



#plymcabinet

Democratic Support

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CABINET

Tuesday 13 January 2015

2 pm

Council House (Next to the Civic Centre), Plymouth

Members:

Councillor Evans, Chair

Councillor Peter Smith, Vice Chair

Councillors Coker, Lowry, McDonald, Penberthy, Jon Taylor, Tuffin and Vincent.

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.

If you are seated in the public area of the Warspite Room, it is likely that your image will be captured by the recording cameras and this will result in your image becoming part of the broadcast. This may infringe your Human Rights and if you wish to avoid this, you should inform any council officer present at the meeting.

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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 - 20)

To sign and confirm as a correct record the minutes of the meeting held on 9 December 2014.

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, Ballard House, Plymouth, PL1 3BJ, or email to 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. COUNCIL TAX BASE SETTING 2015/16 AND COUNCIL TAX SUPPORT SCHEME 2015/16 (Pages 21 - 26)

Malcolm Coe (Assistant Director for Finance) will submit a report providing a Council Tax Base for tax setting purposes and seeking approval to the continuation of the existing 2014/15 Council Tax Support Scheme for the 2015/16 financial year.

7. OFSTED SINGLE INSPECTION: REPORT AND DRAFT IMPROVEMENT PLAN (TO FOLLOW)

Carole Burgoyne (Strategic Director for People) will submit a written report on the OFSTED report following an inspection of services for children in need of help and

protection, children looked after and care leavers and review of the effectiveness of the Local Safeguarding Children Board. Cabinet will also be asked to consider a draft improvement plan in response to the report.

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

8. BUSINESS PLAN 2015 - 2019 AND 2015/16 REVENUE ESTIMATES AND CAPITAL PROGRAMME (Pages 27 - 84)

Anthony Payne (Strategic Director for Place) will submit a report on the recommendations of the Tamar Bridge and Torpoint Ferry Joint Committee in relation to the Business Plan 2015 – 2019 and the 2015/16 Revenue Estimates and Capital Programme. Cabinet will be asked to make recommendations to the City Council.

9. LOCAL GOVERNMENT PENSION SCHEME 2014 DISCRETIONS POLICY (Pages 85 - 104)

Anthony Payne (Strategic Director for Place) will submit a report on the draft Local Government Pension Scheme 2014 which is recommended by the Tamar Bridge and Torpoint Ferry Joint Committee for approval. Cabinet will be asked to make a recommendation to the City Council.

10. 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

What matters are being discussed?



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Does the business relate to or is it likely to affect a disclosable pecuniary interest (DPI)? This will include the interests of a spouse or civil partner (and co-habitees):

- any employment, office, trade, profession or vocation that they carry on for profit or gain
- any sponsorship that they receive including contributions to their expenses as a councillor or the councillor’s election expenses from a Trade Union
- any land licence or tenancy they have in Plymouth
- any current contracts leases or tenancies between the Council and them
- any current contracts leases or tenancies between the Council and any organisation with land in Plymouth in they are a partner, a paid Director, or have a relevant interest in its shares and securities
- any organisation which has land or a place of business in Plymouth and in which they have a relevant interest in its shares or its securities

No

Yes



Declare interest and leave (or obtain a dispensation)





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Does the business affect the well-being or financial position of (or relate to the approval, consent, licence or permission) for:


- a member of your family or
- any person with whom you have a close association; or
- any organisation of which you are a member or are involved in its management (whether or not appointed to that body by the council). This would include membership of a secret society and other similar organisations.

Yes No  You can speak and vote

 Will it confer an advantage or disadvantage on your family, close associate or an organisation where you have a private interest more than it affects other people living or working in the ward?

Yes No

  Declare the interest and speak and vote

 Speak to Monitoring Officer in advance of the meeting to avoid risk of allegations of corruption or bias

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Cabinet members must declare and give brief details about any conflict of interest* relating to the matter to be decided and leave the room when the matter is being considered. Cabinet members may apply to the Monitoring Officer for a dispensation in respect of any conflict of interest.

*A conflict of interest is a situation in which a councillor’s responsibility to act and take decisions impartially, fairly and on merit without bias may conflict with his/her personal interest in the situation or where s/he may profit personally from the decisions that s/he is about to take.

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Cabinet

Tuesday 9 December 2014

PRESENT:

Councillor Evans, in the Chair.

Councillors Coker, Lowry, McDonald, Penberthy, Jon Taylor, Tuffin and Vincent.

Apology for absence: Councillor Peter Smith.

Also in attendance: Tracey Lee (Chief Executive), Carole Burgoyne (Strategic Director for People), Kelechi Nnoaham (Director of Public Health), Anthony Payne (Strategic Director for Place) and Nicola Kirby (Democratic Support Officer).

For part of the meeting: Councillor Mrs Aspinall (Chair of the Your Plymouth Scrutiny Panel Co-operative Review Group), Peter Aley (Head of Community Services), Paul Barnard (Assistant Director for Planning and Infrastructure), Jonathan Bell (Head of Development Planning), Robin Carton (Head of Public Protection Service), Malcolm Coe (Assistant Director for Finance), Emma Crowther (Commissioning Officer), David Draffan (Assistant Director for Economic Development), Doug Fletcher (Chair of the City Centre Company), Chris Grace (Head of Economy, Enterprise and Employment), Richard Grant (Local Planning Manager), Patrick Hartop (Head of City Deal), Sarah Hopkins (Community Safety and Partnerships Manager), Stefan Krause (City Centre Manager), Amanda Lumley (Chief Executive Officer, Destination Plymouth), Caroline Marr (Policy and Business Planning Officer), David Northey (Head of Corporate Strategy), Dylan Sadler (Senior Lawyer), Gareth Simmons (Head of Capital Strategy), Superintendent Chris Singer (Devon and Cornwall Police), Adrian Trim (Head of Highways, Parking and Marine Services), Mark Turner (South Yard Project Manager) and Jamie Yabsley (Visitor Marketing and Events Manager).

The meeting started at 2.30 pm and finished at 5.55 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.

90. **DECLARATIONS OF INTEREST**

No declarations of interest were made in accordance with the code of conduct in respect of items under consideration at this meeting.

91. **MINUTES**

Agreed the minutes of the meeting held on 11 November 2014.

92. **QUESTIONS FROM THE PUBLIC**

There were no public questions submitted for this meeting.

93. **CHAIR'S URGENT BUSINESS**

Councillor Evans (Council Leader) reported that the meeting had started later than usual because he and Tracey Lee (Chief Executive) had accompanied the Rt Hon Michael Fallon MP (Defence Secretary) on a boat trip to see Devonport Dockyard. They had taken the opportunity to explain the proposals for South Yard which were part of the City Deal and had asked him to consider naming one of the new frigates HMS Plymouth.

94. **YOUR PLYMOUTH SCRUTINY PANEL CO-OPERATIVE REVIEW INTO PUBLIC FUNERALS**

Councillor Mrs Aspinall (Chair of the Your Plymouth Scrutiny Panel Co-operative Review Group) presented the recommendations in the report of the Your Plymouth Scrutiny Panel following a co-operative review into public funerals, as amended prior to Cabinet, following a review of information provided to the review group and the consequent withdrawal of one of the recommendations under authority delegated by the Co-operative Scrutiny Board to the Lead Officer, in consultation with the Chair and Vice Chair (who was also the Chair of the review group).

Councillor Mrs Aspinall informed Cabinet that -

- (a) both the Council and Derriford Hospital undertook public funerals but that the costs were different;
- (b) the aim was to provide a basic funeral and to treat the deceased with dignity and respect;
- (c) the Department for Work and Pensions would pay a grant to assist with funeral expenses to an individual but not to a local authority;
- (d) it was important to identify everyone's next of kin and assistance was sought from registered landlords to record those details.

She thanked everyone who had assisted with the co-operative review group, including Nicola Horne (Service Manager, Public Protection Service), Darin Halifax (formerly Community Cohesion Co-ordinator) and Katey Johns (Democratic Support Officer).

Kelechi Nnoaham (Director of Public Health) submitted a report responding to the recommendations in the report of the review group.

Councillor Vincent (Cabinet Member for Environment) introduced the proposed actions in response to the recommendations from the review group and also thanked everyone who had contributed to the review.

Robin Carton (Head of Public Protection Service) attended the meeting for this item.

Councillor Evans (Council Leader) asked officers to liaise with other regulatory services to ascertain any current work on public funerals and if possible to join with others and to ask the Local Government Association to lobby for the payment of grants for funeral expenses to local authorities.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) that thanks are extended to the members of the Your Plymouth Scrutiny Review of Public Funerals and the Co-operative Scrutiny Board;
- (2) to note the recommendations contained in the Your Plymouth Scrutiny Report on Public Funerals and to agree the actions against each recommendation as set out in the report of the Director of Public Health.

95. **COST AND VOLUME FOR FOSTERING CONTRACT AWARD**

Carole Burgoyne (Strategic Director for People) submitted a report on the contract award to provide framework agreements for the provision of foster placements for children in care which were purchased from independent sector fostering agencies and were being commissioned for Plymouth City, Devon County and Torbay Councils. The report detailed the tender and evaluation process undertaken.

Councillor Evans (Council Leader) drew the attention of Cabinet Members to the separate private report, containing commercially sensitive information, referred to in minute 109 below.

Councillor McDonald (Cabinet Member for Children, Young People and Public Health) introduced the proposals and indicated that –

- (a) the framework agreements provided foster placement stability and that the needs of the child were paramount;
- (b) annual savings of £54,324.51 were forecast against current year spend;
- (c) last year, there had been 3686 contacts at the front door and that this year, there had been 6345 contacts, to date, from agencies and others. The increase was as a result of greater awareness but also increased neglect of children;
- (d) the tremendous work of corporate parents and foster parents was acknowledged and Councillor McDonald thanked all of the city's foster parents for their commitment.

Councillor Evans highlighted the method statement on child sexual exploitation and urged everyone to read it to gain an understanding of the harrowing cases that were dealt with by children's social workers. He paid tribute to and thanked the social workers for their work.

Emma Crowther (Commissioning Officer) attended the meeting for this item and reported that she had tried to balance the commercial elements of the agreements with the need to maintain a quality service.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that the seven fostering providers listed in the private report (minute 109 refers) are awarded a framework agreement to commence on 1 February 2015.

96. **COLLABORATIVE ENFORCEMENT PILOT**

Superintendent Chris Singer (Devon and Cornwall Police) submitted a report building on the framework for working with our citizens and communities, adopted by Cabinet in July 2014, and setting out the case for, and scope of, a Collaborative Enforcement Pilot between Devon and Cornwall Police and Plymouth City Council to enable communities to protect their local amenity and environment.

The report indicated that in order to establish a good evidence base and test new ways of working, it was proposed that the pilot was undertaken through two projects –

- (a) Project 1: Community Based Project to be based in St Peter's and the Waterfront area and would look to expand to other areas. The initial pilot area was located in within a single Police sector;
- (b) Project 2: Problem based pilot: New Anti-Social Behaviour Powers with shared enforcement responsibility between the Council, Police and Registered Landlords;
- (c) the pilot would run initially for up to 12 months and findings and recommendations for future action would be brought back to Cabinet to determine progression of collaborative working;
- (d) delivery of the pilot would be overseen by the Safer Plymouth Partnership with update reports to the Project Manager (Director of Public Health) and the Cabinet Member.

Councillor Penberthy (Cabinet Member for (Cabinet Member for Co-operatives, Housing and Community Safety) introduced the proposals which would aim to deal with issues in the community at the first point of contact.

Robin Carton (Head of Public Protection Service) also attended the meeting.

Cabinet Members were advised that -

- (e) council and police officers would be empowered to resolve issues such as graffiti and abandoned cars;
- (f) this report was also linked to the reports on anti-social behaviour and building strong and inclusive communities which were also on today's agenda;

- (g) progress would be reported to the Your Plymouth Scrutiny Panel and that a further report would be submitted to Cabinet if the pilot was to be extended to other areas.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) the delivery of the Collaborative Enforcement Pilot;
- (2) to officers included in the Council's scheme of delegations authorising suitable staff employed by Devon and Cornwall Police to undertake the enforcement functions assigned to the Authority (as stated by law and as may be identified by the proposed pilot);
- (3) the authorisation of council officers by Devon and Cornwall Police for the purposes of the pilot;
- (4) that the Co-operative Scrutiny Board is recommended to agree that Your Plymouth Scrutiny Panel works with the Safer Plymouth Partnership to identify how the findings of the Collaborative Enforcement pilot can be implemented on a city wide basis.

97. **ADOPTION AND IMPLEMENTATION OF ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014**

Carole Burgoyne (Strategic Director for People) submitted a report on the framework and recommendations for the implementation of the new anti-social behaviour tools and powers set out in the Anti-Social Behaviour, Crime and Policing Act 2014, which came into force on the 20 October 2014.

The report indicated that the existing 19 powers for tackling anti-social behaviour had been replaced with six new ones and the quality of the Council's partnership arrangements, both internally and externally, would be key to the efficient and effective implementation of the legislation.

Councillor Penberthy (Cabinet Member for Co-operatives, Housing and Community Safety) introduced the report and indicated that –

- (a) government guidance was still being issued;
- (b) officers had looked at how other authorities across the peninsula were implementing the Act;

- (c) there were concerns that some of the new processes through the Courts would be slower and more expensive than existing arrangements. It was also anticipated that more staff would be required to implement the provisions;
- (d) ward councillors would no longer be given the opportunity to comment on dispersal orders as those powers had now transferred to the police.

Sarah Hopkins (Community Safety and Partnerships Manager), Dylan Sadler (Senior Lawyer) and Superintendent Chris Singer (Devon and Cornwall Police) attended the meeting for this item and Councillor Penberthy thanked Sarah and her team for their work.

Following concerns expressed about the transfer of powers to the police for dispersal orders, Cabinet Members were advised –

- (e) that the new public spaces protection orders had replaced the former dispersal order powers, however the extent of the new powers would be tested and determined through the courts in due course;
- (f) that the Police had new tactical powers and could authorise dispersal orders for short durations at very short notice;
- (g) by Superintendent Chris Singer that he would give an assurance that the police would always endeavour to discuss any pre planned dispersal orders with ward councillors and that the collaborative enforcement pilot would be using this as a means of joint problem solving;
- (h) that Councillor Evans would be raising the issue with the Local Government Association.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) to note the provisions of Anti-Social Behaviour, Crime and Policing Act 2014;
- (2) that injunctions are only used in cases where behaviour is likely to cause or is causing the most harassment, alarm and distress;
- (3) that, in respect of Community Protection Notices, the Fixed Penalty Notice for environmental anti-social behaviour is set at £100 and that authority is delegated to the Cabinet Member for Environment, to agree any future variations and early repayment reductions;

- (4) not to designate Community Protection Notice powers to Registered Housing Providers and that this decision is referred to the Co-operative Scrutiny Board for consideration;
- (5) that 'closure powers' are only used in circumstances where premises are linked to nuisance to the public or disorderly, offensive or criminal behaviour of a serious nature;
- (6) to note that the Chief Executive will designate authority for signing off Closure Notices to the Community Safety and Partnerships Manager;
- (7) to work closely with the Police to influence the way in which the new Police power to disperse is applied taking into account previous learning and experience in process Dispersal Orders;
- (8) to explore with the Police, options for consulting or notifying ward councillors when Police use their powers to disperse;
- (9) that authority for signing off Public Spaces Protection Orders is delegated to the relevant Cabinet Member (either with responsibility for environment and/or community safety);
- (10) that the Collaborative Enforcement Pilot is used as the means for testing the Public Spaces Protection Order power in order to work through and identify relevant processes for consideration for city-wide implementation;
- (11) that the 'single point of contact' for all Anti-Social Behaviour Case Review Requests is the Community Safety and Partnerships Manager;
- (12) the threshold level of three separate qualifying complaints within six months as the threshold for triggering an Anti-Social Behaviour Case Review;
- (13) to work closely with Registered Housing Providers to explore the viability of establishing 'Tenant Champions';
- (14) to work with the community and voluntary sector and other relevant partners and agencies, to explore options for engaging communities in supporting the Anti-Social Behaviour Case Review process;
- (15) to delegate authority to the Head of Community Services to decide on any appeals against the outcome of Anti-Social Behaviour Case Reviews.

98. **BUILDING STRONG AND INCLUSIVE COMMUNITIES**

Superintendent Chris Singer (Devon and Cornwall Police) submitted a report outlining a proposal which would contribute to Plymouth building strong and inclusive communities and tackling issues of discrimination and hatred as reflected in the Fairness Commission report.

Councillor Penberthy (Cabinet Member for Co-operatives, Housing and Community Safety) introduced the report on behalf of Councillor Peter Smith (Deputy Leader).

Peter Aley (Head of Community Services) also attended the meeting and highlighted the importance of Cabinet Members and city leaders exercising their leadership roles to assist change whilst recognising that communities themselves would also need to change themselves.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed that the following approach to promoting social cohesion in this city is adopted in order to address the issues outlined in the report -

- (1) to encourage the opportunity to include major employers and professional sports clubs in the city to contribute and act within this collective responsibility and to influence these partners to pool resources to support delivery of this agenda;
- (2) to expect a local campaign to be initiated by the city leaders to bring about consistent messaging around community cohesion in the city;
- (3) that a full data/information gathering and analysis is undertaken and championed by city leaders. This will inform a better understanding of the issues affecting the city specific so that actions can be developed to deliver solutions and must sit within the wider context of the 'Framework for Working with Citizens and Communities';
- (4) to drive the mandate for the review or refresh of the formal Information Sharing Agreement to support the creation of any data gathering and analysis requirements generally, but in relation to this proposal, around social cohesion; and
- (5) to seek to endorse, in the near future, a refreshed set of Welcoming City actions linked to the existing 'Framework for Working with Citizens and Communities' that are based on the intelligence gathered and which are agreed by city leaders.

99. **MAJOR EVENTS 2015**

Following this year's highly successful 'MTV Crashes' event, Anthony Payne (Strategic Director for Place) submitted a report on a proposal to hold the event on Plymouth Hoe for the next three years, with a financial underwriting by the Council to facilitate this major event for the benefit of the city, its businesses and community, as part of the major events strategy.

The attention of Cabinet Members was drawn to the separate report, containing commercially sensitive information, referred to in minute 107 below.

Councillor Lowry (Cabinet Member for Finance) introduced the proposals and indicated that –

- (a) MTV was committed to keeping ticket prices at a reasonable cost;
- (b) for the 2014 event, provision had been made for 1000 complimentary tickets for children in care and that the same provision would be made for the event in future years;
- (c) the 2015 events programme included the Ocean City Festival and the Rolex Fastnet.

A video of this year's event was shown to Cabinet Members.

David Draffan (Assistant Director for Economic Development), Chris Grace (Head of Economy, Enterprise and Employment), Jamie Yabsley (Visitor Marketing and Events Manager) attended the meeting for this item and officers advised that the MTV event brought invaluable publicity to the city and was important to the visitor economy. They further advised that the event would be cost neutral to the Council.

In response to questions, Cabinet Members were advised that alcoholic drinks would be available at the MTV event and officers would endeavour to provide opportunities for local musicians to play on the stage.

Councillor Evans (Council Leader) thanked Jamie and the events' team for their work.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) Plymouth's hosting of MTV 'Crashes' in 2015/16, 2016/17 and 2017/18 in line with the overall principles of the Plymouth Visitor Plan Star Project – signature and major events, as well as other city wide strategies;
- (2) the requirement to underwrite and cash flow the contractual MTV payment (as detailed in the private report) in lieu of the income and sponsorship;
- (3) to delegate authority to the Assistant Director for Economic Development to sign the contract between the Council and MTV.

100. **FUTURE DELIVERY OF HIGHWAYS' SERVICES**

Councillor Evans (Council Leader) drew the attention of Cabinet Members to the separate private report on options for the future delivery of Highways Maintenance Services, which contained commercially sensitive information and was referred to in minute 108 below.

Anthony Payne (Strategic Director for Place) submitted a report on the options available to the Council for the delivery of Highways Maintenance Services, in both the long term and short and medium term.

The report –

- (a) assessed the options and identified the relative advantages, disadvantages and risks of each;
- (b) indicated that elements of different models could be combined to customise a hybrid solution which may more closely align with the Council's highway objectives;
- (c) advised that in the short to medium term, the options were largely dictated by the expiry of the current contractual arrangements with Amey on 30 November 2015;
- (d) concluded that mutual agreement was required with Amey if an extension to the existing contract was the preferred option.

Councillor Coker (Cabinet Member for Transport) introduced the proposals and indicated that -

- (e) the current, seven year contract with Amey had commenced in 2008, with the option to extend it on an annual basis for a total of three years;
- (f) highway maintenance services had improved with the significant investment in recent years, the programme of pothole repairs and new, innovative working practices;
- (g) the authority had joined the South West Highways Alliance, which comprised all of the councils in the south west, so that authorities could work collaboratively in order to make savings and review new initiatives.

Councillor Coker proposed an amendment to recommendation (2) in the report to delegate authority to the Cabinet Members for Finance and Transport, to agree revised terms and conditions prior to the extension of the contract until 31 March 2017.

Adrian Trim (Head of Highways, Parking and Marine Services) attended the meeting for this item and indicated that he had reviewed the service provision in other local authorities.

Councillor Evans supported the amendment and –

- (h) indicated that the existing contract had not addressed the long history of the deteriorating road network and had not afforded Council tax payers any protection in relation to additional works that were required;
- (i) stressed that Cabinet Members and officers needed to ensure that an improvement in service provision was achieved, however he also acknowledged that a lot of work had been done but that further improvements were also necessary;
- (j) advised that Cabinet Members would be monitoring the situation.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) that the long term solutions for Highways Maintenance Services for the City of Plymouth are worked up for a final decision on preference of the proposed model by November 2015, drawing upon the best parts of other models, as outlined in paragraph 1.4, of the report;
- (2) to delegate authority to the Cabinet Member for Finance, in consultation with the Cabinet Member for Transport, to agree revised terms and conditions and to then extend the contract until 31 March 2017;
- (3) that the Revised Highway Inspection Policy is adopted;
- (4) the long standing issues with Amey as set out in the private report.

101. **PLYMOUTH PLAN (PART ONE) - CONSULTATION DRAFT PLAN**

Tracey Lee (Chief Executive) and Anthony Payne (Strategic Director for Place) submitted a report seeking approval of the draft Plymouth Plan (Part One) for consultation purposes.

The report indicated that –

- (a) the Plymouth Plan aimed to be a single strategic plan for Plymouth, setting a shared direction of travel for the city which looked ahead to 2031 and which the Council and its partners would use to guide their service and delivery planning. The document would bring together a range of statutory and non-statutory strategies and plans into a single integrated plan;
- (b) the plan would be published in two parts. Part One would comprise the city's overarching vision, strategic objectives and the thematic and spatial policies of the plan. Part Two would identify area and site specific policies across the city and would be published for consultation purposes next autumn;
- (c) the plan would be an interactive web based plan, although a full document style plan would also be available. This would be particularly important for its use as the city's statutory development plan;
- (d) an extensive community and partner engagement process had already been undertaken, culminating in the recent Plymouth Plan Connections Programme during which just under 1000 representations had been received. All of the representations received since work on the plan commenced in 2013 had helped to shape the content of the draft plan;
- (e) if approved, a further programme of community and partner engagement would be undertaken, commencing at the beginning of January which would further test the content of the draft plan and help to develop the interactive portal.

Councillor Vincent (Cabinet Member for Environment) introduced the draft plan and thanked all the staff for their tireless work.

Paul Barnard (Assistant Director for Planning and Infrastructure), Jonathan Bell (Head of Development Planning) and Richard Grant (Local Planning Manager) and Caroline Marr (Policy and Business Planning Officer) attended the meeting.

Cabinet Members were advised that the process would be -

Publication of Plymouth Plan (Part One)	21 January 2015
Consultation on the strategic framework	January to March 2015
Plymouth Plan (Part One) approved	By June 2015
Draft Plymouth Plan (Part Two) published	By September 2015
Single Plymouth Plan published for representations	By January 2016
Submission of Plymouth Plan	By April 2016
Public Examination	By July 2016
Adoption	By February 2017

On behalf of Cabinet, Councillor Evans (Council Leader) thanked everyone who had had an input into the draft document and thanked the Strategic Planning Team for their work.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) the draft Plymouth Plan (Part One) for consultation purposes and the programme of community and partner engagement to help shape the final version of the plan;
- (2) the use of the draft Plymouth Plan (Part One) as a material consideration for the making of planning decisions;
- (3) to recommend that, as part of the consultation process, the Co-operative Scrutiny Board considers the Plymouth Plan and allocates modules to its constituent panels for further scrutiny where deemed appropriate.

102. **CITY DEAL SOUTH YARD PROPOSALS**

Anthony Payne (Strategic Director for Place) submitted a report seeking approval to proceed with the finalisation of a Land Transfer Agreement to transfer areas of HM Naval Base South Yard from the Ministry of Defence (MoD) to Plymouth City Council as part of the Plymouth and South West Peninsula City Deal.

The report -

- (a) presented a high-level vision and master-plan of the future South Yard Marine Industries Production Campus site which sought to safeguard and enhance its historic legacy;
- (b) presented a summary of the results of feasibility, site investigations and master-planning work which had been ongoing throughout 2014 and summarised the status of land transfer negotiations with the MoD to effect the transfer of parts of South Yard to Plymouth City Council for redevelopment as a Marine Industries Production Campus;
- (c) indicated that the site would provide new employment space along with access to deep water jetties and docks, thereby enabling marine sector companies to undertake a range of research, development and general commercial marine activities;
- (d) proposed the development of a business case to immediately begin direct development on the site on the eastern area of South Yard Area 1 site to create high-quality office space and a number of hybrid office/workshop units with flexibility to accommodate marine related design, training, technology development, laboratory and testing facilities, which were estimated to create over 150 jobs, along with construction jobs and apprentices;
- (e) advised that, to safeguard the Naval Heritage Collection in the South Yard site, the Council had provided a commitment to retain it on site until an alternative arrangement was agreed between the MoD and Plymouth City Council;
- (f) informed Cabinet Members that, once developed, the campus should also contribute to the south west region's Marine Energy Park concept to help support the wider marine renewable energy sector and hence contribute to the wider economic benefit of the region.

Councillor Evans (Council Leader) introduced the proposals and reiterated his comments in relation to his discussions with the Rt Hon Michael Fallon MP (Defence Secretary). He indicated that during those discussions, he had paid tribute to role of Commodore Little in the progress of this initiative.

Mark Turner (South Yard Project Manager), David Draffan (Assistant Director for Economic Development) and Patrick Hartop (Head of City Deal) and Gareth Simmons (Head of Capital Strategy) attended the meeting for this item and indicated that the proposals had been phased so that an early start could be made on site. The challenges facing the Council would be in relation to construction to safeguard the heritage of the site and that the outcome needed be self-sustaining.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) to delegate to the Strategic Director for Place the negotiation, finalisation and signing of a legal agreement to transfer areas of South Yard (namely Areas 1 and 5) from the Secretary of State for Defence to the Council;
- (2) to authorise officers to prepare a detailed design and business case for a direct development proposal on the eastern area of South Yard Area 1 site.

The City Council is Recommended to accept the funding offered as part of the City Deal Agreement (dated 31 January 2014) towards the creation of a South Yard Marine Industries Production Campus ie: Department for Communities and Local Government grant of £8m, a £5m loan from the Local Enterprise Partnership (Growing Places) and a loan of up to £1m from the Ministry of Defence.

103. **RENEWAL OF BUSINESS IMPROVEMENT DISTRICT FOR CITY CENTRE**

Anthony Payne (Strategic Director for Place) submitted a report –

- (a) seeking endorsement of the principles and overall approach of the Plymouth City Centre Company Business Improvement District (BID) and their Business Plan for 2015 to 2020;
- (b) setting out the proposed City Council's financial and in kind support at a total value of support, cash, in kind commitments and BID levy payments over five years of £3,137,500;
- (c) indicating that further capital support had also been requested over the initial £1,000,000 plus over the next five years subject to funding and business cases which would supplement the improvements at Frankfort Gate and further City Market refurbishments;
- (d) indicating that matched with City Council, property owners and other contributors funding, it was projected that a sum in the region of £8,652,500 would be generated during the five year term of the BID including cash and in kind;
- (e) on the ballot and voting arrangements.

Councillor Lowry (Cabinet Member for Finance) introduced the proposals and stressed that the City Centre was highly important to the City Council had as an economic and jobs driver for the city itself. The Council had committed up to £5m of funding over the next five years to key city centre projects including a new coach hub, development of the £24 million Plymouth International History Centre, the new Drake's Leisure and cinema complex at Bretonside and the new First Stop facility in Cornwall Street. He advised that if the City Centre BID ballot was successful, further investment would be brought in by the City Centre Company.

Councillor Evans (Council Leader) welcomed Douglas Fletcher (Chair of the City Centre Company), Stefan Krause (City Centre Manager) and Amanda Lumley (Chief Executive Officer, Destination Plymouth) to the meeting in addition to David Draffan (Assistant

Director for Economic Development) and Chris Grace (Head of Economy, Enterprise and Employment) who also attended the meeting for this item.

Stefan Krause and Doug Fletcher advised that –

- (f) the focus of the new BID was on step change and major improvements to move it forward as a key shopping and community destination. Partnership was crucial to success of the BID and the support of the City Council was and would continue to be very valuable in this respect;
- (g) the proposals for the new BID business plan would be signed off by the City Centre Board on 10 December 2014;
- (h) shopping and entertainment was important as a key economic and employment driver and events in the city centre needed to be improved and established as regular tourist attractions.

Amanda Lumley also stressed the importance of shopping to the city (40 per cent of visitors cite shopping as a key activity) and advised that Destination Plymouth supported the BID and the City centre as a retail destination in its own right.

Councillor Evans thanked Doug Fletcher for his commitment to the City Centre and for his drive, enthusiasm and support.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed -

- (1) to continue to endorse the principles and overall approach of the Plymouth City Centre Company BID and their Business Plan for 2015 to 2020;
- (2) the City Council's financial and in kind contributions as set out in this report and to demonstrate continued commitment to the City Centre company BID at existing levels through the proposed BID Concordat and Contract for the provision of services within the Plymouth City Centre Business Improvement area;
- (3) to authorise the City Council Chief Executive as returning officer to instruct a Ballot Holder to undertake a ballot of appropriate businesses within the City Centre Company Business Improvement District area;
- (4) to delegate to the Strategic Director for Place authority to vote on behalf of the City Council in the Plymouth City Centre Company Business Improvement District ballot;
- (5) to delegate to the Strategic Director for Place authority to approve the Plymouth City Centre Company Business Improvement District Contract provided that it accords with the general principles set out in this report.

104. **DELIVERING THE CO-OPERATIVE VISION WITHIN A FOUR YEAR SUSTAINABLE BALANCED BUDGET**

The Chief Executive submitted a report on the indicative four year balanced budget for the period 2015/16 to 2018/19 to fulfil the Council's statutory responsibility of setting a robust and realistic annual budget.

Councillor Lowry (Cabinet Member for Finance) introduced the proposals and drew attention to the 69 per cent reduction in formula grant from the government over the four year period from 2014/15 to 2018/19. He reported that with the transformation change programme, a plan would be in place to transform, with partners, in order to deliver services.

Cabinet Members reported that –

- (a) vital services were being protected and that it was hoped that transformation would also provide opportunities to improve the quality of services;
- (b) there were continuing challenges for adult social care;
- (c) with the massive cuts, the Council had to work differently;
- (d) the Plymouth Energy Company had levered in nearly £5m of funding and was working with communities to provide insulation and save energy;
- (e) a weekly brown bin collection was being maintained;
- (f) the Council was not proposing to cut services, road maintenance and infrastructure or street lighting and had made further investment in roads and street lighting.

David Northey (Head of Corporate Strategy) attended the meeting for this item.

Alternative options considered and the reasons for the decision –

As set out in the report.

Agreed that -

- (1) the proposed revenue target budget requirement for 2015/16 of £191m, and capital forecast of £210.15m is presented for full public scrutiny in January 2015;
- (2) members and officers continue to bring forward further solutions in order to close the existing £1.2m budget gap in 2015/16;
- (3) the proposed indicative revenue forecasts for 2016/17, 2017/18 and 2018/19 are also presented for full public scrutiny in January 2015;

- (4) Cabinet consider findings from consultation, feedback from budget scrutiny and any material changes announced in the final settlement for Plymouth City Council in early February 2015.

105. **THANKS**

Councillor Evans (Council Leader) thanked all the officers for their work for this meeting and conveyed the compliments of the season to everyone.

106. **EXEMPT BUSINESS**

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 items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

107. **MAJOR EVENTS 2015 (E3)**

Anthony Payne (Strategic Director for Place) submitted a private report on confidential details relating to the proposal for the MTV event.

(See also minute 99 above)

108. **FUTURE DELIVERY OF HIGHWAYS' SERVICES (E3)**

Anthony Payne (Strategic Director for Place) submitted a private report on commercially sensitive details relating to the future delivery of Highways' Services.

(See also minute 100 above)

109. **COST AND VOLUME FOR FOSTERING CONTRACT AWARD (E3)**

Carole Burgoyne (Strategic Director for People) submitted a private report on commercially sensitive details relating to the cost and volume contract for fostering and identifying the successful tenderers.

(See also minute 95 above)

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PLYMOUTH CITY COUNCIL

Subject: Council Tax Base Setting 2015/16 and Council Tax Support Scheme 2015/16

Committee: Cabinet

Date: 13 January 2015

Cabinet Member: Councillor Lowry

CMT Member: Malcolm Coe (Assistant Director for Finance)

Author: Natalia Szabo-Reed (Principal Technical Accountant)

Contact: Email:natalia.szabo-reed@plymouth.gov.uk
Tel: 01752 304121

Ref:

Key Decision: No

Part: I

Purpose of the report:

The report provides Members with a Council Tax Base for tax setting purposes in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012.

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

The correct calculation of the Council Tax Base will ensure the Council maximizes its financial resources to meet its corporate priorities.

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

A collection rate of 98.5% has been used in calculating the Council Tax base. This Council Tax base setting report together with Appendix A which details the tax base calculations, shows the tax base is 68,460 which will give us a Council Tax requirement of £90,407,129 assuming a 1.99% increase. This is in line with the resource modelling within the budget papers being presented to Council in February 2015.

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

None – this report sets out the base for the Council Tax resource for 2015/16 and all implications from resource allocation are set out in the four year sustainable budget report.

Equality and Diversity:

None

Recommendations and Reasons for recommended action:

1. That Cabinet recommend to Council the approval of the Council Tax Base for 2015/16 Tax Setting as 68,460 Band D equivalents, which is the tax base after allowing for an estimated collection rate of 98.5%.
 2. That Cabinet recommend to Council the approval of the 2014/15 Council Tax Support Support scheme continuing for the 2015/16 financial year and that all elements of the scheme remain the same.
-

Alternative options considered and rejected:

Not applicable – calculation of the tax base is a statutory function.

Published work / information:

None

Background papers:

None

Sign off:

Fin	djn141 5.27	Leg	21995 /DVS	Mon Off	21995/ DVS	HR		Assets		IT		Strat Proc	
Originating SMT Member: Malcolm Coe													
Has the Cabinet Member(s) agreed the content of the report? Yes													

I INTRODUCTION

- 1.1 The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 establishes arrangements for the setting of Council Taxes. The arrangements include the valuation of the Council Tax Base for tax setting for which a Council resolution is necessary. The result must be notified to the major precepting authorities.
- 1.2 For the year commencing 1 April 2015 the major precepting authorities will be Devon and Cornwall Police and Crime Commissioner, Devon and Somerset Fire and Rescue Authority and Plymouth City Council.
- 1.3 Regulations require the Council to determine its Tax Base for Council Tax purposes for 2015/16 during the period 1 December 2014 to 31 January 2015. The level of Council Tax subsequently set must use this base figure. A Tax Base calculation is provided in Appendix A.
- 1.4 The calculation of the Tax Base includes the impact of the Council Tax Support Scheme which significantly reduces income from Council Tax which is then offset, in part, by a Council Tax Support Grant which is included within the Settlement Funding Allocation.

2 PURPOSE OF THE REPORT

- 2.1 The purpose of this report is to present Cabinet with the calculation of the Council Tax Base of 68,460 for tax setting for the financial year 2015/16. For purposes of comparison, the Council Tax Base for tax setting in the financial year 2014/15 was 67,066.
- 2.2 The Tax Base calculation includes the impact of the Council Tax Support Scheme. This report assumes that all elements of the scheme remain the same for the 2015/16 financial year.

3 TAX BASE CALCULATIONS

- 3.1 Tax base figures are calculated by the billing authority as the aggregate of the "relevant amounts" calculated for each property valuation band multiplied by the estimated "collection rate" for the year.
- 3.2 Relevant amounts are:
 - (a) The number of chargeable dwellings in that band shown in the valuation list as it stands on the relevant day.
 - (b) The number of discounts, disabled reductions and exemptions which apply to those dwellings on the relevant day;
 - (c) Estimated changes in (a) and (b) above between the relevant day and the last day of the charging period to which the estimate applies;

- (d) Impact of the Council Tax Support scheme which is linked to claimants, is converted to an equivalent number of dwellings per band by dividing the estimated cost per band of the reductions by the estimated Council Tax for that band;
- (e) The number of Band D equivalents within each different band.
- (f) The relevant day is 30 November in the financial year preceding that for which the relevant amounts are calculated.

3.3 The collection rate for the year is the billing authority's estimate of the total amounts of Council Tax which will ultimately be paid or transferred into the Collection Fund.

3.4 This report assumes a collection rate for Council Tax of 98.5%.

3.5 A summary of the actual calculation of the 2015/16 Council Tax Base for Plymouth is shown in the Appendices to this report. Appendix A shows the tax base calculation, Appendix B shows the tax base used for the previous three years for comparison.

	BAND A with disabled relief	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	Total
Number of dwellings in valuation list as at 30th November 2014	-	46,694	31,618	22,046	9,194	4,711	1,648	578	60	116,549
Number of exempt dwellings (including demolished)	-	2,874	1,862	1,105	612	206	43	39	21	6,762
Reductions to lower band due to disabled relief	-	117	157	116	90	64	25	31	11	611
Additions to band due to disabled relief	117	157	116	90	64	25	31	11	-	611
CHARGEABLE DWELLINGS FOR BAND	117	43,860	29,715	20,915	8,556	4,466	1,611	519	28	109,787
Total discounts at 25%	47	22,858	10,249	5,662	1,970	862	282	74	1	42,005
Total discounts at 50%	2	279	208	98	50	26	33	26	17	739
Total discounts at 100% one months only	-	670	360	167	81	36	17	10	-	1,341
TOTAL DISCOUNTS	13	5,910	2,696	1,478	524	232	88	32	9	10,983
Long Term Empty Premium at 50%	-	120	26	13	3	-	4	4	2	172
LONG TERM EMPTY PREMIUM	-	60	13	7	2	-	2	2	1	86
Estimated number of dwellings not listed but which will be listed in the band for the whole or any part of the financial year	-	248	168	117	49	25	9	3	0	620
Estimated number of reductions to lower band due to successful appeals	-	-	9	2	1	4	3	1	-	20
Estimated number of additions to lower band due to successful appeals	-	9	2	1	4	3	1	-	-	20
TOTAL ADJUSTMENTS	-	257	161	116	52	24	7	2	0	620
LOCAL COUNCIL TAX SUPPORT SCHEME REDUCTIONS	39	11,054	3,771	1,205	294	75	21	3	-	16,461
Family annexes discount at 50%	-	7	5	9	6	4	4	2	-	35
FAMILY ANNEXES	-	4	2	4	3	2	2	1	-	18
TOTAL DWELLINGS	65	27,210	23,420	18,351	7,788	4,182	1,509	487	21	83,032
RATIO TO BAND D	5 9	6 9	7 9	8 9	9 9	11 9	13 9	15 9	18 9	
RELEVANT AMOUNTS FOR 2015/16	36	18,140	18,216	16,312	7,788	5,111	2,179	812	41	68,634
COLLECTION RATE										98.50%
ADJUSTED RELEVANT AMOUNT	36	17,868	17,942	16,067	7,671	5,035	2,146	799	41	67,605
MOD CONTRIBUTION										856
TAX BASE										68,460

Council Tax base in previous years

Appendix B

	2014/15			2013/14			2012/13		
Band	Number of properties	Estimated Collection Rate	Adjusted Band D Equivalent	Number of properties	Estimated Collection Rate	Adjusted Band D Equivalent	Number of properties	Estimated Collection Rate	Adjusted Band D Equivalent
A	46,657	97.50%	17,428	46,555	97.50%	17,613	46,363	98.50%	24,443
B	31,379	97.50%	17,501	31,134	97.50%	17,431	30,914	98.50%	19,901
C	21,986	97.50%	15,771	21,800	97.50%	15,637	21,734	98.50%	16,580
D	9,123	97.50%	7,570	8,922	97.50%	7,499	8,903	98.50%	7,683
E	4,679	97.50%	5,001	4,539	97.50%	4,891	4,493	98.50%	4,836
F	1,657	97.50%	2,131	1,673	97.50%	2,199	1,675	98.50%	2,192
G	578	97.50%	780	578	97.50%	798	567	98.50%	761
H	60	97.50%	39	59	97.50%	37	58	98.50%	32
Total	116,119		66,221	115,260		66,105	114,707	98.50%	76,428
MOD			845			853			843
Tax Base			67,066			66,958			77,271

PLYMOUTH CITY COUNCIL

Subject:	Tamar Bridge & Torpoint Ferry Business Plan 2015-2019, 2015/16 Revenue Estimates and Capital Programme
Committee:	Cabinet
Date:	13 January 2015
Cabinet Member:	Councillor Coker
CMT Member:	Anthony Payne (Strategic Director for Place)
Author:	David List, General Manager Tamar Bridge and Torpoint Ferry
Contact details	Email: david.list@tamarcrossings.org.uk
Ref:	
Key Decision:	No
Part:	I

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 the Cabinets of the Joint Authorities to recommend TBTFJC's Business Plan and budgets to their respective Full Councils.

The report presents the two reports submitted to TBTFJC on 5 December 2014 and draft minutes recording their endorsement.

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 well-maintained road network contributes to the economic well-being of the City, supporting the Council's Growth priority.

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

Finance – The proposed budgets and delivery of the Business Plan will be funded from toll income, and based on assumed annual traffic growth of 1% from 2015/16 onwards no increase in toll charges are anticipated in the four years covered by the Business Plan.

Final

Human – The Business Plan will be delivered by the existing organisation using its own staff, contractors and consultants, with support from the parent authorities.

IT – The IT implications are restricted to incremental improvement of existing systems as part of the Business Plan and associated projects.

Land – No land issues arising from this item.

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

Risk Management – A risk register and mitigation measures are included within the Tamar Bridge and Torpoint Ferry Business Plan 2015-2019.

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

Health and Safety – Key Performance Indicators within the Business Plan are designed to drive improvement.

There are no child poverty or community safety implications.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Yes, these are provided within respective TBTFJC reports.

Recommendations and Reasons for recommended action:

That the Cabinet recommends TBTFJC's 2015-2019 Business Plan and 2015/16 Revenue Estimates and Capital Programme to Full Council for approval.

Alternative options considered and rejected:

The Business Plan is designed to deliver safe reliable and efficient crossings of the Tamar. The key priorities and delivery actions support the Plan and maintain established service delivery characteristics.

Asset maintenance has been designed to optimise service delivery and life cost.

Published work / information:

Tamar Bridge & Torpoint Ferry Joint Committee reports, 5 December 2014

2015-2019 Business Plan

<https://democracy.cornwall.gov.uk/documents/b17871/Business%20Plan%202015-19%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=9>

2015/16 Revenue Estimates and Capital Programme

<https://democracy.cornwall.gov.uk/documents/g5395/Public%20reports%20pack%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10>

Tamar Bridge and Torpoint Ferry Joint Committee Draft Minutes of Meeting 5 December 2014

<https://democracy.cornwall.gov.uk/documents/g5395/Printed%20minutes%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>

Background papers:

None

Sign off:

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

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.

Background

Business Plan

- 1.2 The implementation of a rolling four-year Business Plan follows a resolution by the TBTF Joint Committee in December 2009 to adopt a business planning framework that would reflect the strategic nature of the two crossings and integrate operational and financial aspects of the undertaking into a single document. The previous 2011-15 and 2013-17 Business Plans stated the mission and values of the organisation which remain unchanged in the updated document. The proposed draft Plan moves forward two years and covers the period 2015-19.
- 1.3 Sections reviewing performance against the previous 2013/17 plan are currently blank, as it is proposed to incorporate 2014/15 outturn statistics in the final 2015-2019 plan when that data is available after April 2015. This approach ensures that on publication, the 2015-2019 Business Plan is contemporary and that it has not been superseded by outturn variations.
- 1.4 The proposed plan incorporates the progress made on key delivery actions, and takes into account revised income forecasts and expenditure projections. These align with the Revenue Estimates and Capital Programme proposals. The plan indicates a likelihood that the minimum level of reserves of £2 million would be reviewed within the period covered by the plan.
- 1.5 Additional information has been added to the document to reflect greater emphasis on value for money elements of the undertaking. The plan links with the undertaking's Business Continuity Management System and the Risk Management Framework.
- 1.6 The draft Business Plan was presented to TBTFJC at its meeting on 5 December 2014. TBTFJC resolved to propose the Plan to respective Cabinets subject to the following amendments:
- i) the deletion of the words 'as necessary' from point six of the operations priorities and
 - ii) the addition of the investigation of appropriate alternative mechanisms for toll revisions to the improvement priorities.

and this is recorded in the draft minutes of that meeting at

<https://democracy.cornwall.gov.uk/documents/g5395/Printed%20minutes%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>

- 1.7 Detail on the Business Plan is shown in the report presented as item 5.3 of the agenda pack for the 5 December 2014 meeting of TBTFJC at

<https://democracy.cornwall.gov.uk/documents/b17871/Business%20Plan%202015-19%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=9>

Revenue Estimates

- 1.8 The proposed Revenue Estimates 2015/16 (budgets) and indicative estimates for future years support the Business Plan and are consistent with the organisation's long-term 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 at TBTFJC meetings. Assumptions on pay inflation and on interest rates for borrowing and investment have followed those used by Cornwall Council.
- 1.9 Income in the 12 months ending 31 October 2014 was 3.8% higher than in the previous 12 month period reflecting emergence from the economic recession. The forecast for future income has been based on the continuation of this level of growth for the remainder of 2014/15 followed by more modest annual growth of 1% thereafter. This is considered to be a conservative but prudent approach in comparison to government's forecasts of economic growth exceeding 2%.
- 1.10 Based on the assumptions set out above and funding of the major projects in the Capital Programme by borrowing, reserves during the period covered by the Business Plan would lie in the range £3.6 million to £4.4 million. It is therefore not anticipated that any toll revision will be necessary during the term of the Business Plan which extends to April 2019.
- 1.11 Detail on the revenue estimates is shown in the report presented as item 5.4 of the agenda pack for the 5 December 2014 meeting of TBTFJC at
<https://democracy.cornwall.gov.uk/documents/g5395/Public%20reports%20pack%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10>

and these were approved by TBTFJC for recommendation to Cabinet as shown in the draft minutes at

<https://democracy.cornwall.gov.uk/documents/g5395/Printed%20minutes%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>

Capital Programme

- 1.12 The items in the Capital Programme for 2015/16 onwards are :

Bridge protective coating	£4.57m
Bridge Office Development	£3.33m
Bridge access works	£0.68m
Bridge half-joint replacement	£0.10m
Bridge structural monitoring system	£0.10m

The above items are all within the current approved programme.

- I.13 Two further unapproved items have been noted in the capital programme - 'Bridge Resurfacing Works – Phase 2' and 'Bridge Deck Waterproofing/Drainage Improvements'- both included under 'Future Programme'. A business case will be developed for each of these items and presented to a future meeting of TBTFJC for consideration. If endorsed by TBTFJC these projects will be recommended to respective Cabinets for addition to the Capital Programme.
- I.14 As established within previous years' budget reports, the financing of major capital projects is currently undertaken through the advance of funding from Cornwall Council (in effect borrowing). This spreads the effect on the revenue budget and therefore the level of reserves held by the Joint Committee. The financing costs for the approved programme are reflected within the revenue estimates.
- I.15 Detail on the capital programme is shown in the report presented as item 5.4 of the agenda pack for the 5 December 2014 meeting of TBTFJC at

<https://democracy.cornwall.gov.uk/documents/g5395/Public%20reports%20pack%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10>

and this was approved by TBTFJC for recommendation to Cabinet as shown in the draft minutes at

<https://democracy.cornwall.gov.uk/documents/g5395/Printed%20minutes%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=1>

**TAMAR BRIDGE AND TORPOINT FERRY
JOINT COMMITTEE: DRAFT MINUTES 28
AND 29 OF 5 DECEMBER 2014**



BUSINESS PLAN 2015 – 2019 (minute 28)

The General Manager presented the written report setting out the draft Business Plan for 2015 – 2019 from which he highlighted the increased toll revenue generated from additional traffic and the assumption of 1% growth over the period of the Plan. He advised that there had been no fundamental change to key priorities and financial details would be completed when year end outturn figures were known.

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

- i) it was suggested that for clarity, the words 'as necessary' be removed from the operational priority to promote electronic tolling;
- ii) it was considered that the improvement priorities should contain mention of the intention to explore appropriate alternative mechanisms for toll reviews.

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

- i) the success of electronic tolling was dependent upon the attractiveness of the package. The Joint Committee had previously taken the view that the income generation balance should be 60% tag and 40% cash and this was reflected in the Business Plan;
- ii) investigations were continuing into the possibility of removing the Bridge and Ferry from the restrictive 1954 legislation to which other large crossings were not bound.

Arising from consideration of the report and debate, it was proposed by Councillor Hobbs, seconded by Councillor Wheeler, and

**RESOLVED TO RECOMMEND TO THE CABINETS AND FULL COUNCILS OF
CORNWALL AND PLYMOUTH CITY COUNCILS**

That the Business Plan 2015-2019 be approved subject to:-

- i) the deletion of the words 'as necessary' from point six of the operations priorities and
- ii) the addition of the investigation of appropriate alternative mechanisms for toll revisions to the improvement priorities.

It was further

RESOLVED That an update report be submitted to the next meeting..

2015/16 REVENUE ESTIMATES AND CAPITAL PROGRAMME (minute 29)

The Joint Treasurer (Cornwall) presented the written report setting out the proposed revenue budget for 2015/16, indicative figures for the subsequent 3 years, and the proposed capital programme.

Arising from consideration of the report, it was proposed by Councillor Pearn, seconded by Councillor Hobbs, and

RESOLVED TO RECOMMEND TO THE CABINETS AND FULL COUNCILS OF CORNWALL AND PLYMOUTH CITY COUNCILS:-

- i) That the proposed revenue budget for 2015/16, as set out in Appendix 1 to the report, be approved;
- ii) That the proposed capital programme, as set out in Appendix 2 to the report, be approved;
- iii) That the longer term forecast to 2018/19 be noted.

Tamar Bridge & Torpoint Ferry Joint Committee

Business Plan

2015-2019

DRAFT

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1. Foreword by the Joint Chairmen of the Committee

THE GENERAL MANAGER IS IN DISCUSSIONS WITH JOINT CHAIRS REGARDING CONTENT.

Councillor George Wheeler
Plymouth City Council

Councillor Bob Austin
Cornwall Council

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2. Executive Summary

- 2.1 The Tamar Bridge and Torpoint Ferry provide the travelling public with the two major crossings of the lower reaches of the River Tamar connecting Plymouth and South-East Cornwall. Their operation is governed by a Joint Committee representing the two authorities, Cornwall Council and Plymouth City Council, that own the crossings.

The strategic importance of these crossings within the context of Plymouth and Cornwall stresses the wider perspective within which the Business Plan has been developed.

- 2.2 Our mission is to provide the travelling public with safe, reliable and efficient crossings of the Tamar through the operation, maintenance and improvement of the Tamar Bridge and Torpoint Ferry.
- 2.3 Core values shape the organisation's culture, priorities and decisions:

respect	excellence	creativity
integrity	accountability	openness
ownership	accessibility	teamwork

and these values underpin the way in which the undertaking operates.

- 2.4 The service relies on major infrastructure assets and human resources to deliver its mission. Both crossings operate on a 24 hour, 365 day basis and have significant peaks in demand predominantly eastbound on weekday mornings and westbound on weekday evenings, and the crossings are operated to maximise the service availability to match those demands.
- 2.5 The undertaking employs approximately 100 staff, and some services including toll collection and vehicle recovery at the bridge are provided by contractors.
- 2.6 Approximately 95% of the finance needed to operate, maintain and improve the two crossings is funded from tolls and related fees, with the remaining 5% derived from rentals, wayleaves and contribution from the Highways Agency in relation to joint operation of the Tamar Bridge/Saltash Tunnel tidal flow system. The undertaking works with many other stakeholders through partnerships and joint working arrangements which reflect the need to integrate the service within a wider context.
- 2.7 The undertaking recognises the importance of managing risk so that it can achieve key strategic objectives and organisational goals. It therefore maintains a contemporary risk register which is used as the framework for monitoring and managing both strategic and operational risks.
- 2.8 Longer term planning sets the context for determining key priorities for the Business Plan, which are set out together with associated actions.
- 2.9 A range of improvements are included in the Business Plan, and most of these will be financed by borrowing. The undertaking is financially self-sufficient, using toll income to fund the crossings and capital projects.

- 2.10 Following four years of year-on-year reduction, Bridge traffic increased significantly in 2014, but Ferry traffic levels stayed flat. The 2014 increases at the Bridge are believed to reflect a rebound effect following the national economic recession, but it is anticipated that traffic growth for 2015-2019 will not be as great as in 2014 and will follow a longer-term trend of 1% annual growth.
- 2.11 Based on traffic forecasting, predicted income and forecast expenditure, it is not likely that a toll revision would become necessary in the period covered by this Business Plan.
- 2.12 The key themes for the period are:
- maintaining safe, reliable crossings
 - providing new accommodation at Tamar Bridge to improve resilience
 - recoating and resurfacing projects at Tamar Bridge to preserve the assets and ensure long term service delivery
 - investment in communication and information technology to improve the way we inform users and deliver services remotely
 - ensuring that potential obsolescence of specialist equipment aboard the Torpoint Ferries is monitored and managed
 - measuring and benchmarking our performance against comparable organisations

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3. The Tamar Crossings

- 3.1 The Tamar Bridge and Torpoint Ferry provide the major vehicular and pedestrian crossings of the lower reaches of the River Tamar. The two crossings are operated as a single undertaking by the Tamar Bridge and Torpoint Ferry Joint Committee, which was established by the Tamar Bridge Act 1957. The Joint Committee comprises five elected councillors from each of the Joint Authorities, Plymouth City Council and Cornwall Council. Joint Chairmen are elected from each of the two councils and they chair Committee meetings on an alternating basis.
- 3.2 The Tamar Bridge Act 1957 gave the Joint Authorities powers to build the Tamar Bridge and to charge tolls to cross it. The Act also made provision for the Joint Authorities to take ownership and control of the Torpoint Ferry, which at that time was owned and operated by Cornwall County Council.
- 3.3 When opened in 1961 the Tamar Bridge was the longest suspension bridge in the UK and it remains the only fixed crossing of the lower Tamar between Plymouth and South East Cornwall.
- 3.4 Between 1998 and 2007, significant investment was made in the two crossings. The Tamar Bridge was widened and strengthened between 1999 and 2001, three new much larger and safer Torpoint Ferries came into service in 2004/05 and in 2007 electronic toll collection was introduced at both crossings. Together, these projects represented approximately £60 million of capital investment to support the provision of safe, reliable and efficient crossings into the future.
- 3.5 This Business Plan recognises that the assets associated with the investments must be properly maintained, and ensures that there are plans in place to protect and update the assets to ensure that the service life is maximised and associated services remain relevant.

4. Strategic Importance

- 4.1 Effective transport links between South East Cornwall and Plymouth are vital in building and maintaining a sustainable local community. They contribute to the achievement of a stronger community with better local economies and also provide access to health, education and leisure services. The Tamar Bridge and Torpoint Ferry make a significant contribution to these goals, providing the only links across the lower Tamar for public, private and commercial vehicles, and provide significant access links for pedestrians and cyclists.
- 4.2 This Business Plan recognises the wider role of the crossings in the future of the communities of Cornwall and Plymouth, and the work necessary to ensure that role will continue during the period of the plan. An integrated approach must therefore be adopted that supports wider area strategies and predicted challenges for both Cornwall and Plymouth.
- 4.3 A number of challenges may develop during the period covered by this Business Plan. They include:
- accommodating the potential impact of population and housing growth in Cornwall and Plymouth through respective Spatial Strategies and Local Development Frameworks;
 - minimising the impact of the crossings on the natural environment, heritage and landscape;
 - ensuring that the crossings are able to support growth in the economies of both Cornwall and Plymouth;
 - maintaining and improving provision of good access to health, education and other services;
 - adapting to climate change and mitigating its effects;
 - managing the effect of traffic growth on the capacities of the Bridge and the Ferry;
 - managing the demand for travel and influencing travel behaviour where appropriate or necessary;
 - improving the quality of journey integration by addressing public transport, walking and cycling;
 - ongoing maintenance requirements to optimise the operational lives of both the Bridge and the Ferry.
- 4.4 To ensure that safe, reliable and efficient crossings are available for the long term future of the region, the strategy developed for the crossings must recognise these challenges in the wider strategic context for Cornwall and Plymouth. In doing so the plan will aim to:
- maximise certainty for the community, investment and development;
 - enable and support planned investment in infrastructure and services;

- ensure that development of the crossings is informed by and integrated into other strategic plans including the local development frameworks, local transport plans and economic development plans;
- ensure that investment is made in the crossings for their maintenance, operation and improvement and that the funding is available to enable this to happen;
- provide a clear process to guide the management of the crossings.

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5. Mission

- 5.1 The mission of the undertaking is to provide the travelling public with safe, reliable and efficient crossings of the river Tamar through the operation, maintenance and improvement of the Tamar Bridge and Torpoint Ferry.
- 5.2 This mission can only be achieved by maintaining the assets to appropriate standards, and by ensuring that the quality and capacity of the service meet the changing demands placed upon them.
- 5.3 The mission cannot be accomplished in isolation and we need to work with a range of partner organisations and stakeholders, as detailed in 7.13.

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6. Core values

6.1 An organisation's core values shape its culture, its priorities and its decisions.

6.2 The undertaking's core values are:

respect – valuing people, diversity and unique contributions by fostering a trusting, open and inclusive environment

integrity – striving to ensure that every aspect of the organisation is founded on honesty, transparency, impartiality and consistency

ownership – taking pride in our work and our performance

excellence – striving to excel at everything that we do

accountability – explaining actions and taking responsibility for them

accessibility – ensuring that our facilities are available to all sections of the community

creativity – maintaining an innovative and forward-thinking approach, looking for new ideas and using them to enhance the service

openness – making information about the undertaking and the Joint Committee's decisions readily available to all users and stakeholders

teamwork – within the organisation, working in collaboration with the Joint Authorities and partner organisations towards organisational or common goals

7. The Service

The Assets

- 7.1 The core services are delivered using large infrastructure facilities. These facilities are key to the delivery of the service and their availability must therefore be optimised with robust and effective maintenance programmes. With appropriate maintenance the Tamar Bridge has an anticipated remaining life of 120 years and the current generation of Torpoint Ferries should serve for at least another 20 years.
- 7.2 Whilst the majority of traffic using the crossings is relatively local in terms of origin and destination, the Tamar Bridge is also a vital element in the trunk road network. Peak traffic flows occur on weekday mornings (predominantly eastbound) and weekday evenings (predominantly westbound). To maximise capacity, traffic lanes on the bridge are operated in a tidal fashion to match the predominant traffic flow or to facilitate specific traffic management for activities such as maintenance work and breakdown recovery. This tidal flow system includes the Bridge and the Highways Agency's Saltash Tunnel and requires 24 hour, 365 day monitoring and control. Our Bridge control room is therefore staffed around the clock and is operated in partnership with the Highways Agency. The Bridge carries approximately 50,000 vehicles on an average weekday and around 16 million vehicles a year. The south cantilever lane of the Bridge provides a dedicated pedestrian and cycle lane which forms part of the Local and National Cycle Networks.
- 7.3 The Torpoint Ferry operation is the busiest inland waterway vehicular ferry crossing in the UK, transporting up to 8,000 vehicles across the river on busy weekdays. The ferries also carry foot passengers providing a vital link between the Torpoint area and Plymouth, and the crossing forms part of the National Cycle Network. All three vessels are operated in peak periods, with two vessels operating off-peak and a single vessel operating overnight ensuring continuity of service for the public and emergency services.
- 7.4 Both crossings offer priority arrangements and free crossings for buses and also provide free crossings for pedestrians, cyclists, certain emergency vehicles and those individuals qualifying for our mobility scheme.

People

- 7.5 Approximately 100 full-time and part-time staff are directly employed on the undertaking, 75% of whom work at the Torpoint Ferry operation. Many of the staff are employed on a shift working basis to resource the round the clock service.
- 7.6 At the Bridge fifteen toll collectors and four recovery vehicle drivers are employed by contractors to deliver 24 hour coverage of those two functions. These contracted staff are integrated into the undertaking and form part of the operational teams.
- 7.7 The organisation's structure is attached at Appendix 1.
- 7.8 The Joint Committee also relies upon professional support from Plymouth City Council and Cornwall Council.

Funding

- 7.9 Approximately 95% of the finance to operate, maintain and improve the facilities is funded from tolls. The 'user pays' principle ensures that those who derive most benefit from the crossings contribute accordingly.
- 7.10 The remaining 5% of income is generated from rentals, wayleaves and reimbursement of the costs of operating the Saltash Tunnel on behalf of the Highways Agency. Funding is covered in more detail in section 12.

Management

- 7.11 The General Manager and officers of the Joint Authorities present reports at the meetings of the Joint Committee. The reports address contemporary issues and provide updates on expenditure, projects and studies, and also seek approval of the annual statement of accounts. The meetings allow the Joint Committee to consider reports reviewing the performance of the undertaking.
- 7.12 Certain powers are delegated to officers of the two Authorities and to the General Manager through schemes of delegation, financial regulations and individual decisions of the Joint Committee.

Partnerships and Joint Working

- 7.13 As well as drawing on resources from the Joint Authorities for professional and support services, the undertaking operates in partnership and joint working arrangements with a range of organisations including:

Highways Agency – partnering on the operation of the Tamar Bridge/Saltash Tunnel Tidal Flow Corridor;

Devon and Cornwall Police – emergency planning, emergency response and facilities surveillance;

Cornwall Fire and Rescue Service – joint working on rescue procedures and emergency planning;

Devon and Somerset Fire and Rescue Service – joint working on rescue procedures and emergency planning;

UK Bridge Operators, UK Toll Operators and UK Chain and Cable Ferry Operators – joint working on shared documents and standards, benchmarking and exchange of information;

International Cable Supported Bridge Owners/Operators – representation, benchmarking and exchange of information.

- 7.14 These relationships contribute to the safety, reliability and efficiency of the crossings. Significant efforts are invested in the maintenance and development of these important relationships, and this investment is rewarded with a return, through shared benefits, exceeding that which may be achievable solely through contractual arrangements.

Contracted Supply and Services

- 7.15 Contracts are in place for a range of services and works including the Tamar Bridge toll collection service, ferry refits, supply of ferry main chains, specialist engineering term consultancy and engineering advice, and marine consultants to supervise ferry refits.
- 7.16 As a public body the undertaking complies with all relevant UK legislation and European Directives on procurement and value for money and this is reflected in robust contract procedures.

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8. Business Continuity and Risk Management

8.1 The undertaking's Business Continuity Management System is designed to

- identify potential threats to the undertaking
- assess the impacts those threats might have on service delivery
- mitigate identified risks to an acceptable level
- provide a managed response to disruptive events
- provide a framework for building resilience.

and is the subject of a separate document – Tamar Bridge and Torpoint Ferry Business Continuity Management System (BCMS).

8.2 The system follows the principles and uses the definitions set out in BS ISO 22301:2012. It sets out the undertaking's policy, procedures and plans that support the on-going delivery of the service. That document states the undertaking's Business Continuity Policy:

to develop, maintain and improve the undertaking's resilience to threats in order to continue delivering the service in accordance with the mission statement, and put plans and procedures in place to control service disruptions to a level considered to be broadly acceptable.

8.3 The BCMS links with this Business Plan to establish service delivery objectives, and uses the organisation's Risk Register to identify critical activities that are relied upon to deliver the service and the residual risks that if realised will need to be managed by the BCM process.

8.4 In managing business continuity pro-actively, the organisation seeks to assess, improve and test its resilience against disruption and demonstrate a proven capability to respond to threats.

8.5 Risk management is both a statutory requirement and an essential element of good corporate governance. It embodies the culture, processes and structure that are directed towards the effective management of potential opportunities or threats to an organisation in achieving its objectives.

8.6 The undertaking recognises the importance of managing risk so that it can achieve key strategic objectives and organisational goals. The Tamar Bridge and Torpoint Ferry Joint Committee Risk Management Framework is designed to:

- ensure that we achieve the key strategic objectives and organisational goals;
- improve strategic, operational and financial management;
- be more efficient with resources;
- safeguard or improve our assets;
- mitigate key threats and identify key opportunities;
- improve decision making, planning and prioritisation of key issues;
- promote innovation, change and improvement;
- ensure value for money;
- avoid any unforeseen issues, unknown threats or failures;
- develop, support and protect employees.

- 8.7 The Framework follows the principles and uses the definitions as set out in BS 31100:2011 Risk Management and sets out the undertaking's policy, procedures and plans in relation to its Risk Management activities. That document states the undertaking's Risk Management Policy:

to systematically identify, evaluate, monitor and manage all threats and risks that it faces so that it can continuously achieve its mission.

- 8.8 The undertaking recognises the importance of an integrated Risk Management Framework which will ensure that we maintain a contemporary strategic and operational risk register that incorporates a formal review, monitoring and reporting process to ensure a consistent approach to managing risk. We also recognise that in some cases risk events appear on both the strategic risk register and the operational risk register. In these cases it is likely that the operational risk event has a lower impact on delivery of the service but still requires a specific response or Incident Management Plan.
- 8.9 The risk registers incorporate a risk ranking based on the probability of the risk event being realised, the severity of it and the resultant outcome which are adjusted to recognise existing mitigation measures. The management team will continue to monitor and review the registers and prioritise further mitigation as is becomes necessary. Key risks from the undertaking will be promulgated to the Joint Authorities and included within their relevant risk registers.
- 8.10 The organisation recognises that Risk Management is not about creating a totally risk free environment but more about preparing a disciplined approach to managing uncertainty and being prepared to take mitigating action. The risk registers are regularly monitored and reviewed and, when used effectively, act as an early warning for any movement in risk. The Risk Management Framework will ensure that the management of risk continues to be a fundamental part of day-to-day operations, influencing working practices, specifications and procedures.
- 8.11 The ultimate measure of effective Business Continuity and Risk Management is that the undertaking has the resilience to deliver its mission and provide safe, reliable and efficient crossings of the river Tamar now and into the future.
- 8.12 The Strategic Risk register is at Appendix 3.

9. Performance management

- 9.1 The undertaking's performance and service delivery is overseen in a variety of ways. Routine oversight of operational management is undertaken by the Joint Committee and the Joint Authorities (Cornwall Council and Plymouth City Council), with further scrutiny provided by internal and external auditors and *ad hoc* efficiency reviews. The performance of individual staff is monitored through appropriate supervision and a contemporary appraisal system.
- 9.2 Measurement of appropriate service level indicators is undertaken through the use of key performance indicators which are routinely reported to staff of the Joint Authorities and at quarterly Joint Committee meetings.

Key Performance Indicators (KPIs)

- 9.3 We use key performance indicators to measure our general performance and success in achieving priorities for 2015-2019 and these KPIs are set out in the tables below.

Table 1: Safe Services

Description	KPI	Target	Why this is important?
Accidents involving members of the public	<i>Number of accidents</i>	<i>No year on year increase</i>	Public safety is paramount;
Reportable incidents and minor accidents involving employees	<i>Number of reportable incidents and accidents involving employees at both crossings</i>	<i>Minimise number of incidents and accidents</i>	Need to mitigate risk to the lowest practicable level to avoid further accidents.
Lost time – employees	<i>Hours lost due to accidents per 100,000 hours worked.</i>	<i>No year on year increase</i>	Provides a measure of the safety of the work environment. Reduces costs associated with absence or reduced capability following accident.

Table 2: Reliable Services

Description	KPI	Target	Why this is important?
Bridge traffic lane availability	<i>Peak time lane availability</i> <i>Total lane availability</i>	>99.5% >98.5%	Measures success of traffic management and reliability of infrastructure. Ensuring that lanes are open is key to ensuring that journeys are predictable and reduces the risk of accidents.
Bridge toll booth availability	<i>% of scheduled booth hours achieved</i>	>99%	In addition to helping to ensure that journey times are predictable, the measure assists assessment of the performance of the contractor providing the toll collection service and provides a measure of the reliability of the technologies used at the plaza.
Ferry scheduled crossings availability	<i>% of scheduled crossings achieved</i>	>99%	Measures success of vessel management and reliability of infrastructure. Predictable service is essential for customers to plan the best mode of transport.
<i>Ferry waiting/journey times</i>	<i>Average journey time from entry of waiting area to exit off ferry</i> <i>Peak journey time from entry of waiting area to exit off ferry</i>	<i>Analysis of recently installed equipment is being compiled and realistic & challenging targets based on figures to end of March 2015 will be added to this section</i>	<i>Measures success of vessel management and reliability of infrastructure. Predictable journey times are essential for customers to plan the best mode of transport.</i>
<i>Bridge journey times</i>	<i>Average journey time through the tidal flow system.</i> <i>Peak traffic journey times through the tidal flow system</i>	<i>See above</i>	<i>Measures success of traffic management and reliability of infrastructure. Predictable journey times are essential for customers to plan the best mode of transport.</i>

Table 3: Effective and Efficient Services

Description	KPI	Target	Why this is important?
Expenditure	<i>Variance against budgets</i>	Monthly review within 10% of profiled spend End of year within approved annual budget	Cost control, financial management, efficiency.
Tag Usage	<i>Overall usage</i> <i>Peak usage</i>	≈60% ≈80%	Maintains plaza capacity. Reduces uncertainty of income level.
complaints	<i>Number</i> <i>Response time</i>	<i>At least 10% less than previous year</i> <i>95% of complaints responded to within 10 working days.</i>	Indicator of customer satisfaction. Those making complaints remain aware that their comments are valued and investigations are prioritised. Presents correct image of a responsive organisation.
payment within 30 days of invoice date	<i>% of invoices are paid within 30 days</i>	>95%	Payment within terms assists the relationship with suppliers and improves validity of financial monitoring process
energy use	<i>Energy use</i>	<i>Reduction of 10% from 2014/15 base by end of business plan period</i>	Our carbon footprint is reduced and costs associated with energy use controlled.
recycling of waste	<i>% of waste recycled</i>	<i>(draft) Year on year increase during period of plan</i>	Our impact on the environment is reduced.
staff sickness absence	<i>Days absence per employee per annum</i>	<i>average of <9 days</i>	Reflects a healthy workforce and sound HR practices.

Monitoring Indicators

- 9.4 In addition to the key indicators that measure the organisation’s performance, other indicators can provide information on aspects of service delivery but which are, by varying degrees, outside the control of the organisation.
- 9.5 The indicators shown in the table below will be monitored.
- 9.6 Annual reviews will report the actions that will be taken in the course of the year that are likely to impact on these areas.

Description	Measure(s)	Why this is important to service users	Why this is partly or wholly outside our control
Road Traffic Collisions (RTCs) occurring within Joint Committee controlled highway	No of RTCs within Tamar Bridge/ Saltash Tunnel tidal flow system No of RTCs within Torpoint Ferry traffic control area	We must provide a safe environment to users and our staff RTCs impact on service delivery, frequently requiring at least partial closure of roadways.	Many RTCs are due largely to driver error.
Incidents of recorded anti-social behaviour on Joint Committee property	Reported incidents at each crossing	Users expect a safe and secure environment	Threatening, anti- social or illegal behaviour is the responsibility of the those performing the act(s).

Performance Review

- 9.7 Bi-monthly management meetings take place to review progress in relation to performance indicators and other issues. Progress on key delivery actions forms part of the staff appraisal and performance review process. The General Manager reports contemporary information regarding performance indicators to Joint Committee meetings.
- 9.8 A summary of past year performance will form part of the Annual Report and Accounts presented to the Joint Committee at its autumn meetings and more detailed performance information of the past year is included in each Business Plan. Information related to performance in 2014/15 can be found in section 15 on page 33.
- 9.9 Details of specific annual action plans to meet the Business Plan goals will be presented to the Committee at its spring meetings.

Public Information

- 9.10 Reports presented at Tamar Bridge and Torpoint Ferry Joint Committee meetings and minutes of these meetings are made available on our website, and the undertaking complies with the Freedom of Information Act.

10. Long term strategy

- 10.1 Plans for the longer term must sustain the mission to provide safe, reliable and efficient crossings of the river Tamar.
- 10.2 These plans are influenced by the Local Transport Plans of the Joint Authorities through close liaison with their respective transportation teams.
- 10.3 To a large extent, major maintenance of the facilities occurs in cycles and we must ensure that the physical and financial resources are available for major tasks such as resurfacing and repainting the Bridge and undertaking refits of the Ferries. These maintenance cycles may span Business Plan cycles.
- 10.4 Changes in traffic demand, user expectations, legislation and other factors may stimulate changes in the way the undertaking operates and may require improvements to facilities. The undertaking must therefore continue to look ahead to maintain a clear strategy for the future.
- 10.5 Planning well ahead preserves the level of service, reduces operational risks, maintains funding options, informs future income requirements and helps minimise disruption for the travelling public. Therefore while this Business Plan spans four years, plans beyond that period must also be considered.
- 10.6 In accordance with good asset management practice, any projects proposed for potential future investment are tested by undertaking feasibility studies to investigate options and to confirm their viability before higher costs are committed.
- 10.7 A contemporary long term financial model extending 10 years ahead will continue to be maintained and updated.
- 10.8 The Business Plan for 2015-2019 has been developed within the context of this longer term plan.

11. Priorities 2015-2019

- 11.1 Delivery of our mission is achieved through the operation, maintenance and improvement of the Tamar Bridge and Torpoint Ferry crossings. Our priorities during the period of this Business Plan reflect these three key delivery elements.
- 11.2 The undertaking will ensure that it is delivering an appropriate service to users through close monitoring of demand and customer feedback, and through its awareness of industry best practice achieved by participation in industry workshops and local, regional and national forums.

Operations Priorities

- maximise the safety of users and staff and reduce risk to both groups through ongoing risk assessment, education, involvement and communication;
- increase the use of electronic and remote communications to ensure that users have the latest travel information;
- to review information gathered from recording equipment installed in 2014 to improve measurement of our service
- ensure that the crossings remain efficient through continuous review of individual elements of our service, budgetary control and use of robust processes;
- ensure that the service provision meets reasonable customer service expectations;
- promote the use of electronic tolling as necessary to minimise congestion and improve the predictability of journey times;
- ensure that performance standards meet or exceed industry standards;
- ensure that staff terms and conditions and human resources policies remain appropriate for the organisation.

Maintenance Priorities

- ensure that maintenance programmes for the assets are designed to meet contemporary best practice standards, are in compliance with all relevant statutory requirements and are delivered in accordance with programmes;
- to minimise disruption to users wherever possible by scheduling maintenance tasks for periods outside peak use, and by incorporating appropriate incentive mechanisms in supply contracts.
- To undertake major maintenance projects including resurfacing the Tamar Bridge.

Improvement Priorities

- to progress the major Bridge protective coating programme;
- to replace the Tamar Bridge operations centre and offices;

- to update our TamarTag facilities to ensure that the scheme remains contemporary, payment facilities offer flexibility and users have appropriate information about their account;
- to benchmark our service against comparable organisations;
- to update our governance arrangements;
- strengthen our focus on environmental issues, ensuring our standards continue to be appropriate to the location, crossing the Tamar Estuary, a European designated Special Area of Conservation (SAC).

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12. Plans for 2015-2019

Maintenance

12.1 We will continue to maintain the facilities in order that the planned life of the assets are achieved or exceeded. Maintenance of the two facilities will continue to reflect current best practice and meet all regulatory requirements.

Operation

12.2 The undertaking will be operated to minimise disruption to the service whilst at the same time ensuring efficient use of resources.

12.3 The service we provide will be monitored to ensure that:

- current demand is met as far as reasonably possible;
- user disruption is minimised;
- customer feedback is noted and queries and complaints promptly answered;
- timely planning is undertaken to meet anticipated future demands.

Improvement

12.4 Capital projects already approved for completion before 2019 include:

- replacement of the Bridge operations centre and offices to improve the resilience of the facilities, improve access for users and ensure that facilities provide sufficient flexibility for future needs;
- continuing the major protective coating programme for the Bridge thereby preserving its service life;
- replacement of the main and half joints on the Bridge;
- replacement of the Bridge's structural monitoring system.

12.5 We will review the condition of the road surfacing of the western two thirds of the bridge main deck during the period and consider replacement of the surfacing if required. Whilst a provision for works has been made within 2016/17 budgets, this scheme has not yet been approved and will be subject to presentation of a full business case to the Joint Committee.

12.6 Continued enhancement of services will also be pursued, particularly in the development of electronic commerce and improved communications. The latter will include the establishment of periodic customer satisfaction surveys.

13. Delivery actions

13.1 In order to progress the undertaking's priorities, key actions are required during the period of the Business Plan as outlined below:

Our Priorities	Key Actions
Maximise the safety of users and staff and reduce risk to both groups through ongoing risk assessment, education, involvement and communication.	<ul style="list-style-type: none"> • Compliance with all relevant legislation • Continued development of policies • Improve staff and public "buy-in" through education and communication • Review of accidents, incidents and near misses to ensure that lessons are learned and future risk reduced. • Continuous review of the Health and Safety Management system for the organisation to continue.
Ensure that the crossings remain cost-effective through continuous review of individual elements of our service, budgetary control and use of robust processes.	<ul style="list-style-type: none"> • Continuous review of service levels • Control of internal costs, reviewing processes as necessary • Ensuring that appropriate specifications are used when procuring goods and services to maximise competition and ensuring value for money. • Benchmark key areas of service and costs against comparable organisations.
Ensure that there is sufficient knowledge of our service to ensure that provision meets reasonable customer service requirements.	<ul style="list-style-type: none"> • Maintain dialogue with users through our comments and complaints procedures. • Ensure that service conditions are communicated in a timely manner through appropriate channels • Introduce segmented customer surveys
Promote the use of electronic tolling to minimise congestion and improve the predictability of journey times.	<ul style="list-style-type: none"> • Ensuring that the schemes remain attractive to the user groups targeted (TamarTag, Mobility Smart Card) and that there is sufficient awareness of these schemes. • Monitoring journey times
Ensure that performance standards meet or exceed industry standards.	<ul style="list-style-type: none"> • Networking with other organisations within the industry • Benchmarking against comparable organisations • Maintain contemporary practice and technology
Ensure that staff terms and conditions and human resources (HR) policies remain appropriate for the organisation and fit for purpose	<ul style="list-style-type: none"> • Monthly HR meetings • Maintenance and routine review of relevant statistics
Ensure that maintenance programmes for the assets are designed meet to contemporary best practice standards, are in compliance with all relevant statutory requirements and are delivered in accordance with programmes.	<ul style="list-style-type: none"> • Ensure specifications meet contemporary standards and programmes comply with current legislation • Networking with other organisations with similar requirements • Incorporate technological developments and innovations into programmes where they offer a net benefit for users
Wherever possible schedule maintenance tasks for periods outside peak use, to minimise disruption to users.	<ul style="list-style-type: none"> • Ensure that scheduling requirements form a key part of contracts. • Incentivise delivery wherever possible through bonus and/or penalty clauses. • Ensure that routine surveys contain elements which assist monitoring of usage patterns which can be fed back into maintenance scheduling
Improve communications with users of our facilities including an improved website (www.tamarcrossings.org.uk) and extend the use of online services.	<ul style="list-style-type: none"> • Publish an increased range of statistics online • Provide online application routes for services and payments • Research and, where appropriate, deliver additional technology services (eg SMS traffic updates)
Strengthen our focus on environmental issues and work towards registration to ISO14001 appropriate to the location, crossing the Tamar Estuary, a European designated Special Area of Conservation (SAC).	<ul style="list-style-type: none"> • Gain ISO14001 • Increase recycling year on year • Reduce energy use by 10% • Investigate options for managing carbon footprint of the internal organisation and that caused by the use of the facilities. • Maintain participation in relevant multi-agency forums including those offering reduced carbon transportation
Replace bridge operational centre and offices to improve operational resilience and public access and to better "future proof" facilities.	<ul style="list-style-type: none"> • Complete design work • Commence works • Complete works

14. Financial resources

- 14.1 Toll revenues and fees represent 95% of Joint Committee income. The remaining 5% consisted of rentals, wayleaves and a contribution from the Highways Agency to cover the costs incurred in managing traffic using the Saltash Tunnel.
- 14.2 Income received through tolls and other sources funds the operation, maintenance and improvement of the two crossings and can also be used to reimburse transport initiatives that benefit either of the two crossings. There are no grants or contributions from other sources (eg Council Tax) and by law the crossings cannot provide a revenue stream for the Joint Authorities or other organisations.

Anticipated Income 2015 to 2019

- 14.3 Toll income is determined by:
- the toll charging structure;
 - the volume of traffic using the crossings;
 - the proportion of users choosing our pre-payment discount scheme (TamarTag) and the level of discount offered;
 - the extent of free concession crossings offered to buses, emergency services, disabled drivers and others.
- 14.4 This means that changes in the general economic situation, fuel price variations and the availability of public transport will directly and indirectly affect our income.
- 14.5 Toll charges are authorised and limited by a Toll Order issued by the Secretary of State for Transport. The order sets out the maximum charges that can be made for certain classes of vehicles. In order to revise tolls, a statutory process must be followed involving a formal application to the Secretary of State for Transport setting out a business case that supports the need for a revision.
- 14.6 The Joint Committee offers a 50% discount to users who set up a pre-paid electronic payment (TamarTag) account. Approximately 60% of customers settle their toll through the electronic scheme, providing 46% of toll income, while the 40% of users paying cash provide 54% of toll income.
- 14.7 Traffic volume at Tamar Bridge increased by 3.5% during 2014/15, with the number of vehicles settling by cash increasing by 6%. This latter element reflected some recovery from the disproportionate loss of this income source during the previous three years. The 2014 increases at the Bridge are believed to reflect a rebound effect following the national economic recession, but it is anticipated that traffic growth for 2015-2019 will not be as great as in 2014 and will follow a longer-term trend of 1% annual growth. Traffic volumes at the Ferry were more resilient during the recession and 2014/15 saw this trend continue. We anticipate that this zero growth trend at the Ferry will continue throughout the period covered by the Business Plan.
- 14.8 Based on traffic forecasting, predicted income and forecast expenditure, it is not likely that a toll revision would become necessary in the period covered by this Business Plan. However, as the last recession showed, the number of tolled crossings reflects

the general economy and should general national economic performance be below expectations, we will have to revisit our estimates.

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14.9 Income forecasts are as follows:

Financial Year	Tamar Bridge Toll Income	Torpoint Ferry Toll Income	Other Income	Total Income
<i>2014/15 forecast</i>	<i>£8.627m</i>	<i>£1.120m</i>	<i>£0.909m</i>	<i>£10.656m</i>
<i>2015/16</i>	<i>£8.753m</i>	<i>£1.120m</i>	<i>£0.912m</i>	<i>£10.785m</i>
<i>2016/17</i>	<i>£8.801m</i>	<i>£1.120m</i>	<i>£0.915m</i>	<i>£10.836m</i>
<i>2017/18</i>	<i>£8.889m</i>	<i>£1.120m</i>	<i>£0.919m</i>	<i>£10.928m</i>
<i>2018/19</i>	<i>£9.097m</i>	<i>£1.120m</i>	<i>£0.923m</i>	<i>£11.140m</i>

Expenditure plans 2015-2019

14.10 Expenditure is in the form of revenue expenditure funded directly from income or reserves, and capital expenditure which may also be funded directly from income or reserves, but is largely funded by borrowing. Where significant investment is needed to improve the facilities or to significantly extend service life, we generally borrow to smooth peaks in expenditure and in order that those benefiting in the future will contribute towards the associated cost. The full cost of this capital expenditure is represented in accounts through the annual payment of interest on the associated loan and on the element of the loan that is repaid during the course of each financial year.

14.11 Expenditure plans for each financial year are proposed by the Joint Committee to the Cabinet of each Council in the late Autumn of the preceding year. Cabinets then recommend the budget and Business Plan to the respective full Council. Generally formal approval is only in place for revenue expenditure for the current or immediately forthcoming financial year, while expenditure forecasts for subsequent years are noted and will be subject to approval in due course. However for contracts delivering beyond the routine budget approval timescales, approval for expenditure may be approved on an ad hoc basis.

14.12 Our approved capital project plans for the period 2015-2019 are shown in the table below:

Project Description	Financial Year(s) in which Project will take place	Estimated Expenditure
Replacement of Bridge Operational Centre/Offices	2015-2017	£3.327m
Phase 1 replacement protective coatings to Bridge	2014-2020	£4,568,000
Replacement of Bridge Half Joint	2015-2016	£100,000
Replacement Bridge Structural monitoring system	2014-2016	£100,000

14.13 It is anticipated that further significant resurfacing and waterproofing works will be required at Tamar Bridge during the period covered by this Business Plan. Officers and consultants will review surfacing condition and remedial requirements, and it is

considered prudent to include initial broad estimates for the cost of this work 2016/17. These works are however not yet included in approved capital plans, and will subject to presentation of business case.

14.14 The forecast expenditure for the four years covered by this Business Plan is as follows:

Financial Year	Tamar Bridge Operations	Torpoint Ferry Operations	Corporate Costs	Debt & Capital Servicing	Total Expend
<i>2014/15 forecast</i>	<i>£3.069m</i>	<i>£5.346m</i>	<i>£0.495m</i>	<i>£1.932m</i>	<i>£10.842m</i>
<i>2015/16</i>	<i>£3.644m</i>	<i>£5.207m</i>	<i>£0.504m</i>	<i>£1.881m</i>	<i>£11.236m</i>
<i>2016/17</i>	<i>£3.189m</i>	<i>£4.607m</i>	<i>£0.495m</i>	<i>£2.098m</i>	<i>£10,389m</i>
<i>2017/18</i>	<i>£3.177m</i>	<i>£4.625m</i>	<i>£0.504m</i>	<i>£2.479m</i>	<i>£10.785m</i>
<i>2018/19</i>	<i>£3.209m</i>	<i>£4.687m</i>	<i>£0.515m</i>	<i>£2.656m</i>	<i>£11.067m</i>

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Efficiency and Value for Money

14.15 The current level of service has been shaped by many factors particularly:

- retention of safety as the primary concern
- the health and well-being of the local community
- response to traffic demand
- accessibility
- striving to improve the reliability of the crossings
- aiming to reduce journey times where possible.

14.16 A key characteristic of the joint undertaking is the use of large bespoke infrastructure assets to deliver the service – the Tamar Bridge and the Torpoint Ferries. These assets need to be maintained and in general terms the older they get the more likely it is that maintenance costs will increase. Our strategy is to maintain these assets to a high standard to preserve the long-term safety and reliability of the crossings and where possible avoid prolonged disruption for major maintenance activities over the life of the infrastructure. Investment in timely capital improvements mitigates operational risks and controls future maintenance expenditure – for example the major repainting programme scheduled for the Bridge over the next few years will not only preserve the structure for around 20 years but will also reduce subsequent general remedial painting costs and also minimise service disruption in future years. Extending useful life of capital assets beyond their repayment schedules produces significant future operational savings.

14.17 We ensure that the services provided are safe, robust and are delivering in a way that supports the economy of the region. These aims require that there is continuity and 24/7 cover for operational and safety related tasks as well as appropriate level of redundancy in service, equipment and personnel.

14.18 Competitive tendering is the default approach for external procurement of goods and services to achieve best value from the supply market, and we follow Cornwall Council's rigorous procurement assurance regime. Although savings will continue to be gained through this approach, our primary infrastructure facilities (bridge and ferries) are fixed and specialised in nature. This limits options within the marketplace when procuring goods and services to ensure continued safe and reliable operation. The specialised nature of the undertaking and service level commitments limit the scope for efficiency savings in some areas.

14.19 Term contracts or multiple year contracts are adopted to realise economies of scale and reduce overall tendering costs. Examples of this are in the provision of toll collections staff, the supply of ferry chain and in ferry refit work. Durations of these contracts are moderated to allow periodic review, renewed market competition and innovation in delivery.

- 14.20 Internal costs are regularly reviewed to ensure best value delivery of the overall service, to avoid duplication and to eliminate waste. An independent efficiency review of the undertaking was carried out during 2013/14 and where appropriate and feasible any remaining recommendations will be implemented during the life of the Business Plan.
- 14.21 Key performance indicators are used to ensure that we are meeting or exceeding our general service obligations and any specific planned levels of service.

Funding

- 14.22 The major source of funding for the undertaking is through tolls charged at both crossings. Tolls at both crossings were increased by 50% in March 2010 following a public inquiry.
- 14.23 The undertaking has a reserve to mitigate against the financial impact of unexpected events and to buffer the effect of years where there is greater expenditure, for example during those years when higher than average levels of planned maintenance are required. The minimum prudent level of reserves is currently assessed at £2 million. By the end of the period covered by this Business Plan, some seven years will have elapsed since the current assessment and a further review of reserve levels will be necessary.
- 14.24 Current projections of reserves are set out below.

	2014/15 (forecast)	2015/16	2016/17	2017/2018	2018/2019
<i>Year end reserves</i>	<i>£4.134m</i>	<i>£3.696m</i>	<i>£4.156m</i>	<i>£4.312m</i>	<i>£4.398m</i>

- 14.25 The Joint Committee has agreed in principle to pursue smaller but more frequent increases in tolls where necessary to meet forecast income requirements. This approach is in line with the preference indicated in the response to public consultation undertaken in 2009. However as noted elsewhere in the plan, based on traffic forecasting, predicted income and forecast expenditure it is not likely that a toll revision would become necessary before 2019.
- 14.26 By funding major improvement works and capital schemes through borrowing, the crossings are able to remove the need to build up substantial reserves to fund such projects and means that tolls do not have to be adjusted so frequently. Funding improvements through borrowing also means that the improvement schemes are funded by those that enjoy the benefits the schemes provide.
- 14.27 By borrowing to fund capital expenditure the organisation carries a level of debt which must be managed to ensure that it does not exceed what can be reasonably funded through income. The current guidance on prudential levels of borrowing is that the cost of funding debt should not exceed 25% of annual income.
- 14.28 A table showing projected debt levels during the period covered by this Plan and the affordability ratio associated with the debt are shown below.

	Debt at end of Financial Year	Percentage of income required to fund debt
<i>2014/15 actual</i>	<i>£18.454m</i>	<i>16.6%</i>
<i>2015/16</i>	<i>£21.285m</i>	<i>17.4%</i>
<i>2016/17</i>	<i>£26.545m</i>	<i>19.4%</i>
<i>2017/18</i>	<i>£28.654m</i>	<i>22.7%</i>
<i>2018/19</i>	<i>£27.273m</i>	<i>23.8%</i>

14.29 The debt carried by the undertaking is funded through Cornwall Council. This arrangement enables the organisation to benefit from the Council's Treasury Management Policies, greatly reducing exposure to sudden changes in borrowing rates on current debt and enabling the organisation to estimate the cost of capital associated future projects with a high level of certainty.

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15. 2014/15 Performance Review

- 15.1 RELEVANT COMMENTARY REFERENCING FINANCIAL YEAR 2014/15 TO BE ADDED AFTER OUTTURN
- 15.2 The 2013/17 Business Plan included a number of key performance indicators (KPIs) which assisted assessment of the organisation's performance. Outturn figures are for those KPIs are recorded below.

Key Performance Indicators (KPIs)

Table 1: Safe Services

Description	KPI	Target	2014/2015 Outturn
Accidents involving members of the public	<i>Number of accidents</i>	<i>Reduction year on year</i>	x accidents (2013/14: x accidents)
Reportable incidents and minor accidents involving employees	<i>Number of reportable incidents and accidents involving employees at both crossings</i>	<i>Minimise number of incidents and accidents</i>	x accidents (2013/14: X accidents)
Lost time – employees	<i>Hours lost due to accidents per 100,000 hours worked.</i>	Reduction year on year	XXX working days lost (2013/14: XX days)

Table 2: Reliable Services

Description	KPI	Target	2014/2015 Outturn
Bridge traffic lane availability	<i>Peak time lane availability</i>	>99.5%	9X.X%
	<i>Total lane availability</i>	>98.5%	9X.X%
Bridge toll booth availability	<i>% of scheduled booth hours achieved</i>	>99%	9X.X%
Ferry scheduled crossings availability	<i>% of scheduled crossings achieved</i>	>99%	9X.XX%
<i>Ferry waiting/journey times</i>	<i>Average journey time from entry of waiting area to exit off ferry</i> <i>Peak journey time from entry of waiting area to exit off ferry</i>	<X mins not more than Y% above average	
<i>Bridge journey times</i>	<i>Average journey time through the tidal flow system.</i> <i>Peak traffic journey times through the tidal flow system</i>	<X mins not more than Y% above average	

Table 3: Effective and Efficient Services

Description	KPI	Target	2014/2015 Outturn
Expenditure	<i>Variance against budgets</i>	Monthly review within 10% of profiled spend End of year within approved annual budget	
Tag Usage	<i>Overall usage</i>	≈60%	6X.X%
	<i>Peak usage</i>	≈80%	8X.X%
complaints	<i>Number</i>	<10% less than previous year	XX Complaints (2014/15: XX complaints)
	<i>Response time</i>	95% of complaints responded to within 10 working days.	XX%
payment within 30 days of invoice date	<i>% of invoices are paid within 30 days</i>	>95%	XX%
energy use	<i>Energy use</i>	Reduction of 10% from 2011/12 base by 2016	
recycling of waste	<i>% of waste recycled</i>	increase by 25% from a 2011/12 base by 2016	
staff sickness absence	<i>Days absence per employee per annum</i>	2011/12 average of <8 days	XX days of which X.x days was related to long-term absence

Monitoring Indicators

Description	Measure(s)	Why this is important to service users	2014/2015 Outturn
Road Traffic Collisions (RTCs) occurring within Joint Committee controlled highway	No of RTCs within Tamar Bridge/Saltash Tunnel tidal flow system No of RTCs within Torpoint Ferry traffic control area	We must provide a safe environment to users and our staff RTCs impact on service delivery, frequently requiring at least partial closure of roadways.	XX incidents/RTCs X incident
Incidents of recorded anti-social behaviour on Joint Committee property	Reported incidents at each crossing	Users expect a safe and secure environment	Torpoint Ferry: XX incidents Tamar Bridge: XX incident

16. Appendices

- 1 Organisation chart
- 2 Strategic Risk Register (updated version as at March 2015 to be added)
- 3 Contacts and Web Links

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Weblinks

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TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

**Revenue Budget 2015/16
and Indicative Projections for 2016/17 to 2018/2019**

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TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

OVERALL SUMMARY	2014/15 Original Budget £'000	2014/15 Revised Forecast £'000	2015/16 Budget £'000	2016/17 Indicative £'000	2017/18 Indicative £'000	2018/19 Indicative £'000
Operational Summary						
Income	(10,337)	(10,656)	(10,785)	(10,836)	(10,928)	(11,140)
Expenditure						
Corporate	497	495	504	495	504	515
Bridge Operations	3,770	3,069	3,644	3,189	3,177	3,209
Ferry Operations	5,157	5,346	5,207	4,607	4,625	4,687
	9,424	8,910	9,355	8,291	8,306	8,411
Operating (Surplus)/Deficit	(913)	(1,746)	(1,430)	(2,545)	(2,622)	(2,729)
Interest on CC financing	850	813	906	1,090	1,258	1,275
Interest on Joint Committee balances	(13)	(13)	(13)	(13)	(13)	(13)
Capital Expenditure financed from Revenue	0	164	0	0	0	0
Contribution to CC MRP	933	955	975	1,008	1,221	1,381
Overall (Surplus)/Deficit on Undertaking	857	173	438	(460)	(156)	(86)
Reserve Balance brought forward	(3,214)	(4,307)	(4,134)	(3,696)	(4,156)	(4,312)
Reserve Balance carried forward	(2,357)	(4,134)	(3,696)	(4,156)	(4,312)	(4,398)

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

CORPORATE	2014/15 Original Budget £'000	2014/15 Revised Forecast £'000	2015/16 Budget £'000	2016/17 Indicative £'000	2017/18 Indicative £'000	2018/19 Indicative £'000
<u>INCOME</u>						
Tolls						
Toll income - Bridge	(4,397)	(4,666)	(4,742)	(4,760)	(4,807)	(4,945)
Toll income - Ferry	(608)	(606)	(606)	(606)	(606)	(606)
Concessionary toll income - Bridge	(3,881)	(3,961)	(4,011)	(4,041)	(4,082)	(4,152)
Concessionary toll income - Ferry	(516)	(514)	(514)	(514)	(514)	(514)
	(9,402)	(9,747)	(9,873)	(9,921)	(10,009)	(10,217)
Other						
Tag Account Fee	(506)	(506)	(506)	(506)	(506)	(506)
Saltash Tunnel control	(318)	(300)	(303)	(306)	(309)	(312)
Tag statements	(14)	(6)	(6)	(6)	(6)	(6)
Other income	(97)	(97)	(97)	(97)	(98)	(99)
	(935)	(909)	(912)	(915)	(919)	(923)
TOTAL INCOME	(10,337)	(10,656)	(10,785)	(10,836)	(10,928)	(11,140)
<u>EXPENDITURE</u>						
Other Expenditure						
Support services	47	27	27	28	28	29
Tag statements	52	51	52	53	54	55
Purchase of tags	312	311	317	324	330	338
Bank charges	58	58	59	60	61	62
Internal Audit fees	8	8	8	8	8	8
External Audit fees	10	10	10	11	11	11
Consultants	10	30	31	11	12	12
TOTAL EXPENDITURE	497	495	504	495	504	515

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

BRIDGE OPERATIONS	2014/15 Original Budget £'000	2014/15 Revised Forecast £' 000	2015/16 Budget £' 000	2016/17 Indicative £' 000	2017/18 Indicative £' 000	2018/19 Indicative £' 000
Employees						
Salaries and wages	836	798	872	881	896	906
Agency staff	38	88	19	19	19	19
Indirect employee expenses	20	19	19	20	20	20
Premises						
Repair and maintenance - buildings & grounds	349	141	71	73	69	71
Repair and maintenance - bridge & infrastructure	347	372	425	353	360	368
Bridge & gantry inspections	719	249	733	278	284	289
Energy costs, water, rent and rates	57	69	61	64	54	55
Insurances	72	80	81	83	85	86
Other premises costs	10	12	13	13	13	13
Transport Related Expenses						
Staff travel	18	20	20	20	20	20
Supplies & Services						
Operational expenses	287	328	345	331	326	331
Office expenses	209	184	244	301	264	269
Toll collection & banking	482	487	496	506	516	527
Breakdown recovery	184	143	145	146	148	149
Other expenses	73	42	43	43	44	26
Support service charges						
	69	37	57	58	59	60
Net Expenditure - Bridge Operations	3,770	3,069	3,644	3,189	3,177	3,209

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

FERRY OPERATIONS	2014/15 Original Budget £'000	2014/15 Revised Forecast £' 000	2015/16 Budget £' 000	2016/17 Indicative £' 000	2017/18 Indicative £' 000	2018/19 Indicative £' 000
Employees						
Salaries and wages	2,696	2,690	2,657	2,681	2,718	2,743
Agency staff	31	74	25	26	26	27
Indirect employee expenses	62	72	63	64	65	67
Premises						
Repair and maintenance - buildings & grounds	102	106	87	84	86	88
Energy costs, water, rent and rates	77	81	78	80	81	83
Other premises costs	53	58	58	60	61	62
Transport Related Expenses						
Staff travel	30	29	30	30	31	32
Supplies & Services						
Repair & maintenance - ferries & infrastructure	578	748	680	744	709	723
Annual refit - ferries	710	670	684	0	0	0
Fuel costs (Marine Gas Oil)	256	231	236	241	246	251
Insurances	124	130	132	135	138	140
Operational expenses	251	231	221	208	202	205
Office expenses	129	142	167	165	168	172
Other expenses	16	34	21	20	24	23
Support service charges						
	42	50	68	69	70	71
Net Expenditure - Ferry Operations	5,157	5,346	5,207	4,607	4,625	4,687

Variations between the Revised 2014/15 and 2015/16 Original Estimates

The variation of £0.297m between the revised estimated overall net deficit for 2014/2015 of £0.141m and the 2015/2016 estimated overall net deficit of £0.438m is accounted for as follows:

	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Corporate			
Inflation for prices (net)	6		
Increase in Cash Toll (Bridge), 1% infl. + £30k to offset reduction from Main Joint Replacement in 14/15	(77)		
Increase in Tag Toll (Bridge), 1% Infl. +£10k to offset reduction from Main Joint Replacement in 14/15	(49)		
	<hr/>	(120)	
Bridge			
Increases for pay awards, increments etc. & move from Agency to direct employment of staff	4		
Reduction in R&M Building maintenance following the approval of the Bridge Office Development	(30)		
Reduction in required Grounds Maintenance	(40)		
Small Increase in R&M at the Bridge	10		
Increase in R&M Painting	35		
R&M Bridge & Gantry Inspections work scheduled for 15/16	470		
Reduction in Electricity	(10)		
Air Travel budget brought back to normal level	(1)		
Increase in Health & Safety Equipment	7		
Upgrading of CCTV with IP system and back up	15		
New technology and replacement video system required for Toll Equipment	40		
Removal of Professional Fees to a contingency level	(50)		
Digitisation project in respect of photocopying & printing, deferred from 14/15	45		
Minor reduction in IT budgets	(4)		
Sharepoint development across the organisation (Hardware Support)	15		
Inflation for goods and services	49		
Small increase in conference and hotel expenses, in relation to Tolling	2		
Provision for increase in Finance SLA charge, to market levels	18		
	<hr/>	575	
Ferry			
Overall reduction in direct employee costs	(33)		
Reduction in Agency as do not require a Refit Superintendent for 15/16	(49)		
Reduction of other Employee Expenses, as only a minimum level is required	(11)		
Reduction in R&M Buildings Planned in respect of the shop/snack bar/reception	(26)		
Replacement office security system	5		
Reduction in cost of Gas	(5)		
Removal of the requirement for a ferry chain for this year	(80)		
Cost of carrying out a live emergency exercise	13		
Upgrading of CCTV with IP system and back up	20		
Removal of the provision to replace toll collection equipment during 14/15	(50)		
Minor increase in Toll Cash Handling charges anticipated	3		
Minor increase in Photocopying and Printing, as move to digitisation	2		
Minor reduction in IT budgets	(3)		
Sharepoint development across the organisation (Hardware Support)	15		
New Fibre Line Connections required	8		
Reduction in Professional Fees to normal levels	(14)		
Inflation for goods and services	48		
Provision for increase in Finance SLA charge, to market levels	18		
	<hr/>	(139)	
Change in Operational (Surplus)/Deficit			316
Other			
No assumptions have been made in respect of funding Capital from Revenue for future years		(164)	
Interest payments on capital financing		93	
Contribution to CC MRP		20	
		<hr/>	(51)
			<hr/> <hr/> 265

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

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

Capital Programme 2014/2015 to 2018/2019

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

CAPITAL PROGRAMME	Actual Payments to 2013/14 £'000	Estimated Payments 2014/15 £'000	Estimated Payments 2015/16 £'000	Estimated Payments 2016/17 £'000	Estimated Payments 2017/18 £'000	Estimated Payments 2018/19 £'000	Estimated Final Cost Total £'000
Completed Schemes							
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 Signaling	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	8	0	0	0	0	154
Bridge Resurfacing Works - Phase 1	720	0	0	0	0	0	720
Illuminated Road Studs	600	0	0	0	0	0	600
Storage Building Devonport	54	0	0	0	0	0	54
Ferry Sewage Treatment Plant	177	73	0	0	0	0	250
Current Programme							
Footpath 24 Reinstatement	21	9	0	0	0	0	30
Bridge Access Works	100	550	29	0	0	0	679
Bridge WIM	0	80	0	0	0	0	80
Bridge Handstrands	14	0	0	0	0	0	14
Bridge Protective Coating	203	375	1,330	1,330	1,330	0	4,568
Plaza Canopy Access Works	21	19	0	0	0	0	40
Bridge Main Joint Replacement	0	500	0	0	0	0	500
Bridge Half Joint Replacement	2	0	100	0	0	0	102
Bridge Structural Monitoring System	0	10	90	0	0	0	100
Rendel Park - Sea Wall Stabilisation	0	38	0	0	0	0	38
Bridge Office Development	0	133	1,256	1,938	0	0	3,327
Future Programme (Not approved)							
Bridge Resurfacing Works - Phase 2	0	0	0	2,000	2,000	0	4,000
Bridge Deck Waterproofing/drainage Improvements	0	0	1,000	1,000	0	0	2,000
TOTAL CAPITAL PROGRAMME	11,990	1,795	3,805	6,268	3,330	0	27,188
FINANCING							
Prudential Borrowing	10,340	1,631	3,805	6,268	3,330	0	25,374
Capital Receipts	20	0	0	0	0	0	20
Revenue Financing	1,630	164	0	0	0	0	1,794
TOTAL FINANCING	11,990	1,795	3,805	6,268	3,330	0	27,188

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

**Statement of Estimated Reserves
for 2014/2015 to 2018/2019**

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

	2014/15 Original Budget £'000	2014/15 Revised Forecast £' 000	2015/2016 Budget £' 000	2016/17 Indicative £' 000	2017/18 Indicative £' 000	2018/19 Indicative £' 000
RESERVES AND PROVISIONS						
RESERVES						
General Reserve						
Balance brought forward	(3,214)	(4,307)	(4,134)	(3,696)	(4,156)	(4,312)
Net movement for year	857	173	438	(460)	(156)	(86)
Balance Carried Forward	(2,357)	(4,134)	(3,696)	(4,156)	(4,312)	(4,398)

PLYMOUTH CITY COUNCIL

Subject:	Tamar Bridge & Torpoint Ferry LGPS Discretions Policy
Committee:	Cabinet
Date:	13 January 2015
Cabinet Member:	Councillor Coker
CMT Member:	Anthony Payne (Strategic Director for Place)
Author:	Andrew Vallance, Business Manager Tamar Bridge and Torpoint Ferry
Contact details	andrew.vallance@tamarcrossings.org.uk
Ref:	
Key Decision:	No
Part:	I

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 Act prescribes Cornwall Council as the administering authority for the Pension Scheme and the joint undertaking is regarded as a scheduled body in its own right for pension scheme administration purposes.

The 2014 Local Government Pension Scheme (LGPS 2014) requires employers and scheduled bodies to set out their approach to discretionary elements of the scheme. At its meeting of 5 December 2014, the Tamar Bridge and Torpoint Ferry Joint Committee (TBTFJC) proposed that a draft LGPS Discretions policy be recommended to the joint Authorities.

The report presents the report submitted to TBTFJC on 5 December 2015 and draft minutes recording the decision to recommend the draft policy are appended to the report.

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 well-maintained road network contributes to the economic well-being of the City, supporting the Council's Growth priority.

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

Finance –The policy requires robust analysis of potential savings and the proposed policy is unlikely to result in a significant number of reviews under discretionary terms.

Human – The proposed policy adopts a similar approach to that of the TBTFJC's administering authority for LGPS 2014. Adoption of the policy will ensure that LGPS requirements are met.

Organisational benefit may also result from releasing staff who are motivated to take pension rights earlier than normal pension age.

IT – The administering authority can process any calculations required by the proposed policy.

Land – No land issues arising from this item.

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

Risk Management – The LGPS 2014 Regulations provide no default position if a body or employer does not declare its position in relation to the scheme’s discretionary provisions. The policy requires that a robust business case is produced before any release on economic or operational grounds and, any significant initial cost that may arise through the proposed policy is reviewed by Plymouth and Cornwall financial officers.

There are no health and safety, child poverty or community safety implications.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Yes, these are provided within the TBTFJC report.

Recommendations and Reasons for recommended action:

That the Cabinet recommends TBTFJC’s LGPS 2014 Discretions Policy to Full Council.

Alternative options considered and rejected:

Adoption in full of either of the Joint Authorities’ Policies was considered as was maintaining the historical omission related to this requirement.

Published work / information:

Tamar Bridge & Torpoint Ferry Joint Committee reports, 5 December 2014

LGPS Discretions Policy and Draft Minutes

<https://democracy.cornwall.gov.uk/documents/g5395/Public%20reports%20pack%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10>

Tamar Bridge and Torpoint Ferry Joint Committee Draft Minutes of Meeting 5 December 2014

<https://democracy.cornwall.gov.uk/documents/g5395/Printed%20minutes%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10>

Background papers:

Sign off:

Fin	ABPlac eF TC141 5006.1 2.12.14	Leg	JS /199 57	Mon Off		HR		Assets		IT		Strat Proc	
Originating SMT Member													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

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 LGPS Discretions Policy adopts the approach that no external financial support from the parent authorities or other source will be required to support the policy.

Background

- 1.2 The TBTFJC is a Scheduled Body for the purposes of the Local Government Pension Scheme. The 1979 Tamar Bridge Act requires that the TBTFJC's participation in the scheme is administered by the Cornwall Pension Fund.
- 1.3 The 1979 Tamar Bridge Act records that the employer of staff employed for the purposes of the undertaking shall be the Authorities acting together through the TBTFJC. As with other financial matters, the TBTFJC recommends an approach in relation to pension scheme to both Authorities.
- 1.4 The Local Government Pensions Scheme 2008 was replaced in April 2014 with a new scheme, LGPS 2014. As with the 2008 scheme, LGPS 2014 requires each employer to have a policy on how the discretionary elements of the scheme will be applied. The regulations do not provide the employer with any default position that may be adopted if the approach to the discretionary elements has not been stated.
- 1.5 No Discretions Policy has previously been adopted by the TBTFJC, but no request has previously been made to consider applying a discretionary element of the Scheme, nor have circumstances arisen where the compassionate discretions may have been considered. However, without a policy, the TBTFJC is open to challenge and a policy should be adopted and management are aware of recent enquiries from staff about their eligibility for release under discretionary provisions.
- 1.6 The TBTFJC meeting of 5 December 2014 resolved to recommend the draft policy appended to this report to Plymouth City Council and Cornwall Council.

Organisational Risk

- 1.7 LGPS 2014 Regulations require that employers state their position on discretionary elements of the scheme. The Regulations do not provide a default approach if the employer does not state its position. Therefore without a policy the TBTFJC risks challenge with the associated costs of addressing that challenge and costs associated with any resulting remedy.

Options Appraisal

- 1.8 The "do nothing" option of TBTFJC remaining without an LGPS Discretions Policy was not considered viable without any provision for such a position within the Scheme's Regulations.
- 1.9 Officers have reviewed the two Authorities' policies in full. The two policies differ to an extent that officers could not readily create a hybrid.

It was immediately recognised that neither policy could be adopted without modifying the policies' approval processes so that the joint interest in the TBTFJC was reflected.

- 2.0 It was decided that the administering Authority's Policy should be adapted to reflect the joint nature of the undertaking

Business Case

- 1.10 The TBTFJC report containing analysis and the business case for the draft policy can be found at -

<https://democracy.cornwall.gov.uk/documents/g5395/Public%20reports%20pack%2005th-Dec-2014%2010.00%20Tamar%20Bridge%20and%20Torpoint%20Ferry%20Joint%20Committee.pdf?T=10>

The report is also attached at Appendix A.

- 1.11 The report identifies the need for the TBTFJC to adopt an LGPS Discretions Policy and asks the Joint Committee to recommend adoption of a Policy based on the administering Authority's model.
- 1.12 The Cornwall model has been adapted to reflect joint ownership, with TBTFJC managers reviewing and approving the use of a discretionary element within the LGPS 2014, subject to an initial cost ceiling of £50,000 when further approval from senior officers of both authorities would be required.
- 1.13 The draft TBTF policy also extends the time period for analysis of the recovery period of upfront costs from the two years of the Cornwall Policy to three years. This extension reflects the normal progression on TBTF pay increments and provides more opportunity for realisable savings.

APPENDIX A: Draft TBTFJC LGPS Discretions Policy

APPENDIX B: LGPS Discretions Policy: Report to TBTFJC 5 December 2014

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Tamar Bridge and Torpoint Ferry Joint Committee

Employer Discretions Policy

Local Government Pension Scheme (LGPS) 2014

November 2014 (draft)

Summary

This document sets out Tamar Bridge and Torpoint Ferry Joint Committee's (TB&TFJC) policy on exercising its discretions under the Local Government Pension Scheme (LGPS) 2014.

The default position is that TB&TFJC will not utilise the discretions in the LGPS 2014 where there is a cost to the organisation. However, exceptionally, where it is in the financial interests of the TB&TFJC to do so, and there is a tangible and specific organisational benefit, the policy allows for the payment of discretionary benefits in cases of early retirement and the award of additional pension.

The policy also provides for early retirement on compassionate grounds in exceptional circumstances or flexible retirement where there is a benefit to TB&TFJC.

Finally the policy allows the General Manager to request the Pensions Manager in Cornwall Council to extend the 12 months limit for allowing active members to transfer benefits from previous pensionable employment into the Pension Fund where it is determined that maladministration has occurred.

Distribution

This policy has been the subject of consultation with the trade union and will be shared with all staff and Cornwall Pension Fund administering authority

Context

This Policy replaces any previous employer discretions policy adopted by TB&TFJC. The policy satisfies the requirement to formulate, publish and keep under review a policy statement to take account of the new discretions under the LGPS 2014.

Background – why this policy is needed

This policy is needed to explain whether and in what circumstances TB&TFJC will exercise any discretions under the Local Government Pension Scheme 2014 and to set out the approval process for decision making.

All local government employers are required to review and update their policy to take account of the changes introduced as part of the LGPS 2014.

Objectives – what the policy aims to achieve

This policy is intended to set out the policy position and clarify the limited circumstances and the related approval process where TB&TFJC might exercise its discretions under the LGPS 2014 in favour of the employee.

The exercise of any of the available discretions in favour of an employee will result in additional pension costs for TB&TFJC.

The default position is that TB&TFJC will not grant additional pension benefits under the LGPS 2014 except where it is essential to do so in order to facilitate a tangible and specific organisational benefit and the additional pension costs are recovered within a 3 year period or where TB&TFJC considers it appropriate to exercise its discretion on compassionate grounds.

Scope

The policy covers all staff of TB&TFJC who are in the pension scheme.

Any discretion in respect of the General Manager's post will be determined by The Strategic Director for Place in Plymouth City Council and the Corporate Director, Economy, Enterprise and Environment in Cornwall Council.

Any discretion in respect of the Business Manager's post this will be determined by the General Manager and the HR Advisor, subject to any initial cost being below £50,000. Costs of £50,000 or more must be reviewed and approved by the appropriate Corporate Directors of Cornwall Council and Plymouth City Council.

Discretions

A Shared Cost Additional Voluntary Contributions (AVC)(Regulation 17)

AVCs allow any active employee to increase their main scheme benefits by making regular monthly payments direct from their salary to an insurance policy the pension fund holds. These payments accumulate and are payable in the form of a pension and lump sum along with the main LGPS benefits when the employee retires. TB&TFJC's policy is not to contribute to any employee's AVC.

B Early payment of retirement benefits – Waiving Actuarial Reduction (Regulation 30(8))

Employees can retire from age 55 and receive immediate payment of their pension benefits providing they have at least two years' membership of the LGPS. Whilst the default position is that the pension benefits payable will be subject to an actuarial reduction, TB&TFJC may elect to waive any actuarial reduction for early retirement where a financial saving can be

achieved within 3 years and there is a benefit to TB&TFJC. This may also be applied in respect of item D below (early retirement on compassionate grounds).

The General Manager of TB&TFJC is authorised on behalf of the Joint Committee to exercise the discretion in the circumstances described above subject to consultation with the Business Manager, subject to any initial cost being below £50,000. Costs of £50,000 or more must be reviewed and approved by the appropriate Corporate Directors of Cornwall Council and Plymouth City Council.

Costs of early release of pension will be reported to the Joint Committee.

C Early Payment of Retirement Benefits between 55 and 60 years of age – Transitional Provisions Regulations

For those employees who were previously able to access unreduced benefits before the age of 60, the LGPS 2014 Regulations automatically provide for the 85 year rule to be “switched off” as the discretion to retire early now rests entirely with the employee. This change results in a reduction to all of the employee’s benefits if retirement is before the age of 60. This change, of course, means that retirement of long-serving employees before the age of 60 is not now associated with additional cost to the employer.

TB&TFJC will not “switch on “ the 85 Year Rule for early retirement unless it is in the financial interests of the TB&TFJC to do so with financial costs recovered within 3 years.

The General Manager is authorised on behalf of the Joint Committee to exercise the discretion in the circumstances outlined above subject to consultation with the Business Manager, subject to any initial cost being below £50,000. Costs of £50,000 or more must be reviewed and approved by the appropriate Corporate Directors of Cornwall Council and Plymouth City Council.

D Early Retirement on Compassionate Grounds (Regulation 30 (5) of 2008 Regulations)

TB&TFJC may permit early retirement on compassionate grounds in exceptional circumstances. These circumstances might include extreme financial hardship or the need to give up work in order to provide constant care for an immediate family member. The employee must be over 55 years of age for this to be considered.

The General Manager is authorised on behalf of the Joint Committee to exercise the discretion in the circumstances described above subject to consultation with the Business Manager, subject to any initial cost being below £50,000. Costs of £50,000 or more must be reviewed and approved by the appropriate Corporate Directors of Cornwall Council and Plymouth City Council.

E Flexible Retirement (Regulation 30(6))

TB&TFJC may permit flexible retirement only where there is a benefit to the TB&TFJC (either financial and/or operational) and where the employee's reduced level of earnings together with his or her pension does not exceed his or her pre-retirement earnings.

The TB&TFJC will not waive any actuarial reduction to an employee's pension benefits in these circumstances.

Any pension costs incurred by the employee's service must be recovered within a period of no more than three years.

The General Manager is authorised on behalf of the TB&TFJC to exercise the discretion in the circumstances described above subject to consultation with the Business Manager, subject to any initial cost being below £50,000. Costs of £50,000 or more must be reviewed and approved by the appropriate Corporate Directors of Cornwall Council and Plymouth City Council.

F Increase of Pension by Employer (Regulation 31)

The award of additional pension is not granted except when it is essential to do so in order to facilitate a tangible and specific organisational benefit.

The General Manager is authorised on behalf of TB&TFJC to exercise the discretion in the circumstances described above subject to consultation with the Business Manager, subject to any initial cost being below £50,000. Costs of £50,000 or more must be reviewed and approved by the appropriate Corporate Directors of Cornwall Council and Plymouth City Council.

G Transfer of Service into the LGPS (Regulation 100)

The General Manager is authorised to request the Pensions Administration Manager in Cornwall Council to extend the 12 month time limit for allowing active members to transfer benefits from previous pensionable employment into the LGPS where it is determined that maladministration has occurred as a result of affected employees not having been given any or sufficient details about the pension scheme or transfer option.

Management of policy

The General Manager is responsible for implementing and managing the policy. Breaches of the policy may be dealt with under TB&TFJC's disciplinary procedure.

Significant impacts associated with the policy will be reported to TB&TFJC.

Evaluation and Review

This policy will be reviewed within 12 months following implementation.

Date policy adopted

Date for review of policy

Cornwall Council

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

Date: **5 December 2014**

Title: **LGPS 2014 Discretions Policy**

Portfolio Area **Transport and Waste**

Divisions Affected **All in the vicinity of the Ferry**

Relevant Scrutiny Committee: **Scrutiny Management Committee**

Relevant Portfolio Advisory Committee (Cabinet (executive) decisions):

Key Decision:	N	Approval and clearance obtained:	Y
Urgent Decision:	N	Date next steps can be taken: (e.g. referral on of recommendation or implementation of substantive decision)	Normally 10 calendar days after decision for Cabinet
Appropriate pre-decision notification given where an executive Decision?			N

Authors: Andrew Vallance/Carol Humphries Role: **Business Manager/HR Advisor**

Contact: andrew.vallance@tamarcrossings.org.uk

Recommendations: The draft Discretions Policy, as appended to this report, is recommended to the Joint Authorities for approval.

1. Executive summary

Cornwall Council

- 1.1 The new Local Government Pensions Scheme (LGPS) 2014 requires employers to state their position in relation to a number of discretionary elements of the scheme.
- 1.2 These discretions are usually associated with an immediate cost to the employer that may, in some circumstances be eventually recovered or lead to an overall financial benefit through lower salary costs or beneficial reorganisation. In other circumstances, the upfront cost may lead to other non-financial benefit, or the cost may be justified on compassionate grounds.
- 1.3 If an employer chooses to allow a discretionary element where it will provide longer term advantage, the policy should state what analysis will take place and the associated approval process.
- 1.4 The Tamar Bridge Act 1979 requires that Cornwall County Council and its successors administer the Joint Committee's pension fund but it does not record that Cornwall operates as the employer for pension purposes.
- 1.5 A separate policy for the undertaking is believed to necessary so that financial calculations are appropriate to the undertaking and that the approval process reflects the joint nature of the undertaking. However, given that Cornwall Council administers the Joint Committee's pension fund, the proposed policy appropriately reflects much of the approach taken by the Council in regard to its own employees, reducing potential administrative issues and costs that might otherwise be associated with a completely independent approach.
- 1.6 It is proposed that the Joint Committee recommend adoption of this policy to both Authorities so that the requirement within the 2014 Scheme for each employer to have such a policy may be progressed.

2. Background

- 2.1 The Joint Committee is a Scheduled Body for the purposes of the Local Government Pension Scheme. The 1979 Tamar Bridge Act requires that the Joint Committee's participation in the scheme is administered by the Cornwall Pension Fund.
- 2.2 The 1979 Tamar Bridge Act records that the employer of staff employed for the purposes of the undertaking shall be the Authorities acting together through the Joint Committee. However, the Joint Committee does not have a completely free-hand to act as

Cornwall Council

employer when a decision has financial implications. As with other financial matters, the Joint Committee recommends an approach in relation to pension scheme to both Authorities.

- 2.2 The Local Government Pensions Scheme 2008 was replaced in April 2014 with a new scheme, LGPS 2014. As with the 2008 scheme, LGPS requires each employer to have a policy on how the discretionary elements of the scheme will be applied. The regulations do not provide the employer with any default position that may be adopted if the approach to the discretionary elements has not been stated.
- 2.3 No Discretions Policy has previously been adopted by the Joint Committee, but no request has previously been made to consider applying a discretion, nor have circumstances arisen where the compassionate discretions may have been considered. However, without a policy, the Joint Committee is open to challenge and a policy should be adopted.
- 2.3 The areas of discretion within LGPS 2014 have been extended beyond the limited areas within the 2008 scheme and cover:
- additional contributions;
 - early payment of retirement benefits without reduction;
 - early payment of benefits related to "85 year rule" transitional arrangements;
 - early retirement on compassionate grounds;
 - flexible retirement;
 - increasing pension and;
 - transfer of service into LGPS 2014.
- 2.4 If exercised, the discretions result in cost for the employer. In some circumstances this cost may be recovered particularly if exercise of the discretion leads to reorganisation after an employee retires as a result of benefiting from discretionary enhancements. Benefit may also arise from the replacement of a retiring employee. The Discretions Policy describes the process of financial assessment in such cases.

3. Outcomes/outputs

- 3.1 The LGPS 2014 legislation and regulations require that the Joint Committee develops a Discretions Policy for the scheme and a policy must be adopted.
- 3.2 The Joint Committee's Policy should, as far as is practical reflect those of the Joint Authorities.

Cornwall Council

- 3.3 The flexibility of the organisation's structure and establishment levels is restricted by the infrastructure it operates and the related legislative and best practice frameworks. These restrictions and the associated stability of employment roles within the undertaking should be reflected in financial calculations within the policy, ensuring that the full financial benefit of any discretionary payment is considered.
- 3.3 The Joint Committee is also required to consider which posts should be involved in the decision making process for assessment and the possible release of funds. The draft Policy attached has considered the joint nature of the undertaking and this is reflected in the decision making roles within the Policy.

4. Options available and consideration of risk

- 4.1 Both Authorities' policies are that, by default, they will not utilise any of the discretions. Whilst the Joint Committee may choose to adopt a different position, there is no clear financial or organisational justification for doing so.
- 4.2 The Cornwall and Plymouth policies provide for some flexibility in regard to waiving actuarial reductions for early payment or to allow early release of pension. The Plymouth policy provides for such discretion only on compassionate grounds. Cornwall's Policy provides for an assessment of financial or organisational benefits over the two years following the payment and discretions may therefore be exercised on purely financial grounds or where there is clear organisational benefit.
- 4.2 As the Joint Committee's membership of the LGPS is administered by Cornwall Council, the draft policy attached as Appendix 1 in most regards reflects the stance taken by Cornwall.
- 4.3 Within some Regulations, the policy therefore allows managers to consider a realistic assessment of the financial or organisational benefits to the undertaking, rather than limit consideration purely to those applying because of desperate circumstances.
- 4.3 The proposed policy provides a longer term assessment of the financial benefit to the organisation of certain discretionary payments when compared to Cornwall's Policy. The extension of financial assessments from the two years of Cornwall's policy to three years reflects the generally higher levels of stability of employment within the undertaking and the organisation's incremental pay structure following job re-evaluation. In

Cornwall Council

comparison to the authorities, there is less risk that potential savings would not be realised due to further reorganisation.

- 4.4 As adoption of Cornwall's timeframes would mean that third year savings are not considered in the decision making process, any financial case would be more difficult to achieve. As this would increase the risk that discretions would not be exercised when a saving would otherwise be achieved, the draft TBTF policy has incorporated analysis over a period of three years.
- 4.4 It is not proposed that the policy modifies Cornwall's rigorous approach to any cost/benefit analysis and no increased risk exists in this regard.
- 4.4 Both authorities provide specific postholders within the Council with decision making responsibilities. It is felt that the given that the policy is specific to the undertaking and the organisation's joint nature, the decision makers should hold posts that are employed by the Joint Authorities. It is proposed that the General Manager and Business Manager undertake the roles ascribed to various Officers within the two authorities with senior officers in both Councils being required to approve applications of a discretion which involves significant initial costs.
- 4.5 Any risk associated with the two decision making postholders assessing their own post, can be removed by requiring the involvement of senior Officers of the Joint Authorities. The proposed Policy takes this approach.
- 4.6 Staff side consultation has reduced the risk of any dispute associated with the policy.

5. Proposed Way Forward

- 5.1 It is proposed that the attached draft policy, based on the Cornwall model is recommended to both authorities.
- 5.2 Any proposal which deviated from the stance taken by Cornwall Council that there must either be specific benefit to the organisation from exercising discretions or that they are exercised on compassionate grounds would be difficult to justify and it is proposed that the Joint Committee follow this general position. The draft policy reflects this position.
- 5.3 The draft policy proposes that the appropriate Directors in the Joint Authorities review and approve any proposal to apply a discretion which involves initial costs of £50,000 or more.

Cornwall Council

- 5.3 The draft policy proposes that the appropriate Directors in the Joint Authorities determine any discretion for the General Manager post and that the General Manager consults the Directors in regard to any discretion for the Business Manager.

6. Implications

Implications	Relevant to proposals Y/N	
Legal/Governance	N	There are no legal implications arising directly from this report as it is in keeping with the 2014 Regulations and the discretions adopted in accordance with these Regulations.
Financial	Y	Exercise of non-compassionate discretions under LGPS 2014 will result in short term costs and budgetary impact which would usually be recovered in future financial years.
Risk	Y	Failure to adopt a policy would leave the organisation open to claims given that LGPS 2014 regulations do not provide a default position to be adopted if no policy in relation to discretions is adopted.
Comprehensive Impact Assessment Implications		
Equality and Diversity		None.
Safeguarding		N/A
Information Management		N/A
Community Safety, Crime and Disorder		N/A
Health, Safety and Wellbeing		N/A
Other implications		None

Supporting Information

Cornwall Council

Appendices:

Appendix 1 Draft Tamar Bridge and Torpoint Ferry LGPS 2014 Discretions Policy

Background Papers:

None

Approval and clearance of report

All reports:

Final report sign offs	This report has been cleared by OR not significant/not required	Date
Legal (if significant/required)	Simon Mansell	24.11.14
Finance Required for all reports	Andy Brown	26.11.14
Equality and Diversity	not required	

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**TAMAR BRIDGE AND TORPOINT FERRY
JOINT COMMITTEE: DRAFT MINUTE 30 OF 5
DECEMBER 2014**



**LOCAL GOVERNMENT PENSION SCHEME 2014 DISCRETIONS POLICY
(minute 30)**

The Business Manager presented the written report setting out a proposed Local Government Pension Scheme Draft Discretions Policy for Tamar Bridge and Torpoint Ferry staff as required by the Local Government Pension Scheme 2014. He explained that the schemes currently operated by the joint authorities were incompatible and the proposed Tamar Bridge and Torpoint Ferry scheme had been largely based on the Cornwall Council model as that authority administered the Pension Fund. He highlighted the areas where it was proposed that discretion could be applied and emphasised that discretionary applications with significant financial implications would require the approval of senior officers from both joint authorities.

In response to Members' questions with regard to developing strategy in respect of Cornwall Council's affiliated companies, officers advised that the Joint Committee was required to have a pensions discretion policy in place irrespective of whether or not it was deemed to be the employer.

Arising from consideration of the report, it was proposed by Councillor Wheeler, seconded by Councillor Hobbs, and

**RESOLVED TO RECOMMEND TO THE CABINETS AND FULL COUNCILS OF
CORNWALL AND PLYMOUTH CITY COUNCILS:-**

That the Discretions Policy as appended to the report, be approved.

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