymouth.

Ashley Taylor, Transport Manager for Target Travel, informed Members that –

- (ll) Target Travel ran the PR3 bus service and confirmed that concessionary bus passes were accepted after 09.30 however the busiest period for concessionary journey's was between 09.30 and 16.30; section 106 funds were used to help run the service however these were coming to an end;
- (mm) the PR3 bus service was re-launched in November; since this time passenger numbers had increased specifically between 9.30 – 15.30hrs;
- (nn) the PR3 bus service was advertised on Heart Radio and Radio Plymouth; it was considered that by not accepting the concessionary bus passes would adversely affect the service;

In response to questions raised, Ashley informed Members that –

- (oo) Target Travel was unaware that the car park closure (off Brest Road) was expected to take place in May 2014; it was not considered that the capacity of the George car park would not be suitable for the numbers of staff expected to move to the car park;
- (pp) the PR3 would be reducing to a 20 minute service, as a result larger vehicles may need to be used to accommodate increased passenger numbers;
- (qq) concessionary pass holders were the greater percentage of passenger numbers for the PR3; if the concessionary passes were not accepted then this would result in revenue loss;

Robbie Lamerton, General Manager of First South West, informed Members that –

- (rr) First South West took over the Park and Ride Bus Service in 2005 having successfully won the tender; First PLC experienced financial difficulties in recent years due to the economic crisis and were required to sell businesses to raise funds;
- (ss) First South West covered Somerset, Devon and Cornwall however due to depleted revenue streams and changes to grant regimes initiated by central Government, additional changes were required; specifically in Plymouth newer vehicles had to be taken off the Park and Ride Bus Service in order to support other services facing competition;
- (tt) the bus fleet UK wide was required to be DDA compliant by 2015, this was using up valuable funds;
- (uu) he had taken on board the comments made regarding the Park and Ride Service and would visit the George Park and Ride site himself to check that the information posted was correct.

In response to questions raised, Robbie informed Members that –

- (vv) he would work with the Council if he was required to no longer accept concessionary bus passes however he did not consider that this would have an adverse effect on the service;
- (ww) it was considered that the Park and Ride Bus Service was generally used for commuters or shoppers and was considered to be far cheaper than the cost of parking;
- (xx) to install parking metres at the Park and Ride sites would defeat the object of the Park and Ride Service to be quick and efficient as passengers would be required to make several journeys to and from their car before they caught the bus;
- (yy) First South West were currently undertaking a trial of accepting concessionary bus passes before by 9.30am at the cost of £1; it was not yet

known if this was successful as the data had yet to be analysed however the trial had no known end date; if concessionary pass passes were not to be accepted it was not known if this trial would continue as the total transport strategy would need to be analysed;

- (zz) he was not involved with the current network changes, specifically with regards to bus number 15 that departed from the George Park and Ride but did not return there.

Officers informed Members that it was not the fault of the operator that there were no information display cases at the George Park and Ride site as this was due to the infrastructure of the building. Steel cable ties had been ordered to help display information.

The Chair thanked all witnesses for their attendance at the meeting and the information provided.

### 5.5 **Meeting Five – 2 December 2013.**

Officers provided Members with an overview of the report submitted as part of the agenda regarding the request for more information on the Life Centre car parking policy, comparable bus rate fares at Norwich and Chester, the legal position upon the Travel Concessions (Eligible Services Amendment 2009), the confirmation of the closure date of staff parking at Derriford Hospital and the requirement for a consultation upon Concessionary Bus Passes

In response to questions raised by Members it was reported that –

- (a) it was stated as part of the Car Park Management Plan for the Life Centre that ‘Under planned arrangements, day to day use of the Plymouth Life Centre car park will be free to all Plymouth Life Centre and Central Park users’;
- (b) officers confirmed that the Life Centre car park was used for day to day use by Life Centre customers and Central Park users;
- (c) the Life Centre had a Travel Plan for Staff and Visitors; it was discussed whether changes were required to be made to the Travel Plan, this would have to be submitted to the Council’s Planning Committee;
- (d) the Travel Plan recorded the current use of the car park; a Senior Lawyer informed Members that Council officers would need to agree any changes with the Life Centre Management;
- (e) as part of the information requested at the last scrutiny meeting, officers were required to investigate comparable bus journeys by local bus companies that took a similar route to the park and ride bus services;

- (f) the service from Milehouse Park and Ride had the same or a slightly higher fare than other local bus services serving the same stop. The PR3 had a higher fare than the service 15 to Derriford Hospital but was not totally comparable as the return service on the number 15 did not serve the site. The PR1 from the George and the PR2 from Coypool charged less than the nearest alternative local bus service. Officers noted that the distance from Coypool to an alternative bus service was far enough to question whether they should be considered comparable;
- (g) it was not known if Norwich embarked on a consultation when making amendments to their Park and Ride Bus Service;
- (h) Planning Committee approval had been given for the helipad at Derriford Hospital; it was expected that this would result in the loss of at least 100 car parking spaces;
- (i) a Senior Lawyer of the Council considered that it would not be consistent to decline Concessionary Pass Holders at one of the Park and Ride sites and not the others however further legal input would be required if this was a consideration of Members as the Council could be open to challenge;
- (j) officers informed Members that the Council had been in positive discussions with Derriford Hospital officials however it was not known the extent of the impact the closure of the Bircham Wood car park would have on the George Interchange car park if hospital staff members were required to use this site instead;
- (k) Derriford Hospital officials were required to work alongside the Council to ensure a sustainable transport solution for their staff members due to the reduction in car parking spaces at the site; a planned approach was required to help to alleviate the impact of traffic flow on the A386;
- (l) it was feasible for clauses to be included in the Travel Plan for Derriford Hospital stating that the plan itself would have to be reviewed in three years' time however this was subject to a Planning Committee decision;
- (m) officers confirmed it would be possible to have another Park and Ride Bus Service running from the Milehouse Park and Ride site to Derriford Hospital however this service would require a subsidy.

The Chair thanked Officers for their responses to questions and attendance at the meeting.

## 6. CONCLUSION

6.1 In reviewing all of the witness evidence and analysing all of the data provided the panel identified the following areas of concern; these are summarised below:

### 6.2 Site costs

6.2.1 The Council is responsible for managing and maintaining the Park and Ride sites including the responsibility for costs associated with the maintenance, supply of utilities and national non domestic rates (NNDR). In 2012/13 the total costs for all sites was approximately £130,000 however this included costs offset by contributions from the Plymouth NHS Trust who contributed a third of the NNDR charge for the George Junction and a payment from First Devon and Cornwall of £0.75 per service departure from the Milehouse and Coypool sites. Due to the significant costs involved Members noted the importance of raising income; it was considered that this could be alleviated through the implementation of parking charges at the Park and Rides sites.

### 6.3 Payment for parking

6.3.1 Members discussed the feasibility of charging for parking at the Park and Ride sites and were informed that the issue of VAT payments needed to be considered when applying charges. Members discussed the merits of three charging systems: pay on entry, pay on exit and pay and display but made no recommendation on which to use, if charging is to be implemented. Members considered that there was a possibility that, if parking charges were implemented, there could be displacement of Park and Ride users from the Milehouse site to the non-charging Life Centre car park. It was noted that the agreed Car Park Management Plan for the Life Centre would need to be amended if changes were required however this was the responsibility of the Life Centre Management.

### 6.4 Operating Hours of the Park and Ride Bus Service

6.4.1 The current Park and Ride Bus Service runs Monday to Saturday with the last bus leaving the city centre at 6.30pm. Having taken into account feedback from witnesses it was considered that the current operating hours of the bus service were restrictive and did not accommodate customers who wanted to stay in the city centre for late night shopping or for visitors to Derriford Hospital with closing hours set to 8pm.

### 6.5 Concessionary Users

6.5.1 As part of the benchmarking exercise to compare and contrast data for Park and Ride Bus Services across the country with 26 other local authorities, it was highlighted that of the 26 authorities identified, 17 services accepted concessionary pass holders, four services did not accept concessionary passes and did not offer a discount and five services did not offer free travel to concessionary pass-holders but did offer a discounted fare. As a result of the customer survey undertaken by Members as part of the 8 October 2013 site visit it was identified that 34% of users questioned were concessionary pass holders; of those Concessionary users, 75% were happy to continue to use the service if they had to pay for their ticket. Having analysed all of the data and

received legal advice on the feasibility of removing the acceptance of concessionary tickets it was considered that the Council would be open to challenge and therefore this entitlement should not be removed.

**6.6**      Information provided at the Park and Ride Sites

- 6.6.1      It was highlighted to Members, when hearing from witnesses, that information provided at the Park and Ride sites was not always correct or properly displayed.

**7.          RECOMMENDATIONS**

It is recommended to Cabinet that –

1.      The feasibility of charging for parking at all three Park and Ride Sites is investigated with the intention of covering the operating costs of the site;
2.      The Park and Ride departure charges, charges made to the bus operator, are renegotiated with the intention of possible increases;
3.      The feasibility for a new Park and Ride Bus Service to be introduced between Milehouse and Derriford Hospital is investigated;
4.      The potential for increased operating hours is explored on all Park and Ride Bus Services, including the PR3, in order to help accommodate the users of the service who take advantage of the late night shopping in the City Centre or those who use the Park and Ride to visit patients at Derriford Hospital, bearing in mind the visiting closing times of 8pm;
5.      Improved journey planning and timetable information is provided at each of the Park and Ride sites.

**APPENDIX B I****Appendix B I: Benchmarking of Park and Ride sites**

<b>Local Authority</b>	<b>Concessionary Passes (ENCTS) Accepted on P &amp; R</b>	<b>Car Parking Charged at P &amp; R Car Park</b>	<b>Notes</b>
Truro	Full Fare before 09.30 £1.00 per person return after 09.30 on production of ENCTS pass	No	
Exeter	Passes accepted after 09.30 on Mon to Fri and at all other times	No	
Oxford	Passes accepted after 09.30	Yes	2 sites are free for up to 11 hours 3 sites are £2.00 per car per day
Taunton	No £2.20 per Adult Day Return	No	Somerset has always excluded ENCTS holders from free travel.
Bristol	Passes accepted after 09.00 on Mon – Fri and all day Saturday Before 09.00 peak return is £4.00	No	
Bath	Valid after 09.00 on Mon to Fri and all other times	No	BNES has Exclusive Licence with First to operate the Bath P & R services
City of York	Full Fare before 09.00 on Mon- Fri Special Concessionary	No	70p special single fare introduced from Sunday 28 <sup>th</sup> April 2013

	Single fare of 70p after 09.00 and at all other times		
City of Cambridge	<p>Passes valid after 09.30 on Mon – Fri and at all other times.</p> <p>Full fare before 09.30</p>		<p>ENCTS pass holders are NOT entitled to take children under-16 free</p> <p>Cambridge P &amp; R carries 3.65M passengers per year</p>
Derby City	Concessions not accepted at any time	Yes	<p>Charge is per car and then up to 7 persons can travel into Derby for £2.70 per car</p> <p>Single ticket is £1.00</p>
Stoke –on –Trent	Free after 09.30 on Mon to Fri and at all other times	Yes	<p>£3.20 per car and then up to 4 persons travel into Stoke and return</p> <p>No dedicated Park &amp; Ride Bus Services</p>
Durham City	<p>Free to all ENCTS holders after 09.30.</p> <p>Between 07.00 and 09.30 there is a 50p flat fare for holders of County Durham – issued Passes</p>	No	Free parking only for P & R bus users. Those who Park & walk or Park & cycle will receive a Penalty Charge Notice
Weymouth and Dorchester	Free to all passengers	Yes	P & R services are not registered as Local Bus Services
Poole	Yes as P R Service only operates on the 4 Saturdays preceding Christmas	No	Christmas Shoppers P & R on 4 Saturdays only
City of Chester	<p>Full fare before 09.30.</p> <p>Adult Return fare of £2.00 after 09.30 and 2 children under 16 can travel free with ENCTS holder</p>	No	Charge for ENCTS holders introduced from 1 <sup>st</sup> April 2013

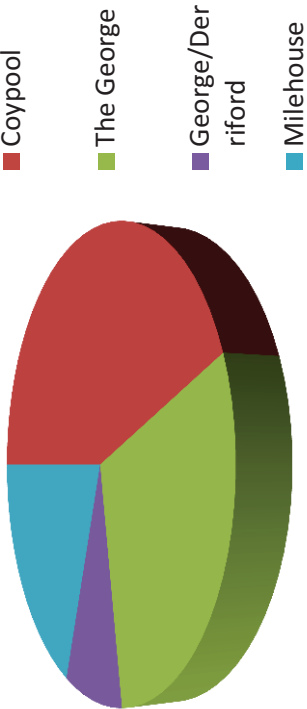
Portsmouth	ENCTS not accepted.	Yes: £2.50 to park car and up to 8 passengers travel on bus	Operates on Saturdays only throughout the year. Customers can hop on/ hop off all day on P & R route within Portsmouth
Brighton	Yes, after 09.30 on Mon to Fri and all other times	No	
Leicester City	Free after 09.30 on Mon – Fri and all other times. Before 09.30 charge of £1.50 per ENCTS holder issued by City of Leicester and £3.00 all other English ENCTS	No	
City of Norwich	Full adult fare before 09.30. After 09.30 return fare for ENCTS holders is £1.10	No	Change was made following the 2009 amendment. Reported a number of complaints from residents, a small reduction in concessionary passengers but an overall increase in revenue.
City of Gloucester	Full fare before 09.30 on Mon- Fri. Free travel after 09.30 and at all other times	No	
Preston, Lancashire	Full fare for Senior Citizens before 09.30; special 50p single fare for Disabled holders before 09.30  Free travel for both categories after 09.30	No	
Kingston Upon Hull	ENCTS holders entitled to free travel all day, every day	No	
Nottingham City	On sites served by	No	7 sites within the City of

	<p>Nottingham Trams no free travel for non-Nottingham City ENCTS holders at any time</p> <p>Sites served by buses charge full fare before 09.30 and free travel after 09.30 and at all other times</p>		Nottingham
Ipswich	<p>Full fare before 09.30. Special £1.00 return fare after 09.30 on Mon- Fri and at all other times</p>	No	
Swindon	<p>Full fare before 09.30 Mon- Fri and then free after 09.30 and at all other times</p>	No	Bus Service provided by Thamesdown Transport with some journeys supported by Swindon
Salisbury	<p>Free travel at all times for ENCTS holders</p>	No	Website encourages Park and Walk and Park and Cycle
Stratford Upon Avon	<p>Full fare before 09.30 on Mon- Fri for Non-Resident ENCTS holders</p> <p>Full fare before 09.00 for Local residents</p> <p>Free travel at all other times</p>	No	

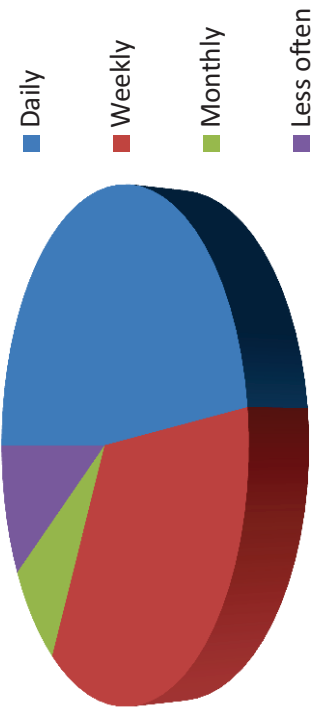
# Park and Ride Consultation

Consultation Description	This survey will ask users their experiences of park and ride sites in the City.
Consultation Start Date	30/09/13 13:43
Consultation End Date	17/10/13 13:43
Total Responses	506
Report Date	15/10/13 15:23

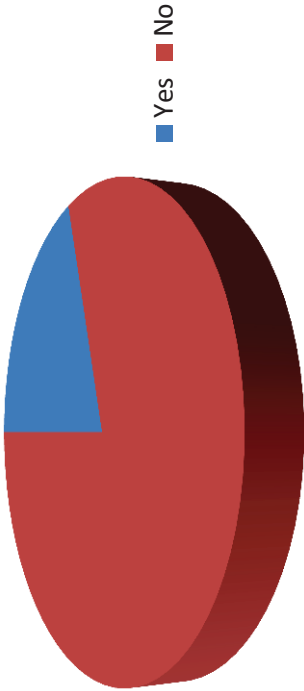
Location		% Total	% Answer	Count
Number of Responses		100.00%	-	506
Coypool		43.68%	43.68%	221
The George		28.26%	28.26%	143
George/Derriford		8.30%	8.30%	42
Milehouse		19.76%	19.76%	100
Total		100.00%	100.00%	506



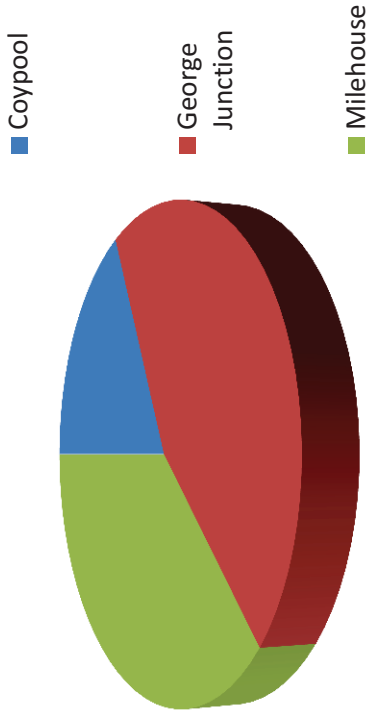
Use of Site		% Total	% Answer	Count
Number of Responses		100.00%	-	506
Daily		48.02%	48.02%	243
Weekly		34.78%	34.78%	176
Monthly		7.71%	7.71%	39
Less often		9.49%	9.49%	48
Total		100.00%	100.00%	506



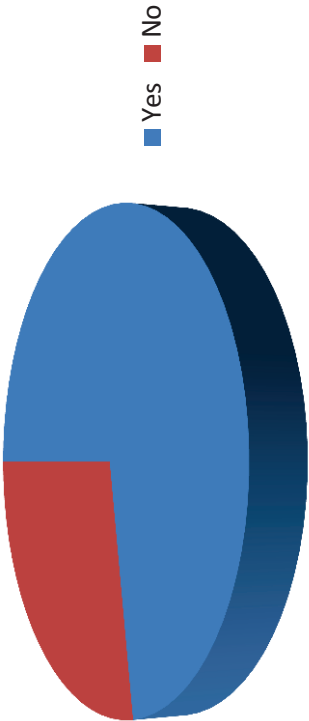
Other Sites				
	% Total	% Answer	Count	
Number of Responses	97.63%	-	494	
Yes	19.57%	20.04%	99	
No	78.06%	79.96%	395	
[No Response]	2.37%	-	12	
Total	100.00%	100.00%	506	



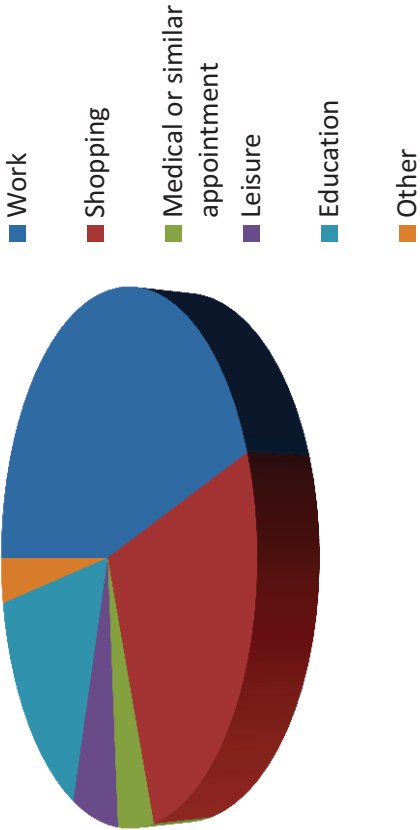
Other Park and Ride Sites Used				
	% Total	% Answer	Frequency	Count
Number of Responses	18.38%	-	-	93
Coypool	3.35%	17.89%	3.36%	17
George Junction	8.27%	44.21%	8.30%	42
Milehouse	7.09%	37.89%	7.11%	36
[No Response]	81.30%	-	81.62%	411
Total	100.00%	100.00%	-	506



Resident of Plymouth		% Total	% Answer	Count
Number of Responses		99.41%	-	503
Yes		71.54%	71.97%	362
No		27.87%	28.03%	141
[No Response]		0.59%	-	3
Total		100.00%	100.00%	506



Purpose of Journey		% Total	% Answer	Count
Number of Responses		99.21%	-	502
Work		44.27%	44.62%	224
Shopping		24.51%	24.70%	124
Medical / similar appointment		4.35%	4.38%	22
Leisure		5.93%	5.98%	30
Education		17.00%	17.13%	86
Other		3.16%	3.19%	16
[No Response]		0.79%	-	4
Total		100.00%	100.00%	506



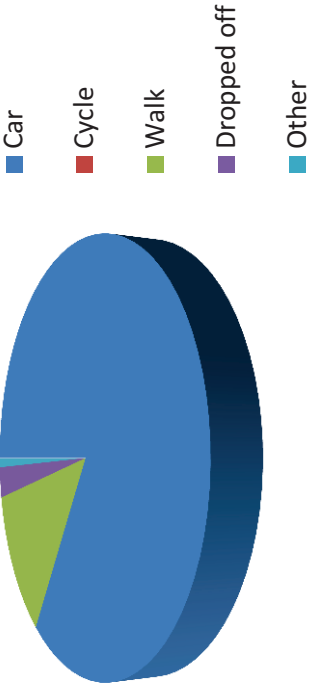
Why do you use Park and Ride? *				
	% Total	% Answer	Frequency	Count
Number of Responses	99.21%	-	-	502
Speed and reliability	14.08%	14.14%	25.49%	129
Convenience	34.72%	34.87%	62.85%	318
Cheaper than driving/parking	30.79%	30.92%	55.73%	282
Difficulty in finding suitable parking	12.45%	12.50%	22.53%	114
Less stressful than driving into the city	5.24%	5.26%	9.49%	48
No other service to/ from my area	0.66%	0.66%	1.19%	6
Other	1.64%	1.64%	2.96%	15
[No Response]	0.44%	-	0.79%	4
Total	100.00%	100.00%		916



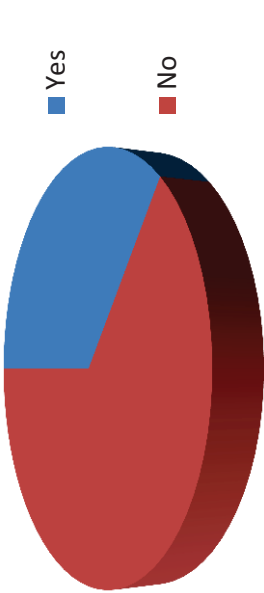
- Speed and reliability
- Convenience
- Cheaper than driving/parking
- Difficulty in finding suitable parking
- Less stressful than driving into the city
- No other service to/ from my area
- Other

\* Multiple responses

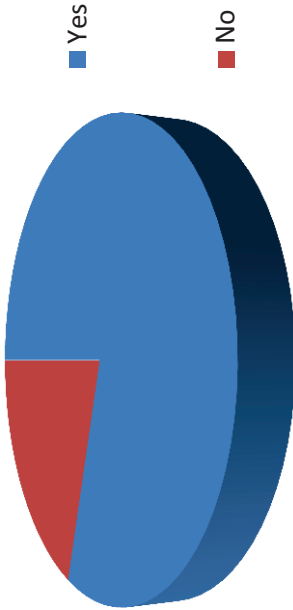
Travel to Park and Ride Site			
	% Total	% Answer	Count
Number of Responses	99.01%	-	501
Car	83.20%	84.03%	421
Cycle	0.00%	0.00%	0
Walk	12.45%	12.57%	63
Dropped off	2.57%	2.59%	13
Other	0.79%	0.80%	4
[No Response]	0.99%	-	5
Total	100.00%	100.00%	506



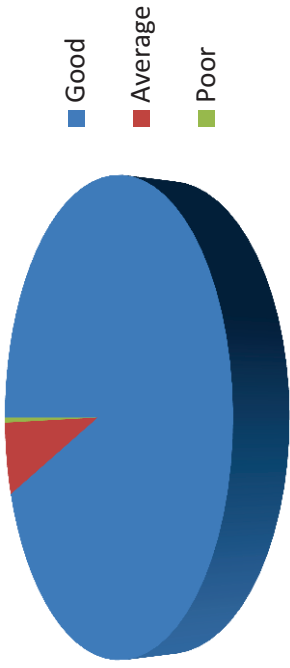
Concessionary Bus Pass Holder?			
	% Total	% Answer	Count
Number of Responses	96.05%	-	486
Yes	34.39%	35.80%	174
No	61.66%	64.20%	312
[No Response]	3.95%	-	20
Total	100.00%	100.00%	506



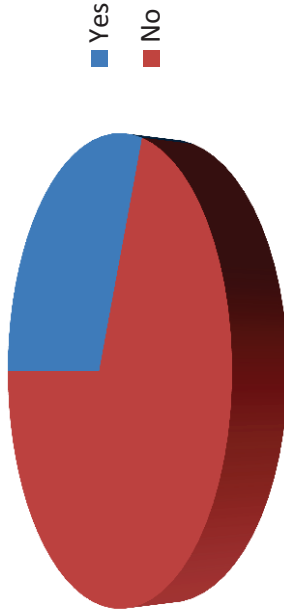
Would be prepared to pay for service ? (Concessionary Bus Pass Holders only)			
	% Total	% Answer	Count
Number of Responses	100.00%	-	174
Yes	75.2%	75.2%	131
No	24.8%	24.8%	43
Total	100.00%	100.00%	174



Experience Rating	% Total	% Answer	% Frequency	Count
Number of Responses	96.44%	-	-	488
Good	90.51%	93.85%	90.51%	458
Average	5.53%	5.74%	5.53%	28
Poor	0.40%	0.41%	0.40%	2
[No Response]	3.56%	-	3.56%	18
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-</b>	<b>506</b>



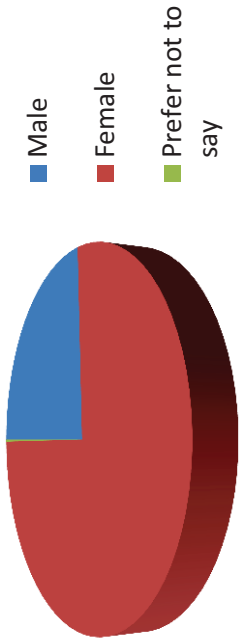
Uses Other Bus Services	% Total	% Answer	Count
Number of Responses	96.84%	-	490
Yes	30.04%	31.02%	152
No	66.80%	68.98%	338
[No Response]	3.16%	-	16
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>506</b>



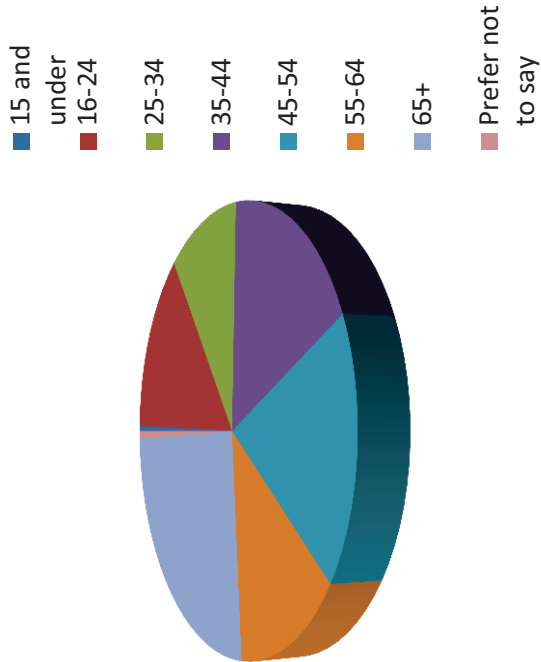
Reasons if not using other services.	% Total	% Answer	Count
Number of Responses	100.00%	-	338
Cost	4.1%	4.1%	14
Frequency	4.4%	4.4%	15
No nearby service	10.3%	10.3%	35
Quality of service	1.00%	1.00%	3
Other	80.2%	80.2%	271
<b>Total</b>	<b>100.00%</b>	<b>100%</b>	<b>338</b>



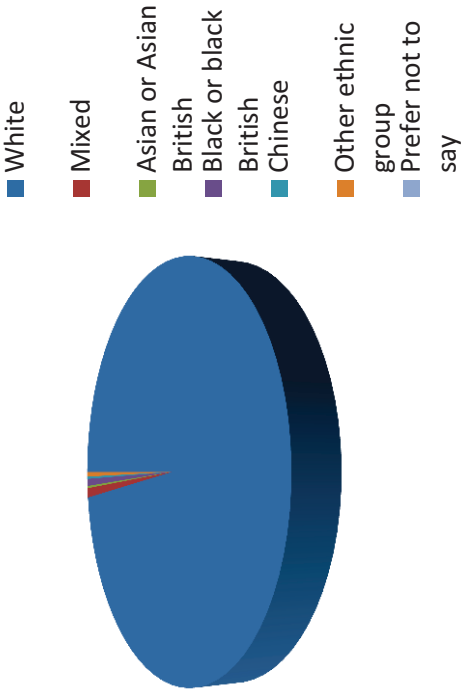
Gender		% Total	% Answer	Count
Number of Responses		94.66%	-	479
Male		22.92%	24.22%	116
Female		71.54%	75.57%	362
Prefer not to say		0.20%	0.21%	1
[No Response]		5.34%	-	27
Total		100.00%	100.00%	506



Age		% Total	% Answer	Count
Number of Responses		95.85%	-	485
15 and under		0.40%	0.41%	2
16-24		13.83%	14.43%	70
25-34		10.28%	10.72%	52
35-44		16.40%	17.11%	83
45-54		16.60%	17.32%	84
55-64		13.04%	13.61%	66
65+		24.70%	25.77%	125
Prefer not to say		0.59%	0.62%	3
[No Response]		4.15%	-	21
Total		100.00%	100.00%	506



Ethnicity				
		% Total	% Answer	Count
Number of Responses		96.84%	-	490
White		94.66%	97.76%	479
Mixed		0.79%	0.82%	4
Asian or Asian British		0.20%	0.20%	1
Black or black British		0.59%	0.61%	3
Chinese		0.20%	0.20%	1
Other ethnic group		0.40%	0.41%	2
Prefer not to say		0.00%	0.00%	0
[No Response]		3.16%	-	16
Total		100.00%	100.00%	506



Users of Park and Ride from Postcodes Outside of Plymouth

Ivybridge	16%	Yelverton	11%
Tavistock	10%	Newton Abbot	9%
Exeter	6%	Callington	3%
Paignton	3%	Saltash	2%
Gunnislake	2%	Liskeard	2%
Redruth	2%	Other	33%

Total 141 responses

## Comments Received

Question 7a - comments for other reasons for using Park and Ride Service	
Lazy	
If quick visit park in Sainsburys	
mobility scooter	
No car	
No parking in space	
Lost car park permit	
Easier than other buses	
Car share	
Depends on length of stay in plymouth	
Car share and no parking at destination	
No parking at destination	
No parking at destination (Marjons)	
Good drivers	
No Parking at destination (Marjons)	
No parking at destination (Marjons)	
No parking at destination (Marjons)	
Question 8a - comments for other ways of getting to Park and Ride Service	
Car shared with mum	
mobility scooter	
Car share	
Car share	
Car share	
NO 25 BUS	

Question 12 - comments for rating general experience of Park and Ride Service	
Plenty of parking	
First time traveller on P&R	
PR3 should run weekends	
Would like to run later	
Sometimes delays	
Shame about increasing prices	
Traffic delays the service	
Not enough double deckers	
Lovely	
Single decker from 5 – 11pm bus viaduct, no double decker peak time	
Good morning service	
Time of buses, always late, more buses at 5pm, should use Bretonside	
Depends on the driver, attitude/driving. Better discount for monthly basis. Pay for what you use	
Toilets poor, not a great gateway, regular service	
Wait a long time for buses, PR1 stack up – time for waiting affect PR2 buses	
More than 10 min gap in evening between buses	
No alternative, other buses changed time, would be late for work without it	
Size of bus isn't adequate for footfall of passengers	
Easy to park – no traffic	
Have tried other services and this is the best	
Convenience but sometimes buses delayed trying to load too many passengers	
Very often at 6.20 no buses due to events	
Finish too early	

Question 12 continued...

**Question 12 - comments for rating general experience of Park and Ride Service**

Convenience, always on time, drivers friendly, I have a disability so being able to park and board bus on the flat is excellent

Better with ticket man, causes delays

Would like to be able to use the concession pass earlier

Could run later into the evening

Some drivers are rude

Sometimes after 8am so busy waiting about and standing is not nice

Except long wait at Milehouse on inbound from the George

Question 14a Other Reasons for not using other bus services

No need	Need to run later on Thursdays for late night shopping
1/1A, 43A, 76, 592/3	
Evening journeys after 18.30 - no P&R	Citybus - St Budueax 1. Wef 27/10 reducing service from 10 mins to 12 mins - maybe 10am - 3pm reduce to 20 mins, up to 10am and after 3pm keep to 10 mins. 2. When Home Park is developed, how will road/car park be affected.
Use car	
Don't like stopping at every bus stop	Work only in Plymouth so otherwise travel to other locations
Only use P&R	Â£6-Â£10 if I can catch bus with family
No buses, 2 miles to bus stop and then once an hour	Train from St Germans
Visiting Plymouth	Use car
Health	
Live outside Plymouth	
Retired	
walk everywhere	
Slow service	
Use service 83/86	
Don't like to take the bus, dirty	
Easy/ direct	
Out of use	
Quality of service	
School traveller	

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**PLYMOUTH CITY COUNCIL**

**Subject:** Corporate Plan Performance Monitoring Report  
**Committee:** Cabinet  
**Date:** 11 February 2014  
**Cabinet Member:** Councillor Evans  
**CMT Member:** Giles Perritt (Head of Policy Performance and Partnership)  
**Author:** Pete Honeywell, Transformation Programmes Manager  
**Contact details** Tel: 01752305603  
email: Peter.Honeywell@plymouth.gov.uk  
**Ref:** CPPF Q3  
**Key Decision:** No  
**Part:** I

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**Purpose of the report:**

The Corporate Plan sets out an ambitious set of outcomes for the Council supported by key actions and performance metrics to track progress and delivery of the outcomes. Performance management arrangements have been put in place to provide Cabinet with details of progress highlighting both cause for celebration as well as delays and issues requiring corrective action. This report provides Cabinet Members with details relating to the third quarter and will also be discussed at the Co-operative Scrutiny Board 19 February 2014.

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**The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

This report is tracking the key actions and performance measures describing the progress toward the outcomes in the Corporate Plan.

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**Implications for Medium Term Financial Plan and Resource Implications:  
Including finance, human, IT and land**

No additional implications associated with this report.

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

No additional implications associated with this report.

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**Equality and Diversity**

Has an Equality Impact Assessment been undertaken? No

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**Recommendations and Reasons for recommended action:**

To note the report.

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**Alternative options considered and rejected:**

None

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**Published work / information:**

None

**Sign off:**

Fin	djn13 14.32	Leg	RSN 19472/ DVS	Mon Off	RSN 19472/ DVS	HR		Assets		IT		Strat Proc	
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Originating SMT Member: Giles Perritt

Has the Cabinet Member(s) agreed the contents of the report? Yes



# Our Plan - The Brilliant Co-operative Council

## City Vision

# Britain's Ocean City

# Corporate Plan Performance monitoring report

Quarter 3 2013

Pioneering	The Council provides and enables brilliant services that strive to exceed customer expectations.			Plymouth’s cultural offer provides value to the city.			A Council that uses resources wisely.		Pioneering in reducing the city’s carbon footprint and leading in environmental and social responsibility				
Key Actions	K1	K2	K3	K4	K5	K6	K7	K8	K9				
Performance	P1	P2	P3	P4	P5	P6	P7	P8					
Growing	More decent homes to support the population.			A strong economy creating a range of job opportunities.			A top performing education system from early years to continuous learning opportunities.		Plymouth is an attractive place for investment.				
Key Actions	K10	K11	K12	K13	K14	K15	K16	K17	K18				
Performance	P9			P10			P11	P12	P13				
Caring	We will prioritise prevention.			We will help people take control of their lives and communities.			Children, young people and adults are safe and confident in their communities.		People are treated with dignity and respect.				
Key Actions	K19	K20	K21	K22	K23	K24	K25	K26	K27	K28	K29	K30	K31
Performance	P14		P15		P16		P17	P18		P19	P20		P21
Confident	Citizens enjoy living and working in Plymouth.			Plymouth’s brand is clear, well-known and understood globally.			Government and other agencies have confidence in the Council and partners: Plymouth’s voice matters.		Our employees are ambassadors for the city and the Council and proud of the difference we make.				
Key Actions	K32	K33	K34	K35	K36	K37	K38	K39	K40	K41	K42		
Performance	P22			P23			P24		P25				
	Not on target or significant risk of not achieving outcome												
	Outcome is at risk but mitigation in place												
	On Target to achieve outcome												

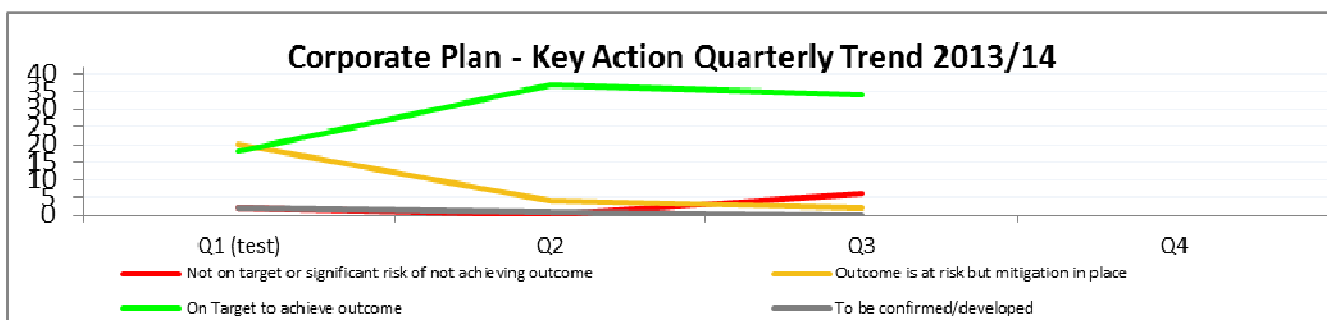
## 2.0 Performance Overview – Key Action Report (attached).

- 2.1 This is the Quarter 3 2013/14 Corporate Plan Performance monitoring report which shows progress and emerging trends against key actions and supporting performance measures. This report is on the forward plan for Cabinet on 11<sup>th</sup> February and the Cooperative Scrutiny Management Board on 19<sup>th</sup> February 2014.
- 2.2 In summary, the majority of the Corporate Plan "Key Actions" remain on target to achieve their milestones so that Outcomes are completed by the end of 2016/17. Quarter 3 reports a decrease in the number of "Key Actions" on target (Green) and an increase in the number not on target (Red) compared to the previous quarter. In most cases "Key Action" Action Plans are now fully operational.
- 2.3 Of the 42 "Key Actions" reported, 14% are not on target and have had challenges achieving their milestones. 34 report on target to achieve their respective outcomes and 2 have deliverables that are at risk but mitigation is in place. The 6 that are not on target or are at risk of not achieving their outcomes have more detail described in the attached "Key Action Report" which sets out the risks and any action required.

### 2.4 Table – Key Actions

	2013/14			
Key Actions	Q1 (test)	Q2	Q3	Q4
Not on target or significant risk of not achieving outcome	2	0	6	
Outcome is at risk but mitigation in place	20	4	2	
On Target to achieve outcome	18	37	34	
To be confirmed/developed	2	1	0	

### 2.5 Key Actions – Trend Graph



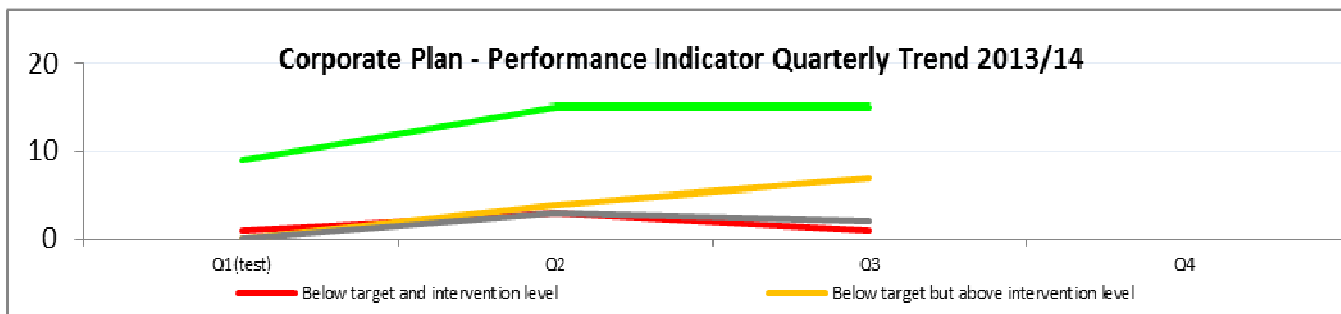
### 2.6 Performance Measures.

- 2.7 Of the 25 performance measures tracking outcomes of the Corporate Plan the majority are performing well. Performance has improved compared to previous quarters although new measures have been added. 15 measures are meeting target and performance is good. 7 are 15% or less below target and but are not being escalated for action. 1 is more than 15% below target and have been escalated for agreement on the proposed actions. There are still 2 performance measures which are still to be developed and no data currently exists.

## 2.8: Table – Performance Measures

Key Measures	2013/14			
	Q1(test)	Q2	Q3	Q4
Below target and intervention level	1	3	1	
Below target but above intervention level	4	4	7	
Meeting target - good performance	9	15	15	
Uncoded - Measure under development/no target	10	3	2	

## 2.9: Performance Measures – Trend Graph



## 3.0 Explanation of “Key Action” report (attached)

Outcome	Portfolio Leads	Outcome Lead	Officer Leads	Key Action Description	RAG	Key	Milestones which were due for completion during quarter.	Status	Proposed resolution (overdue Milestones)
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3.1 Outcome

Identifies the Outcomes as defined within the Corporate Plan

3.2 Portfolio Leads

The Portfolio lead(s) responsible for the achievement of the Key Action/Performance Measure

3.3 Outcome Leads

The Officer accountable for delivery of the overall Outcome

3.4 Officer leads

The Officer accountable for the delivery of the Key Action/Performance Measure

3.5 Key Action Description

Descriptor of the Key Actions as identified within the Corporate Plan

3.6 RAG

A Red/Amber/Green rating of the Key Action or Performance Measure. Key Actions can only be reported as Green if all the previous quarter milestones have been completed to the agreed standard. If any of the milestones are reported as overdue the rating will be identified as Red. An Amber Key Action will be applied when all milestones have been completed, however there is a concern regarding the quality of one or more of them.

3.7 Key

This item is provided as a cross reference between the Report on a Page and the highlight report in relation to Key Actions.

### 3.8 Milestones which were due for completion in (period)

This is a list of the milestones due for delivery during the period of the report – the list will be updated with the relevant milestones each quarter.

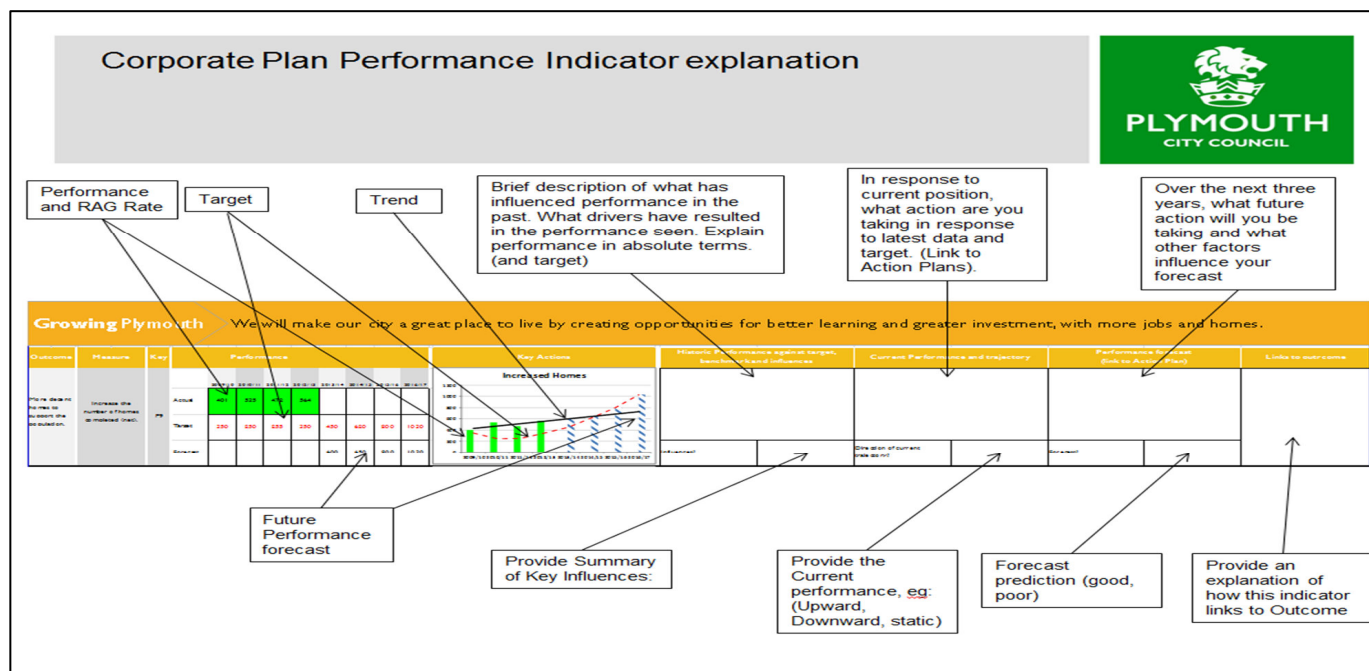
### 3.9 Status of milestone

Milestones identified for completion during the relevant period (quarter) above are given a status depending upon their progress against their completion date. There are only two possible options: Complete or Overdue.

### 3.10 Proposed resolution (overdue Milestones)

For overdue milestones this column provides a proposed solution to mitigate an overdue milestone.

### 3.11 Performance Indicator explanation



3.12 Performance will be reported as Green when performance achievement within the last quarter has met or exceeded the target. Performance will be identified as Amber when the performance outcome over the last quarter has not achieved the target, but is within 15%, therefore the rating will be reported as Red, if the previous quarter performance is more than 15% away from the target.

# Key Action Report - Quarter 3 2013/14

Pioneering						Quarter 3 2013/14		Page 1	
Outcome	Portfolio Leads	Outcome Lead	Officer Leads	Key Action Description	RAG	Key	Milestones which were due for completion during quarter.	Status	Proposed resolution (overdue Milestones)
The Council provides and enables brilliant services that strive to exceed customer expectations.	Pete Smith	Dave Saunders	Pete Honeywell	Implement the Customer Transformation Programme.	R	<a href="#">K1</a>	1. Completing of staff engagement workshops and link with Accommodation 2. Completion as is process maps 3. Member and partner engagement completed 4. Plans from ICT for delivery of COM changes 5. Book presentations for each Directorate too raise awareness of customer insight	1. Complete 2. Complete 3. Overdue 4. Overdue 5. Complete	Member and partner engagement around the service review of face to face service and service standards is waiting on engagement leads to confirm when and how the programme can start to engage. Revised milestone date Feb 2014. ICT delivery plans will be developed during Feb 2014 now that resources have been found to work on this project.
	Pete Smith		Giles Perritt	Focus performance improvement on top priorities identified by Plymouth residents.	G	<a href="#">K2</a>	1. Carry out the 'Have Your Say' survey 2. Produce paper on setting up Citizens Panel	1. Complete 2. Complete	
Plymouth's cultural offer provides value to the city.	Tudor Evans	David Draffan	David Draffan	Support the Culture Board in delivery of the Vital Spark's vision.	G	<a href="#">K3</a>	1. Submit business plan for Arts Council strategic fund £500k 2.Shortlist and interview executive director 3. Implement new operating model for Plymouth Culture Board 4. Devise and shape action plan from "open Space" community consultation event.	1. Complete. 2. Complete. 3. Complete. 4. Complete	Page 121
	Tudor Evans		David Draffan	Support the development of Mayflower 2020.	G	<a href="#">K4</a>	1. Sign off Mayflower Prospectus 2. Agree shape & resource implications of the new executive director 3. Submit Joint letters (Plymouth UK &USA). Write to UK Prime Minister, US president and Boston Senator. 4. Initiate an American heritage trail on the Visit Plymouth website 5. Maintain regular communication between Plymouth USA and Plymouth UK 6. Secure opportunity to tell the story of Plymouth UK within the US Plymouth exhibition 7. Organise a thanksgiving event in the city.	1. Complete. 2. Complete. 3. Complete.  4. Complete. 5. Complete. 6. Complete 7. Complete	
	Tudor Evans		David Draffan	Maximise the city's unique heritage offer to drive visitor numbers. (Support Destination Plymouth)	G	<a href="#">K5</a>	1. Bid to the Heritage Lottery fund for the Plymouth History Centre submitted 2. Submit bid to the Arts Council & visit England's Cultural Destinations programme for the Telling Stories project	1. Complete 2. Complete	
A Council that uses resources wisely.	Mark Lowry	Malcolm Coe	Malcolm Coe	Align the five year Medium Term Financial Plan to the Corporate Plan and deliver the Council's Transformation Programme.	G	<a href="#">K6</a>	1. Produce 3 year sustainable budget report for consideration at Cabinet 10 Dec '13 & Scrutiny Jan '14 2.Re-model resource assumptions following receipt of financial settlement in Dec '13. Integrate changes in MTFF and communicate to all relevant stakeholders 3.Set a robust revenue and capital budget for 2014/15, (within the context of a 3 year balanced budget), at Full Council in Feb '14. Agree relevant Council Tax levels	1. Complete 2. Complete. 3. Complete	Fully integrated report to be published in November '13 (for scrutiny Jan '14) detailing how the council will achieve a balanced 3 year budget.
	Mark Lowry		Malcolm Coe	Maximise Plymouth's opportunities to secure external funding.	R	<a href="#">K7</a>	1. Re-structure finance service around 'strategy' and 'operations'. Assign specific responsibility for external grant co-ordination 2.Alongside Assistant Director for Strategic Planning, revise the criteria and process for applying for capital finance grants – to ensure that we use limited capacity to best effect 3. Submitting a £3.6m bid for Lancaster Regional Growth Fund as part of our overall City Deal proposal	1. Overdue 2. Overdue 3. Complete	Consultation on the finance service restructure has now ended. Revised completion date 31/03/2014  The criteria for applying for capital grants has been revised, however a formal change to the constitution is still required.
Pioneering in reducing the city's carbon footprint and leading in environmental and social responsibility	Brian Vincent	Malcolm Coe Paul Barnard	Paul Barnard	Create a low carbon city by working with residents, the public and private sector to establish Plymouth Energy Community.	G	<a href="#">K8</a>	1. Commence Photovoltaic (PV) surveys and draft financial model.	1. Complete	
	Brian Vincent		Malcolm Coe	Deliver the Council's Carbon Management Plan.	G	<a href="#">K9</a>	1. Install LED lighting in the Theatre Royal car park as a pilot. Ascertain energy savings and invest to save payback opportunities re revenue return from capital investment 2. Award Solar PV contracts and agree implementation date 3.Ascertain opportunities, costs and benefits of further solar and building LED installations across the PCC estate 4. Review Street Lighting contract in Q4 with Cabinet decision due in March 14	1. Complete  2. Complete 3. Complete 4. Complete	

Growing									Page 2
Outcome	Portfolio Leads	Outcome Lead	Officer Leads	Key Action Description	RAG	Key	Milestones which were due for completion during quarter.	Status	Proposed resolution (overdue Milestones)
Increase the number of homes completed (net).	Mark Lowry	Paul Barnard	Paul Barnard	Accelerate housing supply and deliver a range and mix of well-designed greener homes that will meet the housing needs of the city through the Plymouth Plan.	G	<a href="#">K10</a>	1. Review unimplemented market recovery sites reported to Working Plymouth scrutiny 2. Review unimplemented Area Action Plan sites without planning permission.	1. Complete 2. Complete	
	Mark Lowry		Paul Barnard	Work with the Plymouth Housing Development Partnership to undertake a Strategic Land Review and develop a new Plan for Homes.	G	<a href="#">K11</a>	1. Launch Plan for Homes. 2. Report Plan for Homes to Cabinet. 3. Complete Phases 1 and 2 of Strategic Land Review.	1. Complete. 2. Complete. 3. Complete	
A strong economy creating a range of job opportunities.	Tudor Evans	David Draffan	David Draffan	Maximise economic resources available to the city working with the LEP and Growth Board through a refresh of the Local Economic Strategy.	G	<a href="#">K12</a>	1. Provide Plymouth input into 1st draft of HotSW LEP Strategic Economic Plan by 19th December 2013 2. Initiate LES drafting group workshops for LES ‘flagship’ projects 3. Present first ‘high level’ draft of Local Economic Strategy Review to Plymouth Growth Board on 2nd December 2013	1. Complete. 2. Complete. 3. Complete	Page 122
	Tudor Evans		David Draffan	Deliver the 2000 new jobs identified in the Plan for Jobs and to consider additional projects. Deliver the 4000 new jobs identified in the visitor plan through improving the city’s events and marketing.	G	<a href="#">K13</a>	1. Launch Plymouth Your Space project on 18th November 2013 (‘Proactive approach to planning’) 2. Secure 1st apprentices through Apprenticeship Training Agency 3. Commission local procurement research to support ‘PCC procurement’ project by end December 2013	1. Complete. 2. Complete. 3. Complete	
A top performing education system from early years to continuous learning opportunities.	Nicky Williams	Judith Harwood	Judith Harwood	Deliver the Children and Young People’s Plan with particular emphasis on early intervention and child poverty (refresh due 2014).	G	<a href="#">K14</a>	1.Initiate partnership review of the Children and Young Peoples Plan priorities.	1.Complete	
	Tudor Evans		Judith Harwood	Develop and deliver a skills plan for the city, in line with the future growth agenda.	A	<a href="#">K15</a>	1.Produce a skills plan.	1. Complete	

Growing Cont...									Page 3
Outcome	Portfolio Leads	Outcome Lead	Officer Leads	Key Action Description	RAG	Key	Milestones which were due for completion during quarter.	Status	Proposed resolution (overdue Milestones)
Plymouth is an attractive place for investment.	Tudor Evans	David Draffan	Paul Barnard	Creation of the Plymouth Plan	G	<a href="#">K16</a>	1. Prepare an updated Plymouth Plan programme as part of the Local Development Scheme. 2. Review the governance and timetable specifically the precise timing of the Plymouth Plan in terms of its statutory "development plan" component 3. Review the preparation of the strategic integrated policy document so that it is still on schedule for summer 2014.	1. Complete. 2. Complete. 3. Complete.	
	Tudor Evans		Giles Perritt	A City Deal for Plymouth targeting investment in the Marine Sector	G	<a href="#">K17</a>	1. Undergo Ministerial Challenge for Plymouth City Deal - scheduled for 31st October 2013 2. Agree draft Terms of Reference for City Deal Executive Board 3. Sign Plymouth City Deal	1. Complete 2. Complete 3. Complete	
	Tudor Evans/ Mark Lowry		David Draffan	The creative use of assets through a new strategic property and assets strategy.	G	<a href="#">K18</a>	1. Submit planning application for direct development employment scheme at Langage. 2. Commence programme of asset categorisation. 3. Progress first Community Asset Transfer. 4. Form working groups to implement key outcomes identified in strategic property review.	1. Complete 2. Complete. 3. Complete. 4. Complete	

Caring									Page 4
Outcome	Portfolio Leads	Outcome Lead	Officer Leads	Key Action Description	RAG	Key	Milestones which were due for completion during quarter.	Status	Proposed resolution (overdue Milestones)
We will prioritise prevention.	Nicky Williams	Dave Simpkins Alison Botham	Alison Botham	Deliver the Early Intervention and Prevention Plan.	R	K19	1. Expand Encompass 2.Joint Commissioning of Early Childhood Service. Consultation with Maternity Services Liaison Committee to agree principles of Early Intervention. 3. Move to a family CAF approach. This quarter implement roll out of CAF QA Framework	1. Completed 2.Completed 3. Overdue	3. Further work is required to ensure framework is robust with particular reference to adult centred support. This will be addressed in task and finish group on Early Help under SEND which will explore and make recommendations.
	Chris Penberthy		Judith Harwood	Deliver the Child Poverty Plan.	G	K20	1. Agree a new skills architecture 2. Revise and strengthen Governance arrangement 3. Develop and secure links between economic development and skills area. 4. Ensure the Growth Board has access to the agenda and can hold the new ESB (Employment Skills Board) to account. 5. The ESB is in shadow form with a working group devising the ToR and membership	1. Complete 2. Complete 3. Complete 4. Complete 5. Complete	
	Sue McDonald		Stephen Horsley	Deliver the Joint Health and Wellbeing Strategy	G	K21	1. Final meeting of task group to agree draft Joint Health Wellbeing Strategy 2. Agree ownership of the Joint Health Wellbeing Strategy 3. Process for including Marmot Review in H&WB discussions to be agreed	1. Complete 2. Complete 3. Complete	
	Chris Penberthy		Stuart Palmer	Deliver the Housing Plan.	G	K22	1. Remodelled supported accommodation pathway for 56 homeless young people (16-25 years old) commissioned. 2. Project to tackle social housing fraud initiated, with personnel to fill posts recruited. 3. Hospital-based housing advice posts established to ensure timely discharge of homeless patients to appropriate housing.	1. Complete 2. Complete 3. Complete	
We will help people take control of their lives and communities.	Sue McDonald	Stephen Horsley Giles Perritt	Stephen Horsley	Deliver the Health and Wellbeing Plan and embed transformation of commissioning, choice and control in Adult Social Care.	G	K23	1. Final meeting of task group to agree draft Joint Health Wellbeing Strategy 2. Agree ownership of the Joint Health Wellbeing Strategy 3. Process for including Marmot Review in H&WB discussions to be agreed	1. Complete 2. Complete 3. Complete	
	Chris Penberthy		Stuart Palmer	Deliver the Civil Society Policy.	G	K24	1. Complete first draft of Civil Society Policy 2. Issue notice of intentions for commissioning Community & Voluntary Sector support and Volunteering	1. Complete 2. Complete	The draft policy has been developed based on our cooperative values through significant engagement internally and with several key stakeholders. It is at a draft stage for refinement and will be agreed with portfolio holder.
	Chris Penberthy		Stuart Palmer	Review and develop arrangements for neighbourhood working.	A	K25	1. draft options, phasing and stakeholder consultation plan agreed for a new models/ s of neighbourhood working . 2 Barne barton neighbourhood Plan Pilot underway with resident led themed plan workshops held . 3. CEDT resident led steering group set up . 4 C2 engagement underway with initial learning events completed	1. Complete 2. Complete 3. Complete 4. Complete	

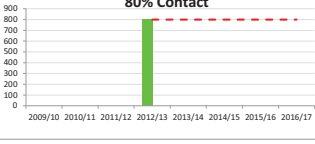
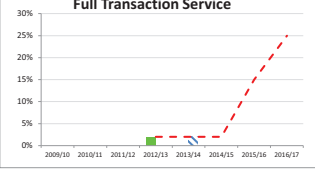


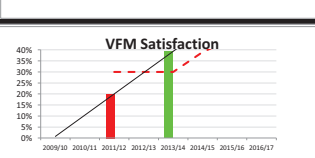
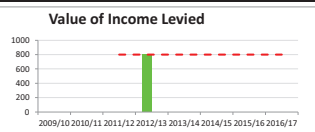
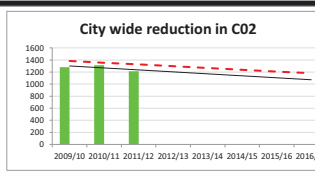

Caring Cont...									Page 5
Outcome	Portfolio Leads	Outcome Lead	Officer Leads	Key Action Description	RAG	Key	Milestones which were due for completion during quarter.	Status	Proposed resolution (overdue Milestones)
Children, young people and adults are safe and confident in their communities.	Chris Penberthy	Stuart Palmer Alison Botham	Stuart Palmer	Deliver the Community Safety Plan.	R	<a href="#">K26</a>	1. Agree Plymouth Strategic Assessment of Crime 2. Produce draft Community Safety Plan	1. Complete 2. Overdue	Community Safety Plan being drafted, to be signed off at Safer Plymouth on 31st January 2014.
	Nicky Williams/ Sue McDonald		Alison Botham / Dave Simpkins	Ensure there is a relentless focus on safeguarding through the implementation of the Corporate Safeguarding Improvement Plan, Plymouth Safeguarding Children Board and Plymouth Safeguarding Adults Board plans.	G	<a href="#">K27</a>	<u>Adult Social Care</u> 1. Review and publish Multi-Agency policies and procedures in respect of Adults at Risk. 2. All front line adult social care staff are have either had or booked on child protection and adult protection training . 3. Review & where needed write Operational Policy to ensure that the quality assurance and audit systems reflect safeguarding outcomes across the Council; disseminate learning from Serious Case Reviews, and Domestic Homicide Reviews; and monitor impact.  <u>Children's Social Care</u> 4. Produce and publish good practice guidance in relation to safer recruitment and good practice safeguarding policies for organisations working with families, children and vulnerable adults.	1. Complete 2. Complete 3. Complete 4. Complete	
People are treated with dignity and respect.	Chris Penberthy	Stuart Palmer Dave Saunders	Stuart Palmer	Deliver the Civil Society Policy.	G	<a href="#">K28</a>	1. Complete first draft of Civil Society Policy 2. Issue notice of intentions for commissioning Community & Voluntary Sector support and Volunteering	1. Complete 2. Complete	The draft policy has been developed based on our cooperative values through significant engagement internally and with several key stakeholders. It is at a draft stage for refinement and will be agreed with portfolio holder.
	Chris Penberthy		Stuart Palmer	Become a welcoming city that is diverse, inclusive and that combats hate crime.	G	<a href="#">K29</a>	1. Produce draft of new hate crime poster and leaflets 2. Produce proposals for diverse communities events calendar	1. Complete 2. Complete	
	Chris Penberthy		Giles Perritt	Implement the findings of the Fairness Commission.	G	<a href="#">K30</a>	1. Publish Key Findings from Summer of Listening 2. Consideration of final recommendations of Plymouth Fairness Commission to inform action plan	1. Complete 2. Complete	
	Sue McDonald		Dave Simpkins	Deliver the Quality Improvement Plan with service providers.	G	<a href="#">K31</a>	<u>Priority 1: Pre-Placement Contract for care homes</u> 1. Pre-placement contracts to be sent to providers on 1 November for one month consultation period – to include key stakeholders 2. Final pre-placement contracts to be sent to providers 3. Pre-placement contracts to be returned <u>Priority 2: Leadership Programme for Care Home Managers</u> 4. Shadow current Registered Manager Programme 5. Complete service specification for partnership training facilitators	1. Complete 2. Complete 3. Complete 4. Complete 5. Complete	

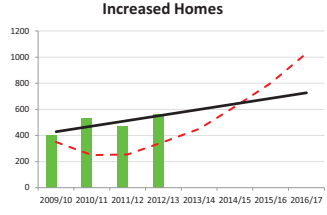
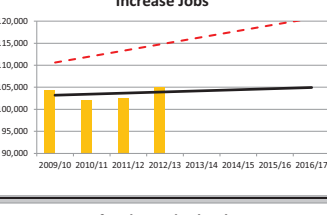

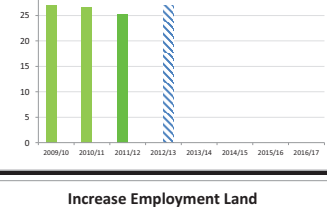
Outcome	Portfolio Leads	Outcome Lead	Officer Leads	Key Action Description	RAG	Key	Milestones which were due for completion during quarter.	Status	Proposed resolution (overdue Milestones)
Citizens enjoy living and working in Plymouth.	Tudor Evans	Giles Perritt	David Draffan	A Plan for Jobs, to get our young people back to work	G	<a href="#">K32</a>	1. 1st apprentices secured through Apprenticeship Training Agency 2. Completion of first draft of Employment and Skills Plan to feed into LES Review /SEP by end of December 2013 3. Investigate the feasibility of employment and skills strategies through s106s and procurement 4. Launch the Plymouth Your Space project. Attract ideas from young people to for the use of specific sites. 5. City Deal - Initiate the 'Deal for Young People' to create a Youth and Employer Gateway to provide tailored interventions to get young people into work.	1. Complete. 2. Complete. 3. Complete 4. Complete 5. Complete	
	Mark Lowry		Paul Barnard	Encourage more homes to be available to rent or buy	G	<a href="#">K33</a>	1. Raise awareness of Rent Plus model with local developers and landowners. 2. Secure empty homes funding for Hoegate House.	1. Complete. 2. Complete.	
	Sue McDonald		Dave Simpkins	Continue to deliver the new deal for older people's care	G	<a href="#">K34</a>	New Deal for Older People 1. Care Co-ordination Team induction days delivered 2. Reablement award and commencement 3. Home from hospital service contract awarded 4. Sheltered Housing revised contracts issued 5. Deliver Older People's Charter	1. Complete 2. Complete 3. Complete 4. Complete 5. Complete	
	Chris Penberthy		Stuart Palmer	Bring down crime and keep Plymouth safe	G	<a href="#">K35</a>	1. Hold community focus week in Stoke 2. Roll out Community Action Against Crime small grants fund 3. Implement shop-lifting action plan 4. Implement designed driver scheme 5. Launch "Top Night Out" personal safety campaign 6. Make recommendation 3 year closing the crime gap target	1. Complete 2. Complete 3. Complete 4. Complete 5. Complete 6. Complete	
	Mark Coker		Simon Dale	Reduce problems with potholes through increased investment in capital repair works.	G	<a href="#">K36</a>	1. Undertake the first phase of a field work programme to inform the Commissioning process so that a more detailed study of carriageway and footway condition to inform future funding bids and targeting of work.	1. Complete	
Plymouth's brand is clear, well-known and understood globally.	Tudor Evans	Giles Perritt David Draffan	Giles Perritt	Britain's Ocean City branding will be rolled out.	R	<a href="#">K37</a>	1. Develop Brand Champion role 2. Recruit Brand Champion	1. Overdue 2. Overdue	Delays in recruiting a Brand Champion have impacted on these milestones being overdue. Revise milestone date to 31/03/2014
	Tudor Evans		David Draffan	Support the development of Mayflower 2020	G	<a href="#">K38</a>	1. Sign off Mayflower Prospectus 2. Agree shape and resource implications of the new executive director 3. Submit Joint letters (Plymouth UK & USA). Write to UK Prime Minister, US president and Boston Senator. 4. Initiate an American heritage trail on the Visit Plymouth website 5. Maintain regular communication between Plymouth USA and Plymouth UK 6. Secure opportunity to tell the story of Plymouth UK within the US Plymouth exhibition 7. Organise a thanksgiving event in the city.	1. Complete. 2. Complete. 3. Complete. 4. Complete. 5. Complete. 6. Complete 7. Complete	
Government and other agencies have confidence in the Council and partners: Plymouth's voice matters.	Tudor Evans	Malcolm Coe / Giles Perritt	Giles Perritt	Negotiate and deliver the City Deal for Plymouth.	G	<a href="#">K39</a>	1. Undergo Ministerial Challenge for Plymouth City Deal - scheduled for 31st October 2013 2. Agree draft Terms of Reference for City Deal Executive Board 3. Sign Plymouth City Deal	1. Complete 2. Complete 3. Complete	
	Tudor Evans		Giles Perritt	Develop a proactive approach to lobbying Government, working with the LEP and neighbouring authorities.	R	<a href="#">K40</a>	1. One Plymouth sign off Plymouth Plan priorities 2. Produce the Draft Strategic Economic Plan for Heart of the South West 2014/2030	1. Overdue 2. Complete	One Plymouth is due to progress with the sign off of the Plymouth Plan priorities at a workshop that is scheduled to take place in February 2014. Revise milestone date to March 2014.
Our employees are ambassadors for the city and the Council and proud of the difference we make.	Pete Smith	Chis Squire	Les Allen	Implement People and Organisational Development Framework.	G	<a href="#">K41</a>	1. HOT for Ballard House signed 2. Purchase of 71 New George Street Completed 3. Purchase of Building 1 & 2 Completed 4. Purchase of Building 1 & 2 completed 5. Procurement route for contractors agreed	1. Complete 2. Complete 3. Complete 4. Complete 5. Complete	
	Pete Smith		Giles Perritt	Implement the Corporate Plan Communication strategy.	G	<a href="#">K42</a>	1. Prepare for budget scrutiny focussing on the values embedded within the Corporate Plan 2. Develop a robust Corporate Plan Performance Framework	1. Complete 2. Complete	

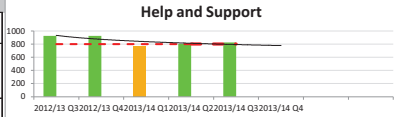

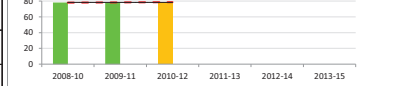
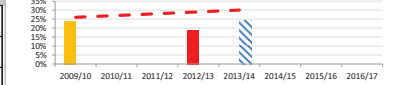
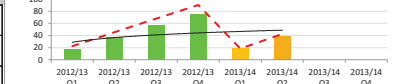
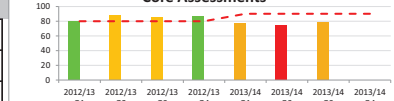


# Corporate Plan Performance Indicator Report

## Pioneering Plymouth

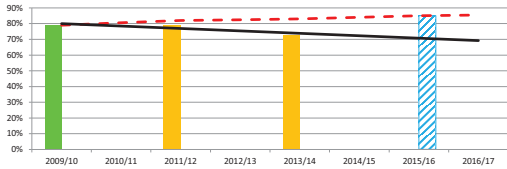
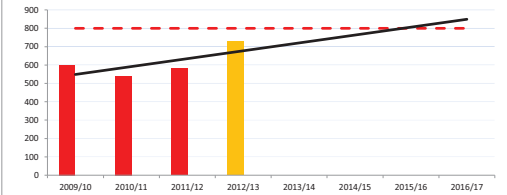
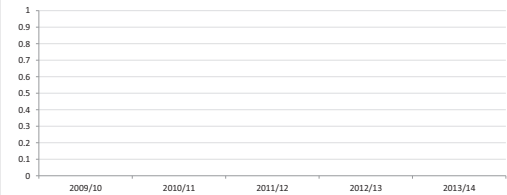
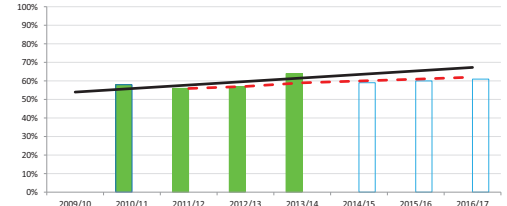
We will be pioneering by designing and delivering better services that are more accountable, flexible and efficient in spite of reducing resources. Page 1

Outcome	Measure	Key	Performance								Graph	Historic Performance against target, benchmark and influences		Current Performance and trajectory		Performance forecast (link to Action Plan)		Links to outcome
The Council provides and enables brilliant services that strive to exceed customer expectations.	80% of customer contacts with the Council will be managed through the single point of contact, with 80% of enquiries dealt with at first point of contact.	P1	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Baseline was set recently by undertaking random samples of contacts and single point of contact. Issues with reporting from the Lync Telephony system have resulted in a distortion to this baseline and reportable performance levels moving forward.	Current performance is reported monthly, it indicates a high level of customer contacts and first contact resolution. It is anticipated that when Lync telephony figures are available this high performance level will be reduced.	The Customer and Service Transformation Programme is systematically reviewing high contact volume services and migrating them to efficient channels, this work starting with Revs & Bens and Housing Options provided in our Civic Centre reception will migrate contacts to single points of entry and focus on meeting customer demand at that point of contact	Customer Transformation is working closely with customers (as panels and individual service users) to co-design solutions. In this way customers are defining what they need in order to deliver on and exceed their expectations.		
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
Provide fully transactional services on the web – through a "Citizen Portal" with a target of the national average and 2% (from 3% to 25%) by volume.	P2	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Questions remain about the accuracy of the baseline due to the sampling nature of the method used and the absence of Lync reporting. Despite this it is clear that Plymouth has not exploited the potential benefits of serving customers over the internet fully yet - and that some customers want this.	The gradual rise in volume of web traffic is based on a gradual release of new capability on the web site and increasing numbers of customers looking to transact with the Council online.	14% of current contacts are estimated to be by email, suggesting many customers want to interact electronically but haven't found the service on our website or the service is too technical to use. The opportunity is there to design services on the internet for customers the way they want them and to promote this to customers whenever they interact with us.	Electronic interactions are not right for all customers or all services. However, for many customers and many services electronic channels will increase the hours of service to 24 hours a day and provide greater visibility and convenience to customers to interact with the Council this way.			
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								
Plymouth's cultural offer provides value to the city.	Increase in visitor numbers coming into the city.	P3	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Baseline set in 2008 was the first time in 4 years numbers actually fell. Since then, numbers have increased year on year. Targets have been achieved and exceeded. Key events in the visitor plan include America's cup & launch of Britain's Ocean City.	Current performance (2012) data released (Jan 2014) reported an annual increase of more than 360,000 (7%). This is despite a 10% reduction in overseas visitors. The number of day visitors continues to rise year on year. Overall we see a positive upward trend .	The 2020 target has actually been met. However we still need to maintain this good position each year. Links to the visitor plan.			
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
Increase the city's national and international standing.	P4	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Currently exploring ways to capture national and international standing rating through Visit England "Brand Tracker". Missed the opportunity to capture data this year. Planning in place to prepare process and budget for next year. However, we have proxy data which evidences progress towards outcome.	PR agency generated over £2.2 million in advertising value equivalent with an audience reach of over 120,369,109. First ever TV coverage of the National Fireworks. Visit Plymouth website Unique visitors up 135% from 151141 last year to 356133 this year. Facebook, 17,457 likes on our Facebook page. Twitter 3,846 followers.	£2.1M AVE (Advertising Value Equivalency) is what our editorial coverage would cost if it were advertising space (or time).				
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								
A Council that uses resources wisely.	Percentage of residents satisfied that the Council provides value for money.	P5	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Data has been recorded via public budget consultation. The public is able to provide a view on their satisfaction levels of VFM every two years. The results of this measure have historically been very low and therefore has been a focus of the Council.	The most recent data was achieved during the public budget consultation 2014/15. The results showed an increase of 19% in satisfaction levels.	Satisfaction levels of Plymouth residents are expected to continue increasing following a communication programme around the 3-year sustainable budget which will deliver the priorities as identified by residents.			
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
Increase the value of income levied to the Local Authority.	P6	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		The baseline for this indexed measure has been set using Council Tax and Business Rates collection levels. Additionally new homes and business occupancy rates are also included within this measure as this increases the base of both Council Tax and Business Rates	All the elements that make up this measure have all been performing well in 2013/14 and are achieving the targets that have been set. This data has then influenced decisions within the Council in order to maximise the benefits of this.	Future performance is expected to be good around this measure as one of the Councils objectives is to grow the city, therefore increasing the Council Tax and Business Rates base. Additionally, the structure of services within the authority supports a high rate of collection.				
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								
Pioneering in reducing the city's carbon footprint and leading in environmental and social responsibility	Reduction in city wide carbon emission.	P7	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Data is reported a year behind. (2012/13 data due Aug 2014). Between 2006 & 2008 city wide Co2 emissions did not achieve targets, despite this, Plymouth were 2nd quartile nationally. 2009 saw a significant 10% drop in emissions only to see it rise again in 2010, mainly because of the cold winter. However, targets for 2009 and 2010 were achieved and Plymouth maintained a 2nd quartile position nationally.	The latest data, 2011, reports a further drop in emissions to the lowest position over the last 6 years. The annual target has been achieved. Current activity includes the delivery of the Council's Carbon Management Plan and takes into account ECO, EHV, and Plymton impact - up to 2015. The continuing reduction is based on the national policy as identified in the UoE study.	The forecast predictions are based solely on current performance. External factors play a huge part in actual emissions (climate and economy) and are outside the scope of PCC control, as a consequence the forecast is based on trends rather than science. It should therefore be noted that fluctuations in any given year can be significantly influenced by external factors – for example a cold winter.			
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
				2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17							
Carbon emissions reduction from Corporate estate & schools. (Tonnes Co2)	P8	Actual	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		This is a fairly new scheme and therefore has not been measured prior to 2009/10	Steady reduction achieved over the years, slightly under target. £13m energy reduction programme to reduce corporate estate CO2 now underway, which should make 2014/15 target achievable.	£13m energy reduction programme to reduce corporate estate CO2 now underway, which should make 2014/15 target achievable.				
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								
			2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17								

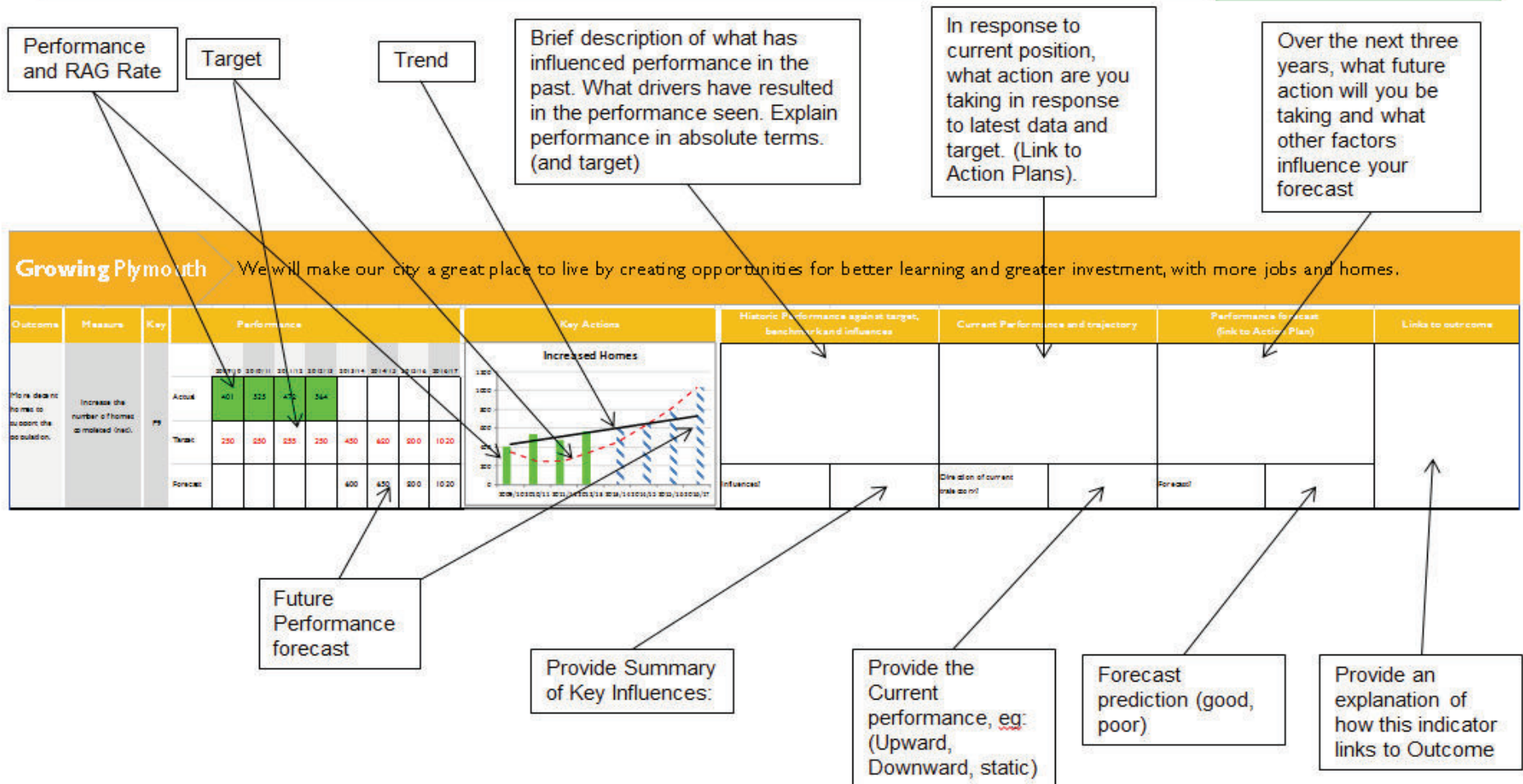
Outcome	Measure	Key	Performance								Key Actions	Historic Performance against target, benchmark and influences	Current Performance and trajectory		Performance forecast (link to Action Plan)		Links to outcome	
More decent homes to support the population.	Increase the number of homes completed (net).	P9		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Despite the economic downturn since 2007, the number of new homes completed has historically performed well against the target. The target has been influenced by government Office. As a result Government Office agreed that a reduction in our short term housing targets was appropriate. They agreed net housing targets of: 900 dwellings in 2008 to 2009, 350 dwellings in 2009 to 2010, 250 dwellings in 2010 to 2011. The Council subsequently set a target of 255 dwellings in 2011 to 2012 based on an estimate building of 400 new dwellings in the year and taking into account the demolition of properties at North Prospect. This gives a revised housing target from 2006 to 2012 of 3,755 dwellings.	On the 24th August 2012 the Get Plymouth Building programme was launched by Councillor Lowry. GPB contains 8 initiatives to accelerate housing delivery. This is reflected in the 2012/13 performance as we reported a 19% increase in new homes built over the previous year. Taking into account performance over the last four years the trajectory is upward and forecast to improve.	So far the Get Plymouth Building programme has delivered 231 completed homes, with 1,097 under construction and a further 1,659 in the pipeline. Get Plymouth Building is therefore on schedule to deliver 2,000 homes by August 2015			
			Actual	401	535	472	564											
			Target	350	250	255	350	450	620	800	1030							
			Forecast					600	650	800	1030							
												Influences?	Government Office	Direction of current trajectory?	Upward	Forecast?	Green	
A strong economy creating a range of job opportunities.	Increase the number of jobs created.	P10		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		Between 2003 and 2007, the number of jobs in the city increased every year, peaking in 2007. Since then, we have seen a steady decline back to 2003 levels. 2011 did record a very slight increase. The position in Plymouth mirrors what is happening nationally. The long term vision is to achieve a 33,000 increase in jobs numbers by 2026. Over the last few years targets have not been achieved although are within the tolerance to be amber so performance. Historic poor performance can be seen in the distance from target, which increased from 2009 to 2011, but closed a little 2012, providing evidence of the positive shift change in the economy .	The latest data (Dec 2012 12/13) show that between 2011 and 2012 the city added 2,500 new jobs: growth of 4,100 private sector jobs offset by public sector losses. Encouragingly, the private sector gains were predominantly full-time signalling a positive rebalancing of economic activity. This employment growth to some extent fills the hole created by a comparatively deep recession; however, similarly impressive job creation rates are required over the coming years to get the city back on track.	The increase in jobs is expected to increase over the next few years. However, it is unlikely that the target will be achieved - for the next year at least. When City Deal is signed off and starts to be implemented, the number of jobs is expected to increase significantly.			
			Actual	104,400	102,200	102,600	105,100											
			Target	110,610	112,045	113,480	114,915	116,350	117,785	119,220	120,655							
			Forecast					107,000	109,000	110,000	112,000							
												Influences?	Economic Climate. Legislation. Public Confidence.	Direction of current trajectory?	Upward	Forecast?	Amber	
A top performing education system from early years to continuous learning opportunities.	Maintain the number of schools and settings judged by Ofsted as good or better. (Top quartile nationally)	P11		2010	2011	2012	2013	2014	2015	2016	2017		This measure is made up of: Primary School inspection rating Secondary School inspection rating Special School inspection rating Nurseries inspection rating	As of 31st December 2013 Plymouth had an overall figure of 79.6% of school rated as good or outstanding which shows continued strong feedback from Inspections of school and settings	Whilst performance was particularly strong over 2013 it should be noted that of the 12 inspections that took place in the last 3 months of the year, 2 of these scored inadequate (this has brought the total school & settings with an inadequate score to 3).  This will be monitored to better understand if this was an exceptionally quarter or the signs of a stricter inspection regime coming into effect.			
			Actual		70.3	71	79.6											
			Target			71	71	71										
			Forecast															
												Influences?		Direction of current trajectory?	Positive	Forecast?	Maintain	
Raise the achievements of our most disadvantaged children.	Raise the achievements of our most disadvantaged children.	P12		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		The raise achievement measure is made up of the following data sets: • Foundation Stage Profile Inequality gap • KS2 LVL 4 RWM FSM/non FSM attainment gap • KS4 (GCSE) Achievement of 5 GCSE's grade A-C FSM/non FSM attainment gap Good progress has been made against the narrowing the gap agenda over the past couple of years with year on year improvements seen across all data sets.	Performance has been particularly strong within Foundation Stage Profile with the latest data (academic year 12/13) showing us to be 10% below the national average.	We are currently awaiting KS4 attainment gap data (Due end Jan 14) before we can calculate the overall figure for 2012/13, however it is expected that this will show a widening of the gap. This is due to a change in methodology for calculating both the FSP, and Key Stage 2 profiles and should not be considered a cause for the concern which c			
			Actual	27.1	26.6	25.3	Due end Jun 14											
			Target				23.5											
			Forecast				27											
												Influences?	Deprivation Poverty	Direction of current trajectory?	Positive	Forecast?	May show a slight widening however we are confident that this is due to a change in methodology	
Plymouth is an attractive place for investment.	** Increase in the quality and availability of employment land and premises.	P13	**	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		There are three separate measures which combine into this indexed indicator. The weighting applied to each is equal, e.g. 1/3 each. Until 2012/13, only two of the three measures had ever been used as data had not previously been available. So historically, inward investments and employment land had been performing well, until 2011/12 where inward enquires dipped significantly, hence the poor year. Availability of Employment Land has historically performed well, achieving its target consistently.	Current performance (2012/13) includes all three measures for the first time. Collectively the indicator has exceed its target. Individually each measure has also performed very well and exceeded theirs respective target. The number of Inward Investment Enquires during the year is most noteworthy. Economic Development have improved the business relationship programme which has resulted in an improved number of both enquires and successful investors. They have built stronger relationships with UKTI to build referrals from the national pipeline and improved the analytics of the property search facility on the website.	Each of the three measures are forecast to achieve their respective targets, so collectively the forecast is positive and rated good.	The indexed measure has a strong link to the outcome as the key indicator within the array used is 'availability of employment land'. The outcome does place an emphasis on investment so inward investment and business occupancy has been included.		
			Actual	900	900	450	900											
			Target	800	800	800	800	800	800	800	800							
			Forecast				900	900	900	900	900							
												Influences?	3 components are : Inward Investment, Employment Land, Occupancy Rate of PCC Commercial properties.	Direction of current trajectory?	A blip in inward investments caused the downward trend.	Forecast?	Green	

Outcome	Measure	Ref	Performance	Graph	Historic Performance against target, benchmark and influences	Current Performance and trajectory	Performance forecast (link to Action Plan)																																					
We will prioritise prevention.	Increase access to early help and support.	P14	<table><tr><td></td><td>2012/13 Q1</td><td>2012/13 Q2</td><td>2012/13 Q3</td><td>2012/13 Q4</td><td>2013/14 Q1</td><td>2013/14 Q2</td><td>2013/14 Q3</td><td>2013/14 Q4</td></tr><tr><td>Actual</td><td>n/a</td><td>n/a</td><td>925</td><td>925</td><td>775</td><td>800</td><td>825</td><td></td></tr><tr><td>Target</td><td>n/a</td><td>n/a</td><td>800</td><td>800</td><td>800</td><td>800</td><td>800</td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>		2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	Actual	n/a	n/a	925	925	775	800	825		Target	n/a	n/a	800	800	800	800	800		Forecast										<p>Social economic factors influence the demand on early help and support services and is an influencing factor on performance. Ensuring that services have adequate resources to deal with demand will have significant impact on performance. This is a new local target with no historical target performance. One element of this measure can be benchmarked is the number of common assessment framework assessments completed.</p> <p>Influences?</p> <p>Social Economic factors, Service resource</p>	<p>Current risks to the attainment of this measure are:</p> <p>1. A drop in the number of CAFs initiated due to vacancies that have existed within the CAF Team and need for wider development work with partner agencies. Vacant posts now filled, this will lead to increases in the number of assessments recorded.</p> <p>2. Advice Plymouth off target re caseload enquiries, this situation is being contract managed and service is expecting to be back on track by the end of year.</p> <p>Direction of current trajectory?</p> <p>Advice Plymouth improving re enquiries and referrals. Number of CAF's completed steady but below target.</p>	<p>Strong performance regarding enquiries and referrals to and from Advice Plymouth means that the target will be achieved.</p> <p>It is currently unlikely that the Common Assessment Framework element of this measure will be achieved.</p> <p>Forecast?</p> <p>Green</p>	<p>Performance Data: Indexed measure</p> <p>1. Number of Advice and Information enquiries Qtr 3 Performance 27838 (up to Nov) Qtr 3 Target 5250</p> <p>2. Number of Advice and Referral enquiries Qtr 3 Performance 6598 (up to Nov) Qtr 3 Target 5250</p> <p>3. Number of caseload enquiries Qtr 3 Performance 3673 (up to Nov) Qtr 3 Target 4500</p> <p>4. Number of CAF assessments completed Qtr 3 Performance 588 Qtr 3 Target 886</p>
		2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4																																			
Actual	n/a	n/a	925	925	775	800	825																																					
Target	n/a	n/a	800	800	800	800	800																																					
Forecast																																												
	Increase the number of adults and families able to stay in their own home and communities.	P15	<table><tr><td></td><td>2012/13 Q1</td><td>2012/13 Q2</td><td>2012/13 Q3</td><td>2012/13 Q4</td><td>2013/14 Q1</td><td>2013/14 Q2</td><td>2013/14 Q3</td><td>2013/14 Q4</td></tr><tr><td>Actual</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>833</td><td>867</td><td>933</td><td></td></tr><tr><td>Target</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>800</td><td>800</td><td>800</td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>		2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	Actual	n/a	n/a	n/a	n/a	833	867	933		Target	n/a	n/a	n/a	n/a	800	800	800		Forecast										<p>The housing related measures (CAT 1 hazard removal and major adaptations to homes) have historically performed well against target. Numbers in receipt of housing related low level preventative services is a new local measure with no historic performance against target or benchmarking.</p> <p>Influences?</p> <p>Social Economic factors, Service resource</p>	<p>This indexed measure is achieving target at quarter 3 with performance particularly strong in housing related targets (CAT 1 hazard removal and DFG grants). The numbers accessing low level preventative services (inc. for example homeless hostels, support accommodation, floating support) has also increased this year and is on target. This target reports one quarter behind.</p> <p>Direction of current trajectory?</p> <p>Improving</p>	<p>All elements of this indexed measure are likely to achieve target.</p> <p>There are however service pressures associated with these indicators, current preventative support needs to be maintained to meet demand of increasing numbers of households being made at risk of homelessness.</p> <p>Forecast?</p> <p>Green</p>	<p>Performance Data: Indexed measure</p> <p>1. Number of new clients accessing low level preventative housing related services (one quarter behind) Qtr 2 Performance 1461 Qtr 2 Target 1450</p> <p>2. Total number of Category 1 hazards removed Qtr 3 Performance 303 Qtr 3 Target 188</p> <p>3. Major Adaptations to homes Qtr 3 Performance 264 Qtr 3 Target 207</p>
	2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4																																				
Actual	n/a	n/a	n/a	n/a	833	867	933																																					
Target	n/a	n/a	n/a	n/a	800	800	800																																					
Forecast																																												
We will help people take control of their lives and communities.	Improve life expectancy particularly in those areas where it is the lowest / lower than the average.	P16	<table><tr><td></td><td>2006-08</td><td>2007-09</td><td>2008-10</td><td>2009-11</td><td>2010-12</td><td>2011-13</td><td>2012-14</td><td>2013-15</td></tr><tr><td>Actual</td><td></td><td></td><td>78.2</td><td>78.2</td><td>78.12</td><td>Available 2015</td><td>Available 2016</td><td>Available 2017</td></tr><tr><td>Target</td><td>n/a</td><td>n/a</td><td>78</td><td>78.2</td><td>78.5</td><td>78.6</td><td>78.7</td><td>78.8</td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>		2006-08	2007-09	2008-10	2009-11	2010-12	2011-13	2012-14	2013-15	Actual			78.2	78.2	78.12	Available 2015	Available 2016	Available 2017	Target	n/a	n/a	78	78.2	78.5	78.6	78.7	78.8	Forecast										<p>Historically the life expectancy within the 8th most deprived of neighbourhoods has been at a level expected so previously this has been RAG rated as green.</p> <p>Influences?</p> <p>Lifestyle</p>	<p>The latest figures calculated by the Public Health Team show that life expectancy in the most deprived group of neighbourhoods (eight areas) is 78.12 years for the three-year period 2010-12. This is a drop of 0.08 years compared to the 2009-11 value. This equates to a drop of approximately one month. The 2010-12 value is statistically significantly different to the 2009-11 value and is 0.1 years higher than 2008-10 value (78.02 years).</p> <p>Direction of current trajectory?</p> <p>Steady</p>	<p>Continued efforts will be made to improve the health of the Plymouth population with annual indicators monitored in relation to life expectancy, teenage conception, excess weight, smoking prevalence, circulatory disease and alcohol. The drive towards achieving these targets should see the longer term target to increase life expectancy be achieved.</p> <p>Forecast?</p> <p>Green</p>	
		2006-08	2007-09	2008-10	2009-11	2010-12	2011-13	2012-14	2013-15																																			
Actual			78.2	78.2	78.12	Available 2015	Available 2016	Available 2017																																				
Target	n/a	n/a	78	78.2	78.5	78.6	78.7	78.8																																				
Forecast																																												
	Percentage of residents who believe they can influence decisions affecting their local area.	P17	<table><tr><td></td><td>2009/10</td><td>2010/11</td><td>2011/12</td><td>2012/13</td><td>2013/14</td><td>2014/15</td><td>2015/16</td><td>2016/17</td></tr><tr><td>Actual</td><td>24%</td><td></td><td></td><td>19%</td><td></td><td></td><td></td><td></td></tr><tr><td>Target</td><td>26%</td><td>27%</td><td>28%</td><td>29%</td><td>30%</td><td></td><td></td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td>24%</td><td></td><td></td><td></td></tr></table>		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Actual	24%			19%					Target	26%	27%	28%	29%	30%				Forecast					24%					<p>Historically the percentage of residents who believe that they can influence decisions affecting their local area has been very low achieving 19% during the last Place survey which was a reduction from 24% the last time this perception was gained.</p> <p>Influences?</p> <p>Community Engagement and Consultation</p>	<p>The most up-to-date data regarding this measure indicated a decrease in this measure. No current data is currently available for 2013/14.</p> <p>Direction of current trajectory?</p> <p>Downward</p>	<p>Work is taking currently taking place focusing on community engagement. Action plans are being created and therefore it is expected that future performance for this measure will be good. However future targets have still to be set.</p> <p>Forecast?</p> <p></p>	
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17																																				
Actual	24%			19%																																								
Target	26%	27%	28%	29%	30%																																							
Forecast					24%																																							
Children, young people and adults are safe and confident in their communities.	Reduce the gap between the worst 10 neighbourhoods and city average rate per 1000 population for overall crime.	P18	<table><tr><td></td><td>2012/13 Q1</td><td>2012/13 Q2</td><td>2012/13 Q3</td><td>2012/13 Q4</td><td>2013/14 Q1</td><td>2013/14 Q2</td><td>2013/14 Q3</td><td>2013/14 Q4</td></tr><tr><td>Actual</td><td>17.9</td><td>37.5</td><td>57.2</td><td>75</td><td>19.3</td><td>39.5</td><td></td><td></td></tr><tr><td>Target</td><td>22.64</td><td>45.28</td><td>67.93</td><td>90.57</td><td>18.3</td><td>42.7</td><td></td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>		2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	Actual	17.9	37.5	57.2	75	19.3	39.5			Target	22.64	45.28	67.93	90.57	18.3	42.7			Forecast										<p>In 2012/13 this target was achieved. Performance against this target is driven by overall crime levels. Historically, priority neighbourhoods are most vulnerable to increases in crime given their geographical and social economic nature. Conversely therefore when overall crime falls it falls most in these neighbourhoods. Long term trends have shown a considerable fall in overall crime levels.</p> <p>Influences?</p> <p>Social Economic factors/ Overall Crime levels</p>	<p>This target is amber. This is largely due to increase in less serious violence, other theft and shoplifting. In recent months the gap has closed slightly with partnership activities appearing to impact positively on overall crime levels. The launch of the "Community Action Against Crime" small grant fund and shoplifting action plan should also have a positive impact.</p> <p>Direction of current trajectory?</p> <p>Improving</p>	<p>Despite partnership efforts and focus on reducing crime in the neighbourhoods with the highest crime rate, it is likely that this target will remain amber until the end of the year. In January the Community Safety Plan will be signed off as Safer Plymouth, the plan will focus on the city's crime priorities outlined in the Strategic Assessment.</p> <p>Forecast?</p> <p>Amber</p>	
		2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4																																			
Actual	17.9	37.5	57.2	75	19.3	39.5																																						
Target	22.64	45.28	67.93	90.57	18.3	42.7																																						
Forecast																																												
	Children's Safeguarding timing of Core Assessments.	P19	<table><tr><td></td><td>2012/13 Q1</td><td>2012/13 Q2</td><td>2012/13 Q3</td><td>2012/13 Q4</td><td>2013/14 Q1</td><td>2013/14 Q2</td><td>2013/14 Q3</td><td>2013/14 Q4</td></tr><tr><td>Actual</td><td>80.1</td><td>87.9</td><td>85.2</td><td>86.2</td><td>76.9</td><td>77.7</td><td>78.1</td><td></td></tr><tr><td>Target</td><td>80</td><td>80</td><td>80</td><td>80</td><td>90</td><td>90</td><td>90</td><td>90</td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>		2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	Actual	80.1	87.9	85.2	86.2	76.9	77.7	78.1		Target	80	80	80	80	90	90	90	90	Forecast										<p>Performance in 2012/13 was 2nd quartile and historically Plymouth Childrens Social Care has been a strong performing service in terms of timely completion of assessments</p> <p>Influences?</p> <p>Early Intervention Social Economic factors</p>	<p>The current status of performance has been rated at amber but improving. Considering current targets are met in month (90%) the end of year performance should outturn at 80.4%.</p> <p>Direction of current trajectory?</p> <p>Improving</p>	<p>Forecast performance of 80.0%.</p> <p>Forecast?</p> <p>Amber</p>	
	2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4																																				
Actual	80.1	87.9	85.2	86.2	76.9	77.7	78.1																																					
Target	80	80	80	80	90	90	90	90																																				
Forecast																																												
People are treated with dignity and respect.	Percentage of residents who believe Plymouth is a place where people from different backgrounds get on well together.	P20	<table><tr><td></td><td>2009/10</td><td>2010/11</td><td>2011/12</td><td>2012/13</td><td>2013/14</td><td>2014/15</td><td>2015/16</td><td>2016/17</td></tr><tr><td>Actual</td><td>68.80%</td><td>n/a</td><td>n/a</td><td>n/a</td><td>TBC</td><td></td><td></td><td></td></tr><tr><td>Target</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Actual	68.80%	n/a	n/a	n/a	TBC				Target									Forecast										<p>The place survey of 2008 indicated that 69% of people in Plymouth believed people from different backgrounds get on well together in their local area. The Plymouth Points of View Survey 2009 asked the same question and received a 68.8% response. The 2012 Listening Plymouth survey showed that 53% of people agreed that their local area is a place where people from different ethnic backgrounds get on well together (note question changed to specifically ask about ethnicity). Where community engagement work has been targeted, community cohesion has shown a marked improvement e.g. after holding a series of community events in North Prospect, the neighbourhood's "community cohesion" rating increased from 41% of people believing that people from different backgrounds get on well together to 57%.</p> <p>Influences?</p> <p>Targeted Community Cohesion</p>	<p>Performance data</p> <p>2008 Place Survey - 69% believed people from different backgrounds get on well together.</p> <p>2009 Plymouth Points of View - 68.8% believed people from different backgrounds get on well together.</p> <p>2012 Listening Plymouth - 53% believed people from different ethnic backgrounds get on well together.</p> <p>Direction of current trajectory?</p> <p>Improving</p>	<p>Responses to this question will next be asked in the 2014 and reported upon when results are available.</p> <p>Forecast?</p> <p>Amber</p>	
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17																																			
Actual	68.80%	n/a	n/a	n/a	TBC																																							
Target																																												
Forecast																																												
	Increase the number of service providers who are awarded a quality mark.	P21	<table><tr><td></td><td>2012/13 Q1</td><td>2012/13 Q2</td><td>2012/13 Q3</td><td>2012/13 Q4</td><td>2013/14 Q1</td><td>2013/14 Q2</td><td>2013/14 Q3</td><td>2013/14 Q4</td></tr><tr><td>Actual</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>900</td><td>850</td><td>800</td><td></td></tr><tr><td>Target</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>800</td><td>800</td><td>800</td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>		2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	Actual	n/a	n/a	n/a	n/a	900	850	800		Target	n/a	n/a	n/a	n/a	800	800	800		Forecast										<p>The first part of the project to roll out the new "Support with Confidence" quality mark was to invest time in designing the new system and then testing it. The second half is to roll out the new accreditation.</p> <p>Prior to the introduction of this new quality mark 454 care providers were in receipt of the Adult Social care quality Mark.</p> <p>Influences?</p> <p>Quality Improvement Plan</p>	<p>The number of services in receipt of a dementia quality mark is on target insert number while the numbers in receipt of the new support with confidence mark is on target against quarter 2 expectations insert number.</p> <p>Direction of current trajectory?</p> <p>Steady</p>	<p>It is anticipated the number of services in receipt of this mark will increase significantly in quarters 3 and 4.</p> <p>Forecast?</p> <p>Green</p>	<p>Performance Data: Indexed measure</p> <p>1. Number of Providers in receipt of Adult Social Care Confidence Mark or "Support with Confidence Mark" Qtr 3 Performance - 27 Qtr 3 Target - 30</p> <p>2. Number of Providers in receipt of Dementia Quality Mark Qtr 3 Performance - 26 Qtr 3 Target - 23</p>
	2012/13 Q1	2012/13 Q2	2012/13 Q3	2012/13 Q4	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4																																				
Actual	n/a	n/a	n/a	n/a	900	850	800																																					
Target	n/a	n/a	n/a	n/a	800	800	800																																					
Forecast																																												

Page 129

Outcome	Measure	Ref	Performance	Graph	Historic Performance against target, benchmark and influences	Current Performance and trajectory	Performance forecast (link to Action Plan)	Links to outcome																																								
Citizens enjoy living and working in Plymouth.	Percentage of residents who are satisfied with Plymouth as a place to live.	P22	<table><thead><tr><th></th><th>2009/10</th><th>2010/11</th><th>2011/12</th><th>2012/13</th><th>2013/14</th><th>2014/15</th><th>2015/16</th><th>2016/17</th></tr></thead><tbody><tr><td>Actual</td><td>79%</td><td></td><td>79%</td><td></td><td>73%</td><td></td><td></td><td></td></tr><tr><td>Target</td><td>79%</td><td></td><td>82%</td><td></td><td>83%</td><td></td><td>85%</td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td>85%</td><td></td></tr></tbody></table>		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Actual	79%		79%		73%				Target	79%		82%		83%		85%		Forecast							85%		<p><b>% of residents who are satisfied with Plymouth as a place to live</b></p> 	<p>Pre 2009, performance did not deviate very much from the current position. The target has not been achieved since the benchmark was set. Plymouth sits 4th in its family benchmark group, although bottom quartile nationally.</p> <p>The latest performance reflect the 2011 PLACE survey where performance neither increased nor decreased. Despite a number of key initiatives during 2010 and 2011, and focused political and organisational initiatives, performance has not improved.</p> <p>The forecast for the next 4 years is good. This is because in our action plan which aims to focus on identifying the priorities of Plymouth residents in order to enable them to inform decisions made by the Council.</p> <p>The measure captures the views of those living in Plymouth only. It does not capture the experiences of those working in the city as no measure for this exists. It is also collected bi annually. However, it is a robust measure which will give a good indicative measure of the outcomes progress.</p>	<table><tr><td>Influences?</td><td>* Legislation * Resources</td><td>Direction of current trajectory?</td><td>Static</td><td>Forecast?</td><td>Amber</td></tr></table>	Influences?	* Legislation * Resources	Direction of current trajectory?	Static	Forecast?	Amber
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17																																								
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Forecast							85%																																									
Influences?	* Legislation * Resources	Direction of current trajectory?	Static	Forecast?	Amber																																											
Plymouth's brand is clear, well-known and understood globally.	**Attract more people to live, work and visit the city from both the UK and overseas.	P23	<table><thead><tr><th></th><th>2009/10</th><th>2010/11</th><th>2011/12</th><th>2012/13</th><th>2013/14</th><th>2014/15</th><th>2015/16</th><th>2016/17</th></tr></thead><tbody><tr><td>Actual</td><td>600</td><td>540</td><td>580</td><td>730</td><td></td><td></td><td></td><td></td></tr><tr><td>Target</td><td>800</td><td>800</td><td>800</td><td>800</td><td>800</td><td>800</td><td>800</td><td>800</td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td>750</td><td>760</td><td>770</td><td>780</td></tr></tbody></table>		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Actual	600	540	580	730					Target	800	800	800	800	800	800	800	800	Forecast					750	760	770	780	<p><b>Attract more people to the city</b></p> 	<p>Both the population and jobs performance has historically fallen short of target. Performance would be much worse if visitor numbers and inward investments had not performed so well.</p> <p>Current performance has been influenced by increased inward investments and increased numbers of visitors to the city. However, we do see year on year increases in both the population and jobs, just not enough to reach their respective targets.</p> <p>The forecast for next year is good with planned increases in houses, jobs and people coming to live in the city. However it is unlikely that the target will be reached in 2013/14.</p> <p>The measure is indexed to capture as many of the key elements as possible. There are 4 elements. Population, Jobs, Visitor numbers and inward investments. Whilst there is no Brand specific measure as described in the outcome, the combination of the 4 will give a good indicators of Plymouth as a destination.</p>	<table><tr><td>Influences?</td><td>* Population * Jobs * Visitors * Inward investments</td><td>Direction of current trajectory?</td><td>Upward</td><td>Forecast?</td><td>Amber</td></tr></table>	Influences?	* Population * Jobs * Visitors * Inward investments	Direction of current trajectory?	Upward	Forecast?	Amber
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17																																								
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Forecast					750	760	770	780																																								
Influences?	* Population * Jobs * Visitors * Inward investments	Direction of current trajectory?	Upward	Forecast?	Amber																																											
Government and other agencies have confidence in the Council and partners: Plymouth's voice matters.	An increase in the amount of external funding and support from Government and other agencies.	P24	<table><thead><tr><th></th><th>2009/10</th><th>2010/11</th><th>2011/12</th><th>2012/13</th><th>2013/14</th><th>2014/15</th><th>2015/16</th><th>2016/17</th></tr></thead><tbody><tr><td>Actual</td><td></td><td></td><td></td><td></td><td>TBC</td><td></td><td></td><td></td></tr><tr><td>Target</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></tbody></table>		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Actual					TBC				Target									Forecast									<p><b>Increased Funding</b></p> 					Initial data for this performance measure has now been obtained and is currently being worked up in order to set a baseline and set performance targets. This data will be included in the Quarter 4 monitoring report.			
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17																																								
Actual					TBC																																											
Target																																																
Forecast																																																
Our employees are ambassadors for the city and the Council and proud of the difference we make.	Staff Survey – would you talk positively about the Council outside work.	P25	<table><thead><tr><th></th><th>2009/10</th><th>2010/11</th><th>2011/12</th><th>2012/13</th><th>2013/14</th><th>2014/15</th><th>2015/16</th><th>2016/17</th></tr></thead><tbody><tr><td>Actual</td><td></td><td>58%</td><td>56%</td><td>57%</td><td>64%</td><td></td><td></td><td></td></tr><tr><td>Target</td><td></td><td></td><td>56%</td><td>57%</td><td>59%</td><td>60%</td><td>61%</td><td>62%</td></tr><tr><td>Forecast</td><td></td><td></td><td></td><td></td><td></td><td>59%</td><td>60%</td><td>61%</td></tr></tbody></table>		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Actual		58%	56%	57%	64%				Target			56%	57%	59%	60%	61%	62%	Forecast						59%	60%	61%	<p><b>Talk positively about the city</b></p> 	<p>The Staff Survey has aimed to identify whether staff would talk positively about the council outside of work on an annual basis in recent years. The outcome of this has remained fairly static with minimal fluctuations</p> <p>The interim Staff Survey results 2013 were published in quarter 3 and identify a significant increase in how positively staff would speak about the Council outside of work. The outcome of 64% is 5% of the target that had been set and an increase of 7% from the last full Staff Survey that had been carried out in 2012.</p> <p>The forecast for next year is 60%. This is because in action plan Organisational and Effectiveness Framework, focus is made on staff engagement and development. This is anticipated to have a positive impact on the outcome of this performance measure.</p>	<table><tr><td>Influences?</td><td></td><td>Direction of current trajectory?</td><td>Upward</td><td>Forecast?</td><td>Good</td></tr></table>	Influences?		Direction of current trajectory?	Upward	Forecast?	Good
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17																																								
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Influences?		Direction of current trajectory?	Upward	Forecast?	Good																																											

# Corporate Plan Performance Indicator explanation



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**Subject:** Corporate Monitoring Report as at 31 December 2013  
(including capital schemes / programme approvals)

**Committee:** Cabinet

**Date:** 11 February 2014

**Cabinet Member:** Councillor Lowry

**CMT Member:** CMT

**Author:** John Bougeard, Group Accountant

**Contact details** Tel: 01752 304421  
email: John.Bougeard@plymouth.gov.uk

**Ref:** fin/JB003

**Key Decision:** No

**Part:** I

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**Purpose of the report:**

This report is the third quarterly monitoring report for 2013/14 and outlines the finance monitoring position of the Council as at the end of December 2013.

The primary purpose of this report is to detail how the Council is delivering against its financial measures using its capital and revenue resources, and to approve relevant budget variations and virements, and the approval of new schemes to the capital programme.

The forecasted revenue overspend is £0.993m which is an improvement of £0.529m compared to the September 2013 report. The current estimated position shows an overspend of £0.956m in the People Directorate, an overspend of £0.119m in the Place Directorate, an underspend of £(0.006)m in Corporate Services and an underspend of £(0.076)m in Corporate Items. This equates to a forecast net spend of £213.553m against a budget of £212.560m, which is a variance of 0.5%, although officers and members are working on actions to deliver a balanced outturn.

The capital programme approved by Council in February 2013 covering 2013/14 to 2015/16 stood at £122.670m. Following approval of new schemes, re-profiling and variations, the capital programme increased to £162.484m as at the end of September 2013 (as reported in the quarter two monitoring report). The latest forecast at the end of December 2013 is £158.956m, which includes virements approved at Council in December, other delegated officer approvals, and assumes the approval of the recommendations for new schemes/scheme increases and reductions contained in this report.

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**The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

This quarterly report is fundamentally linked to delivering the priorities within the Council's Corporate Plan. Allocating limited resources to key priorities will maximise the benefits to the residents of Plymouth.

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**Implications for Medium Term Financial Plan and Resource Implications:  
Including finance, human, IT and land**

Robust and accurate financial monitoring underpins the Council's Medium Term Financial Plan. The Council's Medium Term Financial Forecast is updated regularly based on on-going monitoring information, both on a local and national context.

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management:**

The reducing revenue and capital resources across the public sector has been identified as a key risk within our Strategic Risk register. The ability to deliver spending plans is paramount to ensuring the Council can achieve its objectives to be a Pioneering, Growing, Caring and Confident City.

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**Equality and Diversity:**

Has an Equality Impact Assessment been undertaken: No

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**Recommendations & Reasons for recommended action:**

That Cabinet:-

1. Note the revenue monitoring position and actions being taken.
  2. Approve the revenue budget virements as set out on page 9.
  3. Note the decrease in the medium term capital programme forecast to £158.956m, following confirmation of funding announcement in the December Settlement.
  4. Approve the new capital schemes indicated in table A totaling £1.976m, approve the capital budget virements in relation to the investment fund of £2.170m and note the virement of resources in relation to Schools Basic Need of £2.775m as reported to Cabinet on 10<sup>th</sup> December 2013.
  5. Note the Human Resources and Organisational Development Data.
- 

**Alternative options considered and reasons for recommended action:**

Actions are recommended in response to specific variances in finances identified throughout the report.

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**Published work / information:**

2013/14 Budget Book [Plymouth City Council – Budget Book](#)  
2013/14 Budget Scrutiny [Plymouth City Council – Budget Scrutiny](#)

**Background papers:**

None

**Sign off:**

Fin	CDR / CorpsF	Leg	I9485/ DVS	Mon Off	I9485/ DVS	HR	n/a	Assets	n/a	IT	n/a	Strat Proc	n/a
Originating SMT Member: M Coe													
Has the Cabinet Member agreed the content of the report? Yes													

# QUARTER 3 FINANCE MONITORING

Cabinet 11<sup>th</sup> February 2014

## Revenue Monitoring Position

Directorate	2013/14 Council Approved Budget	2013/14 Budget Virements	2013/14 Latest Budget	Forecast Outturn	Forecast Year End Overspend / (Underspend)	Movement in Month	Movement in Qtr
	£m	£m	£m	£m	£m	£m	£m
People	129.749	0.745	<b>130.494</b>	<b>131.450</b>	<b>0.956</b>	<b>0.126</b>	<b>(0.158)</b>
Place	41.908	1.149	<b>43.057</b>	<b>43.176</b>	<b>0.119</b>	<b>(0.108)</b>	<b>(0.345)</b>
Corporate Services	29.883	0.881	<b>30.764</b>	<b>30.758</b>	<b>(0.006)</b>	<b>0.000</b>	<b>(0.006)</b>
Chief Executive's Office	1.991	0.248	<b>2.239</b>	<b>2.239</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Corporate Items	9.029	(3.023)	<b>6.006</b>	<b>5.930</b>	<b>(0.076)</b>	<b>(0.000)</b>	<b>(0.020)</b>
<b>TOTAL</b>	<b>212.560</b>	<b>0.000</b>	<b>212.560</b>	<b>213.553</b>	<b>0.993</b>	<b>0.018</b>	<b>(0.529)</b>

**Key Issues and Corrective Actions (if required)**

Issue	Variation £m	Direction of Travel	Management Corrective Action
<p><b>PEOPLE – Joint Commissioning &amp; Adult Social Care.</b> The current overspend can be attributed to unexpected sustained pressures including winter and summer “spikes” from Derriford Hospital being on black and red alert for longer than in previous years, an increase in the overall number and cost of Supported Living Learning Disability clients with increasing complexity of need and the increase to care home fees. Ongoing utility pressure following rebasing of consumption at the Life Centre.</p>	1.226	Increase	<ul style="list-style-type: none"> <li>• A Project Review Team has been assembled including a commissioned Social Work Service to target high cost packages of care and other internal resources are targeting the remaining legacy packages of care. Progress is monitored on a fortnightly basis at Adult Social Care Management Team meetings.</li> <li>• Additional controls on approval limits for Care packages, escalation to senior management of any new high cost packages such as Residential Care for challenge and approval</li> <li>• The new multi-agency Care Co-ordination Team went live in September 2013. Health and Social Care resources are deployed to avoid inappropriate admissions to Hospital and to return people to Community based support rather than Residential and Nursing Care. The new joint Reablement service contract commenced in December 2013</li> <li>• Maximising ODPH Grant Funding and negotiating additional income from the North, East &amp; Western Locality Clinical Commissioning Group to support the Care Co-ordination Team including the new reablement service and step down beds.</li> <li>• Officers are reviewing opportunities within the Leisure Management Contract to deliver savings.</li> </ul>

<b>PEOPLE – Children’s Social Care.</b> The current overspend can be attributed to pressures on continuing increases in children in care and complexity of placements together with risks around Delivery Plans.	0.310	Same	<ul style="list-style-type: none"> <li>Developing an alternative delivery plan to reduce risk and deliver a balanced budget.</li> <li>Children’s Social Care have set up two specific panels (over the next two weeks) where the Assistant Director and Senior Managers will review all residential and secure placements.</li> <li>Maximising grant funding.</li> <li>Maximising joint funding for complex residential placements.</li> <li>Quarterly Star Chambers have been arranged to cease all non-essential expenditure.</li> </ul>
<b>PEOPLE – Homes &amp; Communities.</b> Underspend as result of management actions.	(0.485)	Improving	<ul style="list-style-type: none"> <li>Department is projecting a underspend as a result of sustained budget management actions through prevention and holding vacant posts.</li> </ul>
<b>PEOPLE – Education, Learning and Family Support.</b> Maximisation of grant and saving on pooled budget requirements.	(0.105)	Same	<ul style="list-style-type: none"> <li>Sustained management action to reduce non-essential expenditure and maximise grant income.</li> </ul>
<b>PLACE – Economic Development.</b> £260k - Pressure on commercial rents on lease renewals and rent reviews together with rent free incentives required in order to attract tenants and increased void periods. City Centre ground lease income is reducing due to increase in vacant city centre retails units and falling rents on the geared head leases at rent reviews and lease renewals. This is offset by some savings within other parts of ED £(20k) – Review of income opportunities from tourist information centres	0.155	Same	<ul style="list-style-type: none"> <li>Management are aware of pressures and looking at ways of maximising income and reducing costs.</li> <li>Continue to maximise income across all of the Commercial Estate.</li> <li>Reviewing contingencies and trading functions</li> </ul>

£(75k) - After analysis of current bad debt and existing provisions only £50k top up required so residual 75k not needed this year. £(10k) additional income from City Business park through increasing income streams			
<b>PLACE – Transport &amp; Infrastructure.</b> There are various pressures within Transport and (excluding street lighting energy) it is hoped can these be contained within existing budgets for 13/14. Budgets and forecasts will continue to be reviewed and any material variations will be reported as they are identified.	0.00	Same	<ul style="list-style-type: none"> <li>The street lighting energy cost pressure has reduced from £450k to £400k because of very favourable energy prices over the summer period. Winter energy prices are due soon and will be built into future forecasts. The remaining £400k cost pressure has been offset by the corporate £300k contingency and £100k Parking income (committed at DMT on 10/7/13).</li> </ul>
<b>PLACE - Environmental Services.</b> Mercury Abatement £70k cost Recyclable commodity Prices are hitting a low period due to market conditions. Staff rationalisation in addition to delivery plan target Reduced maintenance costs of plant & equipment Increased income from Cemeteries and Crematoriums.	0.150	Improving	<ul style="list-style-type: none"> <li>The new vehicles and plant ordered this year are beginning to show savings on defects and short term hire.</li> <li>Reduced spend on Private contractors, due to maximising are own workforce capacity. Increased levels of Income from new landscaping schemes, Nature Reserves, as well as some additional funding from Greenspace challenge and Tree Partnership.</li> </ul>
<b>PLACE – Planning &amp; Directorate Business Support.</b> Savings realised from improved income projections as well as from identified vacancy savings.	(0.186)	Improving	<ul style="list-style-type: none"> <li>Budget managers to continue to review budgets for potential savings. There has been an improvement in income from building control and pre application planning advice</li> </ul>
<b>CORP SERVICES – FETA.</b> VFM & Efficiencies - Pressure due to HB subsidy £150K	0.000	Same	<ul style="list-style-type: none"> <li>HB Subsidy full year targets of £0.300m, management continue to review and remodel but currently forecasting 50% achievement. Remedial action will put in place to generate savings elsewhere.</li> </ul>

Technology - Photocopier rentals pressure of £164k, offset by lower usage charges £(89k), maintenance contracts £(28k) and proactive management actions.			<ul style="list-style-type: none"> <li>To achieve a forecasted nil variance at year end, £1.050m of management action savings have been enacted including staff rationalisation across all services; reduction in spend on assets through Corporate Landlord and improvements in both procurement and contract management.</li> <li>Management will continue to review expenditure and challenge down where appropriate in order to deliver a balanced budget.</li> </ul>
<b>CORP SERVICES – D&amp;G.</b> Legal Services – Fees income pressure of 70k, and salary variations including temporary staff 84k, offset by land charge income and other savings (23k) Democracy & Governance – small salary variance, delivery plan pressures and management actions (83k) Registration Service – salary variations 40k Lord Mayoralty 18k in respect of vacancy saving, offset by (18k) in member support.	0.000	Same	<ul style="list-style-type: none"> <li>Management will continue to review expenditure and challenge down where appropriate and look to maximise income opportunities where possible.</li> <li>Action plans being established to reduce overspend and deliver a balanced budget.</li> </ul>
<b>CORP ITEMS - Other Corporate Items &amp; Capital Financing.</b> Reduction in borrowing costs (66K) Review of Borrowing Portfolio (420K) Pressures due to unachieved delivery plans; Procurement 490K	(0.076)	Same	<ul style="list-style-type: none"> <li>Treasury Management will continue to review Portfolio where possible to minimise borrowing costs.</li> <li>14/15 Management Action to reduce cost of borrowing by £1.000m has been bought forward to current year to provide part year saving of £0.420m</li> <li>Procurement: full year target of £2.100m leaves £0.490m unachieved. Management continue to review to reduce the shortfall.</li> </ul>

<p>Senior Management restructure 403K</p> <p>ICT Shared Services 500K</p> <p>Customer Services Transformation 250K</p> <p>Offset by Management Actions;</p> <p>Carbon Reduction Commitment (33K)</p> <p>Corporate Review of Contingency (1200K) – one-off allocation</p>			<ul style="list-style-type: none"> <li>Senior Management Restructure: In year residual against full year target of £0.960 (full year base achieved for future years).</li> <li>ICT: Timing around DELT implementation.</li> <li>Customer Services Transformation: Delays with implementation of Customer Services Transformation Programme, management continue to develop an alternative delivery plan to reduce and deliver target.</li> <li>Corporate review of contingency – Council Tax collection rates have been retained above estimate following introduction of Council Tax Support scheme; Business rates pooling has generated revenue surplus in 2013/14.</li> </ul>
<b>Total Major Variances</b>	<b>0.989</b>		

**Virements over £100,000 for Cabinet to approve**

Directorate	Utilities Cost Increase	Senior Management Delivery Plan	Realign budget targets	Total Virements
	£m	£m	£m	£m
People		(0.430)		<b>(0.430)</b>
Place	0.300			<b>0.300</b>
Corporate Services		0.415	0.750	<b>1.166</b>
Chief Executives' Office		0.015		<b>0.015</b>
Corporate Items	(0.300)		(0.750)	<b>(1.050)</b>
<b>TOTAL</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

Virements shown in the revenue monitoring position, although still netting to zero, include all virements and are the cumulative impact of both adjustments which individually are less than £0.100m and therefore do not require cabinet approval, and those over £0.100m that require approval. The virements shown in the table above are those relevant to quarter 3 only, as those reported previously to cabinet in quarter 2 have been approved.

Virements over £0.100m requiring approval are as follows;

- Utilities Cost Increase – Corporate Funding for increase in utilities – Street Lighting.
- Senior Management delivery Plan – Movement of budgets from services to meet the senior management delivery plan.
- Realign budget targets – Transfer of Budgets targets to Corporate Items.

Virements over £0.100m, contained within Directorates, therefore net nil effect on the above tables, are as follows;

- The 16+ Service was disaggregated during the Spring of 2013 and the transfer of budget has been agreed by the Service Managers and Assistant Directors within Children's Social Care and Homes & Communities. As part of the review of the transfer Departmental Management Team agreed to seek Cabinet approval for the transfer of additional budget amounting to £0.100m to Homes and Communities.
- Transfer of budgets previously shown under Programme Director for Leisure Management Contract to Joint Commissioning & Adult Health and Social Care.

## Collection Rates

### Council Tax

Target	December 13	81.00%	£82.157m
<b>Actual</b>	<b>December 13</b>	<b>80.62%</b>	<b>£81.768m</b>
2012/13	December 12	81.80%	£76.533m

Council Tax collection remains consistent, showing slight improvement, with figures at 80.62% against 81.00%.

### National Non Domestic Rates

Target	December 13	85.60%	£76.640m
<b>Actual</b>	<b>December 13</b>	<b>87.84%</b>	<b>£78.643m</b>
2012/13	December 12	85.02%	£74.297m

Business Rates is showing a continued favourable forecast, being collection showing 87.84% against target of 85.60%

## Voluntary Release & Redundancies

The closing date for the voluntary release scheme was Monday 13<sup>th</sup> January 2014 at which point 131 expressions of interest were received. These expressions of interest, if all approved, would result in a payment of £0.878m to employees. To date a total of 31 employers have left via redundancies at a cost of £0.567m.

## Capital Position

### Spend to date

Spend/Forecast	People	Place	Corporate Services	Total
	£m	£m	£m	£m
Spend to date	23.587	9.365	2.799	35.751
Forecast 2013/14	31.364	18.106	9.461	58.931

Revised medium term programme 2013/14 – 2016/17 is £158.956m, and is forecast to be financed as follows

Capital Receipts	Unsupported Borrowing	Tamar Bridge & Torpoint Ferry Borrowing	Grants	Contributions	SI06/ Tariff / RIF	Revenue / Funds	Total Funding
£m	£m	£m	£m	£m	£m	£m	£m
25.912	31.161	7.445	83.887	2.379	2.918	5.254	158.956

The capital position has been updated to reflect a number of items which either have delegated officer approval totalling £0.371m, or require Cabinet approval totalling £1.976. These are shown in the following table:

**Table A**

Scheme	Approval Value	Totals
	£m	£m
<b>New Schemes - Already Approved as Delegated Officer Decision</b>		
Barbican public toilets	0.371	
<b>Total</b>		<b>0.371</b>
<b>New Schemes - Requiring Cabinet Approval</b>		
Universal Free School Meals Programme	0.572	
The Big Greenspace challenge	0.150	
Flood Defence works at Millbay Tanks	0.278	
RTPI - Cumberland Road	0.015	
RTPI - Pocklington Rise & talking timetable	0.019	
RTPI - Staddiscombe	0.030	
RTPI - St Budeaux community centre	0.010	
RTPI - Oreston Road	0.020	
King's Tamerton & Efford Marsh wood enhancements	0.077	
Mayflower West Car Park	0.805	
<b>Total</b>		<b>1.976</b>

<b>Virement of resources to new Investment funded projects</b>		
Seaton Land acquisition (Investment Fund)	2.170	
<b>Total</b>		<b>2.170</b>
<b>Virement of resources from unallocated budget following Cabinet Report</b>		
Knowle Primary	2.475	
St Peters CE Primary	0.300	
<b>Total</b>		<b>2.775</b>
<b>Reduction of resources following December funding announcement</b>		
Basic Need (15/16 and 16/17)	(5.929)	
<b>Total</b>		<b>(5.929)</b>
<b>Overall Total</b>		<b>1.363</b>

### **Additional Information**

Human Resources & Organisation Development Data;

- FTE numbers
- FTE head count
- Sickness

# CABINET

11 FEBRUARY 2014



## TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE MINUTES 25 AND 26 OF 6 DECEMBER 2013

### 25 STRATEGY INCOME

The General Manager presented the written report setting out the results of public consultation in respect of the Joint Committee's preferred income strategy option.

A debate ensued, the main points of which were noted as follows:-

- (i) the consultation period and two day hand out of leaflets and questionnaires had been insufficient although it was appreciated that to extend this would have incurred additional costs;
- (ii) it should be noted that very few of the responses were in support of the proposed monthly tag account fee;
- (iii) a number of responses favoured differential tolling;
- (iv) the table on Page 71 of the report showed that a majority of respondents favoured a cash toll increase. In view of this, the Joint Committee should reconsider the preferred option otherwise it would be ignoring the consultation results;
- (v) Saltash Town Council was opposed to a monthly tag account fee;
- (vi) a wider range of options may well have produced a different set of responses;
- (vii) the consultation was not a referendum and had raised no new material issues sufficient to alter the preferred option;
- (viii) the consultation had enabled the Joint Committee to assure itself that it had covered all the issues;
- (ix) with regard to the table on Page 71, 80% of those respondents were tag account holders so it was not surprising that the majority had expressed a preference for a cash toll increase;
- (x) a cash toll increase would necessitate a lengthy and costly Inquiry process;

- (xi) with regard to future income strategies, it would be helpful to obtain demographic data in relation to users of the crossings and undertake a socio-economic impact of any proposals.

In answer to issues raised in debate, the General Manager commented that:-

- (i) the financial model incorporating the strategy preferred option assumed a loss of 10,000 Tamar Tag accounts, but some of those users who had closed their accounts may still cross and pay cash;
- (ii) as far as he was aware the majority of respondents were opposed to a monthly tag fee but it should be noted that of the 1737 responses which included verbatim comments, only 273 pertained specifically to the Tamar Tag;
- (iii) the consultation exercise had been valuable and the leaflet was instructive in explaining why an increase in income was needed;
- (iv) respondents had not been categorised into business and private users.

Arising from consideration of the report and debate, it was proposed by Councillor Wheeler, seconded by Councillor Wright and by 5:3 votes, it was

**RESOLVED TO RECOMMEND TO THE CABINETS OF CORNWALL COUNCIL AND PLYMOUTH CITY COUNCIL** - That a Tamar Tag Account Fee of 80p per month be introduced for implementation in April 2014.

It was proposed by Councillor Wheeler, seconded by Councillor Dolan and unanimously.

**RESOLVED** That the report be noted and an updated report be brought to the next meeting.

## **26 2014/15 REVENUE ESTIMATES AND CAPITAL PROGRAMME**

The Joint Treasurer (Cornwall) presented the written report setting out the proposed revenue budget, capital programme and key variations from the revised 13-14 Estimates. She further stated that the Reserves were forecast to remain at just above the determined minimum level of £2m.

A short debate ensued in which attention was drawn to a textual error in the list of budget variations appended to the report and the General Manager confirmed that the budget was designed to ensure that reserves remained at or slightly above the agreed £2 million level.

Arising from consideration of the report, it was proposed by Councillor Ellison, seconded by Councillor Holley, and unanimously it was

**RESOLVE TO RECOMMEND TO THE CABINETS AND COUNCILS OF  
CORNWALL COUNCIL AND PLYMOUTH CITY COUNCIL** That

- (i) the proposed revenue budget for 2014/15 as set out in Appendix 1 to the report be approved;
- (ii) the proposed capital programme as set out in Appendix 2 to the report be approved;
- (iii) the longer term revenue forecast to 2017/18 be noted.

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**PLYMOUTH CITY COUNCIL**

**Subject:** Tamar Bridge and Torpoint Ferry Income Strategy and Revenue and Capital Budget 2014/15

**Committee:** Cabinet

**Date:** 11 February 2014

**Cabinet Member:** Councillor Coker

**CMT Member:** Anthony Payne (Strategic Director for Place)

**Author:** Adrian Trim, Head of Living Streets and Network Management

**Contact details:** Email: [adrian.trim@plymouth.gov.uk](mailto:adrian.trim@plymouth.gov.uk) Tel: 01752 307729

**Ref:**

**Key Decision:** No

**Part:** 1

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**Purpose of the report:**

The Tamar Bridge and Torpoint Ferry are operated, maintained and improved jointly by Plymouth City Council and Cornwall Council on a 'user pays' principle, being funded by toll income using powers derived from the Tamar Bridge Act. The finances of the joint undertaking are effectively ring-fenced by the Act, and it is operated as a self-financing business. The Tamar Bridge and Torpoint Ferry Joint Committee (TBTFJC) Terms of Reference require each Cabinet to recommend annual budgets to Full Council.

The TBTFJC budget report presented to Cabinet in January 2013 noted a forecast requirement for 13% additional expenditure from April 2014. As a result of significant efficiency savings and reprogramming of capital projects, this requirement has reduced considerably but the undertaking still needs to increase income by approximately 5% (£0.5 million) per annum from April 2014 to satisfactorily deliver its Business Plan and maintain adequate reserves, due to rising costs associated with the planned operation, maintenance and improvement of the two crossings. The position has been exacerbated by reduced toll income during the recession. The agreed prudent minimum level of reserves for the undertaking has been established at £2 million. The current TBTFJC reserves balance stands at approximately £3.2 m, but without intervention reserves are projected to run down to £1.8 million by the end of financial year 2014/15 and to £1.1 million by the end of financial year 2015/16.

Following a series of income workshops for members and officers, at its meeting on 13 September 2013 TBTFJC determined a preferred strategy to address the forecast shortfall, by introducing an account fee of 80p per month for the undertaking's pre-paid TamarTag electronic toll payment system. TBTFJC has undertaken public consultation on this proposal, and subsequently re-confirmed its strategy at its meeting on 6 December 2013.

TBTFJC has determined proposed revenue and capital budgets to deliver its Business Plan, and these can be funded from income subject to the introduction of the TamarTag account fee.

The report requests that Cabinet endorses TBTFJC's proposals and recommends the income strategy and proposed budgets to Full Council.

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## **The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

The Tamar Bridge & Torpoint Ferry links are key gateways to the City and provide opportunities for investment, jobs and growth, particularly in the wider context of Plymouth as the regional economic centre.

Providing a safe and well-maintained road network contributes to the economic wellbeing of the City, supporting the Council's Growth priority.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:**

The implementation of the TamarTag fee proposal would provide funding to supplement forecast toll income and support proposed revenue and capital budgets to deliver the service and maintain a prudent level of reserves, thereby alleviating risk on the parent authorities.

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### **Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

A risk register and mitigation measures are included in the Tamar Bridge and Torpoint Ferry Business Plan 2013 to 2017. The proposal to introduce the TamarTag account fee is a business continuity response to the undertaking's current highest ranked risk – economic recession.

It also should be noted that Cornwall Council and PCC have reviewed the TBTF Business Plan, Business Continuity Management System and Risk Management Framework, and are content that business continuity risks associated with TBTF are adequately covered.

No issues related to Child Poverty, Community Safety, Health and Safety have been identified.

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### **Equality and Diversity:**

Has an Equality Impact Assessment been undertaken? Yes

Age:

Young people and older people tend to be more reliant on public transport. The proposal continues to offer free crossings and transit priority for buses.

Both crossings will continue to facilitate ambulance access and 'blue light' crossings.

Retirees who are car drivers are less likely to use the crossings intensely and for this group a fixed fee is therefore likely to proportionally increase the costs of accessing the Tamartag scheme.

The proposal incorporates the continued offer of 50% discount on toll charges for pre-paid users under the TamarTag electronic tolling scheme, albeit with a fixed 80p monthly account charge.

*Disability :*

Many people with physical or mental impairment are dependent on public transport, mobility scooters, walking or cycling, as driving is not an option.

The proposal continues to offer free crossings and transit priority for buses. It also incorporates provisions for the continued facilitation of crossings for wheelchair users and mobility scooters.

Both crossings will remain free of charge for cyclists and pedestrians.

The proposal incorporates the continued offer of free crossings under a mobility scheme.

Both crossings will continue to facilitate ambulance access and 'blue light' crossings.

The introduction of the charge aids the business case for development of TamarTag facilities which may include increased accessibility.

### *Gender Reassignment:*

No obvious differential impacts.

### *Marriage and Civil partnership:*

No obvious differential impacts.

### *Pregnancy and Maternity :*

During periods of pregnancy and maternity, it is likely that the mother may be less likely to have access to the household's vehicle and hence may be more dependent on public transport. The proposal continues to offer free crossings and transit priority for buses.

Under the proposal both crossings continue to facilitate users with pushchairs.

Both crossings will continue to facilitate ambulance access and 'blue light' crossings. Women in labour are also provided with priority access to ferries on request.

During pregnancy and in the months following a birth, SE Cornwall mothers and their partners are likely to cross the Tamar more frequently to access health services in addition to pre-existing travel patterns. The introduction of a flat fee is likely to be more beneficial in these circumstances than the alternative increase in tolls, being better value for frequent users.

### *Race:*

No obvious differential impacts.

### *Religion and Belief:*

No obvious differential impacts. Both crossings facilitate access to places of worship.

### *Sex:*

Women often have different transport patterns to men; they tend to travel shorter distances and are generally more reliant on public transport and walking. The proposal continues to offer free crossings and transit priority for buses. Both crossings will remain free of charge for cyclists and pedestrians.

### *Sexual orientation:*

No obvious differential impacts.

## *Socio-Economic :*

Nearly a third of Cornwall's population live in small, dispersed hamlets and villages of less than 200 residents. Many of the people who most obviously encounter deprivation live in larger settlements, but there are also rural communities where deprivation can be a significant barrier to accessing services. Transport is often cited as the main cause for unemployment. The proposal ensures the funding for continued delivery of safe, reliable and efficient crossings of the Tamar.

The proposal to introduce a fee falls on those who believe their usage pattern of the facilities justifies providing prepayment to enjoy discounted tolls. Such users most commonly live in SE Cornwall or the city of Plymouth.

The proposed fee has evolved from a series of Member and officer review workshops and meetings. It is considered to be the minimum required to fund the essential ongoing maintenance of the two crossings and any approved improvements, while retaining a prudent level of reserves.

The increase in revenue provided by the monthly fee is significantly below inflation (RPI) since the last increase. However the effective increase for individuals will be dependent upon their use of the facilities. Those TamarTag users crossing the Tamar most frequently and for whom the tolls represent a larger proportion of their motoring budget than less frequent users, will see a smaller percentage increase than TamarTag users who rarely use the facilities. Those that cross twice or more a month will continue to see benefit in holding a TamarTag account. Those that cross once a month or less will not see a financial benefit but may find the user advantages of not carrying cash to be attractive.

The proposal does not affect the current free crossing and transit priority arrangements for buses. Both crossings will remain free of charge for cyclists and pedestrians.

The proposal incorporates the continued offer of 50% discount on toll charges for pre-paid users under the TamarTag electronic tolling scheme. This is the highest level of discount offered to pre-paid users of any major estuarial crossing in the UK. 60% of all users enjoy this discount, and 80% in the peak periods.

## *Rural Isolation :*

Many of the people who most obviously encounter deprivation live in larger settlements, but there are also rural communities where deprivation can be a significant barrier to accessing services. Transport is often cited as the main cause for unemployment. The proposal ensures continued delivery of safe, reliable and efficient crossings of the Tamar. The proposal continues to offer free crossings and transit priority for buses. Both crossings will remain free of charge for cyclists and pedestrians.

The proposal incorporates the continued offer of 50% discount on toll charges for pre-paid users under the TamarTag electronic tolling scheme. This is the highest level of discount offered to pre-paid users of any major estuarial crossing in the UK. 60% of all users enjoy this discount, and 80% in the peak periods.

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**Recommendations and Reasons for recommended action:**

1. That the Cabinet recommends to Full Council that a monthly account fee of 80p per month be applied to all TamarTag accounts with effect from 1 April 2014.

The resulting income will supplement toll income to a level that can fund the delivery of the Business Plan for at least the next three years.

2. That the Cabinet recommends to Full Council that -

(a) the proposed Tamar Bridge and Torpoint Ferry revenue budget for 2014/15 as set out in Appendix 2 be approved;

The approval of the 2014/15 budget will enable the operation, maintenance and improvement of the two crossings in accordance with the Business Plan.

(b) the proposed Tamar Bridge and Torpoint Ferry capital programme as set out in Appendix 2 be approved; and

The approval of the capital programme will allow projects to progress to extend the life of the assets, and secure the long term delivery of the service.

(c) the longer term revenue forecast to 2017/18 as set out in Appendix 2 be noted.

This longer term forecast covers income and expenditure over the three years beyond the year for which budgets are approved. It further illustrates the requirement for additional income and also highlights the forecast level of reserves, which is anticipated to be close to the minimum agreed level throughout that forecast period.

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**Alternative options considered and rejected:**

Other options for funding of the undertaking were considered based around toll increases, TamarTag charges and combinations of these, including the examination of associated risks. The impact of these options was considered in a series of workshops for Members and officers, and at quarterly TBTFJC meetings. One of the key factors supporting the preferred solution was the avoidance of the risk and cost that would be associated with an application to the Secretary of State for a toll increase.

The agenda item 5.3 and minutes of TBTFJC meeting dated 13 September 2013 give detail of the options taken forward from workshops to final decision.

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**Published work / information:**

TBTFJC meeting reports and minutes 13 September 2013 and 6 December 2013 (links as set out in the report).

**Appendices**

Appendix 1 - Financial Model

Appendix 2 - TBTFJC Agenda Item 5.4 for meeting 6 December 2013  
2014/14 Revenue Estimates and Capital Programme

### Background papers:

As links in report.

**Sign off:**

Fin	PC.P laceF TCI 314 005. 0302 14	Leg	JAR/ 1949 1/Fe b14	Mon Off	RSN 1949 0/D VS	HR		Assets		IT		Strat Proc	
Originating SMT Member: Simon Dale													
Has the Cabinet Member(s) agreed the content of the report? Yes													

## **Tamar Bridge and Torpoint Ferry Income Strategy and Revenue and Capital Budget 2014/15**

### **Introduction**

- 1.1 The Tamar Bridge and Torpoint Ferry are operated, maintained and improved jointly by Plymouth City Council and Cornwall Council on a 'user pays' principle, being funded by toll income using powers derived from the Tamar Bridge Act. The finances of the joint undertaking are effectively ring-fenced by the Act, and it is operated as a self-financing business. As such the Business Plan aims to provide the service without external financial support from the parent authorities or other source.

### **Current and Forecast Financial Position**

- 1.2 Forecast expenditure is based on detailed review of activities necessary to deliver a defined safe, reliable and efficient service. Facilities are maintained in a timely fashion to a high standard to optimise life costs. Investment made in the capital programme is designed to control long term revenue expenditure and/or improve the service.
- 1.3 Revenue expenditure has a fairly stable core element, but with cyclical fluctuations in maintenance and inspection programmes. This results in some significant year-on-year variations, but efficiency savings in resources and procurement have helped to keep the cost of overall service delivery within inflation (RPI).
- 1.4 The TBTFJC budget report presented to Cabinet in January 2013 noted a forecast requirement for 13% additional expenditure from April 2014. However a significant level of revenue savings have been achieved primarily in staff costs and ferry maintenance costs. In addition the reprogramming of various capital projects has resulted in delayed capital expenditure. Traffic levels also appear to have stabilised earlier than predicted, after three years of year-on-year reduction. As a result, the requirement for additional income has reduced considerably but the undertaking still needs to increase income by approximately 5% (£0.5 million) per annum from April 2014 to satisfactorily deliver its Business Plan and maintain adequate reserves, due to rising costs associated with the planned operation, maintenance and improvement of the two crossings. The agreed prudent minimum level of reserves for the undertaking has been established at £2 million. The current TBTFJC reserves balance stands at approximately £3.2 m, but without intervention reserves are projected to run down to £1.8 million by the end of financial year 2014/15 and to £1.1 million by the end of financial year 2015/16.
- 1.5 These estimates are based on a number of assumptions, notably the assumption that traffic levels will remain flat from April 2014 onwards. Industry and government forecasts suggest traffic growth in the forecast period of the order of 1-2% per annum but they are considered to be potentially optimistic and unreliable for local use based on recent experience.
- 1.6 The tolls were last increased in March 2010 following public consultation and a public inquiry. At the time of the application for that toll increase, it was envisaged that a further toll increase would be required by 2013 and that also allowed for running reserves down to £1 million, as opposed to the current agreed minimum level of £2 million.

### **Income Strategy**

- 1.7 In order to address income requirements, TBTFJC has held a series of workshops for Members and officers over the past two years looking at a range of options to generate the required income to provide for delivery of the service in accordance with the Business Plan. This has been undertaken using a contemporary detailed financial model of forecast income

and expenditure to 2020/21, looking primarily at toll increases and introduction of account fees for the undertaking's pre-paid electronic toll system – TamarTag, or a combination of those, to fund any forecast shortfall.

- 1.8 The TamarTag scheme offers 50% discount on cash tolls at both crossings and provides account holders with electronic TamarTags for installation in vehicles. Users pre-pay depending on the number of tags on their accounts, and top up periodically to maintain credit. The scheme was introduced to improve the capacity of the Bridge toll plaza, thereby reducing congestion and journey times, and improving journey time reliability. With nearly 100,000 tags issued, the TamarTag is the second biggest such scheme in the UK after the Dart Tag used at Dartford River Crossing, and with approximately 60% of all of our crossings (and 80% in the rush hour) paid for electronically it is arguably the most successful. The cash toll for a private car is currently £1.50 at both crossings charged eastbound only.
- 1.9 The preferred strategy determined at the TBTFJC meeting on 13 September 2013 is to introduce a monthly tag account fee of 80p with effect from 1 April 2014. The account fee would reflect the cost of providing tags and running the pre-paid electronic toll system. The adoption of this approach would support delivery of the Business Plan and avoid the need for any increase in tolls paid by users for at least the next three years. The financial model and the effects of the proposed option are shown on the graph at Appendix I. More detail is shown in the report presented as item 5.3 of the agenda pack for the 13 September 2013 meeting of TBTFJC at <https://democracy.cornwall.gov.uk/documents/g4997/Public%20reports%20pack%2013th-Sep-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10> TBTFJC approved the recommendation as shown in the minutes at <https://democracy.cornwall.gov.uk/documents/g4997/Printed%20minutes%2013th-Sep-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>
- 1.10 At the same meeting TBTFJC determined that it would undertake voluntary public consultation on the proposed TamarTag account fee. This comprehensive exercise involved distribution of information leaflets and associated questionnaires to over 33,000 users/account holders and a range of key stakeholders. This consultation included all Cornwall Councillors as key stakeholders. The overall response rate was approximately 15% and the key findings from the consultation are highlighted below:
  - the high response rate and the response profile give confidence in the representative nature of the sample;
  - the majority of respondents preferred to keep toll charges associated with size and weight of vehicles;
  - the majority of respondents preferred any future toll rises to be every three years or less;
  - a significant percentage of respondents (particularly tag users) would like to see the TamarTag system extended to pay for local car parking, other tolled routes and any national scheme that might evolve.
- 1.11 Approximately 37% (1,737) of respondents included verbatim comments regarding one or more aspects of the service and the most frequently occurring comments have been categorised into the following subjects with the corresponding numbers of respondents :
  - TamarTag account fee – 273
  - TamarTag system (other) – 542
  - toll charges – 750
  - Bridge traffic management – 200
  - the Ferry service – 280
  - customer service – 173
  - general compliments – 130

- improved local services and facilities - 107

- I.12 TBTFJC considered the findings of the consultation at its meeting on 6 December 2013 and resolved to recommend to the Cabinets of Cornwall Council and Plymouth City Council that a TamarTag fee of 80p per month be introduced for implementation from April 2014. More detail is shown in the report presented as item 5.3 of the agenda pack for the 6 December 2013 meeting of TBTFJC at <https://democracy.cornwall.gov.uk/documents/g4998/Public%20reports%20pack%2006th-Dec-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10> , and the preferred TamarTag account fee option was approved by the TBTFJC for recommendation to Cabinet as shown in the draft minutes at <https://democracy.cornwall.gov.uk/documents/g4998/Printed%20minutes%2006th-Dec-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>
- I.13 Notwithstanding the preferred income strategy, TBTFJC has the power to reduce the current concessions without any additional external approvals, and thereby generate sufficient additional income to support forecast requirements. This facility provides further significant protection to the parent authorities in the short and medium term.

## Revenue Estimates

- I.14 The proposed revenue estimates (budget) for TBTFJC for 2014/15 and indicative figures for the subsequent three years 2015/16, 2016/17 and 2017/18 support the Business Plan and are consistent with the financial model. They have been determined from the detailed analysis of forecast expenditure and income. The various assumptions made in financial modelling have also been examined during the workshops and at TBTFJC meetings. Assumptions on pay inflation and on interest rates for borrowing and investment have followed those used by Cornwall Council.
- I.15 The income forecasting has assumed flat (nil growth) income in future years as traffic levels over the last three years have been declining and it was considered that any evidence of a recovery from the recession were at present unreliable. This is considered to be a conservative but prudent approach. The preferred option has been applied to the financial model with the assumption that 10,000 infrequent TamarTag account holders (out of a current total of over 66,000) will close accounts as a result of the introduction of the proposed fee and no account has been taken of the likely switch of those users to cash toll - these assumptions taken together are considered to be conservative.
- I.16 Detail on the revenue estimates is shown in the report presented as item 5.4 of the agenda pack for the 6 December 2013 meeting of TBTFJC at <https://democracy.cornwall.gov.uk/documents/g4998/Public%20reports%20pack%2006th-Dec-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10> , and these were approved by the TBTFJC for recommendation to Cabinet as shown in the draft minutes at <https://democracy.cornwall.gov.uk/documents/g4998/Printed%20minutes%2006th-Dec-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>

## Capital Programme

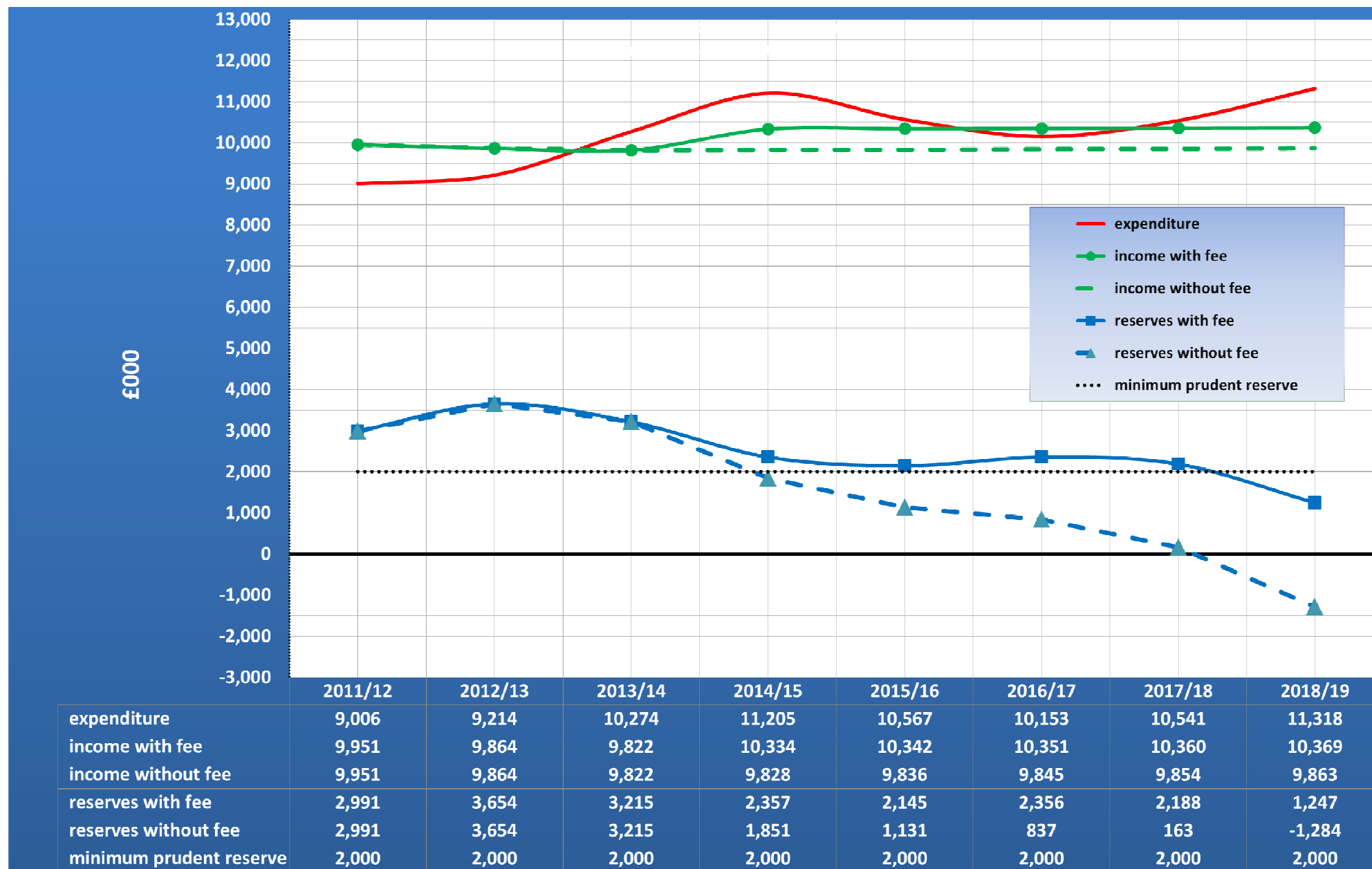
- I.17 The items in the capital programme for 2014/15 onwards are :
- |                               |        |
|-------------------------------|--------|
| Bridge access works           | £0.63m |
| Bridge weigh-in-motion system | £0.15m |
| Bridge handstrands            | £0.50m |

Bridge protective coating	£4.66m
Ferry sewage treatment plants	£0.26m
Bridge main joint replacement	£0.50m
Bridge half-joint replacement	£0.10m
Bridge Structural monitoring system	£0.10m

The above items are all within the current approved programme.

- I.18 A further unapproved item has been noted in the capital programme - 'Bridge Resurfacing Works – Phase 2' - included under 'Future Programme' and at this stage it is provided within the future year's indicative budget, for information only. A business case will be developed and presented to a future Joint Committee.
- I.19 The Bridge Office Development scheme is currently subject to a feasibility study and has not been included in the programme. Following the outcome of this study a business case will be presented to the Joint Committee for consideration.
- I.20 Detail on the capital programme is shown in the report presented as item 5.4 of the agenda pack for the 6 December 2013 meeting of TBTFJC at <https://democracy.cornwall.gov.uk/documents/g4998/Public%20reports%20pack%2006th-Dec-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10> , and these were approved by the TBTFJC for recommendation to Cabinet as shown in the draft minutes at <https://democracy.cornwall.gov.uk/documents/g4998/Printed%20minutes%2006th-Dec-2013%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>
- I.21 As established within last year's budget report, the financing of all capital projects is currently undertaken through the advance of funding from Cornwall Council (in effect borrowing). This is in order to mitigate the effect on the revenue budget and therefore the level of reserves held by the Joint Committee. The financing costs are reflected within the revenue budget.

**Tamar Bridge and Torpoint Ferry Income Strategy and Revenue and Capital Budget 2014/15**  
**Cabinet Report Feb 14**



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**Cornwall Council**

Report to: **Tamar Bridge & Torpoint Ferry Joint Committee**

Date: **6<sup>th</sup> December 2013**

Title: **2014/15 Revenue Estimates & Capital Programme**

Portfolio Holder(s) **Bert Biscoe (CC), Transport & Waste**  
**Mark Coker (PCC), Cabinet Member for Transport**

Divisions Affected **All**

Relevant Portfolio Advisory Committee: **Transport & Waste**

Key Decision: **N/A** Approval and clearance obtained: **Y**

Urgent Decision: **N/A** Implementation Date: **N/A**

If Key Decision - on Forward Plan? **N/A** If not on Forward Plan – Procedure 16 or 17 used? **N/A**

Author: **Leigh Parker** Role: **Lead Management Accountant**

Contact: **01872 322239/ [leigh.parker@cornwall.gov.uk](mailto:leigh.parker@cornwall.gov.uk)**

**Recommendations:**

The Joint Committee recommend that the constituent authorities approve:

- (a) the proposed revenue budget for 2014/15 as set out in Appendix 1;
- (b) the proposed capital programme as set out in Appendix 2; and
- (c) that the longer term revenue forecast to 2017/18 be noted.

**1. Executive Summary:**

This report sets out for consideration and approval, the proposed revenue estimates (budget) for the Joint Committee for 2014/15 and indicative figures for the subsequent three years 2015/16, 2016/17 and 2017/18, together with the proposed capital programme.

## **2. Background and Corporate Objectives:**

The Tamar Bridge and Torpoint Ferry (TBTF) are operated, maintained and improved jointly by Plymouth City Council and Cornwall Council on a 'user pays' principle, being funded by toll income using powers derived from the Tamar Bridge Act. The finances of the joint undertaking are effectively ring-fenced by the Act and it is operated as a self-financing business.

The current reserves balance stands at £3.65m, however flat traffic levels coupled with increasing costs have led to the reserve levels projected to deplete towards the determined appropriate minimum level of £2m by the end of the 2014/15 financial year.

Income workshops with members and officers have continued throughout 2013, to consider the possibility of making an application to the Department of Transport for an increase in the toll crossing fee and/or the possibility of implementing a monthly Tag fee on account holders.

At the meeting of the last Joint Committee (13 September 2013), the General Manager presented an Income Strategy report and it was resolved that a monthly Tag fee would be applied to Tag accounts as the preferred income strategy, for recommendation to the respective Cabinets (Cornwall and Plymouth City Council).

It was also resolved that the General Manager, in conjunction with the Joint Chairmen, would undertake a voluntary consultation on the Joint Committees preferred option.

For budgeting purposes, the Tag fee has been incorporated into these estimates taking effect from 1 April 2014 and at a charge of 80 pence per month on Tag accounts. This is however subject to the Income Strategy approval at this meeting.

## **3. Decision and Supporting Information (Including Options):**

The Joint Committee has been reviewing income and projected reserve levels through a series of workshops held over the last two years. It was resolved at the last meeting of the Joint Committee that the preferred income strategy for recommendation to the respective Cabinets is to apply a monthly fee to the Tag accounts, rather than apply a toll increase.

The Joint Committee will further consider its position in relation to Tag account fees at this meeting.

## **4. Contributions to Corporate Priorities:**

Optimising the use of Corporate Resources.

## 5. Financial Implications and Budget:

### Key Assumptions

The figures presented in this report include a number of adjustments to the financial model, to take account of changes in capital expenditure and related financing arrangements and to reflect current economic conditions for cost inflation and interest rates. The forecast cost of long term capital financing varies slightly each year, but is currently anticipated at approximately 4.4%. The forecast levels of general inflation and short term interest rates applicable to the funds held by the Joint Committee are now assumed as follows:

<b>Rates</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
Inflation	2.00%	2.00%	2.00%	2.00%
Interest (Receivable)	0.40%	0.40%	0.70%	1.00%
Interest (Payable)	4.41%	4.36%	4.36%	4.36%

### Revenue Budget and Summary of Variations

The proposed revenue budget is set out in Appendix 1. The variations between the latest 2013/14 forecast and the proposed 2014/15 budget are listed on page 5 of Appendix 1 – the later years covered by the revenue figures are indicative.

Some of the more significant items affecting the proposed budget are as follows:

### **Corporate**

#### Income

Indications at this stage of the financial year show that traffic levels are continuing to remain 'flat'. In recognition of this, both the revised 2013/14 and future years' budgets for cash and toll income have been adjusted to reflect the actual income received during 2012/13, as a prudent approach.

A new budget line has been added in respect of the new Tag account fee, which is anticipated to take effect from 1 April 2014 (subject to Income Strategy approval). It is estimated that this will raise an additional £506,000 per annum.

#### Expenditure

Following the decision by the Joint Committee in September 2013 to introduce the Tag fee as the preferred strategy (as opposed to an increase in tolls), there are no further costs anticipated for 2014/2015 onwards against the provision made to meet costs associated with a toll revision.

## **Bridge**

The revenue budget makes provision for the ongoing maintenance and operation of the bridge and its infrastructure in line with current engineering best practice. The main changes from the previous year are:

- An increase of £44k in respect of Salaries, Wages and Agency Costs, as vacant and new posts are recruited and anticipated increases in pension costs are accommodated
- A significant increase of £270k in R&M Building - Planned Maintenance, in respect of a replacement roof, toilet upgrade, replacement of structural single glazing for the first floor and reorganisation of accommodation to provide appropriate space for IT equipment and maximise available accommodation for operational purposes
- There is a reduction of £110k to the maintenance of the Bridge and Infrastructure, specifically with regards to non-capital painting works
- The level of inspections required to the Bridge and gantries is expected to be significantly higher during 2014/15, with an increase in budget of £480k. Some of this work has however been re-profiled from 2013/14. The budget then reduces down over future years.
- An additional cost of £50k is provided to outsource the conversion of paper Tag account files to an e-format and to provide the equipment necessary to locally maintain the system

## **Ferry**

The revenue budget also makes provision for the ongoing maintenance and operation of the ferries and their associated infrastructure in line with current engineering best practice.

One of the main changes from the previous year is a reduction of £50k in the budget for repairs and maintenance of the Ferry Infrastructure, following completion of the chain gantry renovation works.

There is a corresponding increase of £50k in the Toll Equipment Budget, due to the requirement to replace palmtop computers (PDA's) which have been superseded, the associated printers and the software development costs necessary to enable applications to work with the current operating systems.

### Capital Programme

The proposed capital programme is shown in Appendix 2. The projects detailed under 'Current Programme' have already been approved. A new scheme 'Bridge Resurfacing Works – Phase 2' has been included under 'Future Programme' and at this stage it is provided within the future year's indicative budget, for information only. A full business case will be developed by the General Manager and presented to a future Joint Committee.

As advised at the September Joint Committee, work has now been undertaken by officers to assess the current capital programme and the revised estimate for 2013/14 is now anticipated at £1.152m, a reduction of £2.462m. In general, this reduction in the current year has been re-profiled across future years.

Bridge Access Works – The contract has now been awarded and a revised estimate and profile has been established.

Bridge Weigh-in-Motion – Specification work in conjunction with a structural monitoring system will be undertaken during 2013/14, with the main work expected to be undertaken during 2014/15.

Bridge Handstrands – Inspection and specification work to be undertaken during 2013/14, with the majority of the work currently estimated to take place during 2014/15.

Bridge Protective Coating – This is the most significant item within the capital programme and is currently estimated at £4.659m, a reduction of £341k. This scheme has now been re-profiled more evenly across a period of six/seven years, aligning with a new specification. There is also a significant risk that the overall estimate may need revision upwards based on ongoing technical evaluation of the current condition of the structure and determination of the preferred coating systems based on risk and life cost, which will develop over the period to 2017/18. Further updates on this matter will be brought to the attention of the Joint Committee as the works progress.

Footpath 24 Reinstatement – The scope of this project has been significantly reduced and the final invoice is due shortly.

Bridge Main Joint Replacement – The majority of the work is now scheduled to take place during 2014/15.

Bridge Half Joint Replacement – The work is scheduled for 2014/15.

For the remaining schemes, there is currently no further anticipated change to the existing estimate or profile.

The Bridge Office Development scheme is currently subject to a feasibility study and has not been included here. Following the outcome of this study

a full business case will be presented to the Joint Committee for consideration.

As established within last years budget report, the financing of all capital projects is currently undertaken through the advance of funding from Cornwall Council (in effect borrowing). This is in order to mitigate the effect on the revenue budget and therefore the level of reserves held by the Joint Committee. The financing costs are reflected within the revenue budget.

**6. Other Resourcing Implications:**

None

**7. Legal Implications:**

None

**8. Equality Impact Assessment:**

The content of this report is such that an Equality Impact Assessment is not required.

**9. Significant risks:**

A risk register and mitigation measures are included in the Tamar Bridge & Torpoint Ferry Business Plan 2013-2017.

**10. Consultation including Portfolio Advisory Committee and Local Member Representation:**

None

**Supporting Information**

**Appendices:**

Appendix 1 Revenue Estimates 2013/14 (revised) and 2014/15 and indicative projections for 2015/16-2017/18

Appendix 2 Capital Programme 2013/14 to 2017/18

**Background Papers:**

None

**Approval and Clearance of Report****All Reports:**

<b>Final Report Sign Offs</b>	<b>This report has been cleared by OR not significant/ not required</b>	<b>Date</b>
Finance Required for <b>all</b> reports	Wayne Rickard	26.11.13
Legal (if significant/required)	Not required	
Equality Impact Assessment (if significant/required)	Not required	
Human Resources (if significant/required)	Not required	
Property (if significant/required)	Not required	
Procurement (if significant/required)	Not required	
Information Services (if significant/required)	Not required	

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# TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

OVERALL SUMMARY	2013/14 Original Budget £'000	2013/14 Revised Forecast £' 000	2014/15 Budget £' 000	2015/16 Indicative £' 000	2016/17 Indicative £' 000	2017/18 Indicative £' 000
<b>Operational Summary</b>						
Income	(9,723)	(9,823)	(10,337)	(10,344)	(10,351)	(10,358)
Expenditure						
Corporate	595	524	497	506	516	527
Bridge Operations	3,231	2,978	3,770	3,031	3,073	3,122
Ferry Operations	4,978	5,024	5,157	5,167	4,601	4,700
	8,804	8,526	9,424	8,704	8,190	8,349
<b>Operating (Surplus)/Deficit</b>	(919)	(1,297)	(913)	(1,640)	(2,161)	(2,009)
<b>Interest on CC financing</b>	886	824	850	866	941	1,008
<b>Interest on Joint Committee balances</b>	(8)	(13)	(13)	(13)	(13)	(13)
<b>Capital Expenditure financed from Revenue</b>	0	0	0	0	0	0
<b>Contribution to CC MRP</b>	953	922	933	999	1,022	1,182
<b>Overall (Surplus)/Deficit on Undertaking</b>	912	436	857	212	(211)	168
<b>Reserve Balance brought forward</b>	(2,942)	(3,650)	(3,214)	(2,357)	(2,145)	(2,356)
<b>Reserve Balance carried forward</b>	(2,030)	(3,214)	(2,357)	(2,145)	(2,356)	(2,188)

**TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE**

<b>CORPORATE</b>	<b>2013/14 Original Budget £'000</b>	<b>2013/14 Revised Forecast £' 000</b>	<b>2014/15 Budget £' 000</b>	<b>2015/16 Indicative £' 000</b>	<b>2016/17 Indicative £' 000</b>	<b>2017/18 Indicative £' 000</b>
<b><u>INCOME</u></b>						
<b>Tolls</b>						
Toll income - Bridge	(4,370)	(4,397)	(4,397)	(4,397)	(4,397)	(4,397)
Toll income - Ferry	(601)	(608)	(608)	(608)	(608)	(608)
Concessionary toll income - Bridge	(3,820)	(3,881)	(3,881)	(3,881)	(3,881)	(3,881)
Concessionary toll income - Ferry	(511)	(516)	(516)	(516)	(516)	(516)
	(9,302)	(9,402)	(9,402)	(9,402)	(9,402)	(9,402)
<b>Other</b>						
Tag Account Fee	0	0	(506)	(506)	(506)	(506)
Saltash Tunnel control	(312)	(312)	(318)	(325)	(331)	(338)
Tag statements	(13)	(13)	(14)	(14)	(14)	(14)
Other income	(96)	(96)	(97)	(97)	(98)	(98)
	(421)	(421)	(935)	(942)	(949)	(956)
<b>TOTAL INCOME</b>	<b>(9,723)</b>	<b>(9,823)</b>	<b>(10,337)</b>	<b>(10,344)</b>	<b>(10,351)</b>	<b>(10,358)</b>
<b><u>EXPENDITURE</u></b>						
<b>Other Expenditure</b>						
Support services	44	44	47	48	49	50
Tag statements	51	51	52	53	54	55
Purchase of tags	325	305	312	318	324	331
Bank charges	66	66	58	59	60	61
Internal Audit fees	8	8	8	8	8	8
External Audit fees	16	10	10	10	11	11
Consultants	10	10	10	10	10	11
Toll revision	75	30	0	0	0	0
<b>TOTAL EXPENDITURE</b>	<b>595</b>	<b>524</b>	<b>497</b>	<b>506</b>	<b>516</b>	<b>527</b>

# TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

BRIDGE OPERATIONS	2013/14 Original Budget £'000	2013/14 Revised Forecast £' 000	2014/15 Budget £' 000	2015/16 Indicative £' 000	2016/17 Indicative £' 000	2017/18 Indicative £' 000
<b>Employees</b>						
Salaries and wages	837	775	836	845	855	873
Agency staff	27	48	38	19	20	20
Indirect employee expenses	20	19	20	20	20	21
<b>Premises</b>						
Repair and maintenance - buildings & grounds	77	77	349	161	154	147
Repair and maintenance - bridge & infrastructure	488	448	347	314	321	327
Bridge & gantry inspections	485	234	719	234	238	243
Energy costs, water, rent and rates	60	60	57	58	60	61
Insurances	19	45	72	74	75	76
Other premises costs	10	10	10	11	11	11
<b>Transport Related Expenses</b>						
Staff travel	12	12	18	18	18	19
<b>Supplies &amp; Services</b>						
Operational expenses	262	302	287	292	296	301
Office expenses	167	171	209	162	165	168
Toll collection & banking	482	472	482	492	501	511
Breakdown recovery	175	180	184	187	191	195
Other expenses	43	58	73	74	76	77
<b>Support service charges</b>	67	67	69	70	72	72
<b>Net Expenditure - Bridge Operations</b>	<b>3,231</b>	<b>2,978</b>	<b>3,770</b>	<b>3,031</b>	<b>3,073</b>	<b>3,122</b>

# TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

FERRY OPERATIONS	2013/14 Original Budget £'000	2013/14 Revised Forecast £' 000	2014/15 Budget £' 000	2015/16 Indicative £' 000	2016/17 Indicative £' 000	2017/18 Indicative £' 000
<b>Employees</b>						
Salaries and wages	2,812	2,629	2,696	2,727	2,758	2,818
Agency staff	7	45	31	32	32	33
Indirect employee expenses	66	60	62	63	64	65
<b>Premises</b>						
Repair and maintenance - buildings & grounds	75	75	102	78	80	81
Energy costs, water, rent and rates	75	78	77	78	79	81
Other premises costs	52	52	53	54	55	56
<b>Transport Related Expenses</b>						
Staff travel	15	29	30	31	31	31
<b>Supplies &amp; Services</b>						
Repair & maintenance - ferries & infrastructure	641	630	578	590	702	716
Annual refit - ferries	546	696	710	724	0	0
Fuel costs	211	251	256	261	267	272
Insurances	98	96	124	126	129	132
Operational expenses	214	195	251	212	209	213
Office expenses	111	111	129	132	135	138
Other expenses	14	36	16	16	17	20
<b>Support service charges</b>	41	41	42	43	43	44
<b>Net Expenditure - Ferry Operations</b>	<b>4,978</b>	<b>5,024</b>	<b>5,157</b>	<b>5,167</b>	<b>4,601</b>	<b>4,700</b>

Variations between the Revised 2013/14 and 2014/15 Original Estimates

The variation of £421,000 between the revised estimated overall net deficit for 2013/2014 of £436,000 and the 2014/2015 estimated overall net deficit of £857,000 is accounted for as follows:

	£'000	£'000	£'000
<b>Corporate</b>			
Initiation for prices (net)	5		
Provision for increase in SLA Charge - Finance (to be negotiated)	2		
Reduction in Bank Charges Budget	(10)		
Reduction of Toll Review budget (subject to Income Strategy approval)	(30)		
Addition of Tag Account Fee (subject to Income Strategy approval)	(506)		
Increase in Tag Statements Income	(1)		
Increase in Other Income	(1)		
		(541)	
<b>Bridge</b>			
Increases for pay awards, increments etc	9		
Staffing budget adjusted to scheduled recruitment and Employers Superann.	44		
Initiation for goods & services	40		
Increased R&M Buildings in respect of modifications required to current offices e.g. replacement roof, toilet upgrade, windows	270		
Reduction in R & M of Bridge Infrastructure e.g. painting (revenue)	(110)		
Increased Bridge & Gantry Inspection work	480		
Reduction in Energy, water and rates	(4)		
Increase in Public and Employers Liability Insurance (due to cost of claims)	26		
Addition of a crew cab vehicle for multipurpose use (leased)	6		
Toll Equipment development costs as system ages	20		
Professional Fees not required as Bridge Office Feasibility Study to be complete in 2013/14	(40)		
Outsource conversion of paper tag account files to e-format & equipment to maintain locally	50		
Reduction in IT/Computing	(15)		
Additional storage space/capacity required for operational purposes at current office site	30		
Removal of Project Expense Budget for 50% Journey Time, to be completed in 2013/14	(15)		
Provision for increase in SLA Charge - Finance (to be negotiated)	1		
		792	
<b>Ferry</b>			
Increases for pay awards, increments etc	28		
Staffing budget adjusted to scheduled recruitment and Employers Superann.	26		
Initiation for goods & services	45		
Increase in R&M Buildings to enable modification to workshop/yard area on removal of equipment	25		
Reduction in Energy, water and rates	(3)		
Reduction in Repairs to Infrastructure	(50)		
Reduction in Equipment & Plant as lathe due to be purchased during 13/14	(14)		
Additional H&S costs due to discharge certificates re: ISO14001 and table top emergency exercise	3		
Toll Equipment - Replacement PDA's, printers and development costs	50		
Additional IT Equipment required	16		
Increased Insurance Premiums (Motor)	26		
Reduction in Professional Fees Budget	(20)		
Provision for increase in SLA Charge - Finance (to be negotiated)	1		
		133	
<b>Change in Operational (Surplus)/Deficit</b>			384
<b>Other</b>			
Interest payments on capital financing		26	
Contribution to CC MRP		11	
		37	
			421

\* Highlighted lines denote where variations are included in the written report

**TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE**

**Capital Programme 2013/2014 to 2017/2018**

# TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

CAPITAL PROGRAMME	Actual Payments to 2012/13 £'000	Estimated Payments 2013/14 £'000	Estimated Payments 2014/15 £'000	Estimated Payments 2015/16 £'000	Estimated Payments 2016/17 £'000	Estimated Payments 2017/18 £'000	Estimated Final Cost Total £'000
<b>Completed Schemes</b>							
Rendel Park	205	0	0	0	0	0	205
Ferry Infrastructure	3,890	0	0	0	0	0	3,890
Electronic Tolling	5,331	0	0	0	0	0	5,331
Advance Signing	116	0	0	0	0	0	116
Ferry Marshalling Area	22	0	0	0	0	0	22
Bridge Office Feasibility Study	9	0	0	0	0	0	9
Bridge Car Park	4	0	0	0	0	0	4
Bridge Anchorage Chambers	73	0	0	0	0	0	73
Ferry Car Park Improvements	21	0	0	0	0	0	21
Gantry Chain Tunnel Replacement	261	0	0	0	0	0	261
Rendel Park - Phase 2	146	0	0	0	0	0	146
Bridge Resurfacing Works - Phase 1	703	0	0	0	0	0	703
<b>Current Programme</b>							
Bridge Access Works	59	230	316	29	0	0	634
Bridge WIM	0	10	140	0	0	0	150
Illuminated Road Studs	600	60	0	0	0	0	660
Bridge Handstrands	0	30	470	0	0	0	500
Storage Building Devonport	18	22	0	0	0	0	40
Bridge Protective Coating	29	600	724	703	744	551	4,659
Footpath 24 Reinstatement	0	30	0	0	0	0	30
Plaza Canopy Access Works	0	40	0	0	0	0	40
Ferry Sewage Treatment Plant	97	80	80	0	0	0	257
Bridge Main Joint Replacement	0	40	460	0	0	0	500
Bridge Half Joint Replacement	0	0	100	0	0	0	100
Bridge Structural Monitoring System	0	10	90	0	0	0	100
<b>Future Programme</b>							
Bridge Resurfacing Works - Phase 2 (Not Approved)	0	0	0	0	4,000	0	4,000
<b>TOTAL CAPITAL PROGRAMME</b>	<b>11,584</b>	<b>1,152</b>	<b>2,380</b>	<b>732</b>	<b>4,744</b>	<b>551</b>	<b>22,451</b>
<b>FINANCING</b>							
Prudential Borrowing	8,159	1,152	2,380	732	4,744	551	19,026
Capital Receipts	20	0	0	0	0	0	20
Revenue Financing	3,405	0	0	0	0	0	3,405
<b>TOTAL FINANCING</b>	<b>11,584</b>	<b>1,152</b>	<b>2,380</b>	<b>732</b>	<b>4,744</b>	<b>551</b>	<b>22,451</b>

**TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE**

**Statement of Estimated Reserves  
for 2013/2014 to 2017/2018**

# TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

RESERVES AND PROVISIONS	2013/14 Original Budget £'000	2013/14 Revised Forecast £' 000	2014/2015 Budget £' 000	2015/16 Indicative £' 000	2016/17 Indicative £' 000	2017/18 Indicative £' 000
<b>RESERVES</b>						
<b>General Reserve</b>						
Balance brought forward	(2,942)	(3,650)	(3,214)	(2,357)	(2,145)	(2,356)
Net movement for year	912	436	857	212	(211)	168
<b>Balance Carried Forward</b>	<b>(2,030)</b>	<b>(3,214)</b>	<b>(2,357)</b>	<b>(2,145)</b>	<b>(2,356)</b>	<b>(2,188)</b>

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# CABINET

11 FEBRUARY 2014



## AUDIT COMMITTEE MINUTE 50 OF 23 JANUARY 2014

### TREASURY MANAGEMENT STRATEGY AND ANNUAL INVESTMENT STRATEGY

Simon Arthurs (Group Accountant) and Andrew Liddicott (Senior Accountant) provided Members with a brief overview of the Treasury Management Strategy and Annual Investment Strategy.

Members were advised that –

- (a) the strategy had been prepared by officers in consultation with the Council's advisers Arlingclose and cross-party Councillors;
- (b) in terms of investment, there was a reduction in limits for UK banks and building societies with a minimum long-term rating of A-, from £30m to £20m;
- (c) the Council was aiming to diversify its investments by adding building societies to the lending list; money was kept in several institutions in order to spread the risk;
- (d) the minimum credit rating of A- was now based on the lowest published rating and was no longer required from all three rating agencies;
- (e) the Council's contract with the Cooperative Bank would end on 31 March 2014; as a result of a tendering process the Council had appointed Barclays Bank as of 1 April 2014;
- (f) the MRP policy for 2014/15 had been updated to allow for loans to housing associations within Plymouth, and other organisations, that will be capital expenditure; the policy was set to ensure that the loans don't require MRP to be charged to revenue over the life of the loan;
- (g) prudential indicators were authorised and operational boundaries for total debt and had to be approved by Full Council;
- (h) the upper limit for variable rate exposure had been set to ensure that the Council would not be exposed to interest rate rises which could adversely impact on the revenue budget; fixed rate debt also needed to be monitored to control excessive exposures to volatility in interest rates when refinancing maturing debt;

In response to questions raised it was reported that –

- (i) due to forthcoming changes in bank regulations and the proposal to further diversify the Council's investments, the maximum specified and non-specified investments with any bank would be set at a maximum of £20m;
- (j) a balance was required between paying off debt and investing money; the Council had a balance between long term debt and short term debt with more flexibility; the lifetime cost of buying out of debt also needed to be considered;
- (k) some of the Council's loans had been taken out on a 50 year term; it was expensive to get out of long term debt and when the loans were initially taken out the Council was in a very different financial environment;
- (l) officers would provide Members with the costs associated with changing banks from the Cooperative Bank to Barclays;
- (m) officers would provide a summary of changes in the next Treasury Management Strategy and Annual Investment Strategy;
- (n) Svenska Handelsbanken was a Swedish bank that had offices situated in Plymouth;
- (o) Close Brothers was a bank that had a similar credit rating to more well-known bigger banks;
- (p) the Bank of England's Monetary Policy Committee was committed to keeping policy rates low for an extended period using the Labour Force Survey unemployment rate of 7% as a threshold for when it would consider if interest rates should be increased; it was considered by officers that interest rates should not have been linked to unemployment as the consumer was the driver in the economy however average earnings had not increased;
- (q) Lobo loans (lender option borrower option loans) gave the lender the option to vary the rate at pre-agreed dates; the borrower would then have the option to accept the rate or repay the loan; the notice period on the loan repayment would be monitored by officers;
- (r) the Fixed Rate PWLB average percentage was 5.75%. Any new borrowing taken would be at a much lower rate (approximately 2%) reducing the average rate on loans from the PWLB.

Agreed that the Audit Committee recommends the annual Treasury Management Strategy and Annual Investment Strategy 2014/15 (incorporating the authorised limits, operational boundaries and prudential indicators) to the Cabinet.

**PLYMOUTH CITY COUNCIL**

**Subject:** Treasury Management Strategy and Annual Investment Strategy  
2014/15

**Committee:** Audit Committee / Cabinet

**Date:** 23 January 2014 / 11 February 2014

**Cabinet Member:** Councillor Lowry

**CMT Member:** Malcolm Coe (Assistant Director for Finance)

**Author:** Simon Arthurs, Group Accountant

**Contact details** Tel: 01752 307358  
email: [simon.arthurs@plymouth.gov.uk](mailto:simon.arthurs@plymouth.gov.uk)

**Ref:** Fin/TM/SRA-AL-2014-01-14.

**Key Decision:** No

**Part:** I

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**Purpose of the report:**

The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services requires local authorities to set a Treasury Management Strategy and Prudential Indicators on an annual basis to include the Annual Investment Strategy.

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**The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

Effective financial management is fundamental to the delivery of corporate improvement priorities. Treasury Management activity has a significant impact on the Council's activity both in revenue budget terms and capital investment and is a key factor in facilitating the delivery against a number of corporate priorities.

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**Implications for Medium Term Financial Plan and Resource Implications:  
Including finance, human, IT and land**

Treasury Management affects the Council's budget in terms of borrowing costs and investment returns. The Treasury Management Strategy sets the authorised limits and operational boundaries within which investment and borrowing decisions are taken and risks managed.

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

- Risk Management to identify any risk management issues. To ensure that the councils borrowing and investments are managed with due regard to appropriate levels and categories of risk.
-

## Equality and Diversity

Has an Equality Impact Assessment been undertaken? No

**Recommendations and Reasons for recommended action:**

1. Audit Committee to recommend the annual Treasury Management Strategy and Annual Investment Strategy 2014/15 (incorporating the authorised limits, operational boundaries and prudential indicators) to the Cabinet.
2. The Cabinet recommends the Treasury Management Strategy and Annual Investment Strategy 2014/15 (incorporating the authorised limits, operational boundaries and prudential indicators) to the Council for approval

**Alternative options considered and rejected:**

It is statutory requirement under the Local Government Act 2003 and supporting regulations to set an annual treasury strategy for borrowing and prepare an annual investment strategy. The Council has adopted the CIPFA Code of Practice for Treasury Management.

**Published work / information:**

Not Applicable

### Background papers:

Not Applicable

**Sign off:**

Fin	CDR/c orpsFF C1314 001/14. 1.14	Leg	LT1 9289	Mon Off	19 29 0/D VS	HR		Assets		IT		Strat Proc	
Originating SMT Member Malcolm Coe, Assistant Director													
Has the Cabinet Member(s) agreed the contents of the report? No, but this will happen following any recommendations from Audit Committee													

## PLYMOUTH CITY COUNCIL

**Treasury Management Strategy Statement and Annual Investment Strategy  
2014/15****I. Introduction/Background**

I.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services (the “CIPFA TM Code”) requires local authorities to set a Treasury Management Strategy Statement (TMSS) and Prudential Indicators (PIs) on an annual basis. The TMSS also includes the Annual Investment Strategy (AIS) that is a requirement of the CLG’s Investment Guidance.

I.2 CIPFA has defined Treasury Management as:

*“the management of the organisation’s investments, cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*

I.3 The Council’s current Treasury Management Policy Statement is set out in Appendix A. This was approved by Council on 27<sup>th</sup> February 2012. This policy remains unchanged for 2014-15 and is provided for information only. Treasury Management activity is a key factor for the Council achieving its objectives. The strategy takes into account the impact of the Council’s revenue budget and capital programme on the Balance Sheet position, the current and projected Treasury position, the Prudential Indicators and the outlook for interest rates.

I.4 Each year, Officers work with the Council’s Treasury Management advisers, currently Arlingclose, to develop a strategy that seeks to balance financial returns from the Council’s cash balances whilst at the same time minimising, as far as possible, the risks associated with treasury management activity. The Council’s detailed Treasury Management Strategy and Annual Investment Strategy is presented to an Audit Committee for scrutiny, prior to submission to Cabinet and Full Council for final approval.

I.5 The purpose of this Treasury Management Strategy Statement is to approve:

- Revisions to Treasury Management Strategy and Prudential Indicators for 2013/14;
- Treasury Management Strategy for 2014/15;
- Annual Investment Strategy for 2014/15 including the use of Specified and Non-Specified investments;
- Prudential Indicators for 2014/15, 2015/16 and 2016/17; and
- MRP Statement for 2014/15.

I.6 As per the requirements of the Prudential Code, the Authority has adopted the CIPFA Treasury Management Code at its meeting of Full Council in April 2002. The council has incorporated the changes from the revision to the CIPFA Code of Practice in 2009 and 2011 into its treasury policies, procedures and practices.

I.7 The Authority has borrowed and invested substantial sums of money and therefore has potential large exposures to financial risk including the loss of invested funds and the effect of changing interest rates. The successful identification, monitoring and control of risk is therefore central to the Authority’s Treasury Management Strategy. In order to

incorporate strong Governance, officers meet with key elected members, from both the main parties, on a monthly basis forming a Treasury Management Board to gain cross party support given the long term impact of some of the decisions that are taken. A “balanced scorecard” is presented to members each month to show the overall position of the Treasury Management portfolio

- 1.8 During the course of the year the Council will also be supporting work undertaken with other authorities and the Local Government Association to explore the creation of a Municipal Bonds Agency to provide alternative forms of borrowing. This initiative will take time to come to fruition but is an example of how authorities are working co-operatively and collaboratively.

## 2 External Context

- 2.1 **Economic background:** The Bank of England’s Monetary Policy Committee (MPC) through its recent forward guidance is committed to keeping policy rates low for an extended period using the Labour Force Survey unemployment rate of 7% as a threshold for when it would consider whether or not to raise interest rates. Unemployment was 7.7% in August 2013, but is not forecast to fall below the threshold until 2016. The flow of credit to households and businesses is slowly improving but is still below pre-crisis levels. The fall in consumer price inflation from the high of 5.2% in September 2011 to 2.7% in September 2013 will allow real wage increases (i.e. after inflation) to slowly turn positive and aid consumer spending.

Stronger growth data in 2013 (0.4% in Q1, 0.7% in Q2 and 0.8% in Q3) property prices starting to increase have led markets to price in an earlier rise in rates than predicted by the Monetary Policy Committee. However, with jobs growth picking up slowly, many employees working shorter hours than they would like and benefit cuts set to gather pace, growth is likely to be gradual. Arlingclose forecasts the MPC will maintain its resolve to keep interest rates low until the recovery is convincing and sustainable.

- 2.2 **Credit outlook:** The credit risk of banking failures has diminished, but not dissipated altogether. Regulatory changes are afoot in the UK, US and Europe to move away from the bank bail-outs of previous years to bank resolution regimes in which shareholders, bond holders and unsecured creditors are ‘bailed in’ to participate in any recovery process. This is already manifest in relation to holders of subordinated debt issued by the Co-op which will suffer a haircut on its conversion bail-in to alternative securities and/or equity. There are also proposals for EU regulatory reforms to Money Market Funds which will, in all probability, result in these funds moving to a VNAV (variable net asset value) basis and losing their ‘triple-A’ credit rating wrapper. Diversification of investments between creditworthy counterparties to mitigate bail-in risk will become even more important in the light of these developments.

## 3. Treasury Management Risk

- 3.1 No treasury management activity is without risk. The successful identification, monitoring and control of risk is an important and integral element of the Council’s treasury management activities. The CIPFA code lists risks to treasury activity as:

- Liquidity Risk (Inadequate cash resources)

- Market or Interest Rate Risk (Fluctuations in interest rate levels)
- Inflation Risk (Exposure to inflation)
- Credit and Counterparty Risk (Security of Investments)
- Refinancing Risk (Impact of debt maturing in future years)
- Legal & Regulatory Risk (i.e. non-compliance with statutory and regulatory requirements, risk of fraud)

3.2 The Council will continue to manage risks contained within its current debt and investment portfolios by establishing an integrated debt management and investment policy which balances certainty and security with liquidity and yield. The Council will continue to make use of internal borrowing and short term variable rate borrowing, whilst at the same time seeking to balance investments across a range of investment instruments. Further details of specific risks in the current borrowing and investment portfolios are outlined in the relevant sections.

3.3 Risk is managed by way of the limits set within the Prudential and Treasury Indicators which are required to be approved by Full Council before the start of each financial year.

#### **4. Policy on the Use of Financial Instruments for the Management of Risks**

4.1 Financial Instruments called derivatives are generally used to hedge risk, but can also be used for speculative purposes. Derivatives are instruments that can be bought to offset the risk of investments or debt held by the Council. They can be used to provide a hedge against interest rate risks. An example would be an interest rate swap used to exchange variable interest rates for fixed interest rates or vice versa reducing the risk of exposure to large levels of variable or fixed debt and balancing this against the mixture of variable and fixed rate investments.

4.2 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.

4.3 The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

4.4 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit.

4.5 The Council will only use derivatives after seeking expertise, a legal opinion and ensuring officers have the appropriate training for their use.

## 5. The Council's Forecast Treasury Position

- 5.1 This report including Prudential Indicators is based on the latest available information on the Capital Programme and financing for 2013/14 to 2016/17. This is subject to approval by Cabinet on 11<sup>th</sup> February 2014. Any amendments to Prudential Indicators as a result of updates to the Capital Programme will be reported as a supplement to this report to be approved by Full Council on 24<sup>th</sup> February 2014.
- 5.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). The CFR, together with the Cash Backed Internal Balances, are the core drivers of the Authority's Treasury Management activities. The movement in actual external debt and balances combine to identify the Authority's borrowing requirement and potential investment strategy in the current and future years. The forecast CFR, borrowing, balances and the resulting net borrowing requirement is set out in table 1 below.

**Table 1**

	<b>2013/14 Estimate £m</b>	<b>2014/15 Estimate £m</b>	<b>2015/16 Estimate £m</b>	<b>2016/17 Estimate £m</b>
<b>Total CFR</b>	275.779	276.917	281.706	277.234
Less: Existing profile of borrowing	229.704	175.054	175.054	175.054
Other Long Term Liabilities	42.671	41.150	39.617	38.018
<b>Cumulative Maximum External Borrowing Requirement</b>	<b>3.404</b>	<b>60.713</b>	<b>67.035</b>	<b>64.162</b>
Internal Balances	<b>45.000</b>	<b>43.000</b>	<b>41.000</b>	<b>39.000</b>
<b>Cumulative Net Borrowing Requirement/(Investments)</b>	<b>(41.596)</b>	<b>17.713</b>	<b>26.035</b>	<b>25.162</b>

- 5.3 The actual and estimated treasury position for 31/3/2014 and 31/3/2015 is as follows:

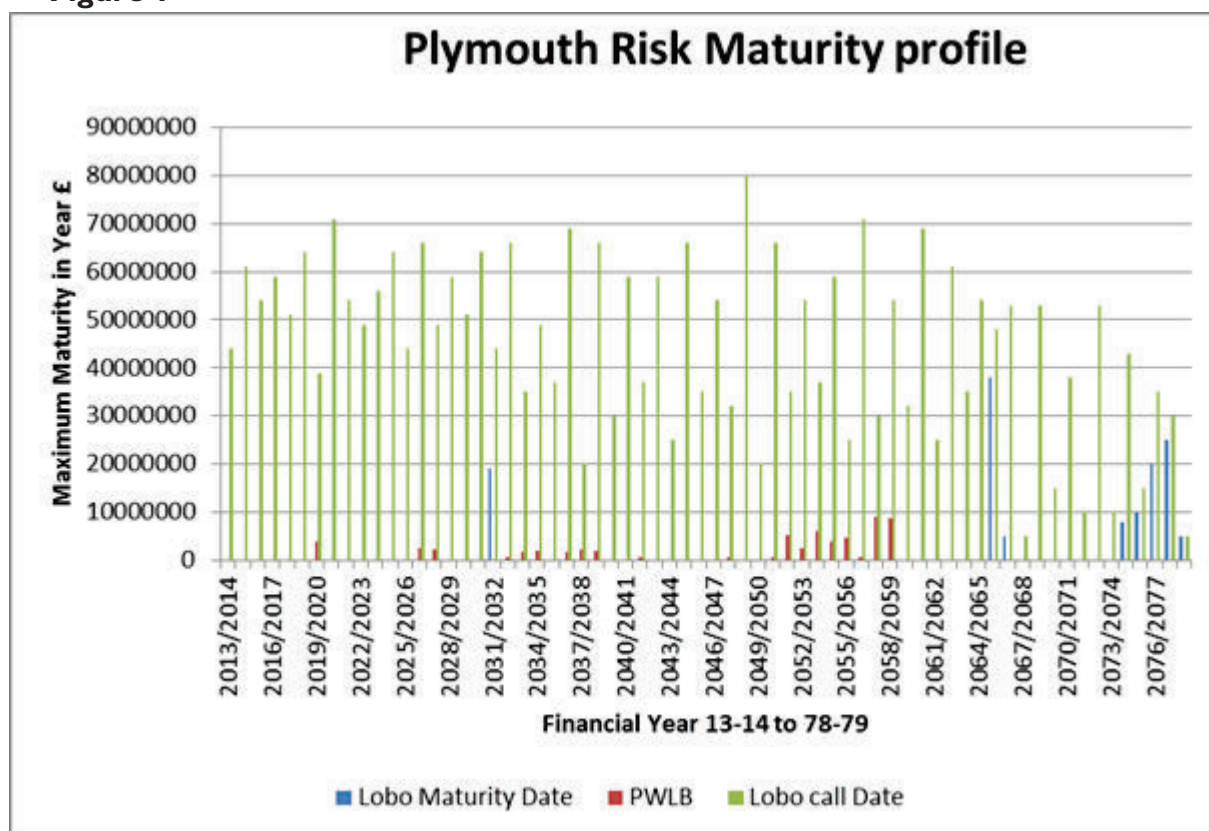
**Table 2**

	07/01/2014 Actual £m	Ave %	31/3/2014 Estimate £m	Ave %	31/3/2015 Estimate £m
<b>External Borrowing</b>					
Fixed Rate PWLB	44.251	5.76	44.251	5.76	54.251
Fixed Rate – Lobo	69.000	4.41	69.000	4.41	39.000
Variable Rate – Lobo	61.000	4.43	61.000	4.43	61.000
Temporary Borrowing	54.650	0.29	62.500	0.29	88.822
Fixed Rate Bonds	0.803	0.76	0.803	0.76	0.088
Sub Total External Borrowing	229.704	3.68	237.554	3.57	243.161
PFI	30.247	8.73	29.418	8.73	28.582
Finance Leases	2.189		1.953		1.717
Tamar Bridge & Torpoint Ferry	10.240		9.779		9.318

<b>Total External Debt</b>	<b>272.380</b>		<b>278.704</b>		<b>282.778</b>
<b>Total Investments</b>	<b>96.659</b>	<b>0.97</b>	<b>71.154</b>	<b>0.97</b>	<b>75.000</b>

- 5.4 Lobo loans are lender option borrower option loans, where the lender has the option to vary the rate at pre-agreed dates and the borrower then has the option to accept this rate or repay the loan. The option dates are set for periods ranging from 2 to 5 years. Where the period to the option date is one year or greater the loan is treated as a fixed rate. Where the period to the option date falls below one year the loan then becomes potentially subject to a change in rate in that year and therefore the loan is treated as a variable rate loan.
- 5.5 The Portfolio above allows for an increase in short-term borrowing and a reduction in internal borrowing due to the improvement in credit conditions. This is subject to variation based on changes in forecast cashflow, the availability of appropriate loans and variations to the borrowing requirement for the Capital Programme. Any borrowing will be maintained within the Council's Capital Financing Requirement (CFR). If credit conditions worsen the Council will revert to the use of internal funds reducing the level of both external debt and investments at 31<sup>st</sup> March 2014 and 31<sup>st</sup> March 2015.
- 5.6 Debt Maturity  
The following graph shows the maturity profile of the Council's long-term external debt.

Figure 1



\*The debt portfolio continues to include £130m of LOBO (market) loans. These loans have various option call dates where the banks have the ability to amend the loan terms and at which point the Council could choose to repay the loan if the terms are changed

adversely. This is reflected within the maturity profile shown above (in green) to enable officers to risk manage the Council's cashflows.

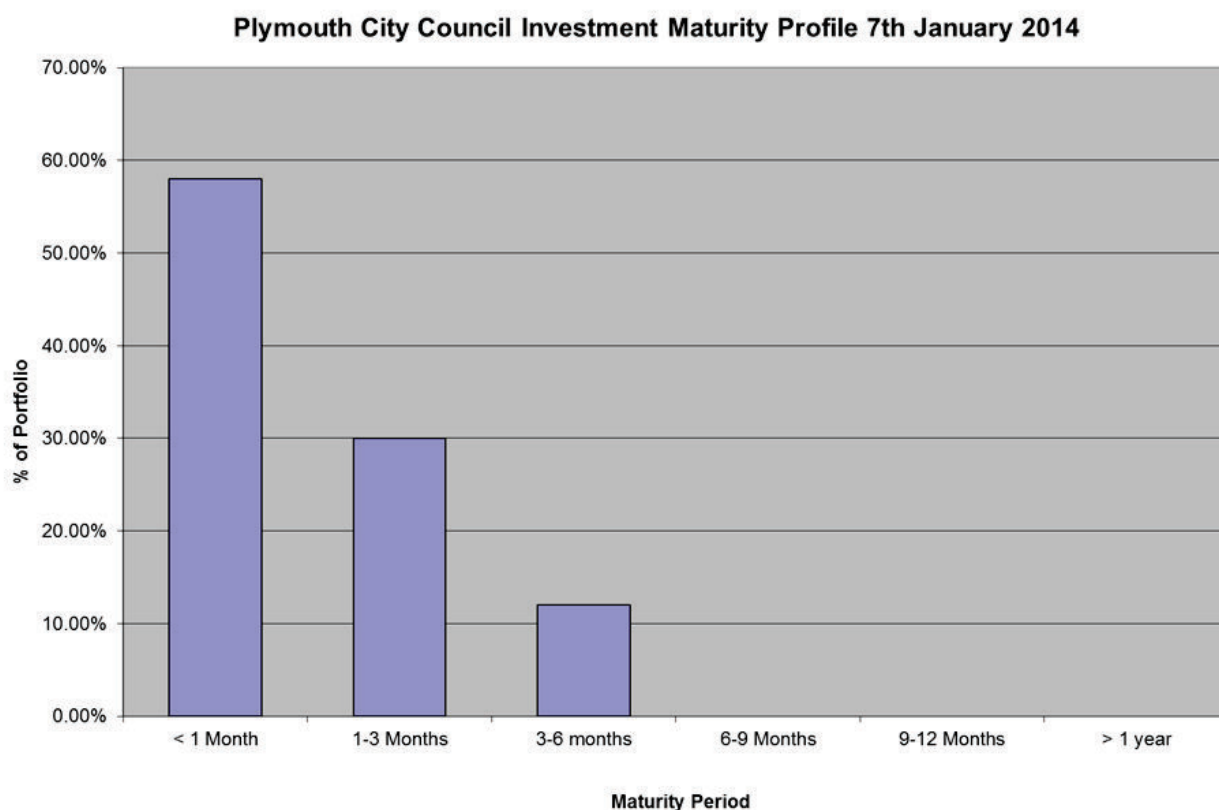
- 5.7 The debt portfolio continues to have a higher weighting of market (LOBO) loans to PWLB. LOBO loans inherently carry a higher risk than PWLB loans as the Council cannot effectively control the repayment of such loans. This will be addressed over time with any new long term borrowing taken in PWLB loans or loans from other Local Authorities. Officers are currently reviewing the possible of early repayment of some Lobo loans in order to make revenue savings and to better balance the maturity profile of the Council's debt.
- 5.8 The estimate for interest payable during 2014/15, as included in the revenue budget, is £8.347m.

## 5.9 Investments

The Council's investments at 7<sup>th</sup> January 2014 were £96.659m, estimated to reduce to £79.154m at the end of the year based on forecast cashflow requirements and the continued strategy of taking short-term borrowing to meet the Council's capital expenditure financing requirement. The actual position at year end will depend on the continuation of this strategy subject to the credit conditions for the rest of the financial year and any variations in cashflow.

The graph below shows the current maturity profile of the Council's investments.

**Figure 2**



- 5.10 The Council's investments at 7<sup>th</sup> January 2014 were as follows:

**Table 3**

<b>Counterparty</b>	<b>Total</b>
	<b>£m</b>
Iceland	3.349
Lloyds Banking Group	
Bank of Scotland	5.000
Lloyds TSB	5.000
Barclays	25.975
Royal Bank of Scotland (RBS) Group	
RBS	22.310
HSBC	10.000
Svenska Handelsbanken (Swedish Bank)	10.000
Close Brothers	5.000
CCLA Lamit Property Fund	5.000
Federated Prime Rate Cash Plus Fund	1.000
Ignis Sterling Short Duration Cash Fund	1.000
Investec Short Bond Fund	1.000
Investec Target Return Fund	1.000
Payden & Rygel Sterling Reserve Fund	1.000
CCLA Public Sector Deposit Fund	0.025
<b>Total</b>	<b>96.659</b>

- 5.11 In terms of risk management, with the exception of the £3.349m still held in Iceland, the investment portfolio is now held either in UK banks or building societies, or highly rated Non-UK banks. Investments have been diversified away from purely bank deposit accounts with pooled fund investments in property, bonds and other securities taken to spread risk across a range of asset classes and enhance the return on the Council's investments. This strategy will be continued in 2014/15.
- 5.12 The estimate for interest receipts for 2014/15 as included in the revenue budget proposals is £0.598m.

## **6. Interest Rate Forecasts**

- 6.1 **Interest rate forecast:** Arlingclose's forecast is for the Bank Rate to remain flat until late 2016, the risk to the upside (i.e. rates being higher) are weighted more heavily towards the end of the forecast horizon. Gilt yields are expected to rise over the forecast period with medium- and long-dated gilts expected to rise by between 0.7% and 1.1%.
- 6.2 A more detailed economic and interest rate forecast provided by the Authority's treasury management advisor is attached at Appendix B. The Authority will reappraise its strategy from time to time in response to evolving economic, political and financial events.

## 7. The Council's Borrowing Requirement and Prudential Indicators

### 7.1 The underlying need to borrow for capital

- 7.1.1 The underlying need to borrow for capital purposes is measured by reference to the Capital Financing Requirement (CFR). The CFR represents the cumulative capital expenditure of the local authority that has not been financed. To ensure that this expenditure will ultimately be financed, local authorities are required to make a Minimum Revenue Provision for Debt Redemption (MRP) from within the revenue budget each year. The estimated MRP included in the 2014/15 budget is £8.394m.

- 7.2 Table 4 below shows the estimated CFR over the medium term.

**Table 4 Prudential Indicator- CFR**

Capital Financing Requirement	31/3/2013 Approved £m	31/3/2013 Revised £m	31/3/2014 Estimate £m	31/3/2015 Estimate £m	31/3/2016 Estimate £m
Total CFR	<b>278.983</b>	<b>275.779</b>	<b>276.917</b>	<b>281.700</b>	<b>277.234</b>

- 7.2.1 Capital expenditure not financed from internal resources, i.e. not from capital receipts, capital grants and contributions, revenue or reserves, will produce an increase in the CFR (the underlying need to borrow) and may in turn produce an increased requirement to charge MRP to the Revenue Account.

### 7.3 Prudential Indicator - Gross Debt and the Capital Financing Requirement

- 7.3.1 This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of the Capital Financing Requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.
- 7.3.2 If in any of these years there is a reduction in the Capital Financing Requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement which is used for comparison with gross external debt.
- 7.3.3 The Section 151 Officer for Corporate Services reports that the Authority had no difficulty meeting this requirement in 2013/14, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.
- 7.4 The funding of the capital programme is kept under constant review. Due to the removal of supported borrowing previously included within the settlement for capital programmes, replaced by grant, the majority of borrowing taken to cover capital expenditure is unsupported funding with the full cost of this borrowing being met from the Council's revenue budget. The estimated borrowing requirement forecast to cover the capital programme over the next 3 years based on the current monitoring positions is:

	£m
2014/15	6.322

2015/16

(2.873)

2016/17

(3.921)

- 7.5 The negative figures in 2015/16 and 2016/17 represent the current borrowing requirement, less the Minimum Revenue Provision (MRP) charged to revenue that used to repay debt or offset future borrowing requirements. Actual borrowing may be greater or less than the CFR but, in accordance with the Prudential Code, the Council will ensure that borrowing does not, except in the short term, exceed the CFR in the preceding year plus the estimated additional CFR for the current and next two financial years. It is currently forecast that the Council will have no borrowing in advance at 1 April 2014.
- 7.6 Under Section 3 of the Local Government Act 2003 and supporting regulations the Council must determine and keep under review how much it can afford to borrow. The Council is required to set two limits:
- The Authorised Limit
  - The Operational Boundary
- 7.7 The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e. not net of investments). The limits include any PFI or Finance Lease repayments. The limits proposed for the medium term period are shown in table 5.

**Table 5 Prudential Indicator – Authorised Limit for External Debt**

Authorised Limit for External Debt	2013/14 Approved £m	2013/14 Revised £m	2014/15 Limit £m	2015/16 Limit £m	2016/17 Limit £m
Borrowing	270	255	295	308	321
Other Long-term Liabilities	40	42	40	38	37
<b>Total</b>	<b>310</b>	<b>297</b>	<b>335</b>	<b>346</b>	<b>358</b>

- 7.8 The **Operational Boundary** links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario, but without the additional headroom included within the Authorised Limit. Table 6 shows the Operational Boundary proposed for the medium term period.

**Table 6 Prudential Indicator – Operational Boundary for External Debt**

Operational Boundary for External Debt	2013/14 Approved £m	2013/14 Revised £m	2014/15 Limit £m	2015/16 Limit £m	2016/17 Limit £m
Borrowing	249	240	272	279	290
Other Long-term Liabilities	40	42	40	38	37
<b>Total</b>	<b>289</b>	<b>282</b>	<b>312</b>	<b>317</b>	<b>327</b>

- 7.9 The borrowing limits are required to be formally approved by Full Council and, whilst these can be amended during the year, any amendment also requires Full Council approval. The proposed Authorised Limit and Operational Boundary has been set to allow implementation, subject to due diligence, of the Councils £50m Plan for Homes which represents investment in local social housing within the city.

7.10 The Section 151 Officer has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Full Council.

7.11 The Prudential Code requires that capital expenditure remains within sustainable limits and, in particular, requires authorities to consider the impact on Council Tax. The tables below show the anticipated capital expenditure over the period to 2016/17, as outlined in the latest approved capital programme, and how this expenditure will be financed.

**Table 7 Prudential Indicator – Estimates for Capital Expenditure**

<b>Capital Expenditure</b>	<b>2013/14 Approved £m</b>	<b>2013/14 Revised £m</b>	<b>2014/15 Estimate £m</b>	<b>2015/16 Estimate £m</b>	<b>2016/17 Estimate £m</b>
<b>Total</b>	<b>68.922</b>	<b>57.576</b>	<b>58.716</b>	<b>34.205</b>	<b>33.465</b>

The capital expenditure is expected to be financed as follows:

**Table 8**

<b>Capital Financing</b>	<b>2013/14 Approved £m</b>	<b>2013/14 Revised £m</b>	<b>2014/15 Estimate £m</b>	<b>2015/16 Estimate £m</b>	<b>2016/17 Estimate £m</b>
Capital Receipts	6.454	<b>2.806</b>	9.589	7.086	2.026
Grants and Contributions	44.264	<b>40.019</b>	30.098	18.168	23.939
Section 106/Tariff	0.750	<b>1.091</b>	1.8130	2.000	2.000-
Revenue/Fund	2.936	<b>3.416</b>	2.500	0.750	0.500-
<b>Total Financing</b>	<b>54.404</b>	<b>47.332</b>	<b>44.000</b>	<b>28.004</b>	<b>28.465</b>
Borrowing:					
Supported Borrowing			-	-	-
Unsupported Borrowing	14.518	<b>10.244</b>	14.716	6.201	5.000
<b>Total Funding</b>	<b>14.518</b>	<b>10.244</b>	<b>14.716</b>	<b>6.201</b>	<b>5.000</b>
<b>Total Financing and Funding</b>	<b>68.922</b>	<b>57.576</b>	<b>58.716</b>	<b>34.205</b>	<b>33.465</b>

#### 7.12 Incremental Impact of Capital Investment Decisions

As an indicator of affordability the table below shows the impact of capital investment decisions on Council Tax. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

**Table 9 Prudential Indicator – Incremental Impact of Capital Investment Decisions**

<b>Incremental Impact of Capital Investment Decisions</b>	<b>2013/14 Approved</b>	<b>2013/14 Revised</b>	<b>2014/15 Estimate</b>	<b>2015/16 Estimate</b>	<b>2016/17 Estimate</b>
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	£m	£m	£m	£m	£m
Increase in Band D Council Tax	1.17	0.83	<b>2.52</b>	3.60	11.00

7.13 The impact on the Council Tax in 2014/15 and future years reflect the cumulative cost of financing the approved capital programme in 2014/15 to 2016/17.

#### 7.14 Ratio of Financing Costs to Net Revenue Stream

The ratio of financing costs to the Council's net revenue stream is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs. The ratio is based on the costs net of investment income.

**Table 10 Prudential Indicator – Ratio of Financing Costs to Net Revenue Stream**

<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>2013/14 Approved %</b>	<b>2013/14 Revised %</b>	<b>2014/15 Estimate %</b>	<b>2015/16 Estimate %</b>	<b>2016/17 Estimate %</b>
	7.78	7.26	<b>7.83</b>	8.47	8.99

## 8 The Borrowing Strategy for 2013

8.1 Treasury management and borrowing strategies in particular continue to be influenced not only by the absolute level of borrowing rates but also the relationship between short and long term interest rates. The interest rate forecast provided in Appendix B indicates that an acute difference between short and longer term interest rates is expected to continue. This difference creates a “cost of carry” for any new longer term borrowing where the proceeds are temporarily held as investments because of the gap between what is paid on the borrowing and what is earned on the investment. The cost of carry is likely to be an issue until 2016 and beyond. As borrowing is often for longer dated periods (anything up to 50 years), the cost of carry needs to be considered against a backdrop of uncertainty and affordability constraints in the Authority's wider financial position. Whilst the strategy is to diversify the overall portfolio, the prevailing market rate predictions and the rates of historical investment and borrowing mean it makes good economic sense to seek opportunities to repay and restructure debt where this is affordable and to spread maturity profiles.

8.2 The Authority's current level of debt and investments is set out at Table 1 and Table 2 in section 4 of this report.

8.3 As indicated in Table 1 in Section 4 of this report, the Authority has a forecast gross borrowing requirement of £60.713m in 2014/15. The Council has insufficient set aside revenue balances to cover this debt requirement so at some point during 2014/15 additional borrowing will be required. The recent strategy has been to borrow short-term funding from other Local Authorities up to the Capital Financing Requirement (CFR) allowing internal balances to be externally invested. Subject to credit conditions this strategy will be continued in 2014/15 mixed with taking some longer term to spread the debt maturity profile within the overall portfolio. Should credit conditions adversely

change, internal borrowing will be used to reduce counterparty and credit risk. By essentially lending its own surplus funds to itself, the Authority is able to reduce overall treasury risk by reducing the level of its external investment balances. The Council will adopt a flexible approach to borrowing in consultation with its treasury management advisers, Arlingclose. The following issues will be considered prior to undertaking any external borrowing.

- Affordability
- Credit and Counterparty risk of increased investments
- Maturity profile of existing debt
- Interest rate and refinancing risk
- Borrowing Source

8.4 Borrowing options available to the Council are:

- Internal
- Public Works Loan Board (PWLb)
- Local authorities
- European Investment Bank Commercial banks
- Capital markets (stock issues, commercial paper and bills)
- Structured finance
- Leasing

8.5 The cost of carry has resulted in an increased reliance upon shorter dated and variable rate borrowing. This type of borrowing injects volatility into the debt portfolio in terms of interest rate risk but is counterbalanced by its affordability and alignment of borrowing costs with investment returns. The Authority's exposure to shorter dated and variable rate borrowing is kept under regular review by reference to the difference or spread between variable rate and longer term borrowing costs. Over the medium term Officers will look to adjust the maturity profile of the Councils debt and some longer term debt will be reviewed to achieve this.

8.6 The Authority has £130m exposure to LOBO loans (Lender's Option Borrower's Option) of which £61m of these can be "called" within 2014/15. A LOBO is called when the Lender exercises its right to amend the interest rate on the loan at which point the Borrower can accept the revised terms or reject them and repay the loan. LOBO loans present a potential refinancing risk to the Authority since the decision to call a LOBO is entirely at the lender's discretion.

Any LOBOs called will be discussed with the treasury advisers prior to acceptance of any revised terms. The default position will be the repayment of the LOBO without penalty i.e. the revised terms will not be accepted.

Furthermore, some LOBO's represent debt maturing or likely to mature, in the longer term due to the terms and also the prevailing market rate predictions. Opportunities to repay LOBO's and spread the debt maturity profile will be considered, again taking advice from our treasury advisors and where it makes economic sense over the whole portfolio to do so.

## 8.7 Debt rescheduling

The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Some bank lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace loans with new loans or repay without replacement.

The rationale for undertaking any debt rescheduling would be one or more of the following:

- Reduce investment balance and credit exposure via debt repayment
- Align long-term cash flow projections and debt levels
- Savings in risk adjusted interest costs
- Rebalancing the interest rate structure of the debt portfolio
- Changing the maturity profile of the debt portfolio

As opportunities arise, they will be discussed with the Council's treasury advisers and the Councils Treasury Management Board.

8.8 Any rescheduling activity will be reported to the Cabinet in monitoring reports, reflected in the budget impact of the relevant revenue budget reporting, the Treasury Management Board at monthly meetings and formal treasury management mid-year and annual reports will also be presented to Audit Committee and Full Council.

8.9 The following Treasury Indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

**Table 11 Treasury Indicator – Upper Limits for Interest Rate Exposure**

	<b>2013/14 Approved %</b>	<b>2013/143 Revised %</b>	<b>2014/15 Limit %</b>	<b>2015/16 Limit %</b>	<b>2016/17 Limit %</b>
Upper Limit for Fixed Interest Rate Exposure	200	210	<b>210</b>	210	210
Upper Limit for Variable Interest Rate Exposure	50	60	<b>60</b>	60	60

8.10 The Council will also limit and monitor large concentrations of fixed rate debt needing to be replaced. Limits in the following table are intended to control excessive exposures to volatility in interest rates when refinancing maturing debt.

**Table 12 Treasury Indicator – Maturity Structure of Fixed Rate Borrowing**

<b>Maturity structure of fixed rate borrowing</b>	<b>Approved Upper limit for 2013/14 %</b>	<b>Upper Limit for 2014/15 %</b>	<b>Lower Limit for 2014/15 %</b>
under 12 months	40	<b>40</b>	<b>0</b>
12 months and within 24 months	60	<b>60</b>	<b>0</b>
24 months and within 5 years	40	<b>60</b>	<b>0</b>
5 years and within 10 years	25	<b>50</b>	<b>0</b>
10 years and within 20 years	25	<b>50</b>	<b>0</b>
20 years and within 30 years	25	<b>30</b>	<b>0</b>
30 years and within 40 years	30	<b>20</b>	<b>0</b>
40 years and within 50 years	35	<b>20</b>	<b>0</b>
50 years and above	25	<b>20</b>	<b>0</b>

These limits are based on the risk of Lobo loans being called and repaid at the next option date and not at the final maturity date.

## **ANNUAL INVESTMENT STRATEGY 2014-15**

### **9 Investment Strategy**

9.1 In accordance with investment guidance issued by the CLG and best practice this Authority's primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yields earned on investments is important but are secondary considerations.

9.2 Investments are categorised as "Specified" or "Non-Specified" within the investment guidance issued by the CLG.

Specified investments are sterling denominated investments with a maximum maturity of one year. They also meet the "high credit quality" as determined by the Authority and are not deemed capital expenditure investments under statute. Non-specified investments are, effectively, everything else.

9.3 The types of investments that will be used by the Authority and whether they are specified or non-specified are as follows:

**Table 13 Specified and Non-Specified Investments**

<b>Investment</b>	<b>Specified</b>	<b>Non-Specified</b>
Term deposits with banks and building societies	✓	✓
Term deposits with other UK local authorities	✓	✓
Investments with Registered Providers	✓	✓

Certificates of deposit with banks and building societies (CD's)	✓	✓
Gilts	✓	✓
Treasury Bills (T-Bills)	✓	x
Bonds issued by Multilateral Development Banks	✓	✓
Local Authority Bills	✓	x
Commercial Paper	✓	x
Corporate Bonds	✓	✓
AAA rated Money Market Funds	✓	x
Other Money Market and Collective Investment Schemes	✓	✓
Debt Management Account Deposit Facility	✓	x
Loans to other organisations	✓	✓

9.4 The credit rating limits proposed for specified investments with institutions for 14-15 is a lowest published long-term credit rating from Fitch, Moody's and Standard & Poor's of A-. Limits will be set for levels depending on the rating of each institution.

9.5 In response to the forthcoming changes in bank regulations and the proposal to further diversify the Council's investments within the criteria set out above new specified and non-specified investments will be made/considered within the following limits:

Counterparty	Minimum Security / Credit Rating	Maximum Amount	Maximum Period
UK Government	Government Backed	No limit	12 Months
UK Local Authorities	High Security	£10m each	12 Months
UK Banks and other organisations and securities	Lowest published long-term credit rating from Fitch , Moody's and Standard & Poor's A-	£20m each	12 Months
Non UK Banks and other organisations and securities	Lowest published long-term credit rating from Fitch , Moody's and Standard & Poor's A-	£10m each	12 Months
UK Registered Providers of Social Housing	Lowest published long-term credit rating from Fitch , Moody's and Standard & Poor's A-	£5m each	12 Months
Bonds issued by multilateral development banks	AAA or Government Guaranteed	£20m each	12 Months
Money market funds		Max £5m per fund limited to 0.5% of net asset value of MMF 2% of net asset value	Call

		for Government MMF's	
Other MMF's and Collective Investment Schemes	Pooled funds which meet the definition of a Collective Investment Scheme per SI 2004 No 534 and subsequent amendments	£20m	No set maturity date

The following sets out limits for investments that fall within the category of non-specified Investments. These investments are required to be identified separately to ensure the Council understands these are higher risk, either due to counterparty risk, liquidity risk and/or interest rate risk. The Council has traditionally invested in term deposits or call accounts, although the annual strategy statements have outlined a number of other specified and non-specified instruments. Non-specified investments available to be used in 2014/15 are detailed below.

Investment	Minimum Security / Credit Rating	Maximum Amount	Maximum Period
UK Government	Government Backed	No Limit	50 years**
UK Local Authorities	High Security	£5m each	25 years**
UK Banks and other organisations and securities	Lowest published long-term credit rating from Fitch , Moody's and Standard & Poor's AAA AA+ AA AA- A+	£5m each £5m each £5m each £5m each £5m each	10 years* 5 years* 4 years* 3 years* 2 years
Non UK Banks and other organisations and securities	Lowest published long-term credit rating from Fitch , Moody's and Standard & Poor's AAA AA+ AA AA- A+	£5m each £5m each £5m each £5m each £5m each	10 years* 5 years* 4 years* 3 years* 2 years
UK Registered Providers of Social Housing	Lowest published long-term credit rating from Fitch , Moody's and Standard & Poor's BBB- and those without ratings	£5m each	5 years
Bonds issued by multilateral development banks	AAA or Government Guaranteed	£20m total	10 years
UK Building Societies without ratings	Subject to credit assessment	£1m each	1 Year
Other MMF's and Collective Investment Schemes	Pooled funds which meet the definition of a Collective Investment	£20m total	No set maturity date

	Scheme per SI 2004 No 534 and subsequent amendments		
Any other organisation	Subject to an external credit assessment and specific advice from the Authority's treasury management advisers.	£2m each £1m each £100k each	3 Months 1 year 5 years

\* but no longer than 2 years in fixed-term deposits and other illiquid instruments.

\*\* but no longer than 5 years in fixed-term deposits and other illiquid instruments.

- 9.6 The authority will have a maximum of 50% of its total investments in unspecified investments. There will be limit of 10% of total investments in any one non-UK country

There is no intention to restrict investments to bank deposits, and investments may be made with any public or private sector organisations that meet the above credit rating criteria. This reflects a lower likelihood that the UK and other governments will support failing banks as the bail-in provisions in the *Banking Reform Act 2014* and the EU *Bank Recovery and Resolution Directive* are implemented.

In addition, the Authority may invest with organisations and pooled funds without credit ratings, following an external credit assessment and advice from the Authority's treasury management adviser.

- 9.7 **Registered Providers:** Formerly known as Housing Associations, Registered Providers of Social Housing are tightly regulated by the Homes and Communities Agency and retain a high likelihood of receiving government support if needed. The Authority will consider investing with unrated Registered Providers with adequate credit safeguards, subject to receiving independent advice.

- 9.8 **Building Societies:** The Authority takes additional comfort from the building societies' regulatory framework and insolvency regime where, in the unlikely event of a building society liquidation, the Authority's deposits would be paid out in preference to retail depositors. The Authority will therefore consider investing with unrated building societies where independent credit analysis shows them to be suitably creditworthy. The Government has announced plans to amend the building society insolvency regime alongside its plans for wide ranging banking reform, and investments in lower rated and unrated building societies will therefore be kept under continuous review.

- 9.9 **Money Market Funds:** These funds are pooled investment vehicles consisting of money market deposits and similar instruments. They have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager. Fees of between 0.10% and 0.20% per annum are deducted from the interest paid to the Authority. Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while funds whose value changes with market prices and/or have a notice period will be used for longer investment periods. The requirement for AAA ratings has been removed following EU proposals to stop money market funds from having credit ratings.

- 9.10 **Other Pooled Funds:** The Authority will have cash balances available for investment over the medium term. It will therefore continue to use pooled bond, and property funds, and consider equity funds, that offer enhanced returns over the longer term, but are potentially more volatile in the shorter term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.
- 9.11 **Other Organisations:** The Authority may also invest cash with other organisations, for example by making loans to small businesses. Because of the higher perceived risk of unrated businesses, such investments may provide considerably higher rates of return. They will however only be made following a favourable external credit assessment and on the specific advice of the Authority's treasury management adviser.
- 9.12 **Credit risk Prudential Indicator**
- 9.13 The Council considers security, liquidity and yield, in that order, when making investment decisions.
- 9.14 Credit ratings remain an important element of assessing risk but they are not a sole feature in the Council's assessment of credit risk.
- 9.15 The Council also considers alternative assessments of credit strength and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:
- Published credit ratings for financial institution (minimum long term rating of A- or equivalent for counterparties; AA+ or equivalent for non-UK sovereigns);
  - Sovereign support mechanisms/potential support from well resourced parent institutions;
  - Credit Default Swaps (where quoted);
  - Share prices (where available);
  - Economic fundamentals (for example Net Debt as a percentage of GDP);
  - Macro-economic indicators;
  - Corporate developments, news, articles, market sentiment and momentum;
  - Subjective overlay.
- 9.16 The only indicators with prescriptive values remain credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.
- 9.17 With this in mind Arlingclose have developed the following matrix to score the credit risk of an authority's investment portfolio:
- Value weighted average credit risk score
  - Value weighted average credit rating score

- Time weighted average credit risk score
- Time weighted average credit rating score

### Scoring methodology:

- Value weighted average reflects the credit quality of investments according to the size of the deposit
- Time weighted average reflects the credit quality of investments according to the maturity of the deposit
- Credit quality is calculated as:
  - AAA = highest credit quality = 1
  - D = lowest credit quality = 15

The Council will aim for A- or higher credit rating, with a score of 7 or lower, to reflect an investment approach with its main focus on security within the proposed use of counterparties and investment limits set in this report.

- 9.18 Any institution can be suspended or removed should any of the factors identified above give rise to concern.

It remains the Authority's policy to make exceptions to counterparty policy established around credit ratings, but this is conditional and directional. What this means is that an institution that meets criteria may be suspended, but institutions not meeting criteria will not be added.

- 9.19 **Authority's Banker** – The Authority currently banks with the Co-operative Bank. This contact expires on 31<sup>st</sup> March 2014. Following a competitive tender Barclays Bank PLC has been selected as the Council's bankers commencing 1<sup>st</sup> April 2014. Barclays current lowest published long-term credit rating is A, Should the bank's rating fall below the minimum criteria Barclays Bank will continue to be used for short term liquidity requirements (overnight and weekend investments) and business continuity arrangements.

- 9.20 The Council's in-house investments are made with reference to the outlook for the UK Bank Rate and money market rates. The current counterparty list and investment strategy permits the Council to invest in:

- The Debt Management Agency Deposit Facility (DMO)
- Treasury Bills (T-Bills) issued by the UK Government
- Term deposits or business reserve accounts with UK banks or building societies
- UK nationalised/part nationalised banks
- Deposits with other local authorities
- Deposits with highly credit rated foreign banks, on the advice of Arlingclose
- Certificate of deposits with banks and building societies
- Bonds issued by multilateral development banks
- Gilts (Bonds issued by the UK government)
- UK Government Treasury Bills (T-Bills)
- Commercial Paper
- Corporate Bonds

- Money Market Funds (MMF) with a Constant Net Asset Value (Constant NAV investing predominantly in government securities)
- Money Market Funds with a Constant Net Asset Value (Constant NAV) investing in instruments issued primarily by financial institutions
- Money Market Funds with a Variable Net Asset Value (VNAV)
- Other Money Market Funds and Collective Investment Schemes which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573
- Registered Providers

In addition to these available investments, new investment types proposed for 2014-15 to give greater flexibility within the risks identified in this report are:

- Investments with any other organisation subject to an external assessment and specific advice from the authority's treasury management advisers.

- 9.21 The Council needs to maintain flexibility in its investment options if it is to be able to respond quickly to changing circumstances, and the above list continues to outline a number of investment instruments available for use in the coming year. The inclusion of such instruments on the list will afford the Section 151 Officer, acting under delegated authority in accordance with the Constitution and in consultation with the Strategic Treasury Management Board, the flexibility required to manage the investment portfolio on a day to day basis responding to market conditions without the need to seek prior Council approval for changes. Inclusion of an instrument on the list does not mean that the Council will necessarily make use of these during the year. New organisations and instruments would not be used without careful monitoring of the credit risk and liaison with our treasury advisers.
- 9.22 In any period of significant stress in the markets, the default position is for investments to be made with the Debt Management Office (DMADF) and UK Treasury Bills. The rates of interest from the DMADF/T-Bills are below equivalent money market rates, but the returns are an acceptable trade-off for the guarantee that the Council's capital is secure.
- 9.23 The Council and its treasury advisers, Arlingclose, will continue to analyse and monitor the indicators set and credit developments on a regular basis and respond as necessary to ensure security of the capital sums invested.
- 9.24 The Council will keep a minimum of £15m in liquid investments at all times to ensure cash is available to meet its liabilities.
- 9.25 The UK Bank Rate has been maintained at 0.5% since March 2009, and is anticipated to remain at low levels throughout 2014/15. Short-term money market rates are likely to remain at very low levels for an extended period which will have a significant impact on investment income.
- 9.26 To protect against a lower for longer prolonged period of low interest rates and/or to provide certainty of income some longer-term investment options, set out below, may be considered during 2014/15 following the advice of our treasury advisers, Arlingclose.
- Longer-term deposits/CD's with Banks and Building Societies. Any deposits will be based on credit conditions and the rates available, with priority given to the security of funds.

- UK Government Gilts. Rates on offer have fallen sharply over the past year but these investments provide the highest level of security and may be considered if credit conditions worsen.
- Deposits with Local Authorities. These rates are lower than those available from Banks and Building Societies but provide additional security and may be used to secure investment returns.
- Supranational Bonds (bonds issued by multilateral development banks):- even at the lower yields likely to be in force, the return on these bonds would provide certainty of income against an outlook of low official interest rates.
- Pooled Funds which meet the definition of a Collective Investment Scheme per SI 2004 No 534 and subsequent amendments. These are investment products where the Council would purchase units and receive a dividend payment. The capital growth of these investments varies over time and would only be considered as long-term investments. Such funds include Property, Bonds and Equities. Due to fluctuations in the capital value with these type of investments there is a risk on disinvestment that the Council may not receive the full value of the original investment at the time the investment is withdrawn.
- Registered providers – These investments are likely to attract very competitive interest rates, with the Council in effect replacing banks as providers of short-term and long-term funding. Further investigation would be required to assess the security of this sector before any investment is made.

9.27 The Council has placed an upper limit for principal sums invested for over 364 days, as required by the Prudential Code. This limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested. No more than 30% of the Council's investment portfolio will be in investments exceeding 364 days at any one time.

**Table 13 Prudential (Treasury) Indicator – upper limit for sums invested more than 364days**

<b>Upper Limit for total principal sums invested over 364 days</b>	<b>2013/14 Approved £m</b>	<b>2013/14 Revised £m</b>	<b>2014/15 Estimate £m</b>	<b>2015/16 Estimate £m</b>	<b>2016/17 Estimate £m</b>
	<b>30</b>	<b>30</b>	<b>40</b>	<b>40</b>	<b>40</b>

9.28 Within these limits the Section 151 Officer will maintain a lending list of Counterparties. Limits in place for each investment type and counterparty will depend on the economic circumstances and the credit risk. The list will continue to be reviewed and updated by the Section 151 Officer during the year.

9.29 The target rate of return on new investment in 2014/15 is 0.80%. The investment interest included in the 2014/15 budget is £0.598m.

9.30 The benchmark to be used for the Council's investment returns will be the daily average 7- day London Interbank Bid rate (LIBID).

## **10. Investments defined as Capital Expenditure**

- 10.1 The acquisition of share capital or loan capital in any body corporate, a loan or grant or financial assistance by the Council to another body for capital expenditure, and certain other types of investment are defined as capital expenditure under the relevant regulations.
- 10.2 The Council's will consider loans to Registered Providers (Housing Associations) and other organisations within Plymouth that will be defined as capital expenditure.

## **11. Balanced Budget Requirement**

- 11.1 The Council complies with the provisions of S32 of the Local Government Finance Act 1992 to set a balanced budget. The proposed budget for 2014/15 is set out in the 2014/15 budget report.

## **12. Annual MRP Statement**

- 12.1 The Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 2008 (SI 2008/414) place a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

- 12.2 The four MRP options available are:

**Option 1:** Regulatory Method – this method replicates the position that would have existed under the previous regulatory environment. MRP is charged at 4% of the Authority's underlying need to borrow for capital purposes; the Capital Financing Requirement (CFR). The formula includes an item known as "Adjustment A" which was intended to achieve neutrality between the CFR and the former Credit Ceiling which was used to calculate the MRP prior to the introduction of the Prudential System on 1<sup>st</sup> April 2004.

**Option 2:** CFR Method – This method simplifies the calculation of MRP by basing the charge solely on the Authority's CFR but excludes the technical adjustments in Option 1, resulting in a higher charge using this method. The annual MRP is set at 4% of the non-housing CFR at the end of the preceding financial year.

**Option 3:** Asset Life Method – Under this method MRP is determined by the life of the asset for which the borrowing is undertaken. This can be calculated as follows:

1. MRP commences in the financial year following that in which the expenditure is incurred or in the year following that in which the relevant asset becomes operational. This enables an MRP "holiday" to be taken in relation to assets which take more than one year to be completed before they become operational.
2. The estimated life of the asset will be determined in the year that MRP commences and will not be subsequently revised. However additional repayments can be made in any year which will reduce the level of payments in subsequent years.

3. If no life can be reasonably attributed to an asset, such as freehold land, the life is taken to be a maximum of 50 years. In the case of freehold land on which a building or other structure is constructed, the life on the land will be treated as equal to the structure, where this would exceed 50 years.

**Option 4: Depreciation Method** – The depreciation method is similar to that under option 3 but MRP is equal to the depreciation provision required in accordance with proper accounting practice to be charged to the Income and Expenditure account.

- 12.3 MRP in 2014/15: Options 1 and 2 may be used only for supported expenditure. Methods of making prudent provision for self-financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Council chooses).
- 12.4 Under the regulations, the authority is required before the start of each financial year to prepare a statement of its policy on making MRP in respect of that financial year and submit it to the Full Council. The proposed policy for 2014/15 is as follows:

Supported Borrowing

For borrowing supported by Revenue Support Grant the Council will continue to use the regulatory method (Option 1).

Unsupported Borrowing

For new borrowing under the prudential system for which no Government support is being given and is therefore self-financed, MRP will be made in equal annual instalments over the life of the asset (Option 3).

Capitalisation Directions

For capitalisation directions on expenditure incurred since 1 April 2008 MRP will be made in equal annual instalments over 20 years in line with DCLG guidance (Option 3).

PFI/Leases

MRP in respect of PFI and leases brought on the Balance Sheet under the 2009 SORP and IFRS will match the annual principal repayment for the associated deferred liability.

MRP will be charged on the Tamar Bridge and Torpoint Ferries Joint Committee's outstanding unfinanced assets included in the Council's Capital Financing requirement. This will be offset by an equivalent receipt from the Joint Committee.

Any loan or investment to an organisation defined as capital expenditure will not attract MRP. The original capital expenditure will be met from the capital receipt on the maturity of the loan/investment.

MRP will commence in the financial year following the one in which the expenditure is incurred, except for expenditure funded by unsupported borrowing where the project is not complete at 31<sup>st</sup> March 2015 (classified as under construction). MRP will be deferred until the construction is complete and operational with the charge to be made in the year following completion.

**13. Monitoring and Reporting on the Treasury Outturn and Prudential Indicators**

- 13.1 In accordance with the recommendations of the Treasury Management Code, the Council's Audit Committee will be responsible for the scrutiny of treasury management activities and practices.
- 13.2 The Section 151 Officer will report to the Audit Committee and Full Council on treasury management activity and performance at least twice a year against the strategy approved for the year (being a mid-year review and an end of year review).
- 13.3 The Council is required to produce an outturn report on its treasury activity no later than 30<sup>th</sup> September after the financial year end.

**14. Other Items**

**14.1 Training**

CIPFA's Code of Practice requires the Section 151 Officer to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

Members of the Audit Committee received training in Treasury Management in December 2013. Council Officers will organise additional training for members and staff with Arlingclose and any other suitable organisation to ensure relevant needs are met.

**14.2 Investment Consultants**

The CLG's Guidance on local government investments recommend that the Investment Strategy should state:

- Whether and, if so, how the authority uses external contractors offering information, advice or assistance relating to investments and
- How the quality of service is controlled

The Authority uses Arlingclose as treasury management advisers and receives the following services:

- Credit advice
- Investment advice
- Technical advice
- Economic & interest rate forecasts
- Workshops and training events

The authority maintains the quality of service through quarterly review meetings and periodically tendering for the provision of Treasury Management consultancy services.

## **TREASURY MANAGEMENT POLICY STATEMENT**

### **I. INTRODUCTION AND BACKGROUND**

1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.

1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
- Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

1.3 The Council (i.e. full Council) will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

1.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to Cabinet and the Audit Committee and for the execution and administration of treasury management decisions to the Section 151 Officer, who will act in accordance with the organisation's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

1.5 The Council nominates the Audit Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

### **2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES**

2.1 The Council defines its treasury management activities as:

"The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

2.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

2.4 The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

2.5 The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yield earned on investments remain important but are secondary considerations.

## Appendix B

## Economic &amp; Interest Rate Forecast (Sections 5.1 &amp; 7.1)

	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
<b>Official Bank Rate</b>													
Upside risk		0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	1.00
<b>Arlingclose Central Case</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
Downside risk													
<b>3-month LIBID rate</b>													
Upside risk	0.20	0.25	0.30	0.35	0.40	0.50	0.55	0.60	0.65	0.70	0.75	0.90	0.95
<b>Arlingclose Central Case</b>	<b>0.45</b>	<b>0.45</b>	<b>0.50</b>	<b>0.55</b>	<b>0.65</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.75</b>	<b>0.80</b>	<b>0.80</b>	<b>0.80</b>
Downside risk			0.05	0.10	0.20	0.30	0.30	0.30	0.30	0.30	-0.35	-0.35	-0.35
<b>1-yr LIBID rate</b>													
Upside risk	0.35	0.30	0.35	0.40	0.45	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.80
<b>Arlingclose Central Case</b>	<b>0.90</b>	<b>0.95</b>	<b>0.95</b>	<b>0.95</b>	<b>1.00</b>	<b>1.05</b>	<b>1.10</b>	<b>1.15</b>	<b>1.20</b>	<b>1.25</b>	<b>1.30</b>	<b>1.40</b>	<b>1.40</b>
Downside risk	-0.25	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
<b>5-yr gilt yield</b>													
Upside risk	0.50	0.75	0.75	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Arlingclose Central Case</b>	<b>1.45</b>	<b>1.50</b>	<b>1.55</b>	<b>1.60</b>	<b>1.65</b>	<b>1.70</b>	<b>1.75</b>	<b>1.85</b>	<b>1.95</b>	<b>2.10</b>	<b>2.30</b>	<b>2.50</b>	<b>2.50</b>
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.75	-0.80	-0.80	-0.80
<b>10-yr gilt yield</b>													
Upside risk	0.50	0.50	0.50	0.65	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Arlingclose Central Case</b>	<b>2.55</b>	<b>2.60</b>	<b>2.65</b>	<b>2.70</b>	<b>2.75</b>	<b>2.80</b>	<b>2.85</b>	<b>2.90</b>	<b>3.00</b>	<b>3.10</b>	<b>3.30</b>	<b>3.50</b>	<b>3.50</b>
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.75	-0.80	-0.80	-0.80
<b>20-yr gilt yield</b>													
Upside risk	0.50	0.75	0.75	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Arlingclose Central Case</b>	<b>3.25</b>	<b>3.30</b>	<b>3.35</b>	<b>3.40</b>	<b>3.45</b>	<b>3.50</b>	<b>3.55</b>	<b>3.65</b>	<b>3.75</b>	<b>3.85</b>	<b>4.05</b>	<b>4.15</b>	<b>4.15</b>
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.70	-0.75	-0.80	-0.80
<b>50-yr gilt yield</b>													
Upside risk	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Arlingclose Central Case</b>	<b>3.45</b>	<b>3.50</b>	<b>3.55</b>	<b>3.60</b>	<b>3.65</b>	<b>3.70</b>	<b>3.75</b>	<b>3.80</b>	<b>3.85</b>	<b>3.95</b>	<b>4.05</b>	<b>4.15</b>	<b>4.15</b>
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.70	-0.75	-0.80	-0.80

## Underlying assumptions:

- Growth continues to strengthen with the second estimate for Q3 growth coming in at an unrevised 0.8%. The service sector remains the main driver of growth, boosted by a contribution from construction.
- The unemployment rate has fallen to 7.6%. The pace of decline in this measure will be dependent on a slower expansion of the workforce than the acceleration in the economy, alongside the extent of productivity.
- The CPI for November has fallen to 2.1%, a much more comfortable position for the MPC. Utility price increases are expected to keep CPI above the 2% target in 2014, before falling back again.
- The principal measure in the MPC's Forward Guidance on interest rates is the Labour Force Survey (LFS) unemployment rate. The MPC intends not to raise the Bank Rate from its current level of 0.5% at least until this rate has fallen to a threshold of 7%.
- The reduction in uncertainty and easing of credit conditions have begun to unlock demand, much of which has fed through to the housing market. In response to concerns over a house price bubble, the Bank of England announced a curtailment of the Funding for Lending Scheme, which will henceforth concentrate on business lending only.

- The MPC will not hesitate to use macro prudential and regulatory tools to deal with emerging risks (such as curtailing the FLS). Absent risks to either price stability or financial stability, the MPC will only tighten policy when it is convinced about the sustained durability of economic growth.
- Federal Reserve monetary policy expectations - the slowing in the pace of asset purchases ('tapering') and the end of further asset purchases - will remain predominant drivers of the financial markets. Tapering of asset purchases will begin in Q1 2014. The US political deadlock over the debt ceiling will need resolving in Q1 2014.
- The European backstop mechanisms have lowered the risks of catastrophic meltdown. The slightly more stable economic environment at the aggregate Eurozone level could be undone by political risks and uncertainty in Italy, Spain and Portugal (doubts over longevity of their coalitions). The ECB has discussed a third LTRO, as credit conditions remain challenging for European banks.
- China data has seen an improvement, easing markets fears. Chinese leaders have signalled possible monetary policy tightening.

On-going regulatory reform and a focus on bail-in debt restructuring of is likely to prolong banking sector deleveraging and maintain the corporate credit bottleneck

**PLYMOUTH CITY COUNCIL**

<b>Subject:</b>	Derriford and Seaton Area Action Plan: Examination Inspector's Report
<b>Committee:</b>	Cabinet
<b>Date:</b>	11 February 2014
<b>Cabinet Member:</b>	Councillor Vincent
<b>CMT Member:</b>	Anthony Payne (Strategic Director for Place)
<b>Author:</b>	Jonathan Bell, Head of Development Planning
<b>Contact details:</b>	Tel: 01752 304353 email: jonathan.bell@plymouth.gov.uk
<b>Ref:</b>	JAB
<b>Key Decision:</b>	Yes
<b>Part:</b>	I

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**Purpose of the report:**

The Public Examination (PE) into the Derriford & Seaton Area Action Plan (AAP) took place in March 2013. The Planning Inspector's final report into this PE was received in August 2013. Although the Inspector did not dissent with the thrust of the evidence which supports the need to create a new heart for northern Plymouth and found there to be robust and commendable elements within the AAP, his overall final conclusion - having regard to the tests of soundness set out in the National Planning Policy Framework - was that the Plan is not sound.

The Inspector identified five primary reasons for this judgment. Namely, he felt that the AAP:

- Fails to have adequate regard to the close proximity of the currently disused Plymouth Airport and the effects that the potential use of this significant site could have upon the form and location of development within Derriford and Seaton;
- Is not supported by up to date and adequate economic evidence which justifies the location of the District Centre upon the Plymouth International Medical Technology Park;
- Is not supported by adequate evidence that demonstrates the timely deliverability of key sites across the Plan period;
- Is not supported by evidence to indicate that the timely modal shift necessary to ensure transport infrastructure will be able to accommodate the development proposed within the area can be secured;
- Is not supported by evidence that the transport infrastructure shown within the Plan is deliverable in a timely fashion.

As a result, the Inspector has recommended non-adoption of the AAP.

The purpose of the report is to consider the implications of the Inspector's report and to determine what course of action should now be taken by the City Council, including deciding whether or not the AAP should now be withdrawn.

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### **The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

The report is significant in relation to the Growing Plymouth objective of the Corporate Plan.

The Derriford & Seaton AAP was intended to be the key strategic delivery document to drive the huge growth potential of the north of Plymouth. The scale of growth planned for is particularly significant in the context of the wider Plymouth growth agenda, including:

- 2,950 new homes (about 10% of the Core Strategy's overall target of 32,000) of which 765 would be affordable (over 20% of the Core Strategy's overall target of 3,300)
- 8,000 new jobs (about 30% of the Core Strategy's overall target of 27,500)
- Wider benefits from the AAP's strategic infrastructure interventions:
  - The delivery of major transport improvements on northern corridor to enhance and unlock the growth potential of the entire north of Plymouth, where the Core Strategy proposes 6,600 new homes, and improve accessibility of City Centre
  - The delivery of Derriford Community Park which supports overall city growth through addressing European habitats and sustainability requirements for growth.

It is therefore of some significance to the objectives of the Core Strategy that the implications of the Inspector's decision are fully understood and appropriate actions are taken.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:**

The Inspector's report has resulted in a situation where there is increased uncertainty about the future pattern of development and growth in the north of Plymouth. This potentially has financial and resource consequences for the City Council which will need careful management. There is an increased level of risk around the potential to deliver resources associated with growth, such as New Homes Bonus, Business Rates and Community Infrastructure Levy. Additionally, there is an increased risk of costly planning inquiries to resolve key planning issues, such as the location of a new district centre. The recommended courses of action set out in this report are considered the most appropriate ones in light of the need to provide greater certainty about development and growth at the earliest opportunity.

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### **Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

The provision of adequate housing and new jobs, as well as quality green spaces for recreation, are key measure to address social issues such as child poverty and community cohesion. The AAP's provisions, and the courses of action set out in this report, are complementary to these objectives.

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### **Equality and Diversity:**

Has an Equality Impact Assessment been undertaken? Not in respect of this report. However, an Assessment was undertaken for the AAP itself.

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## **Recommendations and Reasons for recommended action:**

It is recommended that the Cabinet:

1. Accept the Inspector's recommendation of non-adoption of the Derriford & Seaton Area Action Plan 2006-2021.

Reason: To accord with Section 20(7A) of the Planning and Compulsory Purchase Act 2004.

2. Agree that the Derriford and Seaton Area Action Plan 2006-2021 (Submitted Version) is not withdrawn, and instead is considered as a background document to support the preparation of the Plymouth Plan.

Reason: Having regard to the provisions of Regulation 27(c) of the Town and Country Planning (Local Planning) (England) Regulations 2012, to ensure that the AAP and its evidence base can play a positive role in the continued development of planning policy for the north of Plymouth and have the potential to be a material planning consideration, albeit of limited weight for planning decisions.

3. Instruct Officers to seek a meeting with the Planning Inspectorate in order to seek a fuller understanding of how it interprets provisions of the National Planning Policy Framework, particularly in relation to evidence of the deliverability of development and infrastructure projects over an entire Plan-period.

Reason: To ensure that the Plymouth Plan is prepared in accordance with a full understanding of the approach that the Planning Inspectorate recommends to its Inspectors in relation to key issues upon which the AAP was found to fail.

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## **Alternative options considered and rejected:**

On the matter of adoption of the AAP, the Planning and Compulsory Purchase Act 2004 seemingly provides no alternative to the Council other than to accept the Inspector's recommendation of non-adoption.

However, the Council still is able to determine whether or not to withdraw the Plan, pursuant to Section 22 of the 2004 Act.

Withdrawal would be a normal course of action in these circumstances, and indeed we were invited to consider such a course by the Inspector when he issued his Preliminary Main Concerns report on 4 May 2013. One legal consequence of such an action would be that the AAP and its evidence base would need to be removed from public places, in essence rendering it useless for the purposes of informing the Plymouth Plan. This is because Regulation 27(c) of the Town and Country Planning (Local Planning) (England) Regulations 2012 requires local planning authorities to cease to make available any documents relating to a withdrawn local plan.

However, in this report the Inspector also highlighted that the Council may wish to use much of its relevant evidence base to inform the production of the Plymouth Plan. Furthermore, in his earlier letter of 25 April 2013, the Inspector said that he did not dissent with the thrust of the evidence which supports the need to create a new heart for northern Plymouth and that there are robust and commendable elements within the AAP. In his final report, the Inspector identified 'the informative aspects of some local evidence which has been produced' as part of a suite of documents which could still be used for planning purposes (para. 19). Furthermore, the Inspector did not find against many elements of the AAP and its evidence base.

The pressure for development in the Derriford area remains very significant, and although much progress has been made in relation to bringing forward the necessary infrastructure projects, much more still needs to be done. To withdraw the AAP so that no useful purpose could be realised from the considerable work that went into its preparation would be inconsistent with the intention of the Inspector to enable Council to use the evidence base to inform the Plymouth Plan. A decision to not withdraw the AAP is therefore considered to be the appropriate option in these circumstances.

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**Published work / information:**

Derriford and Seaton Area Action Plan 2006-2021 (Submission Version) December 2012

[http://www.plymouth.gov.uk/derriford\\_aap\\_submission\\_rgb\\_web.pdf](http://www.plymouth.gov.uk/derriford_aap_submission_rgb_web.pdf)

Council's proposed modifications to the submitted Area Action Plan (April 2013)

[http://www.plymouth.gov.uk/130416genschedule\\_of\\_proposed\\_amendments\\_to\\_aap\\_proposals\\_map.pdf](http://www.plymouth.gov.uk/130416genschedule_of_proposed_amendments_to_aap_proposals_map.pdf)

Letter from Andrew Seaman, Senior Housing and Planning Inspector, to Plymouth City Council, 25 April 2013 [http://www.plymouth.gov.uk/Inspectors\\_pmc\\_issued\\_for\\_fact\\_check\\_25\\_april.pdf](http://www.plymouth.gov.uk/Inspectors_pmc_issued_for_fact_check_25_april.pdf)

Derriford and Seaton Area Action Plan –Preliminary Main Concerns of the Planning Inspector (May 2013), 4 May 2013

[http://www.plymouth.gov.uk/derriford\\_seaton\\_aap\\_Inspector\\_s\\_preliminary\\_concerns\\_4\\_may\\_2013.pdf](http://www.plymouth.gov.uk/derriford_seaton_aap_Inspector_s_preliminary_concerns_4_may_2013.pdf)

Report on the Examination into the Derriford & Seaton Area Action Plan 2006-2021 23 August 2013

[http://www.plymouth.gov.uk/aap\\_Inspector\\_s\\_final\\_report.pdf](http://www.plymouth.gov.uk/aap_Inspector_s_final_report.pdf)

Town and Country Planning (Local Planning) (England) Regulations 2012

<http://www.legislation.gov.uk/uksi/2012/767/contents/made>

North West Quadrant Planning Appeal (Reference: APP/N1160/A/12/2169472) Secretary of State's decision [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/226686/13-08-05\\_Comb\\_NW\\_Quadrant.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/226686/13-08-05_Comb_NW_Quadrant.pdf)

**Background papers:**

None

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**Sign off:**

Fin	Pc.Plac eF PC131 4 003.15 0114	Leg	19232/J AR/Jan 14	Mon Off	19232/ DVS	HR	N/A	Assets	N/ A	IT	N/A	Strat Proc	N/A
Originating SMT Member: Paul Barnard, Assistant Director for Strategic Planning & Infrastructure													
Has the Cabinet Member(s) agreed the content of the report? Yes													

## 1.0 Background

- 1.1 When the Core Strategy was adopted in April 2007, the City Council embarked upon a programme of delivering a series of Area Action Plans (AAPs) which were to be the key strategic delivery plans for the Plymouth growth agenda. These AAPs were targeted so as to drive the City's growth potential around three major areas of opportunity – the City Centre / Waterfront, the Eastern Corridor (centred on Plymstock Quarry and Sherford), and the Northern Corridor (centred on Derriford).
- 1.2 Since this time, the Council has successfully adopted six Area Action Plans. These have helped to drive growth in the city over the last 6 years, including for example around 5,000 new homes, major infrastructure and facilities such as the Life Centre and Eastern Gateway project, and regeneration activities including the transformation of Devonport. Derriford & Seaton AAP was to be the seventh and final Area Action Plan to be adopted before reviewing the Core Strategy in the Plymouth Plan. It was to provide for nearly 3,000 new homes and 8,000 new jobs. This represents about 12% of the population growth, 10% of the homes growth, 20% of affordable housing delivery and 30% of the jobs growth for the city's growth agenda as a whole.
- 1.3 The AAP was formally submitted for Public Examination (PE) in December 2013, and the PE was held by Senior Housing and Planning Inspector Andrew Seaman between 21 and 28 March 2013. The Inspector's final report was issued on 23 August 2013, with the overall conclusion that the AAP was unsound and with a recommendation of non-adoption. Given the strategic importance of the Derriford area to the Plymouth growth agenda, and given the Council's previously perfect track record in securing successful adoption of its development plan documents, this outcome was most disappointing. It became clear to Officers that the Inspector was looking for a level of certainty, detail and depth of evidence well beyond anything that this Council had experienced in earlier PEs, and this seemed to be a direct consequence of his interpretation of the National Planning Policy Framework (NPPF), introduced by the Coalition Government in March 2012. In this respect, it is perhaps noteworthy that the use of AAPs which was encouraged under the former Planning Policy Statement 12 (PPS12) receives no explicit consideration in the NPPF which has replaced PPS12.
- 1.4 A debate took place at Full Council on 25 November 2013 in relation to the implications of the Inspector's report. At that meeting the following resolution was passed:  
  
*'Notwithstanding the City Council's Core Strategy published in 2007, the Council acknowledges the Planning Inspector's findings following the recent public inquiry into the Derriford and Seaton Area Action Plan.  
This Council recognises the current uncertainty felt by residents living in the north of our City over potential developments in their communities and in particular the future of the Plymouth Airport site. The Council resolves to ask the Cabinet to review the implications of the Inspector's decision for the Plymouth Plan, including the timing of further community consultation and the need for greater certainty about infrastructure delivery in the north of Plymouth.'*
- 1.5 This report responds to this resolution by considering the implications of the Inspector's report and recommending possible courses of action. Additionally, the timetable for the Plymouth Plan, including the next consultation stages, will form part of the review of the Local Development Scheme which is currently underway.

## **2.0 The Inspector's reasons for finding the AAP unsound**

- 2.1 The NPPF sets out four tests which need to be satisfied for a plan to be considered sound. These are that it is:
- Positively prepared – i.e. based on a strategy that seeks to meet objectively assessed needs and is consistent with achieving sustainable development
  - Justified – i.e. is the most appropriate strategy when considered against reasonable alternatives and proportionate evidence
  - Effective – i.e. deliverable over its period and based on effective joint working on cross boundary priorities
  - Consistent with national policy – primarily the NPPF.
- 2.2 These are in addition to the need to comply with legal requirements, such as the 'duty to cooperate' which was introduced through the Localism Act.
- 2.3 Although the Inspector found that the Council had complied with the duty to cooperate and did not raise concerns in relation to the 'positively prepared' and 'consistent with national policy' tests, he found that the AAP did not adequately satisfy the 'justification' and 'effectiveness' tests on five grounds.
- 2.4 Sections 3.0-8.0 below seek to provide a summary of the key reasoning and messages arising from the Inspector's report, together with a comment on any significant implications where relevant.

### **3.0 Ground One – relating to Plymouth Airport**

- 3.1 The Inspector found that 'The Plan fails to have adequate regard to the close proximity of the currently disused airport and the effects that the potential use of this significant site could have upon the form and location of development within Derriford.'
- 3.2 In reaching this judgment the Inspector agreed with the local planning authority's (LPAs) view that the airport site is of strategic importance to the City and that the LPA was right to consider this as part of the Plymouth Plan process rather than the AAP. However, he felt that in the absence of informed references to the potential future uses of the airport site, the AAP is not considered to be sound.
- 3.3 The Inspector therefore appears to have determined that the AAP cannot be advanced ahead of the Plymouth Plan, notwithstanding the LPA's strongly articulated views to the contrary.

### **4.0 Ground 2 – relating to economic evidence base & location of district centre**

- 4.1 The Inspector found that 'The Plan is not supported by up to date and adequate economic evidence which justifies the location of the District Centre upon the Plymouth International Medical Technology Park.'
- 4.2 The Inspector felt it wasn't clear how the development of a district centre on part of Plymouth International Medical Technology Park (PIMTP) would assist the Core Strategy policy of strengthening the role of PIMTP. Although it would generate employment there was no detailed evidence to indicate that, in terms of volume or quality, such employment would meet or contribute adequately towards the objectively assessed needs of the city. He considered that a more comprehensive employment evidence base was required in order to draw useful conclusions about whether it was appropriate to deliver the district centre upon

what has historically been a strategic location for employment growth in Plymouth and a potentially prime employment site.

**5.0 Ground 3 – relating to deliverability evidence base**

- 5.1 The Inspector found that ‘The Plan is not supported by adequate evidence that demonstrates the timely deliverability of key sites across the Plan period.’
- 5.2 The Inspector considered that there was insufficient evidence about how the employment proposals of the AAP would be delivered in accordance with the delivery timescales assumed in the Plan. This was particularly so given that the AAP’s Viability Appraisal showed that commercial speculative employment development is currently unviable, notwithstanding the LPA’s case that such development was likely to take place through bespoke or subsidised development in the early years.
- 5.3 The Inspector’s judgement potentially has implications for future land allocations for employment purposes, and therefore further clarification from the Planning Inspectorate on the correct interpretation of the NPPF should be sought so that this does not impeded future plan preparation – most notably the Plymouth Plan.
- 5.4 The Inspector also felt that there was a lack of clarity about the implications of reprogramming of the Forder Valley Link Road (FVLR) until later in the Plan-period for fully delivering the PIMTP proposal. This illustrates the strategic importance of the FVLR to unlocking the growth potential of Derriford and the north of Plymouth.

**6.0 Ground 4 – relating to transport evidence base (modal shift).**

- 6.1 The Inspector found that ‘The Plan is not supported by evidence to indicate that the timely modal shift necessary to ensure transport infrastructure will be able to accommodate the development proposed within the area can be secured.’
- 6.2 The Inspector agreed that the Council’s ambition for modal shift is well-founded and consistent with the NPPF. Rather, his concern was that the combined effects on modal shift of the transport policies and proposals were unclear and there was insufficient indication that the challenging nature of the necessary modal shift is capable of being delivered. Furthermore, he was concerned that the ‘necessary modal shift’ would not be facilitated by infrastructure provision until such time as discrete elements are provided or key development sites well advanced. Improvements would be piecemeal and not realised until 2020 and beyond.
- 6.3 The Inspector’s conclusions also highlight the importance of prioritising investment in transport infrastructure in order to deliver growth. These are matters that will need to be addressed in the Plymouth Plan process.

**7.0 Ground 5 – relating to transport evidence base (infrastructure).**

- 7.1 The Inspector found that ‘The Plan is not supported by evidence that the transport infrastructure shown within the Plan is deliverable in a timely fashion.’
- 7.2 The Inspector was concerned about the limited information about how severance caused by the A386 will be resolved. He did not accept the LPA’s argument that this was a detailed matter that would be addressed through masterplanning and project development.

- 7.3 The Inspector agreed that the balance of evidence supports the need for the FVLR. He felt that changes to the programming and costing of FVLR, which had been identified post-submission of the AAP, undermined the timescale in which a key part of the high quality public transport network can be delivered, with potential implications for Seaton Neighbourhood, PIMTP and the proposed district centre.
- 7.4 He also felt that there was a lack of clarity and certainty about future funding for infrastructure projects, although he affirmed that this uncertainty was at 'no fault of the Council'. Significantly, in this respect, he attached little weight to the Council's track record in securing infrastructure funding. It seems clear that the Inspector was seeking a much higher level of certainty of both external (e.g. grants) and internal (e.g. Community Infrastructure Levy, New Homes Bonus, capital receipts, business rates) sources of funding, as well as clarity on the contingencies should funding not be secured.
- 7.5 The Inspector's judgments in relation to deliverability and funding of infrastructure raise fundamental issues about the depth of evidence needed to support local plans and the level of certainty required. The evidence supplied by Officers was far more detailed and forward looking than for any previous AAP, and of a depth that Officers considered appropriate for a local plan of this nature having regard to their previous experience and interpretation of the NPPF. However, the Inspector's interpretation was clearly different and this is a matter which could helpfully be clarified by the Planning Inspectorate before the Plymouth Plan is prepared.

## **8.0 Other key messages from the Inspector's report**

*Whether an unsound AAP creates a policy vacuum having a detrimental impact on growth*

- 8.1 The Inspector suggested that the absence of an adopted AAP should not lead to a deferral of growth. He felt that the following documents give an adequate basis for determining planning applications:
- NPPF
  - The Adopted Core Strategy and its vision for Derriford
  - Informative aspects of some local evidence which has been produced for the AAP.
- 8.2 It should be noted that were the Council to formally withdraw the AAP it would also need to withdraw the evidence base which was specific to the AAP, in effect rendering it useless as a material consideration. This is a consequence of Regulation 27(c) the Town and Country Planning (Local Planning) (England) Regulations 2012 which deals with the process for withdrawing a plan. See section above on 'Alternative options considered and rejected' for a fuller commentary on this point.

*Place shaping*

- 8.3 Explicit support was given for the LPA's evidence base and approach in relation to Place Shaping, and to its understanding of local urban character / sense of place. Particular recognition is given to the analysis of the disparate urban characteristics of the locality and the potential to develop the 'second heart' of Plymouth utilising the valley topography and other assets. An implication is that the general location for the district centre – i.e. at the heart of Derriford, rather than in a more peripheral location – gets some support from the Inspector's report.

- 8.4 The role of the Design Supplementary Planning Document (SPD) in supporting permeability and connectivity was given explicit support by the Inspector. This is a helpful reference to the relationship between statutory and supplementary planning documents which the LPA will need to bear in mind for the Plymouth Plan and future SPD production.

*Retail policy, evidence and need for district centre*

- 8.5 The Inspector accepted that Derriford will be a 'significant' urban centre and, that when it has grown, the district centre will become a 'major' district centre. He sees this as consistent with the Core Strategy, but he also highlighted that the potential retail hierarchy may need to be clarified in the Plymouth Plan.
- 8.6 The quantitative assessments of retail need in the Plymouth Retail and Centres Study (2012) were considered to be up-to-date and reflective of current economic conditions. The Inspector accepted that there is a need for the level of retail provision proposed in the AAP, on the basis of qualitative rather than quantitative need, as supported by the 2012 study. He said that the floorspace figures were not precisely derived and were best used as a guide. With regard to the floorspace guidance provided by Proposal DSI6 (for a new district centre) and degree of flexibility in implementation of DSI6, he found no evidence against the modifications proposed by the LPA in response to discussions at the hearing sessions.
- 8.7 The Inspector supported the LPA's approach to determining the acceptability of future growth of the district centre. He accepted the evidence that the district centre would not be fundamentally harmful to other district centres, supported the LPA's proposed use of Retail Impact Assessments, and agreed that there is no need for a more prescriptive / inflexible approach as sought by City Centre interests.

*District centre location*

- 8.8 The Inspector accepted that evidence has been produced which enables consideration of locations other than those to the west of the A386, which is relevant in the context of Area Vision 9 of the Core Strategy and its retail policies. However, the issue for him was whether the former Seaton Barracks parade ground was the most appropriate location with due regard to alternatives. In relation to the alternatives:
- Glacis Park – The Inspector agreed with the LPA's view that although the potential exists for a district centre on this site with expansion potential, there was no substantive evidence to support it being deliverable within the timescales desired.
  - North West Quadrant (NWO) – The Inspector considered this site to be well served by bus routes and well related to other key sites in the Plan, but with limited visible frontage towards the A386 and with a gradient across the site. Notwithstanding the recently dismissed Section 78 Appeal into the refusal of planning permission for a retail-led mixed use development, he acknowledged that the evidence supports the site being considered as a reasonable alternative, this being consistent with the view presented by the LPA. He said that it needs to be considered with regard to the evolving evidence of Plymouth's economic needs and the continuing work on the transport infrastructure of the locality.
  - Plymouth Airport site – The Inspector felt that although this site is closer to existing residential communities, it is distant from the core of activities in Derriford and not supported by the Core Strategy objective of addressing the fragmentation of large single land uses in Derriford. The evidence did not support the site as a better reasonable alternative.

- Former Seaton Barracks parade ground – The Inspector felt that this site was of sufficient size, with reasonable scope for expansion into Derriford Business Park and deliverable in the shorter term. It had the potential to deliver the objectives contained within the Plan. However, the indicative designs did not make best use of A386 frontage and he had concerns about the evidence to support this alternative (see commentary on Ground 2 above).

8.9 In conclusion, the Inspector felt that the location of the district centre was a finely balanced judgement, which in the case of the AAP's preferred site of the former Seaton Barracks parade ground was weakened by inadequate employment land evidence, particularly when the alternative of NWQ is considered.

#### *Homes and Communities*

8.10 The Inspector agreed with the LPA's view that the evidence supports the need to create a new heart for the Derriford locality via an appropriate and sustainable mix of housing and other uses.

8.11 In relation to specific site proposals the Inspector:

#### Seaton Neighbourhood:

- Agreed that the impact of topography had been appropriately considered in the viability assessment.
- Agreed that the evidence supported the principle and content of the allocation.
- Noted the submissions made by another party identifying the sequentially preferable redevelopment of the airport site as a reasonable alternative, but did not consider these submissions justified deleting the proposal. In this regard, he took account of the role of the proposal in supporting the Council's ambition to create a clearer heart to the Derriford and Seaton area.
- Felt there was a lack of clarity on how the development would be phased given the need for the FVLR. This again highlights the urgency of accelerating delivery of the FVLR if possible.

#### Glacis Park:

- Supported the proposed mix of uses.
- Raised concerns about the viability of employment uses— see comments above on Ground 3.

#### North West Quadrant:

- Agreed that the retail element of the proposal was adequately justified, although the provision for BI was less well justified.
- Stated that the likely viability of the local centre was unknown, and that the proposal seemed capable of at least partial delivery, but there was uncertainty over whether it could be delivered fully in the envisaged timescales.

#### Quarry Fields:

- Supported development for housing, with 70 units at the lower end of an acceptable development range.

#### *Education infrastructure*

8.12 The Inspector agreed that evidence was in place to support the deliverability of the new primary school. He accepted that there was no contrary evidence indicating the education requirements will not be met.

## *Monitoring*

- 8.13 The Inspector felt that there was no indication that monitoring could lead to reasonable management actions that would secure the effective and timely delivery of the Plan. Additionally, there was no reference in the implementation schedule as to how contingencies had been considered. Monitoring and contingencies will need to be explained much more clearly in the Plymouth Plan.

## **9.0 Next steps**

- 9.1 The Inspector has made a recommendation to the Council of non-adoption of the AAP. The Council has no real choice but to accept this recommendation. However, the question of what should happen to the AAP itself does remain.
- 9.2 In the particular circumstances, it is considered appropriate to not withdraw the AAP, and instead to use the AAP and its evidence base as background documents to support the preparation of the Plymouth Plan. Indeed, as explained in the above section on 'Alternative options considered and rejected', the Inspector himself seems to have anticipated such an outcome. Withdrawal of the AAP would in effect render the draft AAP and its evidence base of no purpose, and yet, as can be seen from the analysis above, the Inspector did highlight that there were elements of the draft AAP that were 'robust and commendable'. In light of the pressure for development in the north of Plymouth as well as the pressing work on the Plymouth Plan, it would indeed be a perverse outcome if the draft AAP and its evidence base could serve no useful purpose.
- 9.3 Notwithstanding this recommendation, it is important to note that the draft AAP will only carry limited weight in relation to any planning application decisions (as confirmed in the recent Secretary of State appeal decision on the North West Quadrant planning application). Furthermore, the weight would be even less where the decision relates to a matter that the Inspector clearly found unsound. Planning Officers who are responsible for determining planning applications or making recommendations to Planning Committee will need to analyse each proposal carefully on a case-by-case basis.
- 9.4 In addition, there is considered to be merit in seeking clarification from the Planning Inspectorate in relation to how it is advising inspectors to interpret planning policy, particularly on issues such as the evidence base requirement around deliverability, viability and funding. The approach now seems very different to previous development plan documents considered in Plymouth, and it is important that any key lessons are learnt ahead of completion of the work on the Plymouth Plan.
- 9.5 Finally, it should be noted that the Plymouth Plan will be the vehicle by which the policy framework for the north of Plymouth, set by the adopted Core Strategy, is formally updated. Although a decision to not withdraw the AAP will enable it, together with the relevant evidence base, to inform the preparation of the Plymouth Plan, there remains the need for further consultation with the public as well as stakeholder organisations. This would have been necessary in any case, regardless of the AAP Inspector's decision. It will take place as part of a programme of city-wide and area-specific consultations currently anticipated for summer 2014. The details of the programme for the Plymouth Plan will be considered in the Local Development Scheme review which is currently underway.

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**PLYMOUTH CITY COUNCIL**

<b>Subject:</b>	Strategic Economic Plan – Heart of the South West Local Enterprise Partnership
<b>Committee:</b>	Cabinet
<b>Date:</b>	11 February 2014
<b>Cabinet Member:</b>	Councillor Evans
<b>CMT Member:</b>	Anthony Payne (Strategic Director for Place)
<b>Author:</b>	Adam Hickman, Economic Strategy and Partnership Officer
<b>Contact details</b>	Tel: 01752 307184 Email: adam.hickman@plymouth.gov.uk
<b>Ref:</b>	
<b>Key Decision:</b>	Yes
<b>Part:</b>	I

**Purpose of the report:**

The Heart of the South West Local Enterprise Partnership (HotSW LEP) has produced a first draft Strategic Economic Plan (SEP). The SEP is a LEP owned strategy and identifies priorities for investment across the LEP area (which includes Plymouth) between 2014-2030.

The SEP secures a negotiated Growth Deal with Government which unlocks funding from the Local Growth Fund. The funding is predominantly for transport, economic growth and skills.

This report describes the first draft SEP, the suggested investment priorities / high-level projects for the South West, and the implications for Plymouth. The final SEP needs to be submitted to Government by the end of March 2014.

**The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

**Pioneering Plymouth** – The SEP is the growth strategy for the Heart of the South West, covering Plymouth, Torbay, Somerset and Devon. This joined up and partnership approach, delivered through the LEP, will ensure the long term approach to growth for the region is undertaken in a coordinated and efficient way, including using resources across the LEP area in the most efficient way.

**Growing Plymouth** – The SEP is a key, overarching strategy which outlines a long term approach and commitment to growth for Plymouth and the South West. The SEP will be used to secure funding from the Local Growth Fund. Therefore, by its very nature, it is fundamental for the successful growth of Plymouth and the South West.

**Caring Plymouth** – Residents, businesses and partners have the opportunity to influence the SEP and the projects within in, for example the draft SEP is available for comment on the HotSW LEP website, and the development of the ‘business’ theme of the SEP involved four business led workshops. Many of the projects within the SEP, for example supporting young people into employment, enable young people to feel more confident in themselves.

Confident Plymouth – Underpinning the SEP's vision is for the document to “build on our distinctiveness,” recognising that the South West has significant natural and heritage assets. The South West is highlighted as an area that people choose to live, work and invest and are proud to do so.

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### **Implications for Medium Term Financial Plan and Resource Implications:**

#### **Including finance, human, IT and land**

The SEP is an overarching strategy identifying, at a high level, specific priorities and projects throughout the LEP area. The SEP will include credible, investment-ready schemes (mainly focused on transport, economic growth and skills).

Any specific projects or investments arising from the SEP which may have a financial or resource implication for the Council will be subject to separate Cabinet reports.

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### **Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

The SEP will link closely with Plymouth's Local Economic Strategy (which is currently being reviewed) and the emerging Plymouth Plan. The SEP and the European Union Structural Investment Fund (EUSIF) will also be closely aligned.

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### **Equality and Diversity**

Has an Equality Impact Assessment been undertaken? No

The LEP will consider if an Equality and Diversity assessment is required and, if so, the LEP will progress at a later date.

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### **Recommendations and Reasons for recommended action:**

The Government's timelines for the submission of the final Strategic Economic Plan does not follow a cycle which provides a window to report to March's Cabinet. Therefore, Cabinet is being asked to:

- Note the first draft Strategic Economic Plan (SEP) in its current form as a key document for the Heart of the South West Local Enterprise Partnership (HotSW LEP) and the Plymouth growth agenda.
- Support the first draft SEP as a sound basis for a final SEP, but acknowledge that there are some strategic issues, predominantly around connectivity and transport, that are currently being addressed through on-going dialogue with the LEP.
- Agree that the Leader is delegated authority to approve the final version of the SEP ahead of its submission to Government in March 2014.

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### **Alternative options considered and rejected:**

Cabinet approves the final version of the SEP prior to final submission in March 2014. However, due to Cabinet preparation cycles there is insufficient time to get the final SEP to Cabinet between it being approved by the LEP Board and submitted to Government.

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### **Published work / information:**

The draft SEP is available on the Heart of South West LEP website:

[http://www.heartofswlep.co.uk/sites/default/files/HOTSW\\_SEP\\_draft2\\_submission\\_19-12-13.pdf](http://www.heartofswlep.co.uk/sites/default/files/HOTSW_SEP_draft2_submission_19-12-13.pdf)

**Background papers:**

None.

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7

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**Sign off:**

Fin	PlaceF EDC13 14 012	Leg	19349/ DVS	Mon Off	19349/ DVS	HR		Assets		IT		Strat Proc	
Originating SMT Member: David Draffan													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

## **1.0 Introduction**

- 1.1 This report presents the first draft Strategic Economic Plan (SEP), produced by the Heart of the South West Local Enterprise Partnership (HotSW LEP).
- 1.2 In its response to the Heseltine Report, Government announced that it would follow Lord Heseltine's recommendations and devolve more national funds through local mechanisms in order to increase their impact. To achieve this, Government announced the creation of two new funds, the Local Growth Fund (previously Single Pot or Growth Pot) and the EU SIF. Both of these new funds will be distributed through the LEPs, with the Government asking each LEP to produce two strategies:
- Strategic Economic Plan (SEP), which will be used to bid for the Local Growth Fund (particularly for transport, economic growth and skills);
  - EUSIF document, which is an amalgamation of ERDF, ESF and parts of EAFRD.
- 1.3 The Local Growth Fund has a total of £2bn per year, from 2015/16 to 2020/21, available between all LEP's (there are 39 LEP's in total). Funding is likely to be focused on transport, economic growth and skills. In 2015/16, half of the funding is allocated to LEP's by formula (the amounts allocated is still to be finalised), with the other half allocated on a competitive basis based on the quality of the SEP. A higher percentage of the funding could be allocated on a competitive basis in future years.
- 1.4 The SEP highlights the Plymouth and South West Peninsula City Deal as a specific growth opportunity for the South West. The City Deal is therefore a 'golden thread' which flows throughout the whole SEP document.
- 1.5 This Cabinet report is only concerned with the SEP, as the EUSIF has been considered under a separate report, taken to Cabinet in December 2013:  
<http://www.plymouth.gov.uk/mgInternet/documents/s51250/EU%20Structural%20and%20Investment%20Fund%20Strategy.pdf>

## **2.0 Overall aim of Strategic Economic Plan (SEP)**

- 2.1 SEP's seek to deliver three main aims:
- Provide an overall long term approach and commitment to growth for the HotSW, i.e. the economic growth strategy for Devon, Plymouth, Somerset and Torbay;
  - Establish the basis for a 'local growth deal' with Government (including medium term arrangements for governance and performance management of that growth). This is the HotSW LEP's opportunity to ask Government for greater powers, freedoms & flexibilities;
  - Produce a bid (alongside the other 39 LEPs) into a £2bn per year (from 2015/16 to 2020/21) Local Growth Fund (LGF) with credible, investment-ready schemes (mainly focused on transport, economic growth and skills).
- 2.2 The first draft SEP was submitted to Government on 19<sup>th</sup> December 2013. The final SEP needs to be submitted to Government at the end of March 2014.

## **3.0 Plymouth City Council's Involvement**

- 3.1 As part of the development of the SEP, work has been distributed among the four upper tier authorities, with Plymouth City Council (PCC) and Torbay Development Agency (TDA)

leading on formulation of the “Business” Theme; Devon County Council (DCC) on the “People” Theme; and Somerset County Council (SCC) on the “Place” Theme.

- 3.2 Plymouth City Council is actively engaged in the SEP’s development and influencing the interventions and activities, which has included involvement of officers from Economic Development, Strategic Planning and Infrastructure and Education, Learning and Families. PCC also has representation on the LEP’s Management Team (which is the Executive Group responsible for the strategic decision-making, and reports directly to the LEP Board) and was one of the two upper tier authorities asked to sit on the SEP sign-off Group.

## 4.0 Summary of Draft SEP

- 4.1 The HotSW SEP’s overall mission is *“to make our area the place of choice to live, work, learn, visit and invest; we want to achieve sustainable and skilled jobs, improved productivity and economic growth in order to achieve prosperity.”*

- 4.2 Underpinning this vision is three core aims:

- Building on our distinctiveness.
- Maximising employment opportunities.
- Creating the conditions for growth.

- 4.3 The LEP has identified three main investment themes which shape the SEP:

- **“Place,” “Business” and “People”**

Each of these investment themes has high-level priorities and projects. In addition, the priorities outlined in the City Deal are integrated throughout each of the investment themes.

- 4.4 In addition, the HotSW has a number of ‘Golden Opportunities’ which are areas of activity or major projects which have the potential to be a key driver for growth and have the potential for a transformational impact on the South West economy. The Golden Opportunities, highlighted below, are integrated throughout the SEP:

- Construction and legacy of Hinkley C.
- Marine sector growth through the Plymouth and South West Peninsula City Deal and South West Marine Energy Park.
- Supercomputer investment and the global environmental analytic capabilities.
- Aerospace and advanced manufacturing.

## 5.0 The “Place”, “Business” and “People” Themes

- 5.1 “Place” – key issues for the South West include a lack of strategic transport connections inhibiting growth and productivity, and there is a concern about the vulnerability of transport infrastructure to extreme weather.
- 5.2 “Business” – key issues include a lower proportion of employment in growth/high value sectors, lower start-up rates and lower rates of export (compared to national averages).
- 5.3 “People” – key issues include a lack of higher end skills, lower than average wages and relatively high levels youth and long-term unemployment.
- 5.4 The draft SEP highlights the following investment priorities for “Place”, “Business” and “People” (figure 1) to address the issues highlighted above.

Figure 1: Emerging Priorities by Theme

Creating the Conditions for Growth		Maximising Productivity and Employment Opportunities	Building on our Distinctiveness
Place	<p>The Enabling Landscape</p> <ul style="list-style-type: none"> <li>• Transport and Accessibility</li> <li>• Sustainable solutions to flood and water catchment management</li> <li>• Unlocking delivery of stalled housing sites</li> <li>• Energy Infrastructure</li> </ul>	<p>The infrastructure and facilities to create more and better employment</p> <ul style="list-style-type: none"> <li>• Enterprise infrastructure</li> <li>• Investing in strategic employment sites in our main cities and towns</li> <li>• Digital infrastructure</li> </ul>	<p>The infrastructure and facilities needed to support transformational change</p> <ul style="list-style-type: none"> <li>• Opening up specialist sites for marine sector development</li> <li>• Investing in science park and innovation infrastructure for nuclear, marine, environmental sciences and aerospace</li> <li>• Maximising our environmental assets</li> </ul>
Business	<p>Creating a favourable business environment – the GAIN Growth Hub</p> <ul style="list-style-type: none"> <li>• Simpler, more coherent business support <ul style="list-style-type: none"> <li>○ Improved access to finance platform</li> <li>○ Tailoring national policies to local potential</li> </ul> </li> </ul>	<p>Achieving more sustainable and broadly based business growth – the Global Market Growth package</p> <ul style="list-style-type: none"> <li>• Reaching new markets – including public sector, web-fuelled and supply chain</li> <li>• Globalisation (exports and inward investment)</li> </ul>	<p>Support related to key opportunities – transformational investment package</p> <ul style="list-style-type: none"> <li>• Golden opportunities – Catapult-lites and networks</li> <li>• Horizontal Innovation – Capacity building, grand challenges and Innovation for all</li> </ul>
People	<p>Creating the environment where businesses and individuals can reach their potential:</p> <ul style="list-style-type: none"> <li>• Skills infrastructure and facilities</li> <li>• Accessibility to education/employment</li> <li>• Digital Literacy for inclusion, progression and business growth</li> </ul>	<p>Investing in skills and development to increase job opportunities and move people into the job market:</p> <ul style="list-style-type: none"> <li>• Moving people into employment - focusing on youth, long term unemployed and economically inactive</li> <li>• Careers advice and progression</li> <li>• Improving workforce skills</li> </ul>	<p>Creating a world class workforce building on our distinctiveness and growth sectors:</p> <ul style="list-style-type: none"> <li>• Entrepreneurship and business skills</li> <li>• Technical and higher level skills development and retention</li> <li>• Maximising the skills and employment opportunities from our Golden Opportunities</li> </ul>

- 5.5 There are a number of high-level projects which underpin the emerging priorities in figure 1. All projects are fully listed in the draft SEP - [http://www.heartofswlep.co.uk/sites/default/files/HOTSW\\_SEP\\_draft2\\_submission\\_19-12-13.pdf](http://www.heartofswlep.co.uk/sites/default/files/HOTSW_SEP_draft2_submission_19-12-13.pdf)

However, some key points to note include:

- The Plymouth and South West Peninsula City Deal is highlighted as a specific transformational opportunity to maximise growth throughout the Heart of the South West, including marine related activities. As a result this is integrated across the “Place”, “Business” and “People” sections.
- Within the “Place” section, high-level objectives / priorities include:
  - By 2030 reduce rail journey times from Plymouth to London by 40 minutes.
  - Improve resilience of strategic road and rail routes to and within the South West so the peninsula remains accessible at all times.
  - Deliver 170,000 new homes by developing transport infrastructure to open up major development opportunities and to support urban growth.
  - Transport schemes to reduce congestion and improve investment potential, including Plymouth, Derriford and William Prance Road junction.
  - Continue roll out of digital connectivity.
  - Deliver plans articulated in the Plymouth City Deal to drive growth of the marine sector, including assisting with the development of the Marine Industries Production Campus.
  - However, currently there are also considered to be key omissions in relation to some of the most important measures needed to support the Plymouth growth agenda, including the Forder Valley Link Road (which is crucial to unlocking the considerable growth potential of the north of Plymouth) and supporting the call for Plymouth to be connected to the Strategic National Corridor (Plymouth is the largest city in England with no direct road or rail connections which are on the network of Strategic National Corridors).
- Within the “Business” section, high-level objectives / priorities include:
  - An enhanced business support programme / Growth Hub, tailored to local circumstances, and building on the innovative Growth Acceleration and Investment Network (GAIN), scaling up the commitment made under the Plymouth City Deal.
  - Through the Growth Hub, simplify and rationalise local public procurement to maximise opportunities for businesses, particularly SME’s.
  - A single access to finance platform, to make it easier for businesses to identify and secure investment to grow.
  - Develop a major international business expo to coincide with Mayflower 2020 – a key UK showcase.
- Within the “People” section, high-level objectives /priorities include:
  - By 2020, reduce youth and long-term unemployment by half.
  - By 2030, increase average wages to match national average.
  - A focus on moving the youth and long-term unemployed into the labour market, including piloting the intensive case worker programme through the Plymouth City Deal.

- Piloting effective and consistent careers advice through the Plymouth City Deal and rolling out LEP wide of successful.
- Linking employers and young people through successful local initiatives such as the 1000 Club.
- Increase availability of intermediate and higher level skills in line with key areas of growth and opportunity.
- Encourage graduate retention to support business development and growth.

## **6.0 Next Steps**

- 6.1 The first draft SEP was submitted to Government on the 19<sup>th</sup> December 2013, with official feedback expected at the end of January 2014. The SEP will be refined until its final submission to Government at the end of March 2014.
- 6.2 Prior to the final submission, PCC will continue to ensure that Plymouth's needs are addressed and opportunities reflected within the final SEP. This will include emphasising the need to enhance productivity and connectivity as key priorities for the City and the sub-region and the importance of the urban areas to the HotSW's economy.
- 6.3 The SEP is positive for Plymouth and the South West as it provides the mechanism to access significant funding from the Local Growth Fund from 2015/16 onwards. The three key themes in the SEP of "Place", "Business" and "People" will enable Plymouth to continue delivering on its wider growth agenda, as well as building on the City Deal, which is a golden thread integrated throughout the SEP.