



#plymcouncil



**Democratic and Member Support**

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Published 19 January 2018

## CITY COUNCIL

Monday 29 January 2018  
2 pm  
Council House, Plymouth

**Members:**

Councillor Mrs Foster, Chair

Councillor Kelly, Vice Chair

Councillors Mrs Aspinall, Ball, Mrs Beer, Bowie, Bowyer, Mrs Bowyer, Mrs Bridgeman, Carson, Churchill, Coker, Cook, Dann, Darcy, Philippa Davey, Sam Davey, Deacon, Downie, Drean, Evans, Fletcher, K Foster, Fry, Hendy, James, Jordan, Martin Leaves, Michael Leaves, Sam Leaves, Loveridge, Lowry, Dr Mahony, Mavin, McDonald, Morris, Murphy, Nicholson, Parker-Delaz-Ajete, Penberthy, Mrs Pengelly, Rennie, Ricketts, Riley, Singh, Smith, Sparling, Stevens, Storer, Jon Taylor, Kate Taylor, Tuffin, Tuohy, Vincent, Wheeler, Wigen and Winter.

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

This meeting will be webcast and available on-line after the meeting. By entering the Council Chamber, councillors are consenting to being filmed during the meeting and to the use of the recording for the webcast.

The Council is a data controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with authority's published policy.

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**Tracey Lee**

Chief Executive

# City Council

## Agenda

### Order of proceedings

#### 1. APOLOGIES

To receive apologies for absence submitted by councillors.

#### 2. MINUTES

(Pages 1 - 8)

To approve and sign, as a correct record, the minutes of the meeting of the City Council held on 20 November 2017.

#### 3. DECLARATIONS OF INTEREST

(Pages 9 - 10)

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

#### 4. ANNOUNCEMENTS

(a) To receive announcements from the Lord Mayor, Chief Executive, Assistant Director for Finance or Head of Legal Services;

(b) To receive announcements from the Leader, Cabinet Members or Committee Chairs.

#### 5. QUESTIONS BY THE PUBLIC

### RECOMMENDATIONS FROM CABINET AND OTHER COMMITTEES

#### 6. Torbay Children's Services Contractual Arrangement

(Pages 11 - 76)

Cabinet Member: Councillor Bowyer (Leader).

Councillor Bowyer will submit recommendations on Torbay Children's Services contractual arrangement.

#### 7. Council Tax Base Setting 2018/19

(Pages 77 - 86)

Cabinet Member: Councillor Darcy (Cabinet Member for Finance).

The City Council will be asked to approve the Council Tax Base setting for 2018/19.

The minute of Cabinet held on 16 January 2018 will be submitted together with the report considered at Cabinet.

**8. Democratic and Community Engagement (Pages 87 - 94)**

Cabinet Member for HR/Democracy and Governance/Licensing: Councillor John Riley.

Councillor Riley will present the recommendations of the Constitutional Review Group for approval.

**9. Remuneration of the Independent Remuneration Panel Members (Pages 95 - 98)**

Cabinet Member for HR/Democracy and Governance/Licensing: Councillor John Riley.

Councillor Riley will present the recommendations of the Constitutional Review Group for approval.

**TO RESPOND TO REPORTS FROM THE CHIEF EXECUTIVE**

**10. Pay Policy Statement 2018/2019 (Pages 99 - 110)**

Tracey Lee (Chief Executive) will submit a report seeking approval of the Pay Policy Statement 2018/19.

**11. Organisational Design (Pages 111 - 126)**

Tracey Lee (Chief Executive) will submit a report on Organisation Design.

**12. MOTIONS ON NOTICE**

To consider motions from councillors in accordance with Part B, paragraph 14 of the Constitution.

**13. QUESTIONS BY COUNCILLORS**

Questions to the Leader, Cabinet Members and Committee Chairs covering aspects for their areas of responsibility or concern by councillors in accordance with Part B, paragraph 12 of the constitution.

**14. 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(s) the likely disclosure of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

## **PART II (PRIVATE MEETING)**

### **AGENDA**

#### **MEMBERS OF THE PUBLIC TO NOTE**

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

**NIL.**

## City Council

Monday 20 November 2017

### PRESENT:

Councillor Mrs Foster, in the Chair.

Councillor Kelly, Vice Chair.

Councillors Mrs Aspinall, Ball, Bowie, Bowyer, Mrs Bowyer, Mrs Bridgeman, Carson, Churchill, Coker, Cook, Dann, Darcy, Philippa Davey, Sam Davey, Deacon, Downie, Drean, Evans, Fletcher, K Foster, Fry, Hendy, James, Jordan, Martin Leaves, Michael Leaves, Sam Leaves, Loveridge, Lowry, Dr Mahony, Mavin, McDonald, Morris, Murphy, Nicholson, Parker-Delaz-Ajete, Penberthy, Mrs Pengelly, Rennie, Ricketts, Riley, Singh, Smith, Stevens, Storer, Jon Taylor, Kate Taylor, Tuffin, Tuohy, Vincent, Wheeler, Wigen and Winter.

Apologies for absence: Councillors Mrs Beer and Sparling

The meeting started at 2.00 pm and finished at 7.05 pm.

*Note: The full discussion can be viewed on the webcast of the City Council meeting at [www.plymouth.gov.uk](http://www.plymouth.gov.uk). At a future meeting, the Council 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.*

### 33. Minutes

The minutes of the special and ordinary meetings of 25 September 2017 and 24 October 2017 were agreed

### 34. Declarations of Interest

The following declarations of interest were made by councillors in accordance with the code of conduct in respect of items under consideration at the meeting -

Name	Minute Number	Reason	Interest
Councillor Jon Taylor	41.1	Employer is mentioned within the report.	Personal

### 35. Appointments to Committees, Outside Bodies etc

Outside Body	Previous Member	New Member
Drake Foundation	Councillor Penberthy	Councillor Winter
Waterfront Business Improvement District		Councillor Michael Leaves (representing Plymstock Radford)
Wolseley Trust	Councillor Carson	Councillor Storer

36. **Announcements**

- a. The Lord Mayor made the following announcements on the following –
- The Queen’s 70<sup>th</sup> Wedding Anniversary;
  - Abercrombie Awards
  - 50<sup>th</sup> Anniversary of Devon and Cornwall Police
  - Build it! Award
  - Wellbeing Charter Award
- b. Announcements from the Leader, Councillor Bowyer:
- Devonport Taskforce;
  - Winter Works.
- c. Announcement from the Cabinet Member for Democracy, Governance and HR, Councillor Riley:
- Election Improvement plan.

37. **Questions by the Public**

There were no questions from members of the public.

38. **Recommendations from Cabinet**

- (i) Medium Term Financial Strategy  
Councillor Darcy (Cabinet Member for Finance/ICT) presented the report on the Medium Term Financial Strategy and Councillor Mrs Pengelly seconded the report.

Following the vote, the Council agreed the Medium Term Financial Strategy.

*For the Motion (28)*

*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drear, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves, Dr Mahony, Nicholson, Mrs Pengelly, Ricketts, Wiggins, Mrs Bridgeman, Riley, Storer, Carson, Mrs Loveridge and Cook.*

*Against the motion (25)*

*Councillors Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin and Winter*

*Abstentions (1)*

*Lord Mayor*

*Absent/Did not vote (3)*

*Councillors Vincent, Mrs Beer and Sparling.*

39. **To receive recommendations from other Committees**

(i) Tamar Bridge and Torpoint Ferry Joint Committee

Councillor Martin Leaves (Joint Chair, Tamar Bridge and Torpoint Ferry Joint Committee) presented the report from the Joint Committee, Councillor Nicholson (Deputy Leader) seconded the report. Following the vote, the Council agreed the recommendation.

*For the Motion (52)*

*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drean, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves, Dr Mahony, Nicholson, Mrs Pengelly, Wiggins, Mrs Bridgeman, Riley, Storer, Carson, Mrs Loveridge, Cook, Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin and Winter*

*Abstentions (1)*

*Lord Mayor*

*Absent/Did not vote (4)*

*Councillors Vincent, Mrs Beer, Ricketts and Sparling.*

40. **To respond to reports from the Chief Executive**

(i) Heart of the South West Joint Committee

Councillor Bowyer (Leader) presented the report on the Heart of the South West Joint Committee and Councillor Nicholson (Leader) seconded the report.

Councillor Bowyer notified the Council that 11.5 of the Inter-Authority Agreement has been amended to read - *All press releases and public statements to be sent out on behalf of the Joint Committee shall be the responsibility of the press office of the Administering Authority.*

Following a debate and vote, the Council agreed the recommendation within the report.

*For the Motion (53)*

*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drean, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves, Dr Mahony, Nicholson, Mrs Pengelly, Wiggins, Mrs Bridgeman, Riley, Ricketts, Storer, Carson, Mrs Loveridge, Cook, Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin and Winter*

*Abstentions (1)*

*Lord Mayor*

*Absent/Did not vote (3)*

*Councillors Vincent, Mrs Beer and Sparling.*

41. **To respond to reports from the Section 151 Officer**

- (i) Capital & Revenue Monitoring Report 2017/18- Quarter 2

Councillor Darcy (Cabinet Member for Finance/ICT) presented the report on the Capital and Revenue Monitoring Report 2017/18 – Quarter 2, seconded by Councillor Bowyer. Following a debate and vote, the Council agreed to –

1. Note the current revenue monitoring position and action plans in place to reduce/mitigate shortfalls;
2. Approve an amendment to the Capital Budget 2017 -2022 to £691.000m (as shown in Table 6 in the report).

*For the Motion (53)*

*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drear, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves, Dr Mahony, Nicholson, Mrs Pengelly, Wiggins, Mrs Bridgeman, Riley, Ricketts, Storer, Carson, Mrs Loveridge, Cook, Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin and Winter*

*Abstentions (1)*

*Lord Mayor*

*Absent/Did not vote (3)*

*Councillors Vincent, Mrs Beer and Sparling.*

42. **Motions on notice**

- (i) Extending the M5 motorway to Plymouth

Councillor Bowyer proposed and Councillor Nicholson seconded a motion on extending the M5 Motorway to Plymouth.

Councillor Winter proposed an amendment to the motion and Councillor Stevens seconded the amendment.

Following a debate and vote, the amendment was lost.

*For the Motion (26)*

*Councillors Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin, Vincent, and Winter*

*Against the Motion (28)*

*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drear, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves,*



*Dr Mahony, Nicholson, Mrs Pengelly, Wiggins, Mrs Bridgeman, Riley, Ricketts, Storer, Carson, Mrs Loveridge, Cook,*

*Abstentions (1)*

*Lord Mayor*

*Absent/Did not vote (4)*

*Councillors Mrs Beer and Sparling.*

Following a debate and vote the substantive motion was carried, Council agreed to call upon the Government to commission a full options appraisal so that the reality of cost and timescale can be clearly understood.

*For the Motion (28)*

*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drear, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves, Dr Mahony, Nicholson, Mrs Pengelly, Wiggins, Mrs Bridgeman, Riley, Ricketts, Storer, Carson, Mrs Loveridge and Cook.*

*Against the Motion (26)*

*Councillors Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin, Vincent, and Winter.*

*Abstentions (1)*

*Lord Mayor*

*Absent/Did not vote (4)*

*Councillors Mrs Beer and Sparling.*

(ii) Political Representation for School Improvement

Councillor McDonald proposed and Councillor Evans seconded a motion on Political Representation for School Improvement.

Following a debate and vote, Council agreed to bridge the democratic deficit by using mechanisms available within the City Council to ensure, via City Councillors, that there is robust political challenge to those responsible for maintaining standards within schools.

*For the Motion (54)*

*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drear, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves, Dr Mahony, Nicholson, Mrs Pengelly, Wiggins, Mrs Bridgeman, Riley, Ricketts, Storer, Carson, Mrs Loveridge, Cook, Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin and Winter*

*Abstentions (1)*

*Lord Mayor*

*Absent/Did not vote (2)*  
*Councillors Mrs Beer and Sparling.*

(iii) Traffic and Transport Schemes

Councillor Morris proposed and Councillor Stevens seconded a motion on Traffic and Transport Schemes.

Following a debate and vote the motion was lost.

*For the Motion (26)*  
*Councillors Aspinall, Bowie, Coker, Dann, P Davey, S Davey, Evans OBE, Hendy, Lowry, McDonald, Morris, Murphy, Parker-Delaz-Ajete, Penberthy, Rennie, Singh, Smith, Stevens, J Taylor, K Taylor, Tuffin, Tuohy, Wheeler, Mavin, Vincent, and Winter*

*Against the Motion (28)*  
*Councillors Ball, Bowyer, Mrs Bowyer, Churchill, Darcy, Deacon, Downie, Drear, Fletcher, Foster, Fry, James, Jordan, Kelly, Martin Leaves, Michael Leaves, Mrs Leaves, Dr Mahony, Nicholson, Mrs Pengelly, Wiggins, Mrs Bridgeman, Riley, Ricketts, Storer, Carson, Mrs Loveridge, Cook,*

*Abstentions (1)*  
*Lord Mayor*

*Absent/Did not vote (2)*  
*Councillors Mrs Beer and Sparling.*

43. **Questions by Councillors**

	<b>From</b>	<b>To</b>	<b>Subject</b>
1	Councillor S Davey	Councillor Ricketts	Controlled Parking Zone
2	Councillor Mavin	Councillor Mrs Bowyer	General Practice closures
3	Councillor Evans	Councillor Bowyer	Sutton Harbour Swing Bridge
4	Councillor Martin Leaves	Councillor Jordan	Peverell Library
5	Councillor Bowie	Councillor Ricketts	Controlled Parking Zone
6	Councillor Winter	Councillor Ricketts	Traffic Regulation Orders and Consultation
7	Councillor Kate Taylor	Councillor Ricketts	Controlled Parking Zones
8	Councillor Aspinall	Councillor Riley	Taxi Accessibility and Licencing review
9	Councillor Jon Taylor	Councillor Jordan	Cash payments at First Stop Customer Services

	<b>From</b>	<b>To</b>	<b>Subject</b>
10	Councillor Stevens	Councillor Ricketts	Controlled Parking Zones
11	Councillor Dann	Councillor Michael Leaves	Waste Collection
12	Councillor Hendy	Councillor Michael Leaves	Levels of Fly-tipping and public reaction to changes to waste collection (a written response would be provided)
13	Councillor Parker Delaz-Ajete	Councillor Jordan	Staffing levels and Customer Service Centre.
14	Councillor P Davey	Councillor Ricketts	Controlled Parking Zones
15	Councillor Rennie	Councillor Ricketts	Controlled Parking Zones
16	Councillor S Davey	Councillor Ricketts	Controlled Parking Zones
17	Councillor Dann	Councillor Ricketts	Controlled Parking Zones
18	Councillor Evans	Councillor Nicholson	Controlled Parking Zones and interests in decision making.

*Please note that questions, answers, supplementary questions and supplementary answers have been summarised.*

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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 MINUTE 67****Torbay Children's Services Contractual Arrangement**

Councillor Mrs Beer, Cabinet Member for Children and Young People introduced the report.

Alison Botham, Assistant Director for Children's Social Care, provided Cabinet with information on the process of due diligence. Following a short debate the Cabinet agreed –

1. to progress the development of a contractual arrangement with Torbay Council to manage its Children's Services, working with Torbay Council and the Commissioner for Children's Services and under the guidance of the Department for Education to develop a detailed contract agreement.
2. To delegate to the Chief Executive in consultation with the Leader and the Leader of the Opposition the development of the detailed contractual agreement.
3. Recognises this opportunity to demonstrate strong sector-led leadership in the management of Children's Services in Torbay.
4. Recommends that Full Council endorse the Cabinet's decision to enter into a formal contractual arrangement for Plymouth City Council to manage Torbay Council's Children's Services with effect from 1 April 2018.

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## PLYMOUTH CITY COUNCIL

**Subject:** Torbay Children's Services – Contractual Arrangement  
**Committee:** Cabinet  
**Date:** 16 January 2018  
**Cabinet Member:** Leader, Councillor Ian Bowyer  
**CMT Member:** Tracey Lee – Chief Executive  
**Author:** David Northey - Head of Integrated Finance  
**Contact details:** Tel 01752 305428  
david.northey@plymouth.gov.uk

**Ref:**

**Key Decision:** No  
**Part:** I

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### **Purpose of the report:**

In March 2017, Plymouth City Council was invited to submit an expression of interest to work with Torbay Council to jointly deliver its Children's Services. Torbay Council's Children's Services have been judged inadequate for several years and in May 2016, the Department for Education (DfE) appointed a Commissioner, John Coughlan, Chief Executive of Hampshire County Council, to oversee improvement.

The Commissioner's role also involves ensuring that improved performance can be sustained over the longer term by exploring alternative delivery models, including partnering with nearby councils. In April 2017, the Commissioner advised that having evaluated expressions of interest from Plymouth City Council and Devon County Council, his preferred option as a partner for Torbay Council was Plymouth. In June 2017, the DfE Minister endorsed his recommendation.

Full details were set out in the report to Cabinet for the meeting 27 August 2017 which set out the recommendation to Full Council for an 'in principle' agreement to proceed to develop a delivery model and detailed contractual agreement with Torbay Council to manage its Children's Services. At that stage a Prospectus had been jointly developed by officers from both councils; it is a high-level framework document setting out the general terms and principles for the arrangement.

This report builds on the unanimous "In principle" decision at Full Council 25 September 2017.

The Commissioner and the Minister have both been very clear that improvements to Children's Services in Torbay must happen at pace, and that a contractual arrangement with Plymouth City Council is the preferred option for delivery of that service.

This report sets out the due diligence and assurance work undertaken to allow a further debate at Full Council 29 January 2018 and recommends that Cabinet endorse the Council entering a contractual arrangement with Torbay Council, with effect from 1<sup>st</sup> April 2018, for the joint delivery of Torbay Council's Children's Services

### **The Corporate Plan 2016/19:**

One of the central themes of the Corporate Plan is that Plymouth City Council is pioneering; finding new ways to deliver services that are innovative and more efficient. A contractual arrangement with Torbay Council would enable us to explore new and more cost effective service delivery models based on greater economies of scale and the sharing of best practice, which will benefit both councils.

The arrangement also supports our ambition to be a confident city, demonstrating strong sub-regional leadership and enhancing our reputation within the sector and with Government. The Council has a strong track record of working in partnership which has been recognised regionally and nationally. This proposal is a further opportunity to demonstrate that strength.

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

The establishment and running of this contractual arrangement will be at no cost to Plymouth City Council, and there will be no pooling or cross subsidy with Torbay Council budgets. This report details the set-up costs, covered by a one-off payment from the Department for Education. In the longer term, Torbay Council will pay Plymouth City Council the extra costs incurred in providing the agreed leadership and support. Any savings generated from shared working or more efficient delivery structures will be apportioned between the two councils in accordance with a pre-agreed ratio.

The contractual arrangement will involve the Director of Children's Services from Plymouth taking responsibility for Torbay Children's Services as the statutory Director for Children's Services for Torbay as well. This will necessitate a review of the capacity in the senior management arrangements in Plymouth City Council's People Directorate. The remainder of the staffing structures within Children's Services should remain largely unaffected, although the necessity may arise for a minor reappportioning across middle management to take on additional responsibility for supervision and guidance, and a greater degree of deputising across senior management to accommodate the shared Director role.

There should also be opportunities for secondments and career development across the larger workforce of the two councils. The arrangement should provide greater critical mass for recruitment and retention of social workers, and better opportunities for training and development based on economies of scale.

There will also be an opportunity to harmonise working practices and IT systems across the joint workforce and this could lead to the standardisation of case management software. All associated costs have been factored into the business case for transition funding from the DfE.

From the Go-live date of 1<sup>st</sup> April 2018 Torbay Council will be required to make a proportionate on going contribution to senior management costs, including any additional capacity created to ensure a robust joint DCS function.

There are no direct implications for land or buildings as each council would retain their current facilities.

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

The proposal presents a number of risks that need to be managed, but also a range of potential benefits that can be exploited, including financial efficiencies, workforce stability and the testing of new delivery models. A Risk Log has been created based on inputs from the cross-party working group, the Overview and Wellbeing Scrutiny Committee and group meetings. The risks have been grouped to cover strategic risks; leadership, capacity and maintaining focus; funding; roles and responsibilities; political and governance; and confidence and reputation.

Some key risk management principles are set out below:

1. The safety and wellbeing of Plymouth's children and young people is paramount. Any new arrangements must not detract from this. This work must not disrupt Plymouth's own Children's Services improvement journey.
2. The contractual arrangement must not impact on Plymouth's finances or create issues in terms of staffing. All set up costs will be recorded and contained, and funded by the Department for Education.
3. The precise terms of the contractual arrangement will be set out in a detailed agreement including the roles and accountabilities of Members and officers in both councils.
4. Torbay Council will retain full political accountability, as well as the statutory responsibilities associated with the Director of Children's Services and the Lead Member for Children's Services. There will need to be absolute clarity to ensure that Plymouth's City Council's reputation is not harmed as a result of entering into the agreement.
5. Given the long term and binding nature of the contract it is crucial to secure a strong commitment from Members and senior managers before embarking on the arrangement.
6. There will be a built-in review point and other termination conditions set out in the full agreement.

**Equality and Diversity:**

A full Equalities Impact Assessment is attached as Appendix 3

**Recommendations and Reasons for recommended action:**

That Cabinet:

- a) Agrees to progress the development of a contractual arrangement with Torbay Council to manage its Children's Services, working with Torbay Council and the Commissioner for Children's Services and under the guidance of the Department for Education to develop a detailed contract agreement.
- b) Delegates to the Chief Executive in consultation with the Leader and the Leader of the Opposition the development of the detailed contractual agreement.
- c) Recognises this opportunity to demonstrate strong sector-led leadership in the management of Children's Services in Torbay.
- d) Recommends that Full Council endorse the Cabinet's decision to enter into a formal contractual arrangement for Plymouth City Council to manage Torbay Council's Children's Services with effect from 1 April 2018.

**Alternative options considered and rejected:**

Torbay Council are required to act in accordance with the recommendations of the Commissioner and the Directive from the Department for Education. This sets out that a contractual arrangement with Plymouth City Council provides the best solution for Torbay Council to improve its Children’s Services at pace and Torbay Members voted overwhelmingly to support this route in July 2017.

Plymouth City Council is under no obligation to adopt the recommendation for the Commissioner and the Department for Education. Full Council could therefore vote against the creation of the contractual arrangement.

If the Council decides not to proceed, the Commissioner will have to find an alternative way forward, as the responsibility for the delivery of Children’s Services cannot remain with Torbay Council alone.

If the Council decides not to proceed at this stage, it would lose the opportunity to demonstrate strong sector-led leadership in this area, and would not be able to explore the more innovative delivery models or secure the efficiency savings that the arrangement could deliver. In addition there are additional risks for Plymouth on our recruitment and retention of social workers in a challenging national and local context; impact on our regional influence with a particular risk in relation to placement sufficiency for children in care. The Council would also lose the opportunity to align more closely with other commisioning and governance arrangements such as those emerging in the Health and Care Sustainability and Transformation Plans and the changing public sector landscape.

**Published work / information:**

**Background papers:**

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Cabinet Report 27 August 2017 <a href="#">Establishing a strategic partnership with Torbay Council to deliver Children's Services"</a>										

**Sign off:**

Fin		Leg		Mon Off		H R		Ass ets		IT		Strat Proc	
Originating SMT Member Tracey Lee													
Has the Cabinet Member(s) agreed the content of the report? Yes													

## I. Introduction

- 1.1 In 2010, Torbay's Children's Services were judged inadequate and a Statutory Direction issued by the Department for Education (DfE) in 2011. Although the child protection service were judged 'adequate' in 2013, the latest Ofsted report in January 2016 judged services 'inadequate', identifying significant weaknesses in leadership and management.
- 1.2 In May 2016, the Department for Education (DfE) appointed a Commissioner, John Coughlan, Chief Executive of Hampshire County Council, to oversee improvement. Since his appointment, the Commissioner has been working with Torbay Council and partner agencies, across the South West, to explore the potential for an alternative delivery model.
- 1.3 This culminated in a recommendation by the Commissioner, in October 2017, that sustained improvement in Children's Services in Torbay would be achieved via a contractual arrangement with Plymouth City Council.
- 1.4 At the Full Council meeting in September 2017 Plymouth City Council unanimously endorsed Cabinet's 'in principle' decision to progress the development of a delivery contract with Torbay Council to manage its Children's Services.
- 1.5 Both Plymouth City Council and Torbay Council believe the contractual arrangement will contribute to improved service delivery, better outcomes for children and young people and the opportunity to realise efficiencies through shared or merged service elements.
- 1.6 The larger practitioner resource within the arrangement will improve and support workforce development, recruitment and retention and provide greater opportunity for service innovation.
- 1.7 The statutory direction will also establish an ongoing dialogue with the DfE around service improvement and a stronger voice for Plymouth and Torbay within the sector led improvement agenda.
- 1.8 It is worth noting that Torbay's Education services have been performing well, with outcomes for children and young people generally at or above comparators.
- 1.9 The Council's in-principle decision was predicated on a 'due diligence' exercise and stated this exercise must cover the issues listed in the schedule presented at the meeting and must provide sufficient assurance to Council that all aspects have been explored, and that appropriate monitoring and controls are in place.
- 1.10 The due diligence areas listed were:
  - a) Resources, covering leadership, capacity and maintaining focus plus roles and responsibilities;
  - b) Finance; and
  - c) Political, legal and governance.
- 1.11 This report will cover each area and update on the assurance work undertaken. It will also consider the important areas of communications and ICT, plus Risk.

## 2. Update of work undertaken on the overall programme and assurance

### 2.1 There are three phases to the Programme.

Phase 1: Pre-Agreement; the main objectives of this phase were to:

- Establish transitional Governance
- Agree high Level principles
- Develop a shared vision and blueprint
- Develop contract to support the Contractual Arrangement
- Undertake Due Diligence process
- Obtain political approval to progress

Phase 2: Post-Agreement; the main objectives of this phase are to:

- Continue to implement improvements to Children's Services.
- Continue to fine tune the collaborative arrangements, where required as identified in Phase 1
- Commence implementation planning for key improvements.
- Develop options appraisals for operational delivery
- Develop phased delivery plan.
- End the transitional governance arrangements and move to the business as usual model.

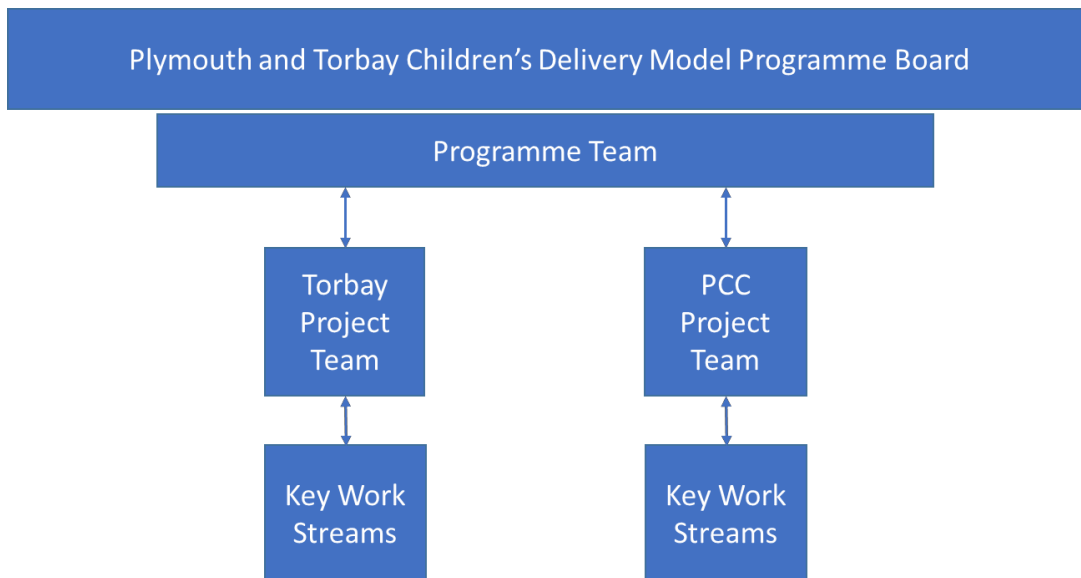
Phase 3: Move to Business as Usual.

### 2.2 The Programme consists of a series of work streams (or projects). These have been identified as follows;

- Legal
- Finance
- Human Resources
- Social Care Operations
- Education Services Operations
- Performance Management
- Communications
- IT

### 2.3 The Programme consists of two Project Teams (one for each Council) working on combined work streams and reporting to a joint Children's Delivery Model Programme Board. The Plymouth & Torbay Children's Delivery Model Programme Board reports to the existing organisation governing arrangements.

2.4



2.5 The due diligence exercise has been running in parallel with the overall Programme, with the same work stream leads with the overall responsibility resting with the Head of Integrated Finance, Plymouth City Council. This report sets out the due diligence work undertaken.

2.6 The approach taken has been to answer each of the areas listed in the minutes of the Full Council in September 2017. Full details are contained in the following sections of this report.

2.7 At all relevant meetings including the cross-party working group, group meetings and the Wellbeing and Overview Scrutiny Committee, as well as the Board itself, it has been made clear that a full due diligence exercise, in the true meaning of such work in the commercial arena, is neither applicable nor useful.

2.8 Due diligence in this context has been defined to mean giving all stakeholders the level of assurance required that both Plymouth City Council and Torbay Council are aware of the areas of strength, areas of concern and fully compliant with the financial and operational arrangements for Torbay's Children's Services.

2.9 The financial analysis has needed to be broader than concentrating solely on children's services, as the overall financial sustainability of the Council will impact on available resources and savings targets.

2.10 The assurance leads are:

<b>Overall</b>	<b>David Northey</b>
HR	Bernadette Smith
Finance	David Northey
Legal & Governance	Linda Torney
Communication	Mandy Pearce
ICT	Andy Crawford
Risks	Mike Hocking

**3. Resources – Leadership, Capacity and Maintaining Focus**

**3.1 Council require assurance that the contractual arrangement ensures that Plymouth’s senior management have sufficient capacity to deliver, given the breadth of their current remit.**

3.2 There is a review in progress, led by the Chief Executive in conjunction with the Strategic Director for People and the Leader to address this concern. A proposed revised senior management structure has been developed under the banner of “Organisational Design” to incorporate a new post of Director of Children’s Services for Plymouth which will also be the Director for Children’s Services in Torbay. This proposal has been shared with relevant staff and will be presented to Full Council for approval in February.

**3.3 Council require assurance and clarity on staffing structures, including describing the controls that will be put in place to ensure that any staffing shortfalls will be addressed within the respective councils.**

3.4 The Organisational Design will reflect the appointment of a new Director of Children’s Services post in Plymouth. Work is being undertaken by HR, finance and the operational team which will be triaged to give a complete overview of the requirements of the role and the funding.

**3.5 The due diligence work needs to provide reassurance that there will be no impact on service delivery for, or detriment to children and young people in Plymouth, nor any detriment to frontline social care staff.**

3.6 The programme has been clear in stating there is no intention to move away from Plymouth’s agreed MTFS and budget plans. There is clarity that the impact on staff changes will be at the senior management team (SMT) level only. It will be business as usual for all of Plymouth’s frontline staff and middle management. From a budget point of view, the contract will categorically state that the contractual arrangement will be at no cost to Plymouth.

**3.7 Officers need to describe how Plymouth’s capacity and reputation will be managed in the event of a major investigation or high profile case in either authority, setting out the details of how the Council would respond to potential scenarios.**

3.8 Following the go-live date of 1 April 2018, nothing changes operationally for either Plymouth or Torbay Children’s Services. Both councils will continue with the same approach and current arrangements for child protection and safeguarding as are in place now. It must be emphasised that the contractual arrangement will mean that the Plymouth Director of Children’s Services will also be the Director in Torbay, but otherwise all governance arrangements and statutory responsibilities remain in place. Both authorities will maintain the integrity of their current arrangements, which are in place on briefing on high-risk cases to children and young people. These arrangements will ensure the reputation of both councils is maintained.

**3.9 Officers need to demonstrate how the Council will continue to maintain its own improvement journey and performance levels.**

3.10 Operationally nothing changes at the go-live date. We will continue to maintain our existing Business Improvement and Corporate Safeguarding Improvement Plan.



3.11 **Officers need to give assurance of how the arrangement will improve the recruitment and retention of social workers in both councils.**

3.12 The benefits in this area can be summarised as:

- Joint working by both HR and Children's Services across both councils
- Contractual Arrangement in place for minimum 3 years provides stability of senior management
- Good communication strategy in both councils
- Expect to build on Plymouth's current strong retention position given the national context

3.13 **The due diligence needs to include a comprehensive risk register that can be actively monitored and widely shared.**

3.14 A risk register for the programme has been developed with input from the cross-party working group and the Wellbeing and Overview Scrutiny Committee as well as the Board. It has been reviewed by the Head of Assurance Services and is reviewed and updated as required.

#### **4. Resources – Roles and Responsibilities**

4.1 **Council require assurance that under the contractual arrangement Plymouth City Council's accountabilities for children and young people are distinct, including around safeguarding.**

4.2 There has never been any intention to blur the lines of responsibility between the elected members for Plymouth and Torbay, nor for the senior officers. This is clearly set out in the engagement document and this position is confirmed and in line with the Statutory Guidance on the roles and responsibilities of the Director of Children's Services (DCS) and Lead Members for Children (2013). It is also compliant with the requirements as laid out in the Children's and Young Peoples Act 2014.

4.3 **Officers provide clarity around contract termination, monitoring of contractual arrangement and cost liabilities for early termination.**

4.4 Arrangements for the termination of the contract were discussed in detail at one of the cross-party working group meetings. Working closely with our colleagues in Torbay it was resolved that:

- if during the contract term Torbay Council determines that there is an overwhelming business case for it to enter into a single strategic arrangement with another Council, Plymouth City Council reserves the right to review its position in relation to delivery of Children's Services and if Plymouth City Council withdraws as a result, Torbay Council will cover all costs relating to the termination of the arrangement;
- should Plymouth City Council decide to unilaterally end the contract before the end of the contract term under circumstances other than those set out in the contractual agreement then Plymouth City Council will cover all costs relating to the termination of the agreement;

- should Torbay Council and Plymouth City Council decide, with permission of the Secretary of State, to end the contract before the end of the contract term then Torbay Council and Plymouth City Council will share equally all costs relating to the termination of the agreement; and
- The notice period for early termination under all the above circumstances would be 6 months to allow reasonable time to disengage, unless there was agreement that it could be achieved within a shorter period.

- 4.5 These termination arrangements will now be incorporated into the final Contract, which is being drawn up by Plymouth City Council's in-house legal team, working in conjunction with their opposite numbers in Torbay.
- 4.6 The legal contract will be subject to a final review by an external legal firm prior to being signed by both parties.
- 4.7 ***The due diligence needs to provide assurance that any reputational impacts of serious incidents or negative judgements are contained within the relevant authority.***
- 4.8 This has been discussed and agreed at a cross-party working group; appropriate wording will now be incorporated into the final contract.
- 4.9 ***Council asked how the effectiveness of the contractual arrangement will be reported, including the impact on the improvement of Torbay's Children's Services.***
- 4.10 The cross-party working group has agreed with the relevant senior officers that progress reports will be presented to the Wellbeing and Overview Scrutiny Committee, the Corporate Management Team, and the People Directorate departmental management team meetings.
- 4.11 ***Council asked for clarification on the future relationship with the Department for Education (DfE) and future arrangements under Ofsted.***
- 4.12 The Commissioner and two representatives from the Department for Education joined the cross-party working group meeting 13 November. This question was addressed and reassurance was provided by the DfE that under an inspection, Ofsted would only look at services for children in Plymouth (or for Torbay if they were being inspected), and the rate of improvement of children's services in Torbay would not form part of their judgement of Plymouth.
- 4.13 It was stated that under no circumstances would Ofsted be directed as to what they will or will not include in their inspection.
- 4.14 ***Council further sought reassurance by stating the senior staffing structure for the management of the contract should be set out in the body of the contract itself.***
- 4.15 This is agreed and the new structure reflecting a new DCS role in Plymouth that will also be DCS in Torbay will be included.

5. Finance

- 5.1 **Council required absolute assurance that both the set up and operation of the delivery contract will be at no cost to Plymouth City Council and there will be no cross-subsidy or pooling of budgets between the two authorities.**
- 5.2 The Prospectus (Heads of Terms) for a Strategic Partnership (now Contractual Arrangement) between Plymouth City Council and Torbay Council: Children's Services was drawn up at the start of discussions. It contained a clear "key principle" that: "The development and operation of the contract will be cost neutral to Plymouth City Council, with all costs recorded and recovered in accordance with an agreed cost recovery model."
- 5.3 This "at no cost" clause is included in the current agreement, has been confirmed and will now form part of the final contract when it is agreed. Finance from both Plymouth and Torbay have commenced negotiations around on-going Torbay funding for shared resources from the go-live date.
- 5.4 **Council wanted assurance that sufficient funding will be made available from the DfE and/or other sources to enable both Councils to undertake effective due diligence and cover the transition phase.**
- 5.5 It was clearly set out to the Commissioner and the DfE from the start that Plymouth City Council would incur costs, in the form of senior officers' time, travel and general administration to commence work on the feasibility of a project such as this.
- 5.6 Negotiation between Plymouth and the DfE led to an early commitment to ensure all phases of the project were at no cost to the authority, including the initial feasibility stage.
- 5.7 Negotiation with Torbay and the DfE are now complete and the funding bid has been approved. The first half of the funding has been received in December; the second half will be transferred in early February.
- 5.8 Details of the funding are set out in more detail in **Appendix I**.
- 5.9 Plymouth City Council will monitor and control all drawdown from the grant, under the final sign off and return to DfE of the Section 151 Officer. The Head of Integrated Finance, Plymouth City Council is the responsible officer reporting to the Strategic Director for People in the role of Programme SRO (Senior Responsible Officer), the Programme Board and Torbay Council's Director of Children's Services.
- 5.10 **Council required assurance that Torbay's Medium Term Financial Planning (MTFP) makes sufficient provision for the delivery of Children's Services in Torbay for the duration of the agreement.**
- 5.11 **It also sought assurance there is sufficient ongoing visibility of Torbay Council's overall budget and financial planning process, and that decisions made in the medium term are assessed for any inadvertent impacts on Children's Services.**
- 5.12 Finance have undertaken due diligence reviews of the overall MTFP and 2018/19 budget allocations and assumptions.

- 5.13 Torbay's Chief Finance Officer and S151 Officer will present an overview of the current in-year and 2018/19 budget position at the January Programme Board. It has also been confirmed that Plymouth City Council's Director for Children, Assistant Director for Children, Young People and Families and S151 Officer will have open invitations to budget discussions with an open book policy.

### **6. Political, Legal and Governance**

#### **6.1 Council required officers to provide clarity about the political accountabilities within both Plymouth and Torbay councils.**

- 6.2 The contract will set out the clear lines of accountability and responsibilities for officers and Members of both authorities.

- 6.3 In terms of statutory accountabilities, nothing will change as a result of entering into this contractual arrangement.

- 6.4 Plymouth City Council will continue to be responsible for the provision and improvement of children's services in Plymouth; Torbay Council will continue to be responsible for the provision and improvement of children's services in Torbay.

- 6.5 The change will be the appointment of a new Director of Children's Services for Plymouth who will also be the DCS in Torbay and Torbay will retain the full statutory responsibility for delivery of children's services.

#### **6.6 Plymouth City Council required the due diligence exercise to ascertain the level of cross-party support in Torbay for the arrangement.**

- 6.7 Torbay's Full Council meeting 19 October 2017 included a debate on the contractual proposal. The Elected Mayor, Mayor Oliver proposed and Councillor Tyerman seconded a motion, which was agreed (unanimously) by the Council as set out in **Appendix 2** to commit to the contractual arrangement for a minimum of three years.

- 6.8 As a further show of commitment, Torbay Council has set up its own cross-party working group to ensure the contractual arrangement is in place for the go-live date. There has also been a request from the Elected Mayor and Portfolio Holder for Children's Services to meet Members from Plymouth. This meeting is being arranged for January, ahead of Plymouth's January Full Council.

#### **6.9 Council is seeking clarity around Plymouth's response if Torbay Council were to cut the provision of non-statutory services which could have an impact on Children's Services.**

- 6.10 Under the terms of the contractual arrangement, the DCS post holder will have full control of the budget allocated to children's services. This DCS is a statutory post and as such will have full responsibility and a duty of care to ensure the correct level of funding is allocated to allow the provision of the service.

- 6.11 Under statute, the DCS role will have direct reporting lines and access to the Chief Executive of Plymouth and the Chief Executive of Torbay. If at any time the DCS feels the funding for Torbay children's services is not sufficient, they will have direct access in the initial phase to the Commissioner and immediate and continuing access to report to Full Council.

- 6.12 Plymouth City Council's Finance will continue to work closely with Torbay Council's Finance to monitor and review budgets throughout the year.
- 6.13 **Council requested clarity about future governance and scrutiny approaches.**
- 6.14 As stated in 6.4 above, the already distinct responsibilities for Elected Members of both authorities will remain in place. At a Plymouth Wellbeing and Overview Scrutiny Committee meeting it was agreed there was no requirement to set up joint scrutiny meetings. There will be no impact on the governance arrangements for either authority as a result of this contract.
- 6.15 The DCS will work within the Torbay political and management governance for Torbay, and within the Plymouth political and management governance for Plymouth.
- 6.16 At the December Programme Board the legal work stream leads were able to report good progress on the development of the contractual arrangement. In particular:
- Non-disclosure agreement signed between authorities to allow for disclosure of confidential material:
  - First draft contractual arrangement agreement issued:
  - No further political decision is required to take forward the contractual arrangement agreement in Torbay
  - Agreement in principle that Torbay information governance arrangements will apply to any work done for Torbay by the DCS and staff under the contractual agreement.

## 7. Communications

- 7.1 **Council required clarity about the communications approach to the people of Plymouth, and requested a comprehensive communication and engagement plan.**
- 7.2 A detailed communications plan is in place. It has been agreed that Plymouth will lead on all communication material, working in conjunction with the Board, with joint staff and press statements as required. Joint statements will ensure the consistency of the messages across both authorities.
- 7.3 **Council required officers to provide reassurance to Plymouth residents that children's services will not suffer because of the arrangement.**
- 7.4 The approach from officers has been to answer each of the assurance questions asked by Council, providing assurance to enable Members to make an informed decision at Full Council in January. Through the development of key messages and responses, Members will have sufficient information to reassure the residents of Plymouth.
- 7.5 The cross-party working group has proved to be a very useful forum to explore the issues and concerns in more detail. A visit from key representatives from the Department for Education and the Children's Commissioner to join a working group meeting proved invaluable. The group was able to put questions directly to the key personnel and gain assurance against the major questions such as funding and Ofsted inspections.

### 8. Information and Communications Technology (ICT)

- 8.1 Assurance was not requested for ICT however this is a key area to ensure a smooth running of the contractual arrangement. As such, a work stream is in place.
- 8.2 The initial ICT requirement is to design and deliver solutions to aid communication and collaboration for the senior leadership and programme teams during the contract initiation period and beyond.
- 8.3 A key lesson from the Hampshire / Isle of Wight partnership arrangement is the requirement for a single email address for the Director of Children's Services.
- 8.4 The Director will receive both a Plymouth.gov.uk and a Torbay.gov.uk email address. They will be able to view both Torbay & Plymouth mailboxes and have the ability to send emails from either email address.
- 8.5 The agreed deliverables for the go-live date from the ICT work stream are:
- Shared drives
  - Shared calendar functionality
  - Video conferencing facilities
  - To review and map existing ICT systems across Plymouth City Council / Torbay Council and capability around supporting arrangement.
  - Identification of ICT requirements and compatibility.
- 8.6 The proposed solutions to date are:
- Shared drives – Torbay and Plymouth users will be able to share files easily within the arrangement. A shared drive will be created and a drive will be automatically provided to users identified from each organisation.
  - Shared calendar functionality – To simplify the creation of meetings the proposed solution will enable Torbay and Plymouth users to view each other's Outlook Calendars. It will be possible to view a user's location and meetings that they are attending, although this could be restricted on a user-by-user basis.
  - Video conferencing facilities – To reduce the travel requirement audio conference facilities will be available to service users. Plymouth users already have the ability to initiate Lync meetings, and Torbay users can join these by dialling in. Screen sharing is to be enabled for Torbay users to view screens shared by Plymouth users.
- 8.7 In addition,
- Look up Contact Details – To allow contact details of each organisation to be shared with the partner organisation, the proposed solution will enable Torbay and Plymouth users to access each other's Global Address Lists.
  - Documentation – User guides will be provided by the IT Workstream to assist users before support is requested via normal Plymouth & Torbay Service Desks.
  - Timescales
- 8.8 The ICT work stream will aim to provide these solutions by 19th February.

**9. Next Steps and Recommendations**

- 9.1 The Wellbeing Overview and Scrutiny Committee met in December and reviewed the assurance work undertaken. The recommendation was to complete the work and update Cabinet, and to set up a more forensic finance review with the Cabinet Member for Finance and ICT, together with the Shadow Cabinet Member ahead of Full Council 29 January.
- 9.2 The cross-party working group will continue to meet as scheduled through to the go-live date. The Plymouth and Torbay Children's Delivery Model Programme Board will also meet up to and beyond April 2018.
- 9.3 The recommendations are that Cabinet:
- a) Agrees to progress the development of a contractual arrangement with Torbay Council to manage its Children's Services, working with Torbay Council and the Commissioner for Children's Services and under the guidance of the Department for Education to develop a detailed contract agreement.
  - b) Delegates to the Chief Executive in consultation with the Leader and the Leader of the Opposition the development of the detailed contractual agreement.
  - c) Recognises this opportunity to demonstrate strong sector-led leadership in the management of Children's Services in Torbay.
  - d) Recommends that Full Council endorse the Cabinet's decision to enter into a formal contractual arrangement for Plymouth City Council to manage Torbay Council's Children's Services with effect from 1 April 2018.
- 9.4 At the December Board, it was agreed to endorse Hampshire's offer to provide finance support for an independent review of the financial position of Torbay Council Children Services Budget. This work will be in addition to the financial assurance (due diligence) undertaken to date. The remit will be to look at the medium to longer-term financial position of the Children Services budget in the context of the MTFs and report back to the Board and the Joint DCS. This work is not intended to be concluded as part of the decision making process, but to provide further clarity for the Joint DCS.
- 9.5 A 1<sup>st</sup> draft of the "Contractual Arrangement" is attached as **Appendix 4**. This is the legal contract and there is still work to be completed. However the main elements of the contract drawn up by the in-house legal team in Plymouth City Council has been reviewed and agreed by Torbay legal colleagues. The contract includes in Schedule 2 the Statutory Directive to Torbay in relation to children's services.
- 9.6 The contract will be completed in line with recommendation b) above.

## Appendix I Transitional Bid Funding

- The Funding Bid submitted to the Department for Education totalled £1.518m
- This was made up of £1.418m plus a further £0.100m contingency
- The full amount has been approved; tranche one £0.709m has been received by Plymouth City Council;
- Tranche two will be paid early February, with the £0.100m contingency to follow “if required”
- The funding covers three phases of the project:
  1. Initial discussion phase, before any commitment
  2. Programme costs up to the go-live date 1<sup>st</sup> April 2018
  3. Programme costs during the initial contract period to 30<sup>th</sup> June 2018
- The funding includes “exit fees”
- The funding bid has been divided into work streams covering Feasibility Phase, Project Management, Legal and Contracts, Finance, Senior Management, HR & OD plus Communications, Data and ICT, Support Services and Board Meetings. The funding allocated to each phase is:
  - Feasibility £0.052m
  - Set up £1.190m
  - Implementation £0.176m
- This gives a total funding award of £1.418m In addition a further £0.100m has been set aside as a contingency split equally between the set up and implementation phase.



## Appendix 2 Torbay Council Approved Motion

**The Elected Mayor, Mayor Oliver proposed and Councillor Tyerman seconded a motion, which was agreed (unanimously) by the Council as set out below:**

That Full Council confirms the following so as to inform Plymouth City Council's due diligence in respect of arrangements for Children's Services:

- (a) The current operating model of Torbay Council is flexible, evolving and based upon the most appropriate fit for each service. The model is not designed or anticipated to lead to a single strategic partnership;
- (b) Torbay Council will use all reasonable endeavours to commit to its current operating model for a period not less than 3 years;
- (c) If during the contract term Torbay Council determines that there is an overwhelming business case for it to enter into a single strategic partnership with another Council, Plymouth City Council reserves the right to review its position in relation to delivery of Children's Services and if Plymouth City Council withdraws as a result, Torbay Council will cover all costs relating to the termination of the arrangement;
- (d) Should Plymouth City Council decide to unilaterally end the contract before the end of the contract term under circumstances other than those set out in the contractual agreement then Plymouth City Council will cover all costs relating to the termination of the agreement;
- (e) Should Torbay Council and Plymouth City Council decide, with permission of the Secretary of State, to end the contract before the end of the contract term then Torbay Council and Plymouth City Council will share equally all costs relating to the termination of the agreement; and
- (f) The notice period for early termination under all the above circumstances would be 6 months to allow reasonable time to disengage, unless there was agreement that it could be achieved within a shorter period.

# APPENDIX 3

## EQUALITY IMPACT ASSESSMENT

<b>STAGE 1: What is being assessed and by whom?</b>	
What is being assessed - including a brief description of aims and objectives?	This assessment considers the potential impact of a decision by the Cabinet to proceed to develop a delivery contract with Torbay Council to deliver their Children's Services.
Responsible Officer	Carole Burgoyne
Department and Service	Strategic Director for People
Date of Assessment	02 January 2018

<b>STAGE 2: Evidence and Impact</b>				
<b>Protected Characteristics (Equality Act)</b>	<b>Evidence and information (e.g. data and feedback)</b>	<b>Any adverse impact?</b>	<b>Actions</b>	<b>Timescale and who is responsible?</b>
Age	The decision relates to Children's Services, potentially affecting all children and young people across the City, particularly those receiving services under the following functions: <ul style="list-style-type: none"> <li>Safeguarding</li> </ul>	Services to Children and Young people in Plymouth are not expected to be impacted by this decision. The Council's Children's Services staffing structures will remain unaffected, with the	A range of safeguards have been identified through the initial exploratory phase to prevent any negative impacts on services for children and young people in Plymouth.  These measures, together	If agreed, the delivery contract will commence from 1 April 2018 for a period of 3-5 years.  The SRO for the programme is Carole Burgoyne.
Disability				
Faith, Religion or Belief				
Gender - including marriage, pregnancy and maternity				
Gender Reassignment				

**STAGE 2: Evidence and Impact**

<b>Protected Characteristics (Equality Act)</b>	<b>Evidence and information (e.g. data and feedback)</b>	<b>Any adverse impact?</b>	<b>Actions</b>	<b>Timescale and who is responsible?</b>
Race  Sexual Orientation -including Civil Partnership	<ul style="list-style-type: none"> <li>• Fostering and Adoption</li> <li>• Children in care – (including the Council’s corporate parenting responsibility)</li> <li>• Early help and targeted help</li> <li>• Youth offending</li> <li>• Schools improvement</li> <li>• Schools admissions</li> <li>• Special Educational Needs and Disability services</li> <li>• Early years</li> </ul>	exception of the senior management team where an adjustment will be required to accommodate a shared Director of Children’s Services role to manage Torbay Council’s services.	with robust monitoring and governance structures will be locked into the final contract and delivery arrangements.	

**STAGE 3: Are there any implications for the following? If so, please record 'Actions' to be taken**

Local Priorities	Implications	Timescale and who is responsible?
Reduce the inequality gap, particularly in health between communities.	The Council's Children's Services contribute to reducing the inequality gap in the City and this will remain the case should this decision proceed.	The current measures and monitoring arrangements for reducing inequality across the City will remain in place should this programme proceed.
Good relations between different communities (community cohesion).	None	The responsible officer is Carole Burgoyne
Human Rights	None	

**STAGE 4: Publication**

Director, Assistant Director/Head of Service approving EIA.	Alison Botham, Assistant Director Children, Young People and Families	Date	02 January 2018
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## **Appendix 4 Draft Contractual Arrangement**

DATED

2018

(1) TORBAY COUNCIL  
(2) PLYMOUTH CITY COUNCIL

**CONTRACTUAL ARRANGEMENT**  
relating to Children's Services in Torbay

Contents

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Clause

1. DEFINITION AND INTERPRETATION.....

2. AGREED PRINCIPLES.....

3. COMMENCEMENT AND DURATION.....

4. EXTENDING THE INITIAL TERM.....

5. SERVICES.....

6. INTERIM SERVICES.....

7. FINANCIAL ARRANGEMENT.....

8. INTELLECTUAL PROPERTY.....

9. PLANS FOR IMPROVEMENT AND MONITORING.....

10. PREMISES.....

11. ASSETS.....

12. STAFFING (TUPE, SECONDMENT AND PENSIONS).....

13. GOVERNANCE STRUCTURE.....

14. REVIEW AND REPORTING.....

15. VARIATIONS.....

16. WORKING TOGETHER.....

17. HEALTH AND SAFETY.....

18. EQUALITY DUTIES.....

19. FREEDOM OF INFORMATION.....

20. DATA PROTECTION AND INFORMATION SHARING.....

21. CONFIDENTIALITY.....

22. INSURANCE.....

23. LIABILITIES.....

24. INDEMNITIES.....

25. WARRANTIES.....

26. COOPERATION.....

27. DISPUTE RESOLUTION.....

28. TERMINATION.....

29. EXIT COSTS AND CONSEQUENCES OF  
TERMINATION.....

30. PUBLICITY.....

31. NO PARTNERSHIP.....

32. THIRD PARTY RIGHTS.....

33. NOTICES.....

34. SEVERANCE.....

35. WAIVER.....

36. ENTIRE AGREEMENT.....

37. GOVERNING LAW AND JURISDICTION.....

38. COUNTERPARTS.....

**Schedule**

- Schedule 1 AIMS AND OUTCOMES
- Schedule 2 THE DIRECTION
- Schedule 3 SERVICES AND SCOPE
- Schedule 4 PAYMENT SCHEDULE
- Schedule 5 GOVERNANCE STRUCTURE
- Schedule 6 STAFFING
- Schedule 7 INFORMATION DATA SHARING AGREEMENT
- Schedule 8 WARRANTIES

**THIS DEED** is dated

2018

**PARTIES**

- (1) PLYMOUTH CITY COUNCIL of Ballard House, West Hoe Road, Plymouth, PL1 3BJ (“**PCC**”)
- (2) TORBAY COUNCIL of Town Hall Torquay TQ1 3DR (“**Torbay**”)

**BACKGROUND**

- (A) The purpose of the Agreement is to put in place an effective delivery contract between PCC and Torbay, whereby PCC will deliver the Services to Torbay in relation to the Functions. The aim of the Agreement will be to ensure improvements across Children’s Services in Torbay and in particular to improve safeguarding standards for vulnerable children and to work with Torbay to improve educational standards for all.
- (B) An Ofsted inspection report (dated 5 January 2016) of Torbay’s arrangements relating to its responsibilities for the protection of children found those arrangements to be inadequate, where inadequate is defined as failing to meet minimum required standards.
- (C) As a consequence, the Secretary of State concluded that Torbay was failing to perform to an adequate standard in some, or all of its Children Services Functions to which section 497A of the Education Act 1996 as amended by section 50 of the Children Act 2004 apply. The Secretary of State, pursuant to his powers under section 497A(4B) of the Education Act 1996 has sought to secure that Torbay’s Children Services Function are performed to an adequate level.
- (D) The Secretary of State, in accordance with section 18 of the Children Act 2004, has directed Torbay appoint Mr John Coughlan, Deputy Chief Executive and Director for Children’s Services for Hampshire County Council, as Children Services Commissioner at Torbay and has further directed Torbay establish and enter into a delivery contract with PCC. PCC’s delivery of the Services is wholly predicated on its commitment to ensure that improved outcomes are secured for Torbay children in such a way that improvement can be sustained beyond the Term of these Services.
- (E) The Parties are committed to the improvement of Torbay’s Functions and therefore wish to enter into this Agreement.



## AGREED TERMS

### 1. DEFINITION AND INTERPRETATION

1.1 The definitions and rules of interpretation in this clause apply in this Agreement.

**Agreement:** this contract between PCC and Torbay comprising these terms and conditions together with all schedules attached to it

**Aims and Outcomes:** the objectives setting out how the Services are likely to lead to an improvement in the way the Functions are exercised as described in Schedule 1

**Assets:** means Torbay's assets which are used by its employees in the discharge of the Functions

**Bi-monthly:** shall mean every 2 months

**Business As Usual:** means those elements of the Services identified in Schedule 3 to commence on the completion of the Interim Services

**Change in Law:** a change in Law that impacts on the Services which shall come into force after the Commencement Date

**Children's Improvement Board:** shall refer to the partnership between the LGA, the Association of Directors of Children's Services (ADCS) and the Society of Local Authority Chief Executives (SOLACE), supported by funding from the Department for Education (DfE). All partners on the Board are committed to supporting local government to take charge of its own performance and improvement in the interests of children and young people.

**Commencement Date:** 1<sup>st</sup> April 2018

**Data Protection Legislation:** this includes:

- i. the Data Protection Act 1998 (**DPA 1998**);
- ii. Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data;
- iii. the Regulation of Investigatory Powers Act 2000;
- iv. the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (*SI2000/2699*);
- v. Directive 2002/58/EC concerning the processing of Personal Data and the protection of privacy in the electronic communications sector;

- vi. the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI2003/2426);
- vii. General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679) and
- viii. all applicable laws and regulations relating to processing personal data and privacy, including the guidance and codes of practice issued by the Information Commissioner, where applicable.

**Disclosed:** means fairly disclosed by Torbay (with sufficient details to understand the nature and scope of the matter disclosed) prior to the Commencement Date in or under the Disclosure Letter;

**Disclosure Letter:** a letter from Torbay to PCC with the same date as this Agreement together with the bundle of documents attached to it (**Disclosure Bundle**), each in the agreed form;

**Dispute Resolution Procedure:** the procedure set out in clause 26

**Director for Children Services:** [insert name and title] and any successor to that role

**Direction:** means the written direction provided by the Secretary of State for the Department for Education to Torbay under section 497(4B) of the Education Act 1996 as set out in Schedule 2

**Financial Year:** 1 April to 31 March

**FOIA:** the Freedom of Information Act 2000 and any subordinate legislation made under it from time to time, together with any guidance or codes of practice issued by the Information Commissioner or relevant government department concerning this legislation

**Functions:** Torbay's children social care functions which shall have the same meaning as set out in the Direction or, in the case of legislative amendments, the successor provisions to those set out in the Direction

**Improvement Board:** shall mean the Board established by Torbay in order to deliver an improvement plan

**Information:** has the meaning given under section 84 of FOIA

**Information Sharing Agreement:** the agreement relating to the responsibilities of the Parties in relation to sharing information contained in Schedule 7

**Initial Term:** the period commencing on the Commencement Date and ending on the 5<sup>th</sup> anniversary of the Commencement Date

**Intellectual Property Rights (IPR):** means all patents, trademarks, registered designs, copyright, database rights, unregistered design rights, rights in and to trade names, business names, domain names and addresses, product names and logos, databases, inventions, trade secrets, moral rights and other similar rights and obligations

**Interim Services:** means those elements of the Services identified in Schedule 3 to commence on the Commencement Date

**Know How:** means all ideas, concepts, schemes, information, knowledge, techniques, methodology relating to the Services and Functions

**Law:** any applicable law, statute, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of court, directives or requirements of any Regulatory Body, delegated or subordinate legislation, or notice of any Regulatory Body

**Party:** either PCC or Torbay, and “**Parties**” shall be construed accordingly

**Material Information:** All relevant and necessary information as supplied by Torbay to PCC prior to commencement of this Agreement in relation to the proposed Services

**Personal Data:** shall have the same meaning as set out in the DPA 1998

**Quarter:** one of the following periods in each Financial Year:

- (a) 1 April to 30 June;
- (b) 1 July to 30 September;
- (c) 1 October to 31 December; and
- (d) 1 January to 31 March.

**Regulatory Body:** those government departments and regulatory, statutory and other entities, committees and bodies that, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate or influence the matters dealt with in this Agreement, or any other affairs of Torbay

**Relevant Transfer:** a relevant transfer under TUPE

**Representative:** a Party’s employee, agent or subcontractor and any employee of the other Party

**Request for Information:** a request for Information or an apparent request under the Code of Practice on Access to Government Information, FOIA or the Environmental Information Regulations 2004 (*SI2004/3391*) (**EIR**)

**Schools:** shall be given the same meaning as set out in Section 4 Education Act 1996

**Services:** the services to be delivered by PCC to Torbay under this Agreement set out in Schedule 3 which comprises the Interim Services and Business As Usual

**Term:** the period of the Initial Term together with any extensions to this Agreement that are agreed under clause 4.1;

**Torbay Assets:** the assets used by Torbay employees in the discharge of the Functions

**TUPE:** the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI2006/246)

**Warranties:** means the warranties given by Torbay to PCC set out in Schedule 8 and "Warranty" shall be construed accordingly

**Working Day:** any day other than Saturday, Sunday, a public or bank holiday in England

- 1.1.1 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement
- 1.1.2 The Schedules form part of this Agreement and shall have effect as set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules. In the event of any inconsistency between the provisions of the body of this Agreement and the Schedules, the Schedules shall take precedence.
- 1.1.3 Words in the singular include the plural and vice versa
- 1.1.4 The words includes, or including are to be construed without limitation
- 1.1.5 A reference to one gender includes a reference to the other genders
- 1.1.6 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension or re-enactment and includes any subordinate legislation for the time being in force made under it
- 1.1.7 A reference to **writing** or **written** includes e-mail
- 1.1.8 Any obligation in this Agreement on a person not to do something includes an obligation not to agree or allow that thing to be done
- 1.1.9 A reference to a document is a reference to that document as varied or novated (in each case, other than in breach of the provisions of this Agreement) at any time

1.1.10 References to clauses and Schedules are to the clauses and Schedules of this Agreement. References to paragraphs are to paragraphs of the relevant Schedule

## **2. AGREED PRINCIPLES**

2.1 The Parties agree that this Agreement shall be governed by the following principles:

2.1.1 The safety and wellbeing of children and young people within the administrative areas of Torbay and PCC will be paramount at all times throughout the development and operation of the Agreement.

2.1.2. The primary objective will be the sustained improvement of Children's Services in Torbay and Plymouth.

2.1.3 There will be a commitment to openness and transparency at all stages and by all Parties.

2.1.4 Lines of accountability for politicians and officers will be clearly articulated and agreed at each stage to avoid ambiguity.

2.1.5 Any issues will be resolved as quickly as possible by working together in a spirit of partnership, cooperation, equality and mutual respect.

2.1.6 The development and operation of the Services will be cost neutral to PCC, with all costs recorded and recovered in accordance with the agreed cost recovery model set out in Schedule 4.

2.1.7 All external communications relating to the Services will be agreed by both Parties before being issued, including the content and timing of messages, and the channels and audiences.

## **3. COMMENCEMENT AND DURATION**

3.1 This Agreement shall take effect on the date of this Agreement and shall continue for the Initial Term, unless terminated in accordance with the terms of this Agreement.

#### 4. EXTENDING THE INITIAL TERM

4.1 The Parties may extend this Agreement for a period beyond the Initial Term, by agreement in writing and signed by the Parties.

#### 5. SERVICES

5.1 The Parties enter into this Agreement to improve the Functions from its current score of inadequate as judged by Ofsted in its report dated 5 January 2016 and to deliver the necessary long term improvements to its Functions. Furthermore the Parties aim to improve the standards achieved by Schools so that educational outcomes of children and young people are also improved.

5.2 The specific Aims and Outcomes of the Services are described in Schedule 1.

5.3 The Services shall comprise:

- i. **Interim Services** – which shall be delivered from the Commencement Date up to the date when PCC considers that all aspects of the Functions may move to Business As Usual . It is intended that all of the Functions should be moved to Business as Usual by [ ], and in any event as soon as practicable, although both Parties recognise that some flexibility may be required. Some elements of the Functions may move to Business As Usual before others at the discretion of PCC. PCC will initially need to utilise Torbay’s existing models of service provision so as to effectively prioritise safeguarding. The Interim Services will allow PCC to re-model service provision in order to achieve the sustained improvement in outcomes for children as required by the Direction;
- ii. **Business as Usual** – shall refer to the period from the conclusion of the Interim Services (either for all of the Functions or part(s) of the Functions as the case may be) to the end of the Term. It is acknowledged by the Parties that parts of the Functions may be deemed to be suitable to be moved to Business As Usual

before other parts for reasons such as, but not limited to, maintaining staff stability.

- 5.4 Nothing in this Agreement shall prejudice or affect the rights and powers, duties and obligations of the Parties in the exercise of their functions as public bodies or in any other capacity.

## 6. INTERIM SERVICES

- 6.1 In order to facilitate the delivery by PCC and the Director for Children Services of the Interim Services, Torbay shall comply with its obligations under clause 6.2.
- 6.2 Torbay shall share with and co-operate with all reasonable requests in relation to the Functions and Services made by PCC in each case from the Commencement Date in relation to:
- (a) all activities and operations associated with the exercise of the Functions;
  - (b) all information and assets associated with the conduct of those activities and operations including without prejudice to that generality;
    - (i) any claims, or pending claims relating to the Functions;
    - (ii) accommodation to be occupied and used by PCC in connection with the exercise of the Functions;
    - (iii) the right of use of ICT equipment and infrastructure for the purpose of improving the Functions;
    - (iv) access to all relevant databases;
    - (v) the fact that during the period of the Interim Services PCC may require the realignment of resources under its control in relation to the Functions;
    - (vi) the fact that during the Interim Services period PCC may consider, in discussion with Torbay, that other services or resources relating to the Functions should be re-aligned and brought under PCC control as part of the Services. In doing so, PCC will have regard to the agreed and approved budget for Torbay. This provision does not apply to back-office or support functions or services.

## 7. FINANCIAL ARRANGEMENT

- 7.1 Torbay shall be financially accountable and responsible for all relevant costs, within the agreed costs and Torbay overall budget, relating to this Agreement throughout the Term. The Director for Children's Services will operate, when engaged solely in relation to matters relating to Torbay, in accordance with the Constitution for Torbay.
- 7.2 Torbay shall pay PCC all of its costs relating to the provision of the Services and any other management and support costs associated with the provision of the Services in accordance with Schedule 4. The Parties agree to review these costs annually and if necessary to amend them to ensure that at all times PCC is fully recompensed for the costs it incurs in providing the Services.
- 7.3 Torbay will comply with all reasonable requests for assistance from PCC, in addition to its duty to provide information set out in Schedule 8 of this Agreement, to assist in the performance of its financial reporting requirements, both to Torbay in relation to this Agreement, and to PCC by way of monitoring any impact on PCC of the Services.
- 7.4 The Director for Children Services shall have overall control of the Torbay Budget , irrespective of any arrangements made by Torbay for the delivery of those Services prior to the Commencement Date. This will include the power to determine the cessation, renewal or redeployment of resources associated with any third party agreements which may subsist on the Commencement Date in relation to the Services.

## **8. INTELLECTUAL PROPERTY**

- 8.1 Nothing in this agreement affects either Party's rights in pre-existing Intellectual Property Rights (including pre-existing Intellectual Property Rights of either Party contained in or relating to Confidential Information).
- 8.2 Torbay shall own and retain all rights, title and interest in and to Torbay's IPR. PCC shall have rights to access, use or modify Torbay's IPR for the purpose of improving the Services.



8.3 PCC shall own and retain all rights, title and interest in and to all reports, documents materials, techniques, ideas, concepts, trade marks, Know-How, software, computer code, designs, pictures, text, audio visual works, inventions, data, information and other items, expressions, works of authorship or work product of any kind developed, modified (in accordance with clause 8.2) or provided as part of the Services.

8.4 PCC hereby grants to Torbay for duration of the Term a revocable, non-transferrable, non-exclusive, royalty-free, limited licence to its IPR referred to in clause 8.3 and at no charge to Torbay to use solely for the purpose of this Agreement. It is hereby agreed that any use of PCC's IPR beyond the Term of this Agreement shall, if agreed by PCC, be incorporated in a separate document.

### **9. PLANS FOR IMPROVEMENT AND MONITORING**

9.1 In relation to children's social care, the document containing the plans and monitoring arrangements to improve performance as set out in the Direction shall inform the work of the Parties in setting priorities, and will be monitored by the Children's Improvement Board.

9.2 In relation to the education functions of Torbay, the monitoring of the effectiveness of these elements of the Services shall take place in accordance with the Direction.

### **10. PREMISES**

10.1 Torbay shall, to the reasonable satisfaction of the Director for Children's Services, make available its premises in order for PCC to provide the Services for the duration of the Term, ensuring that there is suitable space adequately equipped for the number and seniority of PCC staff on Working Days where PCC staff are on Torbay premises.

### **11. ASSETS**

11.1 Torbay shall make its Assets available to PCC in order for it to deliver the Services.

### **12. STAFFING (TUPE and SECONDMENT)**

- 12.1 In pursuance of the powers made available to the Parties under section 113 of the Local Government Act 1972, PCC shall place at the disposal of Torbay its Director for Children's Services for the purpose of delivering the Services.
- 12.2 In consequence of the above, the Director for Children's Services shall be treated as falling within the statutory immunity provided by Section 265 of the Public Health Act 1875, as amended, in respect of their actions or omissions in respect of the Project.
- 12.3 No Party shall have any liability to the other Party in respect of any loss which that other Party may suffer as a consequence of any action or omission by any officer, whilst performing the Services.
- 12.4 The Parties have acknowledged that this Agreement does not invoke TUPE but that during the Term TUPE may apply.
- 12.5 The Parties agree that the provisions of Schedule 6 shall apply to any:
- (a) Relevant Transfer of staff under this Agreement (if any); and
  - (b) Secondments of PCC staff to Torbay (if any).

### **13. GOVERNANCE STRUCTURE**

- 13.1 The governance structure set out in Schedule 5 shall apply in respect of the Services and throughout the Term unless varied or terminated in accordance with the terms of the Agreement.
- 13.2 Full responsibility for the line management of Torbay staff engaged directly in the Functions shall transfer from the Commencement Date to PCC managers who shall have the full rights and responsibilities provided to Torbay's managers in accordance with Torbay's scheme of delegation and employment policies and procedures. Torbay shall undertake all measures necessary to give full effect to such transfer.

- 13.3 PCC shall, from the Commencement Date, implement clear line management reporting and ensure that all Torbay's employees within the scope of clause 13.2 above have a named individual to whom they are directly accountable to in their role.

**14. REVIEW AND REPORTING**

- 14.1 Director for Children's Services will work together with Torbay to agree appropriate and relevant reporting structure to the Executive Lead Member for Children's Services for Torbay as to the effectiveness of the Services, and in particular insofar as Torbay is concerned the progress against the Improvement Plan.

- 14.2 The provision as to reporting on the Services is in addition and without prejudice to the requirement on the Director for Children's Services to report as to operational and policy matters to Torbay in accordance with its Constitution and the Statutory Guidance for Directors of Children's Services.

- 14.3 The Director for Children's Services will meet bi-monthly with representatives of the Department of Education as set out in the Direction for the purpose of monitoring the Services.

**15. VARIATIONS**

- 15.1 Except as otherwise expressly provided in the Agreement, no amendment of or supplement to any of the provisions of the Agreement shall be effective unless recorded in a document specifically referring to the Agreement and duly executed by the Parties.

**16. WORKING TOGETHER**

- 16.1 Whilst there will be many challenges and risks to both Councils which will require careful consideration and development of agreeable solutions, it is recognised by both PCC and Torbay that this will be a collaborative approach and that certain elements will

necessarily develop during the Term and be concluded in accordance with the Agreement.

**17. HEALTH AND SAFETY**

- 17.1 Torbay shall (and shall use reasonable endeavours to ensure its Representatives) comply with the requirements of the Health and Safety at Work etc Act 1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to the Services and persons working on the Services.
- 17.2 Torbay shall ensure that its health and safety policy statement (as required by the Health and Safety at Work etc Act 1974), together with related policies and procedures, are made available to PCC on request prior to the Commencement Date and during the Term.
- 17.3 PCC, in carrying out the Functions shall not act in a way which would cause Torbay to be in breach of its obligations in relation to the Health and Safety at Work etc Act 1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to the Services.

**18. EQUALITY DUTIES**

- 18.1 The Parties acknowledge and will at all times have regard to their respective duties under equality legislation to eliminate unlawful discrimination, harassment and victimisation, and to advance equality of opportunity and foster good relations between different groups.
- 18.2 Where, in relation to a change affecting Torbay staff, service users, or both, PCC will have regard to any relevant Torbay policies and processes, and in any event will comply with all legal requirements for equality impact assessment of such changes.

**19. FREEDOM OF INFORMATION**

19.1 The Parties acknowledge that each is subject to the requirements of FOIA and the EIR, and shall assist and co-operate with one another to enable each Partner to comply with these information disclosure requirements, where necessary and in compliance with any protocol which may be developed for this purpose.

**20. DATA PROTECTION AND INFORMATION SHARING**

20.1 Each Partner shall comply with any notification requirements under Data Protection Legislation. Both Parties shall duly observe all their obligations under Data Protection Legislation, which arise in connection with this Agreement.

20.2 The Parties shall adhere to the Information Sharing Agreement when sharing information in accordance with Schedule 7.

**21. CONFIDENTIALITY**

21.1 The Parties agree to keep confidential all documents relating to or received from the other Partner under this Agreement that are labelled as confidential.

21.2 Where a Partner receives a request to disclose information that the other Partner has designated as confidential, the receiving Partner shall consult with the other Partner before deciding whether the Information is subject to disclosure.

**22. INSURANCE**

22.1 The Parties shall effect and maintain a policy or policies of insurance, providing an adequate level of cover for liabilities arising under any indemnity in this Agreement.

22.2 The Parties shall maintain in force throughout the Term the following insurance policies:

- (i) Employer's Liability Insurance Policy of not less than £20 million for each and every claim, act or occurrence or series of claims, acts or occurrences;

- (ii) Public Liability Insurance Policy of not less than £20 million for each and every claim, act or occurrence or series of claims, acts or occurrences;
- (iii) Professional Indemnity Insurance Policy of not less than £5 million for each and every claim, act or occurrence or series of claims, acts or occurrences.

## **23. LIABILITIES**

23.1 Neither Party to this Agreement limits its liability for:

- (a) death or personal injury caused by its negligence, or that of its employees, agents or Contractors; or
- (b) fraud by it or its employees; or
- (c) breach of any obligation as to title implied by statute; or
- (d) any other act or omission, liability for which may not be limited under Legislation.

23.2 PCC shall not be liable, except as provided in clause 23.1 to Torbay or any person for any matter arising in connection with this Agreement including any liability to employees of Torbay before the Commencement Date and during the Term, save as such matter is, during the Term, caused by the gross misconduct of PCC.

## **24. INDEMNITIES**

24.1 Torbay agrees to indemnify PCC and its employees against all liabilities, costs, claims and against all demands (including legal and other professional fees and expenses) it may incur in the performance of and in connection with the Services whether or not such liability arises before or after the Commencement Date.

## **25. WARRANTIES**

25.1 In consideration of PCC entering into this Agreement Torbay warrants to PCC:

- 25.1.1 that each Warranty is true, accurate and complete on the Commencement Date; and

25.1.2 that any Warranty which is qualified as being made "so far as Torbay is aware" or "to the best of the knowledge, information and belief of Torbay" or any similar expression has been given with the actual knowledge only of Torbay after such due diligent and careful enquiries as could reasonably be expected by Torbay (including enquiry of the relevant general managers, financial director, personnel manager and other relevant senior officers of Torbay and its Children's Services Department).

25.2 The Warranties are qualified to the extent, but only to the extent, of any matters which have been Disclosed.

## **26. COOPERATION**

26.1 Torbay undertakes to provide all such information, execute any documents and take all such other steps as PCC may reasonably request to give effect to the provisions of this Agreement.

26.2 Without prejudice to the provisions of clause 26.1 to provide all such information and exhibit all such records and documentation relating to the exercise of the Functions as PCC may request from time to time whether before or after the Commencement Date.

## **27. DISPUTE RESOLUTION**

27.1 The Parties will seek at all times to resolve any dispute informally, in a spirit of co- operation.

27.2 Should informal resolution not prove to be possible in the first instance, with relevant line management involvement as appropriate, the matter shall be referred to the Chief Executive or equivalent of each Party. The Parties shall give notice to each other in writing of such a referral.

27.3 The Chief Executive or equivalent of each Party may, at their discretion, propose that the Executive Lead Members for Children's Services (or their equivalent) of each of the

Parties should participate in the dispute resolution process. Any such participation must be by mutual consent, and be subject to mutually agreed timeframes.

- 27.4 If any dispute is not resolved within 21 days of any referral made in accordance with clause 27.2 then the Parties may agree, depending on the relevant circumstances relating to the dispute, to refer the matter to the DfE who may be able to assist in resolving the dispute.
- 27.5 If the DfE is unable to achieve a resolution of the dispute within 14 days of a referral, the Dispute Resolution Procedure shall be deemed exhausted.
- 27.6 The Parties may at any time mutually agree to a variation of the time limits in the Dispute Resolution Procedure.

## **28. TERMINATION**

- 28.1 Torbay may terminate this Agreement at any time by giving PCC 6 months' notice in writing. Should this occur, Torbay shall have sole responsibility for resolving with the Secretary of State the consequences of such termination upon the terms of the Direction.
- 28.2 PCC may terminate this Agreement at any time by giving Torbay 6 months' notice in writing.
- 28.3 Without prejudice to other rights and remedies at law, PCC may immediately terminate this Agreement at any time where:
- 28.3.1 Torbay fails to observe or perform any of its material obligations contained in this Agreement where such failure is not remediable;
  - 28.3.2 Torbay fails to observe or perform any of its material obligations contained in the Agreement, where such failure was capable of being remedied within the specified time requested to do so by PCC; or
  - 28.3.3 Torbay fails to comply with or is in breach of a Warranty or Warranties.



28.4 PCC may terminate this Agreement at any time by giving 2 months' written notice to Torbay, if in the reasonable opinion of PCC, Torbay's budget is not sufficient to enable PCC to exercise its obligations related to the Services in accordance with this Agreement or otherwise contribute sufficient resources to the Services.

28.5 PCC may terminate this Agreement immediately in the following circumstances:

- (a) There is a Change in Law that prevents either Party from complying with its obligations under this Agreement; or
- (b) Following a failure to resolve a dispute under clause 27.2;
- (c) Torbay makes a decision on a matter or matters which fall within the scope of this Agreement and whose purpose is deemed by PCC to frustrate the fundamental aims and objectives of this Agreement.

28.6 The provisions of clause 21 shall apply on termination of this Agreement.

## **29. EXIT COSTS AND CONSEQUENCES OF TERMINATION**

29.1 In the event that PCC terminates this Agreement otherwise than in accordance with clause 28 above, it shall be responsible for all exit costs relating to the termination of the Agreement.

29.2 Where the Parties mutually agree to terminate this Agreement, with permission of the Secretary of State, then Torbay and PCC will share equally all exit costs relating to the termination of the Agreement

29.3 In the event that PCC terminates this Agreement in accordance with clauses 28.3 to 28.5, Torbay will indemnify PCC and cover all exit costs relating to the termination of the Agreement

29.4 The provisions of the following clauses shall survive termination or expiry of this Agreement:

- (a) Clause: 8

- (b) Clause: 19
- (c) Clause: 20
- (d) Clause: 21
- (e) Clause: 23
- (f) Clause: 24
- (g) Clause: 25
- (h) Clause: 26
- (i) Clause: 29
- (j) Clause: 32
- (k) Clause: 35

**30. PUBLICITY**

30.1 Communications officers from Torbay and PCC shall liaise with each other on all proactive and reactive media and/or other communications to ensure consistency and the consistent communication of key messages. A process for signing off communications shall be established, acknowledging that there should be a number of officers and members involved depending on the urgency and profile in each individual case, in order to enable the flexible and responsive approach.

**31. NO PARTNERSHIP**

31.1 Nothing in this Agreement shall be construed as constituting a legal partnership between the Parties or as constituting either Party as the agent of the other for any purpose whatsoever, except as may be specified by the terms of this Agreement.

**32. THIRD PARTY RIGHTS**

32.1 No term of this Agreement is intended to confer a benefit on or to be enforceable by any person who is not a party to this Agreement.

**33. NOTICES**

33.1 Notices shall be in writing and shall be sent to the other Council marked for the attention of the Chief Executive (or equivalent) or another person duly notified by the Council for the purposes of serving notices on that Partner, at the address set out for the Council in this Agreement.

33.2 Notices may be sent by first class mail or email, provided that emails are confirmed by the serving party within 24 hours by first class mailed confirmation of a copy. Correctly addressed notices sent by first class mail shall be deemed to have been delivered 72 hours after posting and correctly directed email transmissions shall be deemed to have been received instantaneously on transmission, provided that they are confirmed as set out above.

**34. SEVERANCE**

If any provision of this Agreement is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed without effect to the remainder of the provisions. If a provision of this Agreement that is fundamental to the accomplishment of the purpose of this Agreement is held to any extent to be invalid, Torbay and PCC shall immediately commence good faith negotiations to remedy such invalidity. Neither party shall unreasonably withhold or delay their agreement to any such matters.

**35. WAIVER**

35.1 The rights and remedies provided by this agreement may be waived only in writing by the relevant Representative in a manner that expressly states that such waiver is intended for, and such waiver shall only be operative with regard to, the specific circumstances referred to.

35.2 Unless a right or remedy of PCC is expressed to be an exclusive right or remedy, the exercise of it by PCC is without prejudice to PCC's other rights and remedies. Any failure to exercise, or any delay in exercising, a right or remedy by either party shall not constitute a waiver of that right or remedy, or of any other rights or remedies.

35.3 The rights and remedies provided by this agreement are cumulative and, unless otherwise provided in this agreement, are not exclusive of any right or remedies provided at law, in equity or otherwise under this agreement

**36. ENTIRE AGREEMENT**

36.1 This agreement and any documents referred to in it constitute the whole agreement between the parties and supersede any previous arrangement, understanding or agreement between them relating to the subject matter of this agreement.

36.2 Each party acknowledges that, in entering into this agreement and the documents referred to in it, it does not rely on any statement, representation, assurance or warranty (Representation) of any person (whether a party to this agreement or not) other than as expressly set out in this agreement or those documents.

36.3 Each party agrees that the only rights and remedies available to it arising out of or in connection with a Representation shall be for breach of contract as expressly provided in this agreement.

36.4 Nothing in this clause shall limit or exclude any liability for fraud.

**37. GOVERNING LAW AND JURISDICTION**

This agreement shall be governed by and construed in accordance with English law. Each party agrees to submit to the exclusive jurisdiction of the English courts.

**38. COUNTERPARTS**

This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this deed, but all the counterparts shall together constitute the same deed. No counterpart shall be effective until each party has executed at least one counterpart.

This deed has been entered into on the date stated at the beginning of it.

Executed by affixing the common seal of )  
**TORBAY COUNCIL** )  
in the presence of )  
 )  
..... )  
**Authorised Signatory** )  
 )  
 )  
 )

Executed by affixing the common seal of )  
**PLYMOUTH CITY COUNCIL** )  
in the presence of )  
 )  
..... )  
**Authorised Signatory** )  
 )  
 )

## SCHEDULE 1 AIMS AND OUTCOMES

1. The purpose of this Agreement is to put in place a delivery contract between Torbay and PCC whereby PCC will provide support and assistance for the delivery of the Functions.
2. The aim of the Services will be to ensure improvements across the Functions and in particular to improve safeguarding standards for vulnerable children and to work with Schools Torbay to improve educational standards for all.
3. Torbay will retain political and financial authority and statutory accountability. PCC will take no direct political accountability but both parties will readily explore political partnership opportunities over time, such as joint scrutiny arrangements. The Executive Member for Torbay will play a key role in on-going political responsibility.
4. The Director for Children's Services will be a full member of the Senior Leadership Team in Torbay and engage in place setting and wider strategy development where this involves activity related to the Services. This includes engagement with Torbay's corporate support and governance services as appropriate. There may also be a requirement for a nominated senior officer from Torbay Children's Services to engage with the senior leadership teams of both Parties when deputising for the Director for Children's Services. The Director for Children's Services shall ensure that there is sufficient leadership visibility in Torbay.
5. Torbay will retain financial accountability and provide an appropriate budget for the delivery of Children's Services, as informed by its Medium Term Financial Strategy (MTFS) which will be subject to regular review and close monitoring and reporting by both partners. The Children's Services' budgets for Torbay and Plymouth will not be pooled or subject to cross subsidy as part of this agreement. The respective Section 151 Officers will continue in their statutory roles providing budgetary oversight and working together to ensure that Torbay is making sufficient budgetary provision for the Functions.

6. Hampshire's role as improvement partner to Torbay shall continue until removed or revoked by ministerial direction, whilst also engaging with PCC in order to secure the progress made to date and ensure there is a shared and agreed pathway to improvement. This acknowledges a desire on Torbay's part to have continuity of leadership and improvement focus during the transitional period.
7. The Director for Children Services will join the Children's Improvement Board (CIB) and Torbay's Safeguarding Children's Board (TSCB) at the earliest opportunity to further support a smooth transition.
8. PCC will lead on the appointment and development of managers and staff including redesign where appropriate, in consultation with Torbay. Similarly any redeployment of PCC managers or staff to Torbay posts and vice versa will be a joint decision. Both Councils' view this as an opportunity to second and develop talented staff.
9. A particular consideration for both Parties and their elected members will be to maintain the strong, existing local relationships and high visibility with local partners, communities and schools relating to the Functions.
10. The Services are an opportunity for both Parties to explore the development of shared functions and merged teams. Whilst both Parties remain open to all options, it is vital that any such changes contribute to improvements and services for children and do not destabilise services, including the loss of staff or lower morale. No significant organisational changes shall be made affecting the Functions without the express endorsement of PCC, as supported by the Direction.
11. Torbay's operational support arrangements, policies and procedures shall remain in place, particularly where these have developed through the work with Hampshire or are deemed to be important to Torbay's wider financial position, but with PCC having discretion to amend or develop in consultation with Torbay and Hampshire. The same principle would apply to 'back office' functions and services, which should remain in situ but may be subject to review.



**SCHEDULE 2 – THE DIRECTION**

**STATUTORY DIRECTION TO TORBAY COUNCIL IN RELATION TO CHILDREN'S SERVICES UNDER SECTION 497A(4B) OF THE EDUCATION ACT 1996**

WHEREAS:

1. The Secretary of State for Education ("the Secretary of State") has noted in respect of Torbay Council ("the Council") that, performance in respect of children who need help and protection has declined from 'adequate' in April 2013 to 'inadequate' as detailed in Ofsted's inspection report of 5 January 2016 ("the 2016 Ofsted report").
2. An improvement notice was issued to the Council on 31 January 2011 following the findings of poor performance in safeguarding services for children and young people contained in the inspection report carried out by Ofsted and the Care Quality Commission (published October 2010). A further improvement notice was issued on 19 April 2012 to revise the targets contained in the first improvement notice; clarify the focus of the targets set out in the first improvement notice going into the second year of improvement; and to reflect progress made under the first improvement notice. The second notice was lifted on 4 February 2014 as a result of progress.
3. A Direction was issued to the Council on 11 May 2016 (the first direction) requiring the Council to comply with the instructions of a Commissioner appointed by the Secretary of State; and to co-operate with the Commissioner-led review of services, including the Council's intention to transfer children's services into an 'Integrated Care Organisation'.
4. The Secretary of State appointed John Coughlan CBE, Chief Executive of Hampshire County Council, as Commissioner for Children's Services in Torbay ("the Children's Services Commissioner"); and Hampshire County Council as expert advisers.
5. The Children's Services Commissioner carried out a comprehensive review and concluded that the Council should not retain control of its services. Following a thorough options appraisal of alternative delivery models, the Children's Services Commissioner recommended in April 2017 that the Council should enter into a contractual arrangement with Plymouth City Council, which will deliver children's services on the Council's behalf.
6. The Secretary of State has carefully considered:
  - a. The 2016 Ofsted report, which found the Council's delivery of children's social care services, particularly in relation to children who need help and protection, to be 'inadequate'. Leadership, management and governance in the Council were also judged to be 'inadequate';
  - b. The Children's Services Commissioner's report of April 2017 ("the 2017 report"), which concluded that in order to provide sustainable improvements

to children's social care services the council should form enter into a contractual arrangement with Plymouth City Council; and

- c. Ofsted's feedback as part of its quarterly monitoring visits to the Council, which acknowledge some progress made by senior leadership in children's services from a low starting point.
7. The Secretary of State remains satisfied that the Council is not yet performing to an adequate standard, or at all, some or all of the functions to which section 497A of the Education Act 1996 ("the 1996 Act") is applied by section 50 of the Children Act 2004 ("children's social care functions"), namely:
    - a) social services functions, as defined in the Local Authority Social Services Act 1970, so far as those functions relate to children;
    - b) the functions conferred on the Council under sections 23C to 240 of the Children Act 1989 (so far as not falling within paragraph a. above); and
    - c) the functions conferred on the Council under sections 10, 12, 12C, 120 and 17A of the Children Act 2004.
  8. The Secretary of State has re-appointed John Coughlan CBE as the Children's Services Commissioner and Hampshire County Council as expert advisers in accordance with, and for the purposes of, the terms of reference ("the Terms of Reference") set out in the Annex to this direction.
  9. The Secretary of State, having considered representations made by the Council, considers it expedient, in accordance with her powers under section 497A(4B) of the Education Act 1996, to direct the Council as set out below in order to ensure that all of the Council's children's social care functions are performed to an adequate standard.

NOW THEREFORE:

10. Pursuant to section 497A(4B) of the Education Act 1996, the Secretary of State directs the Council as follows:
  - a. Comply with any instructions of the Secretary of State or the Children's Services Commissioner in relation to the improvement of the Council's exercise of its children's social care functions and to provide such assistance as may be required;
  - b. Co-operate with the Children's Services Commissioner, including on request allowing the Commissioner at all reasonable times access:
    - i. to any premises of the Council;
    - ii. to any document of or relating to the Council; and
    - iii. to any employee or member of the Council.

which appears to the Commissioner to be necessary for achieving the purposes of, and carrying out the responsibilities set out in the Terms of Reference;

- c. Provide the Children's Services Commissioner with such amenities, services and administrative support as they may reasonably require from time to time for carrying out their responsibilities in accordance with the Terms of Reference, including:
    - i. providing officers' time or support; and
    - ii. providing office space, meeting rooms or computer facilities;
  - d. To co-operate with the development of a contractual arrangement with Plymouth City Council, which will deliver children's services on the Council's behalf.
11. In consequence of this direction, the Secretary of State for Education revokes the first direction.
12. This direction will remain in force until it is revoked by the Secretary of State.

Signed on behalf of the Secretary of State for Education  
SUZANNE LUNN  
A Senior Civil Servant in the Department for Education  
Dated this day of

**ANNEX**

**Relevant functions**

**Commissioner for Children's Services and expert advisers**

**Terms of Reference**

1. Torbay Council has persistently failed in its delivery of children's social care services. Ofsted's inspection report, published in January 2016, found the service to be 'inadequate' overall. The Council was previously found 'inadequate' in 2010 and remained so until April 2013 when the Council was judged 'adequate'. In all cases where a council has persistently or systematically failed to discharge its children's social care functions there is a presumption that service control will be removed from the council unless there are good reasons not to do so.
2. The Commissioner carried out a comprehensive review and concluded that Torbay cannot retain unilateral control of its services. Following a thorough options appraisal of alternative delivery models, the Commissioner recommended in April 2017 that Torbay should enter a contractual arrangement with Plymouth City Council, which will deliver children's services on Torbay's behalf.
3. The Commissioner is expected to provide independent strategic oversight of Torbay Council's progress towards a contract with Plymouth City Council, with support from Hampshire County Council as expert advisers, under the updated Direction issued to Torbay Council by the Secretary of State under section 497A of the Education Act 1996 in October 2017. The Commissioner and expert advisers shall:
  - a. Jointly chair Torbay's Children's Services Improvement Board;
  - b. Ensure the improvement plan, which spans children's services, continues to be delivered and robustly monitored. Progress will be reported by the Council to each meeting of Torbay Children's Services Improvement Board;
  - c. Ensure that the improvement plan continues to include clear and specific actions which reflect the journey of the child and which are designed to improve the quality of services for children in need of help and protection;
  - d. Oversee the implementation of a robust monitoring and audit framework, which supports practice improvement and the effective delivery of the service;
  - e. Strengthen leadership capacity within children's social care services ensuring that there are dedicated mentoring arrangements for the Head of Children's Social Services; and matching up key personnel throughout the organisation for peer to peer mentoring and support;
  - f. Support the improvement of partnership working;
  - g. Support practice improvement through the re-design of systems and processes;
  - h. Steer the development of a contractual arrangement between Torbay Council and Plymouth City Council; and
  - i. Deliver quarterly written updates on the Council's progress to the Minister for Children and Families, and more frequently if the pace of progress is not sufficient or if the Minister requires it.

**SCHEDULE 3 SERVICES AND SCOPE**

*[Describe Services that PCC will be providing for Interim Period, and Business As Usual Period]*

**SCHEDULE 4 – PAYMENT SCHEDULE**

**SCHEDULE 5 – GOVERNANCE STRUCTURE**

## SCHEDULE 6 STAFFING

### TUPE

1. The transfer of management and service delivery responsibilities does not in itself create a transfer under TUPE Regulations. There is no transfer of an entity or employees and accordingly TUPE does not apply and Torbay employees will remain in employment with Torbay.
2. It is possible that during the Term and in accordance with the Agreement aspects of Torbay Children's Services may be brought within PCC operations and delivered directly by PCC. These circumstances may create a transfer within the definition and operation of TUPE Regulations.
3. In the event that employment transfers in accordance with TUPE provisions during the Term, the Parties' liabilities in relation to the operation of TUPE Regulations will be agreed between the Parties at the time of such operation. Any costs incurred by PCC as a result of any operation of TUPE (including pensions) associated with the transfer of staff shall be borne by Torbay.

### Workforce Staff and Management Provisions

1. The following provisions describe how the staff management arrangements for Children's Services on Torbay will operate during the Term of and in accordance with the Agreement. These provisions apply particularly to Torbay Children's Services staff who are not employed in Schools. Torbay School based employees will continue to be subject to local management under delegated powers by the governing body of the Schools. Although the provisions of this Schedule do not apply in full to Schools based staff, PCC will have such powers of intervention in relation to Torbay School based employees that are available to the Local Authority under relevant statutory provisions.
2. Staff currently employed by Torbay shall remain employees of Torbay from the Commencement Date and will continue to be subject to the pay and conditions framework determined by Torbay.
3. From the Commencement Date Torbay employment policies and procedures will continue to apply to Children's Services staff employed by Torbay.
4. Full responsibility for the line management of staff within Children's Services on Torbay will be assigned to PCC from the Commencement Date and PCC managers will have the full rights and responsibilities allowed to Torbay managers under Torbay Constitution, scheme of delegation and employment procedures and policies.
5. PCC will ensure clarity in line management reporting arrangements so that all Torbay employees in Children's Services have a named individual to whom they are directly accountable in their role.



6. PCC managers will have full management rights with regard to Torbay staff including the power to:
  - Direct, instruct and manage performance of Torbay staff in the course of their employment
  - determine and amend staffing structures and arrangements for the deployment of Torbay Children's Services staff including the creation of new roles
  - recruit and appoint staff to employment with Torbay within Children's Services
  - vary the pay and contractual terms of individual members of Torbay staff within the overall framework for pay and conditions determined by Torbay
  - hear and make determinations regarding grievances under Torbay procedures
  - suspend and discipline staff in accordance with Torbay procedures
  - access Torbay arrangements for occupational health and employee assistance including the right to make a referral and seek advice from these services with regard to Torbay Children's Services staff
  - dismiss Torbay Children's Services staff in accordance with Torbay procedures
  - determine termination arrangements including compromise agreement with an Torbay member of staff for their exit from employment
  - provide employment references for Torbay Children's Services staff when requested to do so
7. Torbay will retain full financial liability for all costs arising in connection with the recruitment, appointment, employment and termination of Torbay staff within Children's Services including any costs in connection with Employment Tribunals or other legal proceedings brought by Torbay employees.
8. PCC will also have the right to deploy (by secondment or other arrangement) its own managers and/or staff within Children's Services on Torbay during the Term of the Agreement.
9. Torbay agrees to fund costs arising from the termination of employment of PCC staff where such costs arise and the member of PCC staff was employed by PCC after the Commencement Date solely for the purpose of supporting or delivering services to Torbay.
10. The Parties will develop a Protocol, to be agreed and amended as appropriate, to assist with the management of Torbay staff whose roles are encompassed by these Services.

## SCHEDULE 7- INFORMATION DATA SHARING AGREEMENT

### **Agreement for access by Plymouth City Council staff to Torbay Children's Services' information**

The Secretary of State for Education has made a direction pursuant to section 497A(4B) of the Education Act 1996 including the direction that Torbay establish a delivery contract with Plymouth City Council providing that Plymouth City Council will deliver on behalf of Torbay all of its children's services functions.

#### **1. Agreement**

This agreement is between Torbay (Torbay) and Plymouth City Council (PCC) and relates specifically to and only to the role of PCC employees delivering children's services on behalf of Torbay under the delivery contract established in accordance with the direction of the Secretary of State for Education under s497A(4B) of the Education Act 1996.

#### **Definitions:**

In this agreement:-

- 1.1 'Torbay' means Torbay Council
- 1.2 'PCC' means Plymouth City Council
- 1.3 'PCC Employee' means a Plymouth City Council Employee who is delivering children's services to Torbay under the delivery contract and who requires access to Torbay information and systems.
- 1.4 'the Parties' means PCC and Torbay.
- 1.5 'Service User' means user of children's services at Torbay.
- 1.6 Data Protection Officer means the dedicated officer within each authority who has been allocated the tasks set out with the General Data Protection Regulation (GDPR).

#### **2. Purpose**

- 2.1 In accordance with the direction of the Secretary of State for Education under s497A(4B) of Education Act a delivery contract has been agreed between Torbay and PCC for PCC to deliver on behalf of Torbay all of its children's services functions for the term of this Agreement.
- 2.2 This agreement for access to information has been developed in order to set out the basis on which Torbay Council will provide access to Torbay records and systems to specific authorised PCC employees.

#### **3. Access to Council Systems and Information**

- 3.1 PCC staff that access Torbay Council systems will sign a confidentiality statement supplied by Torbay Council.
  - 3.2 PCC will provide Torbay with the details of authorised PCC employees who PCC will require to access Torbay offices and IT systems, including children's services' systems, in order to perform their role under the delivery contract.
  - 3.3 Torbay will provide access to all such authorised PCC employees to all data (to include personal and sensitive personal data / Special categories of data as defined by Data Protection Legislation) that they request access to in order to fulfil their roles under the delivery contract.
  - 3.4 Employees from PCC will only access those records that they consider necessary in order to properly perform their role with Torbay.
  - 3.5 Access will be given to all systems including Social Care system(s), Education systems, Outlook, network folders and all other electronic and paper files as deemed necessary by Torbay to enable PCC Employees to carry out their work under the delivery contract.
  - 3.6 PCC staff will be provided with a Torbay email address, and will use those email accounts in accordance with such guidance as may be issued from time to time by Torbay.
  - 3.7 PCC staff working under the delivery contract will not remove Torbay information from Torbay Council systems.
  - 3.8 PCC confirm that all authorised PCC staff have had the necessary background checks eg DBS (CRB), ISA etc commensurate with the level of information they are required to access.
- 4. Purposes for which information may be accessed and used**
- 4.1 Access to the appropriate Torbay systems and information will be granted to authorised PCC employees for the purpose of carrying out their role under the delivery contract. Information obtained by PCC staff from Torbay's computer systems and manual records will not be used for any other purpose(s).
- 5. Data Controllers**
- 5.1 Torbay will remain as the data controller for all data that is accessed and used by employees of both authorities.
  - 5.2 PCC and Torbay will be joint data controllers for any data that is accessed and used regarding joint clients of both authorities.
- 6 Special categories of data and Sensitive personal data**
- 6.1 All PCC staff will process Special Categories of Data and Sensitive personal data in line with Data Protection legislation.

**7 Applicable policies**

- 7.1 PCC employees will be provided by Torbay with details of Torbay policies and procedures in relation to data and document security including emailing, removing documents from the office, faxing, etc.
- 7.2 PCC employees will be provided with copies of Torbay's corporate policies and Codes of Practice relating to use of Torbay computer systems, records and information. Copies of all relevant documents and policies will be made available to them by Torbay.

**8 Accuracy, relevance and adequacy of information**

- 8.1 Each of the Parties will be responsible for ensuring that information their respective employees record on Torbay Children's Services' systems is adequate, relevant and accurate.

**9 Confidentiality**

- 9.1 Both PCC employees and Torbay employees shall at all times comply with the duty of confidentiality towards individuals whose personal data is supplied or made available under this Agreement. For the avoidance of doubt this requirement shall survive termination of this Agreement and PCC employees will continue to be bound by confidentiality after their role at Torbay under the delivery contract has ended.
- 9.2 The Caldicott principles must be upheld in relation to all personal information. The Data Protection Act and forthcoming General Data Protection Regulation (GDPR) and other relevant legislation must be complied with.

**10 Fair Processing Notices**

- 10.1 Torbay confirm that they will include in the privacy notice that is provided to members of the public on their website and also on paper, details reflecting the role of PCC employees in the provision of Torbay Children's Services department under the delivery contract.

**11 Consent forms**

- 11.1 Torbay confirm that they will amend the Children's Services' consent form that service users are required to sign to reflect the role of PCC employees in the provision of Torbay's Children's Services department under the delivery contract.

**12 Security**

- 12.1 PCC staff will be subject to the technical and organisational controls that are defined by Torbay.
- 12.2 PCC and Torbay staff (to include but not limited to temporary and agency staff) will take all reasonable steps to ensure that they comply with all appropriate technical and organisational measures which are in place, to protect any personal data accessed or processed by their employees against:-

- Unauthorised or unlawful processing of personal data
- Its accidental loss
- Destruction or damage

12.3 This includes paper files and electronic files.

12.4 All PCC staff will undertake the Torbay information governance and security training.

### **13 Data Breaches**

13.1 If PCC staff are responsible for a personal data breach of Torbay data, this will be reported to the Data Protection Officer for Torbay, within 24hrs of becoming aware and reported.

13.2 PCC will cooperate fully with the Torbay Data Protection Officer, and if necessary, the ICO in any data breach investigation.

### **14 Subject Access Request**

14.1 Should any Subject Access Requests be received for information held by Torbay, including information inputted by PCC staff in their role with Torbay or Torbay data hosted by PCC then these will be dealt with by Torbay staff in accordance with their existing policies and procedures.

14.2 PCC will provide a contact within the Information Access team in order to facilitate Subject Access Requests, should information be required from PCC systems.

14.3 Any PCC involvement in a Subject Access Request processed by Torbay will be provided in order for Torbay to meet any timescales as defined in Data Protection legislation.

14.4 For the avoidance of doubt PCC staff acting in their capacity as service providers to Torbay will not be third parties.

14.5 Where information has been provided by PCC under any other arrangement PCC will be regarded as a third party.

### **15 Passwords**

15.1 Passwords must be kept secure and must not be shared with any third parties or any other PCC or Torbay staff at any time or in any circumstances including holidays or unplanned leave.

### **16 Changes in role/leavers**

16.1 On leaving their employment or changing their job to a non-council role, PCC employees will not take with them any information obtained from Torbay records.

### **17 Protocol**

17.1 The Parties will develop a Protocol, to be agreed and amended as appropriate and in particular to reflect any changes in the law, to assist with the effective and timely reporting of information security breaches to the appropriate Torbay officer, consistent information retention, and the interface with the Torbay's complaints procedure.

**18 Indemnity**

18.1 Torbay shall indemnify PCC against any liability it incurs in connection with the Service and Function arising under the DPA 1998, unless caused during the Term by the gross negligence of PCC.

**SCHEDULE 8 – WARRANTIES**

**Information and Commitment**

1. In consideration of PCC entering into this Agreement Torbay warrants to provide such information as PCC may reasonably request in connection with the provision of the Services provided that Torbay (acting reasonably) considers such information necessary for the purpose of providing the Services.
2. Torbay will use all reasonable endeavours to commit to its current operating model for a period not less than 3 years
3. As at the Commencement Date the Material Information are complete and accurate in all respects.

**Contracts**

4. Save as Disclosed there are no contracts with third parties affecting the Services or used by Torbay in the provision of the Services.

**Capacity to enter into Agreement**

5. Torbay has all requisite power and authority, and has taken all necessary action, to enable it to enter into and perform this Agreement and any other agreements and documents referred to in this Agreement, and this Agreement and such other agreements and documents constitute (or shall when executed constitute) valid, legal and binding obligations on Torbay enforceable in accordance with their respective terms.

**Adequacy of Employees**

6. Torbay warrants that to the best of its knowledge, information and belief, that as at the Commencement Date its employees in the Children Service's Department are suitably qualified and sufficient in number to ensure that the PCC can fulfil all its obligations under this Agreement.

**Compliance**

7. Torbay has at all times performed the Services in accordance with, and has acted in compliance with all applicable laws and regulations and directions of any applicable authority.
8. There are no third parties with which Torbay itself is required or chooses to register in relation to the Services, or with which it is required to register any of its assets and no action has been taken by any regulator in the last 5 years either to refuse registration or to take regulatory enforcement action in relation to the Services.

9. To its knowledge, there are no matters concerning any person engaged by Torbay in relation to the Services which would render or might render that person unsuitable to work with children.
10. Torbay is not aware of any breach of safeguarding legislation in relation to the Services.
11. Torbay warrants that it shall do nothing to, nor act in a manner that will or is reasonably likely to, bring PCC into disrepute

### **Disputes**

12. Torbay is not engaged in or subject to any:
  - (a) litigation, administrative, mediation or arbitration proceedings in relation to the Services;
  - (b) outstanding negligence claims, ombudsman complaints, safeguarding investigations into abuse by foster carers or staff, High court cases, judicial reviews, ombudsman decisions in respect of complaints in relation to the Services; or
  - (c) claim, dispute or complaint in connection with the Services; or
  - (d) investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body,

and no such proceedings, investigations or inquiries, claims, complaints or disputes have been threatened or are pending by or against Torbay or against any such person and there are no facts or circumstances likely to give rise to any such proceedings.

### **Insurance**

13. Torbay it has notified PCC by the date of this Agreement of all existing insurances covering the Services and of all claims experienced and of any outstanding, anticipated or prospective claims and the name and address of Torbay's insurance brokers/providers in respect of the Services



**CABINET MINUTE 66**

## Council Tax Base



Councillor Darcy, Cabinet Member for Finance and IT, introduced the report. It was agreed -

1. That Cabinet recommends Council approves the Council Tax Base for 2017/18 as set out in the report;
2. That Cabinet recommends Council approves the continuation of the current Council Tax Support Scheme for 2018/19 with an update that “The authority may use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement”.

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**PLYMOUTH CITY COUNCIL**

**Subject:** Council Tax Base Setting 2018/19 and Council Tax Support Scheme 2018/19

**Committee:** Cabinet

**Date:** 16 January 2018

**Cabinet Member:** Cllr Darcy (Cabinet Member for Finance and ICT)

**CMT Member:** Andrew Hardingham (Interim Joint Strategic Director for Transformation and Change)

**Author:** Stephen Coker (Senior Principle Technical Accountant)

**Contact:** Stephen.coker@plymouth.gov.uk  
01752 304978

**Ref:**

**Key Decision:** **No**

**Part:** **I**

---

**Purpose of the report:**

To recommend the 2018/19 Council Tax base to Council in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012.

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**The Corporate Plan 2016/19:**

The 2018/19 Draft Budget sets out the resources available to deliver the Corporate Plan priorities.

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**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. Appendix A details the Tax Base calculations. The tax base is 71,932 band D equivalent properties.

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

None

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**Equality and Diversity:**

None

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**Recommendations and Reasons for recommended action:**

1. That Cabinet recommends Council approves the Council Tax Base for 2017/18 as set out in the report.
2. That Cabinet recommends Council approves the continuation of the current Council Tax Support Scheme for 2018/19 with an update that “The authority may use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement”

*It is a statutory requirement for Council to approve the Council Tax Base for the forthcoming financial year.*

**Alternative options considered and rejected:**

Not applicable

**Published work / information:**

None

**Background papers:**

None

**Sign off:**

Fin	p11718.151	Leg	lt/29573/11217	Mon Off	lt/dvs/29573	HR		Assets		IT		Strat Proc	
Originating SMT Member: Andrew Hardingham													
Has the Cabinet Member(s) agreed the content of the report? Yes													

## **1. INTRODUCTION**

- 1.1 The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 make arrangements for the setting of the Council Tax. The arrangements include the determination of the Council Tax Base. A Council resolution is necessary. The decision must be notified to the major precepting authorities.
- 1.2 For the year commencing 1 April 2018 the major precepting authorities will be Devon and Cornwall Police and Crime Commissioner and Devon and Somerset Fire and Rescue Authority.
- 1.3 The Council must determine its Council Tax Base for 2018/19 during the period 1 December 2017 to 31 January 2018. The Council Tax Base is the measure of the taxable capacity of an area, for the purpose of calculating an authority's Council Tax. It represents the estimated number of Band D equivalent chargeable dwellings for the year. It also takes into account the authority's estimated Council Tax collection rate. The level of Council Tax subsequently set must be determined using the Council Tax Base figure. The Council Tax Base calculation is attached in Appendix A.
- 1.4 The calculation of the Council Tax Base allows for discounts under the Council Tax Support Scheme.

## **2. PURPOSE OF THE REPORT**

- 2.1 The purpose of this report is to inform Cabinet of the Council Tax Base of 71,932. The Council Tax Base for 2017/18 was 70,775.
- 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 2018/19 financial year.

## **3. TAX BASE CALCULATIONS**

- 3.1 Council 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 30 November 2017.
  - (b) The number of discounts, disabled reductions and exemptions which apply to those dwellings;
  - (c) Estimated changes in the number of chargeable properties between 30 November 2017 and 31 March 2019
  - (d) Impact of the Council Tax Support scheme;
  - (e) The number of Band D equivalents within each different band.

3.3 The collection rate is the billing authority's estimate of the total amounts of 2018/19 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%. This rate reflects recent arrears collection performance and the pattern of write offs. It is the same level used in setting the 201/18 Council Tax Base. Analysis of collection rates across the age profile of debts suggests that an eventual collection rate of 98.5% remains realistic and prudent in the current economic climate.

3.5 Appendix B shows the tax base used for the previous three years for comparison.

#### **4. COUNCIL TAX SUPPORT**

4.1 In April 2013 the National Council Tax Benefit scheme was abolished and replaced by local assistance schemes, developed and administered by local Councils. Plymouth City Council introduced two schemes from 1 April 2013; Council Tax Support and a discretionary Exceptional Hardship Scheme. The main Council Tax Support (CTS) scheme requires all working age claimants to make a minimum 20% contribution towards their Council Tax bill.

4.2 The qualifying criterion for the CTS scheme follows the basic calculation for Housing Benefit. This is based on a 'means test' with those on a basic qualifying benefit, known as a passported benefit, receiving a maximum 80% payment towards their Council Tax with a sliding qualification scale applied to all other claimants in order determine entitlement.

4.3 All Councils are required to annually review their local CTS schemes. Changes were agreed to the Plymouth CTS scheme at the Council meeting on 31 January 2017 for implementation in 2017/18 and 2018/19, to align it with changes to housing benefit that would otherwise have not been reflected. As part of the review for the 2018/19 CTS scheme a number of factors were considered:

- The Council's ability to collect council tax from individuals previously awarded council tax support
- Any possible future increase in council tax will affect the cost of the scheme.
- The phased introduction of full service Universal Credit mid-way through the 2017/18 financial year

4.4 Current caseload figures confirms that the number of residents claiming Council Tax Support has decreased by 3.6% in the last 12 months and assuming the number of claimants continues to decrease at this rate, it is expected that the caseload and scheme cost within 2018/19 can be funded within the available financial envelope

4.5 Taking the factors in the above paragraph into account it is recommended that, aside from the changes already agreed by Council in January 2017 for implementation in the 2018/19 CTS scheme, there are no material changes. An administrative update should be included to continue to enable the use of information from DWP and HMRC for the purposes of the CTS scheme.

- 4.6 It is suggested that a further review of the scheme is undertaken during the early part of 2018 to determine changes for implementation in 2019/20. The Customer Services and Finance Departments will work closely together to consider Welfare Benefit changes, the roll out of Universal Credit and any other changes that would impact on the Council Tax Support scheme and how it can be improved.
- 4.7 These factors have been taken into account in establishing the proposed Council Tax Base and the impact will be closely monitored throughout the year.

Council Tax Base Calculation 2018/19

Appendix A

	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 2017	-	47,211	32,347	22,709	9,622	4,913	1,738	596	58	119,194
Number of exempt dwellings (including demolished)	-	3,313	1,757	1,083	670	229	45	41	20	7,158
Reductions to lower band due to disabled relief	-	137	152	136	99	62	28	33	12	659
Additions to band due to disabled relief	137	152	136	99	62	28	33	12	-	659
<b>CHARGEABLE DWELLINGS FOR BAND</b>	<b>137</b>	<b>43,913</b>	<b>30,574</b>	<b>21,589</b>	<b>8,915</b>	<b>4,650</b>	<b>1,698</b>	<b>534</b>	<b>26</b>	<b>112,036</b>
Total discounts at 25%	54	22,884	10,634	5,768	2,144	876	267	72	3	42,702
Total discounts at 50%	2	203	147	88	49	22	31	28	15	585
Total discounts at 100% one month only	-	649	285	160	51	27	15	5	-	1,192
<b>TOTAL DISCOUNTS</b>	<b>15</b>	<b>5,877</b>	<b>2,756</b>	<b>1,499</b>	<b>565</b>	<b>232</b>	<b>84</b>	<b>32</b>	<b>8</b>	<b>11,067</b>
Long Term Empty Premium at 50%	-	136	37	9	1	2	1	2	1	189
<b>LONG TERM EMPTY PREMIUM</b>	<b>-</b>	<b>68</b>	<b>19</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>95</b>
Estimated number of dwellings not listed but which will be listed in the band for the whole or any part of the financial year	-	189	259	259	169	80	30	10	-	996
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
<b>TOTAL ADJUSTMENTS</b>	<b>-</b>	<b>180</b>	<b>266</b>	<b>260</b>	<b>166</b>	<b>81</b>	<b>32</b>	<b>11</b>	<b>-</b>	<b>996</b>
<b>LOCAL COUNCIL TAX SUPPORT SCHEME REDUCTIONS</b>	<b>41</b>	<b>10,061</b>	<b>3,334</b>	<b>1,056</b>	<b>257</b>	<b>61</b>	<b>20</b>	<b>4</b>	<b>-</b>	<b>14,834</b>
Family annexes discount at 50%	-	17	10	16	12	6	9	2	-	71
<b>FAMILY ANNEXES</b>	<b>-</b>	<b>8</b>	<b>5</b>	<b>8</b>	<b>6</b>	<b>3</b>	<b>5</b>	<b>1</b>	<b>-</b>	<b>35</b>
<b>TOTAL DWELLINGS</b>	<b>81</b>	<b>28,216</b>	<b>24,764</b>	<b>19,290</b>	<b>8,254</b>	<b>4,436</b>	<b>1,622</b>	<b>509</b>	<b>18</b>	<b>87,190</b>
<b>RATIO TO BAND D</b>	5	6	7	8	9	11	13	15	18	
	9	9	9	9	9	9	9	9	9	
<b>RELEVANT AMOUNTS FOR 2018/19</b>	<b>45</b>	<b>18,810</b>	<b>19,261</b>	<b>17,147</b>	<b>8,254</b>	<b>5,421</b>	<b>2,343</b>	<b>848</b>	<b>37</b>	<b>72,167</b>
<b>COLLECTION RATE</b>										<b>98.5%</b>
<b>ADJUSTED RELEVANT AMOUNT</b>	<b>44</b>	<b>18,528</b>	<b>18,972</b>	<b>16,890</b>	<b>8,130</b>	<b>5,340</b>	<b>2,308</b>	<b>835</b>	<b>36</b>	<b>71,084</b>
<b>MOD CONTRIBUTION</b>										<b>848</b>
<b>TAX BASE</b>										<b>71,932</b>



**Council Tax Base - Previous Years**

**Appendix B**

	2015/16			2016/17			2017/18		
<b>Band</b>	<b>Number of properties</b>	<b>Estimated Collection Rate</b>	<b>Adjusted Band D Equivalent</b>	<b>Number of propertie</b>	<b>Estimated Collection Rate</b>	<b>Adjusted Band D Equivale</b>	<b>Number of propertie</b>	<b>Estimated Collection Rate</b>	<b>Adjusted Band D Equivale</b>
A	46,694	98.5%	17,904	46,908	98.5%	18,260	47,103	98.5%	18,482
B	31,618	98.5%	17,942	31,876	98.5%	18,452	32,153	98.5%	18,638
C	22,046	98.5%	16,067	22,217	98.5%	16,287	22,488	98.5%	16,508
D	9,194	98.5%	7,671	9,316	98.5%	7,816	9,539	98.5%	7,938
E	4,711	98.5%	5,035	4,770	98.5%	5,147	4,854	98.5%	5,208
F	1,648	98.5%	2,146	1,686	98.5%	2,183	1,722	98.5%	2,262
G	578	98.5%	799	591	98.5%	826	600	98.5%	833
H	60	98.5%	41	59	98.5%	34	60	98.5%	40
Total	116,549		67,605	117,423		69,004	118,519		69,909
MOD			856			842			866
<b>Tax Base</b>			<b>68,460</b>			<b>69,846</b>			<b>70,775</b>

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**PLYMOUTH CITY COUNCIL**

<b>Subject:</b>	Councillor-led Democratic and Community Engagement
<b>Committee:</b>	City Council
<b>Date:</b>	29 January 2018
<b>Cabinet Member:</b>	Councillor John Riley (Cabinet Member for HR, Democracy and Governance)
<b>CMT Member:</b>	Giles Perritt (Assistant Chief Executive)
<b>Author:</b>	Siân Millard (Oversight and Governance Manager)
<b>Contact:</b>	Tel: 01752 304464 e-mail: <a href="mailto:sian.millard@plymouth.gov.uk">sian.millard@plymouth.gov.uk</a>
<b>Ref:</b>	DECP2018
<b>Key Decision:</b>	No
<b>Part:</b>	I

**Purpose of the report:**

The report proposes to Full Council a multi-faceted programme of activities to help bring the work of Councillors and the Council closer to the communities we all serve.

In January 2017, Council considered the outcomes of a governance model review. The review concluded to retain the Cabinet Strong Leader model as the most efficient method in terms of decision making. It also concluded that feelings of disengagement from the democratic process experienced by some Councillors had resulted from cultural rather than procedural issues that could equally be addressed by either the Cabinet Strong Leader or Committee Structure governance model.

As such, Council requested the Constitutional Review Group (CRG), a cross-party group of Councillors, report back on a programme of work which:

- explores new forms of community engagement which develops new relationships with residents and communities;
- extends beyond service provision to the overall welfare of an area;
- enables local ward Members to take a lead role in ensuring that all resources available in the community are used for the good of its area; and
- develops changes to the current system to increase the engagement of all Members and allay the perception of increased disenfranchisement arising from the current model of governance.

During 2017, CRG worked with Councillors to listen to ideas and concerns. This included a workshop on the role of the frontline councillor in July 2017 from which many of the actions proposed here have their roots. CRG has therefore approached the request from Council through the lens of 'what is it that Councillors need to undertake their role well?'

With the Nolan Principles of Public Life at the centre and the corporate values of Fair, Democratic, Partners and Responsible as the guide, Councils request of CRG will be met by:

1. Providing a solid induction and good opportunities for follow-up training and development
2. Improving information and data flow about wards/the city

3. Engaging residents in different ways and responding to their concerns
4. Clarifying ways to connect back to the Council through officers and democratic/governance processes
5. Improving responsiveness from Council employees to questions and casework raised by Councillors
6. Appropriately devolved funds that are directed to ward priorities and complement the baseline service
7. Better utilising our networks to help solve problems collaboratively
8. Ensuring Councillors are visible and accessible to residents

The activities detailed in the enclosed slide pack therefore propose an approach to democratic and community engagement from the perspective of the front-line councillor. Proposed is a sustainable and impactful approach to how Councillors engage with their communities, which strengthens relationships and brings the work of the Council and Councillors closer to local residents. Key enablers to this are appropriately devolved funds which empower Councillors to direct resource to priority needs in their ward; form strong collaborative partnerships to identify holistic, long-term solutions to solve shared problems; and provide focus on a high-quality, responsive service to Councillors for their questions and casework.

---

### **Corporate Plan 2016-19:**

The four corporate values of democratic, fair, responsible and partners provide the common guiding principles of this programme of work, anchored by the seven Nolan Principles of Public Life. The values guide consistency in how Councillors choose to engage with their communities. Such engagement is open and honest (fair) where people can have their say (democratic). Councillors provide strong community leadership (partners) and are considerate of the impact their actions and decisions have on others (responsible).

---

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

Resources to support this programme of work include:

- Existing devolved budgets:
  - Community Grants (£3,500 per Councillor; £199,500 in total per year)
  - Living Streets (£80,000 in total, allocated by ward)
  - Neighbourhood Initiative Fund (£100,000 per year)

This is a total of £379,500 in existing devolved funds to Councillors.

The existing devolved budgets are already approved within the Medium Term Financial Strategy.

- Coordination resource is required to support better use of the devolved funds, particularly with regards navigating their complexity for Councillors and identifying opportunities with colleagues internally and with partners which Councillors may wish to consider (e.g. pledges on relevant CrowdFund Plymouth projects). The existing approach to funding such administration is to source from within the relevant fund and it is intended that approach will continue.

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

The recommendations from the report have implications with regards improving community cohesion by better enabling Councillors to engage with their communities, enable collaborative problem-solving with officers and partners, share knowledge with officers and therefore better address community needs.

---

**Equality and Diversity**

The Council has a duty to have due regard to the need to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equality Act 2010 and those who do not.

**Has an Equality Impact Assessment been undertaken?** Elements of the package of work will require equality impact assessments (e.g. in terms of the types of ways Councillors wish to engage with residents and considerations of hard to reach groups) which will be undertaken as appropriate.

---

**Recommendations & Reasons for recommended action:**

That Council:

1. Agree the following priorities which comprise the programme of work proposed by CRG:
  - 1.1 Providing a solid induction and good opportunities for follow-up training and development
  - 1.2 Improving information and data flow about wards/the city
  - 1.3 Engaging residents in different ways and responding to their concerns
  - 1.4 Clarifying ways to connect back to the Council through officers and democratic/governance processes
  - 1.5 Improving responsiveness from Council employees to questions and casework raised by Councillors
  - 1.6 Appropriately devolved funds that are directed to ward priorities and complement the baseline service
  - 1.7 Better utilising our networks to help solve problems collaboratively
  - 1.8 Ensuring Councillors are visible and accessible to residents
2. Delegate to CRG responsibility for monitoring implementation of the detailed actions relating to the priorities within the programme of work outlined in recommendation 1.
3. Note the intention to approve use of the Neighbourhood Initiative Fund through the regular budget setting process.
4. Delegate to the Monitoring Officer, via CRG, relevant amendments required to Appendix One (3) Neighbourhood Working of the Constitution.

---

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

Pursue an alternative governance model. Moving from the existing Cabinet Strong Leader model to a Committee System of governance. A governance review was undertaken during 2016 and Council considered the outcomes in January 2018, confirming to retain a Cabinet Strong Leader model and commissioning this work from CRG.

No change. Make no changes to the existing support provided for Councillors and no changes to Council processes for democratic and community engagement activities. This was not an acceptable option as Councillors identified during the 2016 governance review concern that engagement with communities was not as strong as could be and that some Councillors experienced feelings of disengagement from the democratic process.

**Published work/information:**

None

**Background papers:**

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Changes to Governance Arrangements of the Council – 30 January 2017	X									

**Sign off:**

Fin	AKH18.174	Leg	It/29760/180117	Mon Off	It/DVS/29760	HR		Assets		IT		Strat Proc	
Originating SMT Member – Giles Perritt													
Have you consulted the Cabinet Member(s) named on the report? Yes													

**PLYMOUTH CITY COUNCIL**

**Subject:** Councillor-led Democratic and Community Engagement  
**Committee:** City Council  
**Date:** 29 January 2018  
**Cabinet Member:** Councillor John Riley (Cabinet Member for HR, Democracy and Governance)  
**CMT Member:** Giles Perritt (Assistant Chief Executive)  
**Author:** Siân Millard (Oversight and Governance Manager)  
**Contact:** Tel: 01752 304464  
e-mail: [sian.millard@plymouth.gov.uk](mailto:sian.millard@plymouth.gov.uk)  
**Ref:** DECP2018  
**Key Decision:** No  
**Part:** I

---

**Purpose of the report:**

The report proposes to Full Council a multi-faceted programme of activities to help bring the work of Councillors and the Council closer to the communities we all serve.

In January 2017, Council considered the outcomes of a governance model review. The review concluded to retain the Cabinet Strong Leader model as the most efficient method in terms of decision making. It also concluded that feelings of disengagement from the democratic process experienced by some Councillors had resulted from cultural rather than procedural issues that could equally be addressed by either the Cabinet Strong Leader or Committee Structure governance model.

As such, Council requested the Constitutional Review Group (CRG), a cross-party group of Councillors, report back on a programme of work which:

- explores new forms of community engagement which develops new relationships with residents and communities;
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- enables local ward Members to take a lead role in ensuring that all resources available in the community are used for the good of its area; and
- develops changes to the current system to increase the engagement of all Members and allay the perception of increased disenfranchisement arising from the current model of governance.

During 2017, CRG worked with Councillors to listen to ideas and concerns. This included a workshop on the role of the frontline councillor in July 2017 from which many of the actions proposed here have their roots. CRG has therefore approached the request from Council through the lens of 'what is it that Councillors need to undertake their role well?'

With the Nolan Principles of Public Life at the centre and the corporate values of Fair, Democratic, Partners and Responsible as the guide, Councils request of CRG will be met by:

- I. Providing a solid induction and good opportunities for follow-up training and development

2. Improving information and data flow about wards/the city
3. Engaging residents in different ways and responding to their concerns
4. Clarifying ways to connect back to the Council through officers and democratic/governance processes
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8. Ensuring Councillors are visible and accessible to residents

The activities detailed in the enclosed slide pack therefore propose an approach to democratic and community engagement from the perspective of the front-line councillor. Proposed is a sustainable and impactful approach to how Councillors engage with their communities, which strengthens relationships and brings the work of the Council and Councillors closer to local residents. Key enablers to this are appropriately devolved funds which empower Councillors to direct resource to priority needs in their ward; form strong collaborative partnerships to identify holistic, long-term solutions to solve shared problems; and provide focus on a high-quality, responsive service to Councillors for their questions and casework.

---

### **Corporate Plan 2016-19:**

The four corporate values of democratic, fair, responsible and partners provide the common guiding principles of this programme of work, anchored by the seven Nolan Principles of Public Life. The values guide consistency in how Councillors choose to engage with their communities. Such engagement is open and honest (fair) where people can have their say (democratic). Councillors provide strong community leadership (partners) and are considerate of the impact their actions and decisions have on others (responsible).

---

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

Resources to support this programme of work include:

- Existing devolved budgets:
  - Community Grants (£3,500 per Councillor; £199,500 in total per year)
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  - Neighbourhood Initiative Fund (£100,000 per year)

This is a total of £379,500 in existing devolved funds to Councillors.

The existing devolved budgets are already approved within the Medium Term Financial Strategy.

- Coordination resource is required to support better use of the devolved funds, particularly with regards navigating their complexity for Councillors and identifying opportunities with colleagues internally and with partners which Councillors may wish to consider (e.g. pledges on relevant CrowdFund Plymouth projects). The existing approach to funding such administration is to source from within the relevant fund and it is intended that approach will continue.



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

The recommendations from the report have implications with regards improving community cohesion by better enabling Councillors to engage with their communities, enable collaborative problem-solving with officers and partners, share knowledge with officers and therefore better address community needs.

---

**Equality and Diversity**

The Council has a duty to have due regard to the need to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equality Act 2010 and those who do not.

**Has an Equality Impact Assessment been undertaken?** Elements of the package of work will require equality impact assessments (e.g. in terms of the types of ways Councillors wish to engage with residents and considerations of hard to reach groups) which will be undertaken as appropriate.

---

**Recommendations & Reasons for recommended action:**

That Council:

1. Agree the following priorities which comprise the programme of work proposed by CRG:
    - 1.1 Providing a solid induction and good opportunities for follow-up training and development
    - 1.2 Improving information and data flow about wards/the city
    - 1.3 Engaging residents in different ways and responding to their concerns
    - 1.4 Clarifying ways to connect back to the Council through officers and democratic/governance processes
    - 1.5 Improving responsiveness from Council employees to questions and casework raised by Councillors
    - 1.6 Appropriately devolved funds that are directed to ward priorities and complement the baseline service
    - 1.7 Better utilising our networks to help solve problems collaboratively
    - 1.8 Ensuring Councillors are visible and accessible to residents
  2. Delegate to CRG responsibility for monitoring implementation of the detailed actions relating to the priorities within the programme of work outlined in recommendation 1.
  3. Note the intention to approve use of the Neighbourhood Initiative Fund through the regular budget setting process.
  4. Delegate to the Monitoring Officer, via CRG, relevant amendments required to Appendix One (3) Neighbourhood Working of the Constitution.
- 

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

Pursue an alternative governance model. Moving from the existing Cabinet Strong Leader model to a Committee System of governance. A governance review was undertaken during 2016 and Council considered the outcomes in January 2018, confirming to retain a Cabinet Strong Leader model and commissioning this work from CRG.

No change. Make no changes to the existing support provided for Councillors and no changes to Council processes for democratic and community engagement activities. This was not an acceptable option as Councillors identified during the 2016 governance review concern that engagement with

communities was not as strong as could be and that some Councillors experienced feelings of disengagement from the democratic process.

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**Published work/information:**

None

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**Background papers:**

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Changes to Governance Arrangements of the Council – 30 January 2017	X									

---

**Sign off:**

Fin	AKH18.174	Leg	It/29760/180117	Mon Off	It/DVS/29760	HR		Assets		IT	Strat Proc	
Originating SMT Member – Giles Perritt												
Have you consulted the Cabinet Member(s) named on the report? Yes												

**PLYMOUTH CITY COUNCIL**

<b>Subject:</b>	Remuneration of Independent Remuneration Panel Members
<b>Committee:</b>	City Council
<b>Date:</b>	29 January 2018
<b>Cabinet Member:</b>	Councillor John Riley (Cabinet Member for HR, Democracy and Governance)
<b>CMT Member:</b>	Giles Perritt (Assistant Chief Executive)
<b>Author:</b>	Siân Millard (Oversight and Governance Manager)
<b>Contact:</b>	Tel: 01752 304464 e-mail: <a href="mailto:sian.millard@plymouth.gov.uk">sian.millard@plymouth.gov.uk</a>
<b>Ref:</b>	IRP2018
<b>Key Decision:</b>	No
<b>Part:</b>	I

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**Purpose of the report:**

The report presents a recommendation from the Constitutional Review Group (CRG) to remunerate members of the Independent Remuneration Panel (IRP). This is a decision of the Council by virtue of regulation 2(5) of the Local Authorities (Executive Arrangements) Functions and Responsibilities Regulations 2000 SI 2853.

The Panel is convened under the Local Authorities (Members' Allowances) England Regulations 2003 (SI 1021) and subsequent amendments to the regulations (SI 2003/1022 and SI 2003/1692 [the Regulations]).

The Regulations require all local authorities to set up and maintain an advisory Independent Remuneration Panel to review and provide advice about the allowances to be paid to Members. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

The Council normally undertakes a review of its Scheme every four years. The last full review for Plymouth City Council was in August 2017.

On 17 November 2017, CRG reviewed the arrangements for the Independent Remuneration Panel and agreed panel members should be remunerated, requesting further benchmarking to inform the amount. Information was sought from several local authorities on their remuneration practices which was considered by CRG on 12 January 2018. The information received showed a significant variation in practice in both amount and context (e.g. payment per review, per year or per day) from which it was difficult to determine a common amount paid to IRP members.

Having considered the lack of a consistent approach by other local authorities and given IRP members undertake work on behalf of a local authority CRG recommend applying the Local Government Association daily rate, which is currently £152.77. The rate would apply for each day of

formal meetings of a review, plus 0.5 days preparation for each member and 1.0 days preparation for the Panel Chair. Expenses would also be reimbursed.

In the context of the 2017 review, this results in:

Formal meetings: 2.5 days  
Preparation time (members): 0.5 days  
Preparation time (chair): 1 days

This equates to £534.70 for the Chair of the Panel and £458.31 for the two other members.

Council is invited to note that recruitment for additional members of the Panel will be undertaken during early 2018 and that, where relevant, the opportunity to share a Panel (and therefore costs) with another Local Authority will be explored.

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### **Corporate Plan 2016-19:**

This proposal particularly supports the Corporate Plan's value 'We are Fair' in promoting openness in the remuneration arrangements for Independent Remuneration Panel members.

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

The recommendation proposes a total cost of £1451.32 for 2017/18. This is reflected in the budget for Democratic Support and will not impact on the overall budget for Members Allowances.

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

None directly arising.

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### **Equality and Diversity**

The Council has a duty to have due regard to the need to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equality Act 2010 and those who do not.

**Has an Equality Impact Assessment been undertaken?** Not applicable.

---

### **Recommendations & Reasons for recommended action:**

That Council:

1. Agree to remunerate members of the Independent Remuneration Panel at the LGA daily rate, assuming payment for each day of formal meetings, 0.5 days preparation for members and 1 day preparation for the Chair.
2. Note that recruitment for additional members of the Panel will be undertaken during early 2018 and that, where relevant, the opportunity to share a Panel (and therefore costs) with another Local Authority will be explored.

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

Make no changes to the existing remuneration practice for members of the IRP. This would be inconsistent with practice by the majority of local authorities and would not reflect the amount of work and time that Panel members put in to supporting the Council through their Reviews.

**Published work/information:**

None

**Background papers:**

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Review of Members' Allowances 2017 – Report from the Independent Remuneration Panel	X									

**Sign off:**

Fi n	djn1718.17 8	Le g	lt/29766/18011 8	Mo n Off	lt/dvs/2976 6	H R	Asset s	I T	Stra t Pro c
Originating SMT Member – Giles Perritt									
Have you consulted the Cabinet Member(s) named on the report? Yes									



## PLYMOUTH CITY COUNCIL

<b>Subject:</b>	<b>Pay Policy Statement 2018/2019</b>
<b>Committee:</b>	City Council
<b>Date:</b>	29 January 2018
<b>Cabinet Member:</b>	Cllr John Riley
<b>CMT Member:</b>	Tracey Lee
<b>Author:</b>	Alison Mills
<b>Contact details:</b>	alison.mills@plymouth.gov.uk
<b>Key Decision:</b>	No
<b>Part:</b>	I

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**Purpose of the report:**

Under Section 38(1) of the Localism Act 2011 the Council is required to prepare a Pay Policy Statement by 31 March each year, for the following financial year, which is approved by the City Council. The provisions of the Act do not apply to local authority schools.

This includes remuneration and policies for the highest paid staff and the lowest paid employees. To address low pay, the Council introduced the principles of the Foundation Living Wage, by adding a discretionary, non-contractual market supplement in 2014. In line with this year's increase to the Foundation Living Wage, it is proposed to increase this top up from £8.45 to £8.75 from 1 April 2018.

Approved pay policy statements must be published on the Council's website as soon as reasonably practicable after being approved. The Act also requires that the Council includes in its pay policy statement its approach to the publication and access to information relating to the remuneration of chief officers. The Pay Policy Statement contains links to the published Statement of Accounts for 2016/17 and other remuneration data on the council's website.

Once in force it must be complied with, although it may be amended by Full Council during the financial year.

The pay award for 2018/19 for the NJC for Local Government Services, the JNC for Chief Executives and the JNC for Chief Officers is pending. The NJC pay offer is for a two year pay deal, increasing all spinal points by at least 2% in the first year from 1 April 2018. The pay claim submitted for the JNC for Chief Executives requests the generality of the NJC is followed, currently standing at 2%. Once all pay awards are confirmed, the assumptions made in this Pay Policy Statement may be affected. If this is the case, amendments will be brought to a future Full Council.

It should be noted that there is pending legislation around exit arrangements which could affect Chief Officers of the Council. The impact will be considered during implementation and may require amendments to this Pay Policy Statement for 2018/19.

The Pay Policy Statement, which is prescribed in terms of content, sets out the Council's policies in respect of remuneration. There are no proposed changes to policies; the statement is simply a

summary of the key provisions as required by the Localism Act. The Council is therefore not being asked to approve the policies, but simply approve the statement which sets out existing policies.

**Corporate Plan 2016-2020:**

The Council's Pay Policy Statement is a statutory requirement, which supports the council's values.

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

The medium term financial strategy includes the financial implications of this report. Adoption of the £8.75 per hour for Foundation Living Wage from 1 April 2018 will cost the council approximately £35k for corporate employees. This is lower than previous years, as the pending national pay offer is between 6.5% - 9.19% for employees currently in receipt of a 'foundation living wage' top up.

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

None arising directly from this report.

**Equality and Diversity:**

Has an Equality Impact Assessment been undertaken?

No, the scope of the Pay Policy Statement remains the same as for previous years.

**Recommendations and Reasons for recommended action:**

The City Council approves the Pay Policy Statement for 2018/19.

**Alternative options considered and rejected:**

None, this statement is a statutory requirement.

**Published work / information:**

Annual Statement of Accounts

<https://www.plymouth.gov.uk/sites/default/files/StatementOfAccounts201617.pdf>

Localism Act 2011

<http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted>

**Background papers:**

None

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

**Sign off:**



Fin	pl17 18.1 82	Leg	lt/296 03/18 0117	Mon Off	lt/dvs/ 29603 .	HR	DA- HR18. 01.20 18	Asse ts	-	IT	-	Strat Proc	-
Originating SMT Member: Tracey Lee													
Has the Cabinet Member(s) agreed the content of the report? Yes													

# PAY POLICY STATEMENT

2018 - 2019



## 1.0 CONTEXT

- 1.1 Plymouth City Council wishes to provide a transparent and fair approach to rewarding our employees through our pay, terms and conditions and benefits offered to our staff.
- 1.2 The Council is required to set out a Pay Policy Statement under sections 38 and 39 of the Localism Act 2011. The Act prescribes the information and format required for the Pay Policy Statement.
- 1.3 The statement must be approved by a resolution of the City Council before it comes into force for the relevant financial year. Amendments may be made by resolution of the Council during the financial year.
- 1.4 When approved by the Council, this policy statement will come into immediate effect for the 2018/19 financial year and will be subject to review again for 2019/20 in accordance with the relevant legislation prevailing at that time.
- 1.5 In the Council's People Strategy, our vision is to have a motivated, engaged and skilled workforce focussed on meeting the needs of the citizens of Plymouth.
- 1.6 As a broad principle, the Council adopts the terms and conditions of employment for Chief Officers that apply to NJC staff (Green Book) and the local variations as set out in the Plymouth Book.
- 1.7 Under the Council's Standing Orders and Constitution, we have set out a requirement for all posts to be fairly evaluated to determine their salary levels within our agreed structures. All staff must be appointed on merit, through fair, transparent and objective processes.
- 1.8 The Council's Chief Executive, as the Head of Paid Service, is responsible for ensuring the Council meets its duties for appointment on merit, the terms and conditions of employment, compliance with the Council's Standing Orders for the appointment and remuneration of staff and with the requirements set out in the Local Government and Housing Act 1989. The Head of Paid Service (Chief Executive) is accountable to the Council for the discharge of her duties.
- 1.9 For the purposes of this Pay Policy Statement, all references to Chief Officer includes Deputy Chief Officers, as defined in the Localism Act. These are roles that report directly to a Chief Officer, apart from clerical and administrative posts. This definition includes posts on JNC for Chief Officers, NJC for Local Government Services' and NHS terms and conditions.

## 2.0 INFORMATION

- 2.1 The Council's Management Structure is set out within the Articles of the Constitution of the Council and this is updated with any changes to statutory posts.
- 2.2 All statutory roles are designated within the Chief Officer structure.
- 2.3 Chief Officer grades and salary are determined using the Hay Evaluation criteria.
- 2.4 The Council's NJC pay and grading structure is set out in Appendix One.

## 3.0 Pay Relativities within the Authority

- 3.1 The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton Report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the Authority's workforce.
- 3.2 The multiple between the median (average) full time equivalent earnings (excluding schools) and the chief executive is 1:6.54 (as at 1 December 2017)
- 3.3 The lowest paid worker is defined as those on the lowest spinal column point of Grade A, which is the Council's lowest pay grade (excluding apprentices). From 1 April 2018 (current pay offer), the remuneration of a Grade A (the lowest paid employee) is £16,394(excluding apprentices). To address low pay, the Council recognises the principles of the Foundation Living Wage, by adding a discretionary, non-contractual market supplement, topping up to £8.75 per hour from 1 April 2018 (2017/18 - £8.45 per hour). The FTE pay for the lowest paid worker is therefore £16,881 from 1 April 2018, based on our standard working week of 37 hours. This will uplift all employees on spinal points 6 to 10 (Appendix One) to a Foundation Living Wage rate.
- 3.4 This places a ratio between the lowest paid and highest paid employee at 1:9.2 (based on assumption of current pay offer and 2% pay award for JNC for Chief Executives) from 1 April 2018, which is a significant reduction from 2012 when the ratio was 1:14.
- 3.5 The Council evaluates Chief Officer roles through a defined evaluation method (HAY) to ensure parity and consistency of evaluation within the Council's pay and grading structures.
- 3.6 Senior officer posts outside the Chief Officer Structure, but earning in excess of £50,000 are published as part of the Council's access to public information within the annual accounts. The latest information is contained within the 2016/17 accounts.

## 4.0 CHIEF OFFICER PAY

- 4.1 This section sets out the Council's policy in relation to Chief Officer remuneration and benefits as set out in the Localism Act 2011.

- 4.2 Levels and elements of remuneration for each Chief Officer:
- 4.2.1 Each Chief Officer will receive a basic salary as defined by the Council's pay and grading structures commensurate with their levels of responsibility.
  - 4.2.2 Each Chief Officer role will be graded using the Hay Job Evaluation methodology based on the published role profiles and organisational structures.
  - 4.2.3 Each Chief Officer will receive the same local terms and conditions of employment as set out in the Plymouth Book for NJC (Green Book) employees, unless there are different provisions in the JNC for Chief Officers.
  - 4.2.4 When market supplements and additional payments are considered for Chief Officers, they will be approved for up to a maximum of two years. The terms of additional payments (not including relocation expenses) will be agreed by the Chief Officer Appointments Committee, including the application of Market Factor Supplements.  
  
Extensions beyond two years will also require the approval from the Chief Officer Appointments Committee and will be reported in the Council's published Statement of Accounts.
- 4.3 Recruitment and remuneration on engagement of Chief Officers
- 4.3.1 Chief Officers will be remunerated at the evaluated grade for the role on commencement of service.
  - 4.3.2 As required by law, the appointment and remuneration of Strategic Directors, Assistant Chief Executive and Assistant Directors is determined by the Council Members through the Chief Officer Appointments Committee, except where there is specific delegation otherwise through Council.
- 4.4 Increases and additions to remuneration for each Chief Officer
- 4.4.1 The Council will review each role profile and remuneration of Chief Officers prior to any recruitment or at the creation or substantive change to the existing role.
  - 4.4.2 Increases to pay for Chief Officers on JNC for Chief Officers will occur through the national pay award.
  - 4.4.3 Chief Officers are appointed on spot salaries. There is no spine point progression for Chief Officers on JNC for Chief Officers.
- 4.5 Performance-related pay (PRP) for Chief Officers
- 4.5.1 There is no performance-related pay or bonus scheme for Chief Officers. Chief Officers are subject to an annual performance review.
- 4.6 Chief Officer pay on termination of contract or end of office
- 4.6.1 Chief Officers will receive their contractual entitlement for termination payments. These entitlements are the same for NJC staff (Green Book). Where the Council is terminating the contract of employment, pay in-lieu of notice (PILON) or paid leave may be granted by the Assistant Director for Human Resources and Organisational Development.

4.6.2 Redundancy pay for Chief Officers is calculated at the statutory minimum.

4.6.3 Chief Officers may only be dismissed for reasons of redundancy or by the Chief Officer Dismissals Committee.

### 4.7 Benefits in Kind

4.7.1 Chief Officers do not receive any benefits in kind. Any benefits, gifts or hospitality must be properly authorised and recorded in accordance with the Officer's Code of Conduct.

### 4.8 Charges, fee and professional registrations

4.8.1 Professional fees and charges will be made on behalf of statutory officers and deputy statutory officers in respect of their requirement to be registered to practice with the relevant body.

### 4.9 Increases and enhancement to pension entitlement

4.9.1 The Council's Chief Officers are entitled to become members of the Local Government Pension Scheme (LGPS) or NHS Pension Scheme. Payments and entitlements are subject to LGPS Regulations or NHS Pension Scheme Regulations.

4.9.2 The Council does not enhance pensions or provide added-years to Chief Officers beyond their basic entitlements.

4.9.3 Pension strain costs are borne by the Authority on the redundancy of a Chief Officer in line with all other employees. The Council policy limits the maximum cost of redundancy and pension strain to a maximum of three times the annual salary for payback or complies with legislation at the time. Any situation likely to exceed this amount will be resolved by the Council's Chief Officer Appointments Committee at the point of dismissal.

### 4.10 Other amounts payable

The award of other payments with the Council's pay policies will be agreed with the Chief Officer Appointments Committee and reported in the Statement of Accounts.

### 4.11 Chief Officer Policies

4.11.1 Policies adopted for application to the NJC staff (Green Book) will apply to Chief Officers with the exception of matters related to non-executive functions of the Council in relation to Chief Officers such as appointment, investigations and disciplinary action, employment appeals and dismissal.

### 4.12 Terms and conditions

4.12.1 Chief Officer terms and conditions will mirror those for NJC staff (Green Book). No more or less favourable terms or treatment shall be afforded to Chief Officers in respect of terms and conditions of employment.

### 4.13 Superannuation (Employer's pension contribution)

4.13.1 The rate of superannuation contributions is determined by the Local Government Pension Scheme Regulations or NHS Pension Scheme.

4.13.2 Superannuation payments are made by the employer into the Local Government Pension Scheme (LGPS)/NHS Pension Scheme. The rate of contribution is defined by the LGPS and is applicable to all employees (including chief officers). The latest Local Government Pension Scheme Regulations 2014 were introduced from 1 April 2014. There will be 9 employee contribution bandings between 5.5% and 12.5%. The LGPS employer contribution is 14.7%. The employer contribution for the NHS Pension Scheme is 14.3%.

## 4.14 Returning Officer Fees

4.14.1 The designation and duties of the Returning Officer and Electoral Registration Officer are independent of the Council. Officers undertaking these duties may claim for the appropriate allowance. The Council will designate the officer for these purposes.

## 5 STAFFING RESOURCES

5.1 The Council uses the following different staffing resources:

- a) Permanent staff on the establishment
- b) Temporary fixed term contracts to fill posts on the establishment
- c) Interims employed through service contracts to fill posts on the establishment
- d) Interims where there is no established post. For example, where temporary specialist skills are needed to undertake a time limited complex project.

## 6 REMUNERATION OF INTERIM AND TEMPORARY STAFF

6.1 Where interim resources are determined to be required for a specific role within the Council, a procurement process is followed. Typically sourcing is carried out through the Managed Supplier arrangements provided by the Council's procured supplier, through UK Government Framework contracts tendered through OJEU processes, other OJEU compliant frameworks, or Council standard low value procurement processes. Procurement Officers are fully involved in these processes.

6.2 When interim staff are required, the costs of these are subject to competitive marketplace processes. HR/Procurement officers are fully involved and aware of all interim appointments in order to assure quality.

## 7 CHIEF OFFICER APPOINTMENTS COMMITTEE

7.1 The Chief Officer Appointments Committee has responsibility for the appointment and remuneration of Chief Officers except where there is specific delegation otherwise through Council. The Council will aim to pay for these services at a rate as close as possible to total employment costs of directly employed staff performing a comparable role, given prevailing market conditions.

7.2 Where the Chief Officer Appointments Committee makes a temporary or interim appointment to an established post, then the appointing person or body will have discretion to settle remuneration in line with current market factors.

7.3 For other posts where the Council requires an interim resource, which is not a Chief Officer, which may or may not be on the establishment, the Council will aim to pay for these services at a rate of pay as close as possible to total employment costs of directly

employed staff performing a comparable role, given prevailing market conditions. However, the appointing person will have discretion to settle salary or fees in line with current market factors. Any such arrangements require authorisation from the Head of Paid Service, Assistant Director for HR and Organisational Development and Assistant Director for Finance.

### **8 CONTRACT FOR SERVICES**

- 8.1 On occasion it will be more appropriate to engage interim staff through the use of a contract for services. Unlike staff employed under contracts of employment, the relevant guidance from the Department for Communities and Local Government does not require such appointments to be approved by Council. However, where such posts are classified as Chief Officers for pay policy purposes, those posts should appear in the Statement of Accounts. To ensure that the Council is open and transparent it is proposed to provide details of any such contract where the daily rate equivalent paid by the Council to the contractor (and excluding procurement costs) exceeds £500 per day for duration of more than three months.

### **9 PUBLICATION**

- 9.1 Upon approval by the Council, this statement will be published on the Council's Website and will also be available in additional formats by request.
- 9.2 Chief Officer remuneration (actual payments) will be reported in the Council's Annual Statement of Accounts.
- 9.3 Payments in respect of the use of interim management services are also available on the council website, where the daily rate equivalent paid by the Council exceeds £500 per day for more than a period of three months. These payments include all agency fees, and exclude VAT.
- 9.4 In addition, for employees where the full time equivalent salary is £50,000 or more, excluding employer superannuation contributions, the Council's Annual Statement of Accounts will include the number of employees in bands of £5,000.
- 9.5 The Annual Statement of Accounts can be found here:  
<https://www.plymouth.gov.uk/sites/default/files/StatementOfAccounts201617.pdf>

## APPENDIX ONE

**PAY AND GRADING SCALE****2018/19** (BASED ON PAY OFFER)

Human Resources and Organisational Development

Grade	SCP	2018 FT Salary	2018 Hourly Rate	2018 Living Wage
<b>Grade A</b>	6	£16,394	£8.50	2018 Living Wage 'top up'
	7	£16,495	£8.55	
	8	£16,626	£8.62	
<b>Grade B</b>	9	£16,755	£8.68	
	10	£16,863	£8.74	
	11	£17,007	£8.82	
	12	£17,173	£8.90	
	13	£17,391	£9.01	
<b>Grade C</b>	14	£17,681	£9.16	
	15	£17,972	£9.32	
	16	£18,319	£9.50	
	17	£18,672	£9.68	
	18	£18,870	£9.78	
<b>Grade D</b>	19	£19,446	£10.08	
	20	£19,819	£10.27	
	21	£20,541	£10.65	
	22	£21,074	£10.92	
	23	£21,693	£11.24	
<b>Grade E</b>	24	£22,401	£11.61	
	25	£23,111	£11.98	
	26	£23,866	£12.37	
	27	£24,657	£12.78	
<b>Grade F</b>	28	£25,463	£13.20	
	29	£26,470	£13.72	
	30	£27,358	£14.18	
	31	£28,221	£14.63	
<b>Grade G</b>	32	£29,055	£15.06	
	33	£29,909	£15.50	

Grade	SCP	2018 FT Salary	2018 Hourly Rate
<b>Grade G</b>	34	£30,756	£15.94
	35	£31,401	£16.28
<b>Grade H</b>	36	£32,233	£16.71
	37	£33,136	£17.18
	38	£34,106	£17.68
	39	£35,229	£18.26
	40	£36,153	£18.74
<b>Grade I</b>	41	£37,107	£19.23
	42	£38,052	£19.72
	43	£39,002	£20.22
	44	£39,961	£20.71
	45	£40,858	£21.18
	46	£41,846	£21.69
<b>Grade J</b>	47	£42,806	£22.19
	48	£43,757	£22.68
	49	£44,697	£23.17
	50	£45,636	£23.65
	51	£46,590	£24.15
	52	£47,547	£24.64
<b>Grade K</b>	53	£48,522	£25.15
	54	£49,482	£25.65
	55	£50,427	£26.14
	56	£51,477	£26.68
	57	£52,425	£27.17
<b>Grade L</b>	58	£53,379	£27.67
	59	£54,327	£28.16
	60	£55,275	£28.65
	61	£56,220	£29.14
	62	£57,174	£29.63





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**PLYMOUTH CITY COUNCIL**

<b>Subject:</b>	Organisational Design
<b>Committee:</b>	Full Council
<b>Date:</b>	29 January 2018
<b>Cabinet Member:</b>	Councillor Ian Bowyer
<b>CMT Member:</b>	Tracey Lee, Chief Executive and Head of Paid Service
<b>Author:</b>	Tracey Lee, Chief Executive and Head of Paid Service
<b>Contact details:</b>	01752 304862 tracey.lee@plymouth.gov.uk
<b>Ref:</b>	
<b>Key Decision:</b>	No
<b>Part:</b>	I

**Purpose of the report:**

Proposals have been developed to update the senior management structure of Plymouth City Council to enable capacity to be in place to deliver a number of key strategic priorities.

This report sets out information around our current drivers for change, the proposals for changes within the Council Management Team (CMT) and the Senior Management Team (SMT), the approach taken so far and a timetable for implementation.

**The Council Corporate Plan**

Recommendations within this report align to the current Plymouth City Council Corporate Plan.

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

These changes can be contained within existing budgets; the proposed changes will have no adverse impact on budgetary provision.

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

None identified

**Equality and Diversity:**

Council needs to have due regard to its duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equality Act and those who do not.. Actions around recruitment and grading of roles will be in line with established City Council policies and processes.

Has an Equality Impact Assessment been undertaken? Yes

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**Recommendations and Reasons for recommended action:**

It is recommended that:

- 1) Council approve the proposals for changes to the Plymouth City Council Senior Leadership Team.
- 2) Note the outline timetable implementing the changes to Chief Officer positions.
- 3) Council authorise the Chief Officer Appointments Panel to consider any further responses from any collective and individual consultation undertaken; approve the role profiles of the new positions; agree how the roles will be selected and make appointments to roles as appropriate.
- 4) The Council's constitution is amended to reflect the changes to the Chief Officer structure and any changes to the designation or operation of Statutory Roles.

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**Alternative options considered and rejected:**

None

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**Published work / information:**

None

**Background papers:**

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Senior management restructure proposal 16 September 2013. Equality Impact Assessment		X				4.2.2				

**Sign off:**

Fin	pl17 18.1 81	Leg	LT 29 75 7	Mon Off	Lt/ DV S/2 975 7	HR O D	AM:18/01/18	A s s e s s m e n t s	IT	Strat Proc	
Originating SMT Member: Tracey Lee											
Has the Cabinet Member(s) agreed the content of the report? <b>Yes</b>											

## I. INTRODUCTION

The Council last undertook a restructure of its senior management team in November 2013. Since then, the landscape for local government in general and Plymouth in particular has continued to change. In November 2015, the LGA Corporate Peer Challenge identified a council that was modernising and transforming with a clear and compelling vision for our city.

The Council is working on a number of challenges concurrently rather than consecutively. The direction in which the leadership wishes to take the Council is clear, there is a strong strategic narrative about what the organisation wants to achieve. Action is required to ensure that senior management capacity and capability is in place to meet these challenges.

In the light of this, a flexible organisation is needed. One that is ready to change and adapt as issues arise and which is supported by the right structural arrangement. An Organisational Design approach has been adopted. Engagement with strategic leaders has been undertaken to diagnose what we need to address and from that, a proposed first stage senior management structure has been defined and created. This seeks to maximise the opportunities for collaboration across departments, peer challenge and improved service delivery to customers. It is also the starting point for further changes as the landscape in which we operate continues to be redefined.

## 2. DRIVERS FOR CHANGE

The success of our City and the City Council is in part due to the way we adapt to change. The following are seen as key drivers:

### 2.1 The delivery of the Plymouth Plan and Corporate Plan (JLP)

The Plymouth Plan and JLP, in association with our neighbouring districts in Devon, supports the growth agenda both within the city and the wider Travel To Work Area. Delivery plans are in place and this provides a strong focus for the city's strategic partnerships to rally behind. The Council's corporate plan sets out how the Council will deliver the Plymouth Plan as part of the wider city system but also how it will focus on continuing to deliver services for the people of the city.

The Council has three roles in delivering the vision for the city:

- Community leadership, advocating for the city
- Facilitating partnerships at all levels and connecting communities
- Commissioning services and delivering them through the most appropriate means

## 2.2 Promoting democratic engagement and the role of Councillors

Democracy is at the core of the Council's values, and ensuring that Councillors are properly supported in delivering their three key roles: political leadership, oversight and scrutiny and championing their communities is something that needs to extend across the whole workforce with employees informed by a well-developed understanding of their role.

It is a priority to ensure that appropriate, bespoke support is available to Councillors focused on their individual needs and complementing their different roles, and that this is provided from the most appropriate source across departments of the Council, from partners and external organisations such as the LGA.

Ward-based governance and engagement arrangements for Councillors, multi-agency problem solving arrangements, reliable casework handling and feedback and customer insight to inform decision-making are all elements in our plans, equipping Councillors to do their job.

## 2.3 Meeting our financial challenges and transforming the way we work

The Council has a 3-year medium term financial strategy in place. Key to balancing the books in the last 4 years has been the Council's transformation programme, which has delivered £65m of savings. Without this, the Council would have continued to salami slice its services. Given the fundamental change required and skill sets we needed to develop the transformation programme, the Council took the bold step in 2013 to fund extra resources to ensure we had the right capability and capacity whilst developing our own expertise. The work programmes for transformation are now well established and it is important we seek ways to ensure they are delivered through enhanced ownership within the Directorates.

In the meantime, we need to consider what we do next in order to deliver the best outcomes for our residents.

Key to this will be:

- To ensure we focus on **outcomes** rather than just **services** for services sake.
- We consider residents as **citizens** as well as customers and respond to their requirements whilst ensuring clarity on rights and responsibilities.
- We consider how we manage **risk** but also how we explore **opportunities** and take bolder steps to do this
- We move from having a wealth of **data** to a situation where we understand what this data is telling us and use this to make decisions (**intelligence**).

## 2.4 An ambitious growth agenda

The City has huge ambition around its growth agenda. The Joint Local plan (JLP) sets out our ambition for 19,000 new homes, 20,000 new jobs and 243,000m<sup>2</sup> of employment space for the period up to 2034. In support of that we have developed an ambitious and interventionist Capital Programme and with a range of public and private partners are investing over £600m over the next 5 years. In the last 4 years there has been over £1 Billion of development

approved by our Planning Committee, of which 71% has been built or is currently under construction. Last year £257.8 Million of development was approved and in just the last 3 months, £61 Million of projects have received planning permission. All new housing and regeneration brings with it a growth dividend for the city through new homes bonus, increased business rates and more council tax payers; all of which help support ever stretched services. This has totalled £20.9m in the past 5 years.

### **2.5 Performing at our best – strong and effective service performance**

The Council needs to ensure it is effective in delivering services and challenges performance at all levels. It is important strong business planning, performance management and continuous improvement is embedded within services.

Priorities to deliver the next level in performance improvement will include improved analysis so that we better understand our organisation and its position within the city, region and nation, a shared understanding and commitment to priorities for improvement and demonstrating that there is a clear link between our individual objectives and the Council and City's priorities.

### **2.6 Changing expectations from residents – citizen focus and customer experience**

We need to continuously ensure we are responsive to the expectations of residents and businesses. This involves:

- Coordinating our activity effectively
- Making it easier for people to contact and transact with the Council by being relentless at putting digital services at the heart of what we do
- Being straight forward with people about the challenges we face so they can help solve them
- Building networks and partnerships

The ethos and culture for effective customer experience needs to be ingrained in everything we do across the whole organisation.

### **2.7 Integration with partners and the Plymouth family**

The Council uses its blue print operating model to develop more appropriate outcomes for people and more effective service delivery, standardising, simplifying and sharing wherever possible. The environment within which services are commissioned and delivered continues to change and more and more of this is done with others, through the Plymouth Family or wider partnerships. Specific developments on the horizon are detailed below. It is important that any design enables capacity for such opportunity:



### **a) Contract to run Children's Services in Torbay**

In September 2017, Plymouth City Council endorsed an in principle decision to progress the development of a contractual arrangement to run Torbay's Children's Services, including education, and to undertake due diligence to develop a detailed contractual arrangement for consideration by Council in January 2018. This follows on from a recommendation made by John Coughlan, the Commissioner for Torbay's Children's Services, to the Minister of State for Children and Families earlier this year, which has now been formalised by the Department for Education through an updated Direction to Torbay. The arrangement would involve the two councils sharing a Statutory Director of Children's Services. A further paper on this matter is before Council today.

### **b) Strategic Transformation Plan (STP) and development of Local Delivery Partnership for the Western System**

Across the Devon STP all partners are working towards the development of a new Accountable Care System for Devon which includes a single strategic commissioner and 4 Local Delivery Partnerships based on a Place based model of health and care, a Mental Health ACDS and a network of acute hospitals. One of these local delivery partnerships will cover the Western locality including Plymouth. A Devon wide Organisational Design Steering Group was established to oversee all the work streams. The Chief Executive of PCC is on this group to lead the development of the Local Delivery System for Western locality including Plymouth, also working with Cornwall for residents from this area who access NHS services in Plymouth.

The Western local delivery partnership is being developed through the Taking Change Forward group which is a small group of Senior Executive's from Plymouth Hospitals NHS Trust (PHNT), Livewell SouthWest (LWSW), PCC, NEW Devon CCG, Devon County Council and a GP provider representative and is chaired by the Chief Executive of PCC. Work is currently underway to develop a set of integrated commissioning intentions incorporating all the outcomes required from the STP mandates and building on the integrated work already in place in Plymouth. The Taking Change Forward group will consider these in January prior to agreeing and implementing the future integrated model of care across acute, community health and social care, specialist and primary care by April 2019 or earlier if possible.

This will lead to further integrated accountable care for Plymouth with commissioning arrangements which reflect the direction set by the Strategic Commissioner which are delivered through a capitated budget at Place. It will require further development of the wider workforce to deliver services in a more joined up way across the health and care sector and will develop the work in Plymouth to the next level of integration. The aim is to provide the best possible care in a seamless way for the people of Plymouth and the wider peninsula we serve.

### **c) Education Services**

Government Policy has seen a change in the role of the education department in Local Authorities as funding for education has significantly reduced and many schools become academies and join Multi-academy trusts. The responsibilities of the Local Authority will now be to deliver a small number of statutory functions to academies (approx. 75% of city schools)

with some additional improvement and oversight of maintained schools. This dual system has operated well in the city for the last few years with the Local Authority supporting schools irrespective of their governance arrangements.

With the reduction of funding it has become necessary for the Council to confirm the role of the education, skills and participation department within an agreed set of roles as a champion, commissioner and convenor of services for children and young people. It was further agreed at Cabinet on 31 October 2017 to pursue an option whereby an agreed range of services would be delivered in a long-term partnership with schools and that a further paper will come to Cabinet in 2018 to establish this partnership.

This will clearly lead to a different delivery model within this service area, for example building on the existing Cater.Ed model or developing a different option; this will be clarified over the next few months as the options appraisal is developed further.

Work is also well advanced to integrate a small part of some services for children and young people with Special Education Needs and Disability (SEND) with partners in PHNT and LWSW.

#### **d) Shared back office services – DELT**

Following a strategic options review on the future of the Council's back office services, Cabinet gave approval in September 2017 to the development of a full business case and associated service specifications for a shared services model of delivery hosted by DELT. As recommended by Scrutiny and approved by Cabinet, Trade Union engagement is underway to consider the issue of trade union recognition within DELT.

#### **e) Direct Delivery**

Where appropriate the Council should lead and deliver services for the residents of the city that affect them in their daily lives. The recent procurement of Highways has shown that certain elements can be brought back within the council whilst working in partnership with a private contractor to deliver on the ground activity. There is no one size fits all approach to the delivery of services and where appropriate having direct control and influence should be given strong consideration.

#### **f) Regional and sub-regional agenda**

It is becoming more and more important that the Council plays a leading role in partnerships both with the region and wider. Initiatives like the Joint Committee for the Heart of the South West, the NHS Sustainability and Transformation Plan for Devon, the Plymouth, Exeter and Torbay High Growth Corridor and South Coast Marine Clusters are just a few of the important initiatives which bring benefits to the partnership but also directly to Plymouth. Appropriate capacity must exist for the Council to continue to take a leading role.

### **3. SENIOR MANAGEMENT CAPACITY AND CAPABILITY – THE ORGANISATIONAL DESIGN PROCESS**

In September 2013 Full Council approved proposals to reduce the cost of the senior management structure across the Council. Since then a number of further changes have been introduced to respond to the needs of the Council and changing external environment and this must continue.

An Organisational Design process has been used to enable this. This is the process of shaping an organisational structure to align it with the purpose of the Council and the context in which it operates. Reviewing the rapidly changing internal and external environment helps ensure the ability to respond with agility to changing demands. This approach aims to improve resilience as well as the ability to deliver better outcomes for citizens.

Engagement was undertaken with a number of stakeholders to review the “as is” and to be clear on the drivers for change. That diagnosis has identified what capabilities and capacity is needed now to deliver those objectives and plans. A high-level organisational picture has emerged which has been critiqued and consulted on more widely in advance of this final report to Full Council .

Following engagement a formal proposal was shared wider and consulted on, this included copies of role profiles where changes had been made to the content of roles.

A number of comments were received, reviewed and considered against the original proposals. A final document was shared confirming the outcome of the consultation process and the proposals that would be presented to Full Council.

Three stages are proposed to phase in any changes.

**Stage 1 is a short focussed piece of work** ensuring capacity at senior level for dealing with immediate and short term challenges, addressing current and short term functional requirements as a result of the current drivers for change. There are a small number of changes proposed to the Senior Management structure and further details are in section 5. The planned implementation date of any changes arising from this is by 1 April 2018 and any changes made will be reviewed within 6 months of that date.

**Stage 2 will allow time for consolidation and learning from Stage 1 implementation.** This phase will focus on a strategic work force planning approach for the Senior Leadership Team. Activities will include succession planning, the career development and aspirations of the Council’s senior people to ensure that future proofing and the avoidance of single points of failure are key to resources in this area. This approach also seeks to ensure plans are in place for knowledge transfer wider across the senior leadership team.

**Stage 3 will take us forward again.** This phase is likely to be implemented wider across parts of the organisation as the impact of senior roles being realigned embeds. Work will start

after appropriate engagement and consultation activity. Elements may run concurrently with activities in Stage 2.

It will be clear from the vision and drivers that as our organisation meets further challenges and gains clarity on the impact of these; further changes are very likely to be necessary.

As an example, since the start of consultation on these proposals we have received the resignation of the AD HROD. That post holder was undertaking a joint Strategic Director role, sharing the responsibilities of the vacant Strategic Director for Transformation and Change role with the AD Finance. That arrangement, which was put in place following a formal process of interview at the Chief Officer Appointment Panel, was due to continue to 30 June 2018

We will continue to take a planned and phased approach to implementing change engaging with employees, Members, Trade Union colleagues and stakeholders as appropriate.

#### **4. PRINCIPLES**

The starting point is the desire to build on the extensive work undertaken since 2013 rather than making change for change's sake. As part of the engagement around organisational design, the huge amount of work undertaken by this organisation since that restructure is acknowledged and the plan is to build on existing strengths and talent. Important design principles established in 2013 have been reviewed and the following remain at the heart of how senior managers will operate:

- Strategic Directors and Service Directors, (the new title proposed for current Assistant Directors) will be Commissioners for the people of the city. They will ensure outcomes are delivered through close working with Members and enabling active engagement by stakeholders and residents, co designing solutions and ensuring the most effective mechanisms for delivery are in place. All of this will be carried out within the context of our values – fair, responsible, democratic, partners.
- System leadership principles will be applied, senior managers will become peer leads on cross cutting issues, mandated to work across the organisation and with partners to ensure the best solutions are identified and implemented. This includes the establishment of 'centres of expertise' to create capacity and expertise to contribute to systems transformation. We will cut through silos both within the organisation and with our partners to ensure we are delivering the best solutions.
- Service Directors will have responsibility for managing their services, enabling Strategic Directors to focus on driving the Council's overall objectives at a city, sub region, regional and national level.
- We will ensure there is clarity across the organisation on the respective roles and responsibilities of officers and members, ensuring Members are properly supported in their community leadership, decision-making and strategic roles.

- We will make decisions as close to the customer as possible.
- We will take a value lead approach to performance management, embedding individual accountability for delivery and a sense of mutual trust.

## 5. PROPOSALS

Organisational charts are attached at Appendix A and B showing the current and proposed structure. As further phases of organisational design take place this may offer the opportunity for savings or further shared funding of posts.

The changes, in summary are:

- Creating a **NEW Director of Children's Services** role working across both Plymouth and Torbay Councils and reporting to both Chief Executives. The post will be on the Plymouth City Council structure and a **secondment agreement** will facilitate the practical operation of the contractual arrangement to run Torbay's Children's Services, including Education, from 1 April 2018. This post will be the **subject of an internal ring fence**. As this is a new role consideration was given to advertising the role externally however as an exception the decision was made to operate an internal ringfence and undertake a robust recruitment process involving an external Technical Expert and an assessment centre process.

The rationale is that this approach will support some of the critical factors around the proposed contractual arrangement. These include:

- Ensuring a post holder with appropriate knowledge and experience is in place as quickly as possible,
- Ensuring continuity and no loss of traction in our own transformation and improvement journey.
- Building on the large amount of development work undertaken
- Utilising the internal knowledge and expertise built up in relation to how the contractual arrangement would operate.
- The **Strategic Director of People becomes a joint post with NEW Devon CCG**, providing a Chief Officer role which reports to the PCC Chief Executive and Accountable Officer of the CCG. This post will focus on the delivery of the Local Delivery partnership and develop the integrated Place based commissioning structure and ensure effective links to the work at Strategic Commissioning level for the whole of Devon. A secondment agreement will facilitate the practical operation of the contractual arrangement. It is proposed that the **current Strategic Director of People retains this role**.
- Refocussing the work of the former and vacant post of Strategic Director of Transformation and Change to become a **Strategic Director for Customer and Corporate Services**. This is a **NEW role** and will be **externally advertised**.

- Creating a **Service Director for Community Connections** which will replace the current Head of Service role. This post will initially be **ringfenced to the current Head of Community Connections**.
- Updating the title “Assistant Director” to “Service Director”.
- Aligning Electoral Services with the Executive Office and making the necessary amendments to the role profiles of Assistant Chief Executive and Head of Legal Services.
- Deleting 3 vacant posts currently on the Chief Officer Structure which are no longer required and which have no budget attached.
- The Plymouth operating model is for place based integrated commissioning for health and wellbeing for all Plymouth citizens. The Strategic Director for People will lead on this work in conjunction with the DCS and the Director of Public Health to deliver this.

Where roles are changed/created, the role profiles will be consulted on and salaries will be established following an independent job evaluation process (Hay).

### **6. FINANCIAL INFORMATION**

It is envisaged that a number of joint funding arrangements provide the financial capacity for proposed new roles without the need for further funding of senior management posts.

### **7. COUNCIL PROCEDURE**

The power to appoint staff and determine the terms and conditions on which they hold office, including procedures for their dismissal, is a non-executive function. As Head of Paid Service, the Chief Executive is required to report to Full Council on the Chief Officer structure of the Council. Additionally, to enable appointments to any new positions and the dismissal of chief officers (NB none are proposed in this report) the Council is required to constitute an Appointments Panel. It is then the duty of a relevant authority to consider any report under this section by the Head of Paid Service at a meeting held not more than three months after copies of the report are first sent to members of the authority.

The Appointments Panel will be established to consider any further responses from the consultation carried out with CMT / SMT / Senior Managers, to approve the roles of the new structure, agree how the roles will be selected, make appointments to roles as appropriate, and where necessary this Panel will also agree the dismissal of any Chief Officer by virtue of redundancy.

The Appointments Panel will comprise of seven Councillors and the basis of proportionality to include at least one member of the Cabinet. Substitutes to the Appointments Panel are permitted.

There are no proposed redundancies as part of this organisational design. However there is the scope within established Council procedures to refer appeals from Chief Officers arising from their selection for redundancy to an Appeal Panel. The Appeal Panel will hear and consider any appeals against redundancy and make a final decision on this matter.

Subject to Council agreeing this approach, further individual consultation will take place with directly affected Chief Officers to ensure they are fully informed of the proposed next steps and have the opportunity to raise any further comments or questions. Trade Union colleagues will also be updated. Support and advice continues to be available to those affected.

## 7. TIMETABLE

16 Jan 18	End of initial consultation process and comments reviewed.
By 19 Jan 18	Consultation comments will have been reviewed and considered. An update is provided to those in scope. Initial information is provided to those in scope around proposed recruitment processes, ring fences pending outcome of Full Council.
29 Jan 18	FULL COUNCIL - Proposal submitted by report to Full Council outlining proposed changes, processes and existing and proposed structures.
From 30 Jan 18	Those in scope are updated on the outcome of Full Council.
27 Feb 18	COAP convened to commence implementation of activities arising from Full Council report.
23 Mar 18	COAP
1 April 18	By this date anticipate all processes in Phase I are complete and changes implemented.
27 Apr 18	COAP

The implementation date reflects that, where possible, changes will be implemented by 1 April 2018 or as soon as is reasonably practicable.

## 9. STATUTORY ROLES AND CONSTITUTIONAL AMENDMENTS

The changes described above will result in changes to the following statutory roles as below, other designations remain as currently outlined within the Council Constitution.

	Current designation	New designation
Section 151 Officer	Assistant Director for Finance	Service Director for Finance
Director of Children's Services **	Strategic Director of People	Director of Children's Services
Chief Education Officer	Strategic Director of People	Director of Children's Services

The Council's Constitution will need to be amended to reflect these changes to designations and to update the list of statutory Chief Officers of the Council. \*\*It is proposed to update the DCS Assurance test in respect of the new arrangements; this will be implemented via Audit Committee.

### **10. RECOMMENDATIONS**

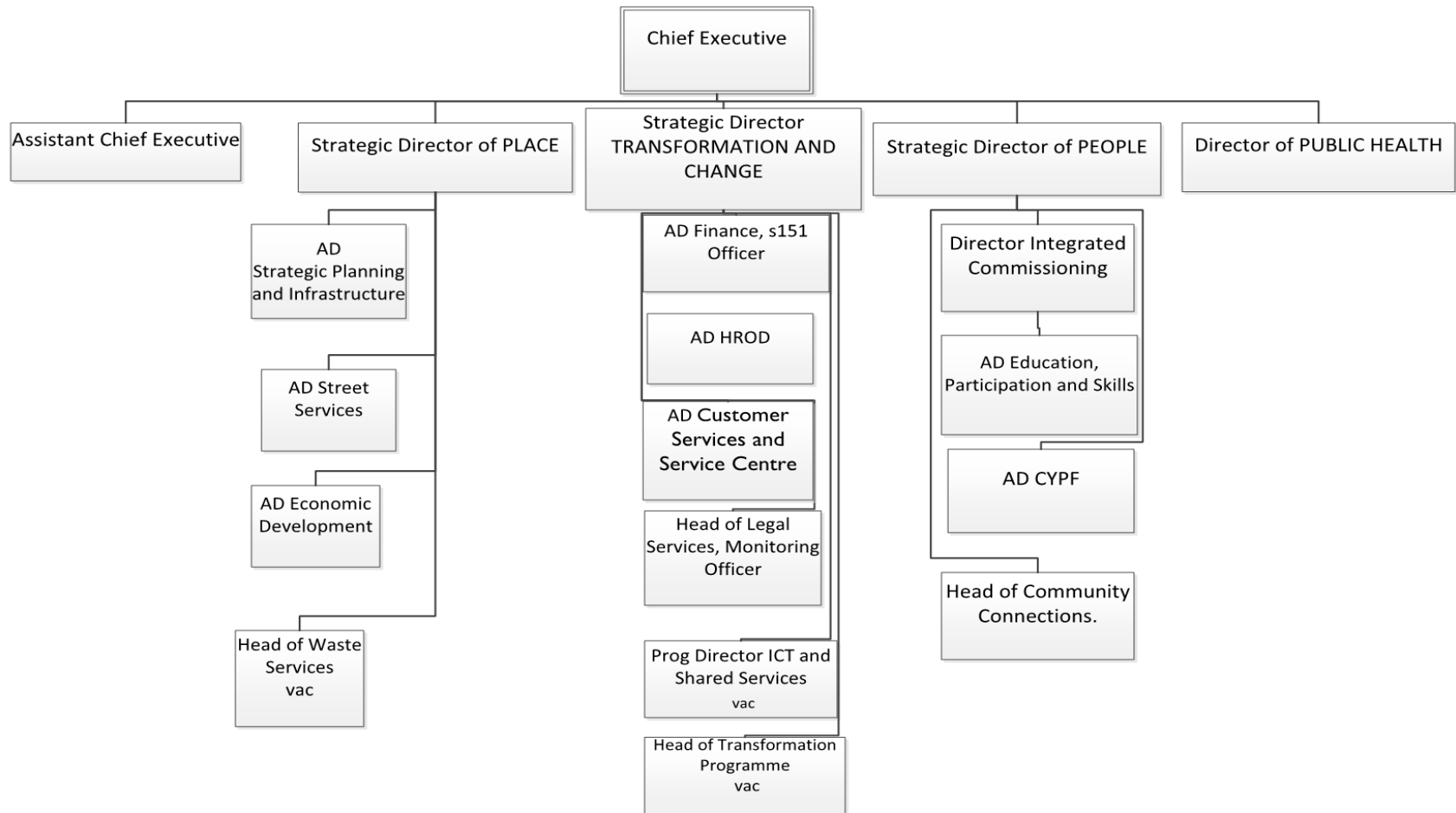
It is recommended that:

- 1) Council approve the proposals for changes to the Corporate Management Team and Senior Management Team.
- 2) Note the outline timetable implementing the changes to Chief Officer positions.
- 3) Council establish an Appointments Panel with delegated authority to consider any further responses from any collective and individual consultation undertaken; approve the role profiles of the new positions; agree how the roles will be selected and make appointments to roles as appropriate.
- 4) The Council's constitution is amended to reflect the changes to the Chief Officer structure and any changes to the designation or operation of Statutory Roles.

REPORT ENDS.



**EXISTING**



PROPOSED

