

# Agenda for Scrutiny Committee

## Thursday, 24 November 2016, 6.00pm



### [Members of the Scrutiny Committee](#)

**Venue:** Council Chamber, Knowle, Sidmouth, EX10 8HL

[View directions](#)

**Contact:** Debbie Meakin, 01395 517540 (or group number 01395 517546): Issued 11 November 2016

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- 1 [Public speaking](#)
- 2 To confirm the minutes of the meeting held on 3 November 2016 (pages 3 - 8)
- 3 Apologies
- 4 [Declarations of interest](#)
- 5 [Matters of urgency](#) – none identified
- 6 To agree any items to be dealt with after the public (including press) have been excluded. There are no items that officers recommend should be dealt with in this way.
- 7 Decisions made by Cabinet called in by Members for scrutiny in accordance with the Overview Procedure Rules. There are no items identified.

### **Matters for Debate**

- 8 **NEW Devon CCG Consultation “Your Future Care”** (pages 9 - 76)  
A representative from the NEW Devon CCG will be present to answer questions on the consultation, currently running until the 6 January 2017:
  - The consultation document is included in the agenda papers pages;
  - Executive summary is included in the agenda (pages 65 - 70) of the [Wakley Stakeholder Reference Group report of May 2015](#) on the future provision of inpatient beds for information;
  - the [CCG published annual report and accounts for 2015/16](#) are available online;
  - the audit letter of those accounts by KPMG is included in the agenda papers pages 71-76;
  - the [recent parliamentary debate on the 18 October 2016](#) is available in full online
  - [Joint spotlight review report considered by Devon County Council’s Health and Wellbeing Scrutiny Committee on 8 November 2016](#) on the new model of care is available online.

- 9 **NHS Property Services** (pages 77 - 80)  
NHS Property Services have not responded to a request to attend the Committee to speak about the transfer of community hospitals from Northern Devon Healthcare Trust to NHS Property Services. The agenda papers contain a report made to the Health and Wellbeing Scrutiny Committee on 19 September 2016 which outlines the work of NHS Property Services; and an extract of the minutes from that meeting.
- 10 **Financial Plan 2017 - 2022** (pages 81 - 99)  
In preparation of the review work the committee will undertake in January on draft budgets and service plans for 2017/18, the committee are asked to consider the Financial Plan, with a view to raising any concerns that they wish to be considered as part of the preparation of the draft budgets.
- 11 **Quarterly monitoring of performance – second quarter 2016/17** (pages 100 - 136)
- 12 **Scrutiny forward plan** (page 137)  
Suggestions put forward at the last meeting on the 3 November 2016 are still due to be scoped.

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If you are recording the meeting, you are asked to act in a reasonable manner and not disrupt the conduct of meetings for example by using intrusive lighting, flash photography or asking people to repeat statements for the benefit of the recording. You may not make an oral commentary during the meeting. The Chairman has the power to control public recording and/or reporting so it does not disrupt the meeting.

[Decision making and equalities](#)

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## **EAST DEVON DISTRICT COUNCIL**

### **Minutes of a meeting of the Scrutiny Committee held at Knowle, Sidmouth on 3 November 2016**

#### **Attendance list at end of document**

The meeting started at 6.00pm and ended at 8.42pm

#### **\*19 Public speaking**

There was no public speaking at the meeting.

#### **\*20 Minutes**

The minutes of the Scrutiny Committee held on the 6 October 2016 were confirmed as a true record.

#### **21 Police and Crime Commissioner**

The Chairman welcomed the Police and Crime Commissioner of Devon and Cornwall, Alison Hernandez and Gerry Moore, Anti Social Behaviour & Community Safety Co-Ordinator.

The Commissioner outlined her work on a new Police and Crime Plan for Devon and Cornwall that was recently out for consultation. She highlighted her main principal of keeping people safe based on six key drivers:

- A social conscience – people looking out for each other
- Awareness – police, partners and public know what is important and why
- Access – people know who local police and key service providers are and how to contact them
- Action – police, and partners, working together to protect people and prevent crime and anti-social behaviour – with confidence in the quality of their response
- Support – speedy access to local support services when needed (for victims and perpetrators)
- Results – visible and relatively swift resolution of issues with tangible results

Consultation responses had shown a clear concern for local residents being the lack of contact with the police – issues such as visible policing and how to contact to report crime.

Questions had been previously submitted from some Councillors, supplied on the agenda papers. Responses to those and additional questions covered a number of issues, including:

- Asking councillors to make use of local police surgeries to report issues, as well as encouraging the public to use the 101 service either by telephoning or by email [101@dcpolice.co.uk](mailto:101@dcpolice.co.uk). The Commissioner was keen to establish a councillor advocate scheme to link local councillors with police officers and other agencies. At present the 101 telephone service was averaging a nine minute wait before the call could be dealt with;
- The consultation on the recent draft plan by the Commissioner had revealed a feeling of disconnect of local communities from the police, and feedback had indicated that the public wished to see more visible policing, both from regular officers and PCSOs. In response to a description of Exmouth at night, the Commissioner expressed an interest to visit the town at night for herself;
- The Commissioner had put planned police station closures on hold, subject to a review in the new year; the consultation had made clear that the public wished to see stations retained; Exmouth Police Station was not currently planned for closure;
- The Commissioner was yet to discuss the workforce mix of police officers and

- PCSOs with the Chief Constable; feedback from the consultation asked for more officers and valued the quality of the PCSOs in the District;
- The Commissioner intended to look at the powers and impact of community speed watches. The Chairman highlighted the difficulties that many local groups have in setting up a community speed watch because of the extent of training and administration required; he asked that she could take this into consideration with a view to making it easier for these volunteers to achieve;
  - The office of the Commissioner would remain at the current staffing level;
  - The concerns over licensing were recognised; the Commissioner was currently working with the Lords Select Committee reviewing the 2003 licensing legislation, in particular the public health objective. She agreed to take the concerns about licensing forward;
  - In response to the recent report by the HMIC on efficiency of the constabulary, an operating model was being progressed with Dorset constabulary and a clear improvement plan was being drawn up with the Chief Constable;
  - Modern slavery was a problem for all areas of the country and the District was no exception – in areas such as hospitality and agriculture. Training was available to councillors on how to recognise and report it. Devon and Cornwall Constabulary were taking the lead, following receipt of funding, to set up the national response to modern slavery; the issue was also recognised by the Community Safety Partnership (CSP) and a recent workshop had been held in Honiton on the issue;
  - As a result of campaigning by the previous Commissioner, the funding for the constabulary had been recognised as incorrect; with a new Minister in post, the funding formula was under review and out for consultation. There needed to be recognition of the tourism impact on policing for the area, as well as the challenges for rural policing. The Commissioner welcomed any help offered from the Council in lobbying for fairer funding;
  - Savings achieved with the Strategic Alliance with Dorset constabulary only enabled the service to remain at the same level – there was no additional money released from this to apply to obtaining additional officers or PCSOs currently;
  - CCTV was recognised as a valuable tool provided it was kept up to date and monitored; work had begun in Cornwall, which included monitoring by fire officers while on standby. The commissioner could assist in the procurement of equipment and listed a contact for the committee to pursue the issue of Exmouth CCTV;
  - Better support was needed for dealing with individuals with mental health issues that had to be detained; the recent leaked letter from the Chief Constable to a number of health providers about the use of police cells for mentally ill people had the support of the Commissioner; lobbying on this issue would be helpful;
  - Challenges had arisen from the Strategic Alliance with Dorset police, including employment transfer issues and for some, a fear of a loss of identity. At present discussions were taking place on how to better manage the two forces through means of a portfolio share;
  - Online crime was more likely than street crime, and is a priority for the Commissioner in helping to educate both the public and businesses. A web chat service on this issue was currently being tested.

**RECOMMENDED** that

1. the Leader of the Council lobby, through the National Rural Network of the Local Government Association, for a fairer funding deal from Government for the Devon and Cornwall Constabulary; and additionally lobby the local MPs on the issue;
2. the Council recognise the valued work of the PCSOs and wishes the Police and Crime Commissioner to press to at least continue, and at best to improve, funding for

- PCSOs as a valued part of the life of the District's local communities;
3. that Ward Members, in the spirit of partnership working under the Crime and Disorder Act 1998, assist in publicising the ways of reporting crime alongside the publicity work already underway by Devon and Cornwall Constabulary, by contact with their local town and parish councillors and constituents;
  4. wishes the Police and Crime Commissioner to reconsider the planned closures for 2017, as part of the review of police stations;
  5. wishes the Police and Crime Commissioner to work to reduce the administrative burden on local groups setting up community speed watches, to help those groups achieve safer roads in their local community.

**RESOLVED** that the Police and Crime Commissioner be invited to the Committee in November 2017 to report on progress on her plans.

The Chairman thanked the Commissioner and Gerry Moore for attending, and for responding fully to the questions and issues put by Members.

## **22 Update from Portfolio Holder for Environment on Recycling and Refuse**

The Chairman welcomed Councillor Iain Chubb, Portfolio Holder for Environment; the Service Lead for Streetscene; the Recycling and Waste Contract Manager; and the Strategic Lead Housing and Environment.

The committee had been kept informed of progress on the new contract, and the trial of an improved service, at previous meetings. The update outlined the next steps in bringing about a full roll out of the new level of service across the District. Key service changes were:

- Cardboard, mixed plastics, cartons (including Tetra Pak) and small electrical items will be collected for recycling
- Residents receive an additional reusable sack for plastics, cartons and cans
- Recycling will be collected every week
- Grey waste bins will be collected every three weeks
- No additional waste collections
- Improvements to bulky waste collection service

The communications plan for the introduction of the new service, covering the first phase for Exmouth in February 2017, followed by the rest of the District in July 2017, was highlighted to the committee; staff resource had also been planned to deal with the expected increase in contact from the public as the new service is introduced and fully implemented.

The committee raised concerns and sought clarification on a number of issues, including:

- Flats and houses of multiple occupation had been identified and would be dealt with on a case by case basis, with visits to as many as possible to establish what is practical for residents who may have difficulty in finding storage for the receptacles or in getting items to the kerbside for collection; residential groups were already in contact with the service to help with this task;
- Small electrical devices could be up to a size that can comfortably fit inside the green recycling box, as this was the same size of the compartment on the new vehicles;
- Residents who currently have a large refuse bin, will have their bin size reviewed when the improved recycling scheme is introduced; as residents in the trial found that the larger bin was no longer required in some scenarios;
- "Avoided waste disposal savings", where the County are benefitting from the reduction of land fill waste and could pass on their savings to Districts, were still not confirmed, but work had progressed to the stage of a draft memorandum of

understanding between the County Council and the districts – once this was agreed and in place, the level of savings could be calculated from the nationally reported waste tonnage figures; recycling credits are worked out from an established formula and provide income both from the recycled material sold and the County Council;

- Monitoring will be undertaken throughout the process of roll out – one of the measures being the change in recycling rate. There is a government target of 50% by 2020 and there was confidence that this stepped change would deliver that and more;
- In response to concerns about the collection vehicle fleet, it was confirmed that the vehicles are owned by the Council; and the contract with Suez was sufficiently robust to ensure that those vehicles and the operatives met operating standards legally required. Checks for both vehicles and operatives were in place, with health and safety being a core value of the contractor. Vehicles were also fitted with systems for auto-braking;
- The transit and separation of products was outlined; plastic was generally exported but currently paper waste was reused in the UK.

The Chairman expressed his disappointment in a lack of resolution over the “avoided waste disposal savings”, which still rested with the County Council to complete and no date for completion apparent. He requested that the Committee be kept updated of any progress on this issue.

**RESOLVED** that the committee recognises the continued hard work by the Streetscene service in the preparation of the implementation, and welcomes the new service; in particular the anticipated increase in recycling rate and the environmental benefit of that increase.

**RECOMMENDED** that all Ward members are encouraged to familiarise themselves with the new service to help communicate to their wards the changes to come

### **\*23 Raising the profile of the committee - update**

The Democratic Services Officer had produced an information sheet on the work of the committee. Cllr Gardner had made suggestions for amendments, and would liaise outside of the meeting with those amendments.

Distribution of the material would include on the Council’s website and in the weekly publication The Knowledge. Suggestions were made to include a press release on the work of the committee, in particular on the upcoming meeting on the NEW Devon CCG consultation on in-patient beds.

The Chairman reported that a press release on this meeting was already planned; following a suggestion this would now include reference to the forthcoming meeting.

### **\*24 Priority setting and forward plan**

Suggestions made for the forward plan included:

- Request a report from East Devon Citizens Advice Bureau on their work – in relation to the contribution allocated in the revenue account towards their work;
- Scope a review into the recent rental charge increases for sports clubs and how that move to reflect market rates was handled; this may link to the playing pitches strategy but will be scoped to determine if a review of the strategy meets the remit of

the committee;

- Request a report on the improvements (including impact on foot fall and level of income) for the Thelma Hulbert Gallery in light of the investment made by the Council;
- Start the planned work on the review of the process of producing the Local Plan; for example a focus on how the allocation of sites is communicated and evaluated against criteria. The committee were advised that they were due a report from the Service Lead for Planning Strategy and Development Management on aspects of performance monitoring, including the service performance monitor on reviewing the process of the production of the Plan – this aspect will be requested for inclusion in that report;
- Scope a review of the current media protocol with a view to the expectation of communication team involvement at committee meetings.

**\*25 Council minutes procedure**

The information report on the procedure for minutes being reported to Cabinet and Council was noted.

**Attendance list (present for all or part of the meeting):**

**Scrutiny Members present:**

Roger Giles  
Alan Dent  
Dean Barrow  
Colin Brown  
Bruce de Saram  
Cherry Nicholas  
Marcus Hartnell  
Cathy Gardner  
Douglas Hull  
Bill Nash  
Val Ranger  
Marianne Rixson

**Other Members**

Iain Chubb  
Paul Diviani  
Paul Carter  
Dawn Manley  
Ben Ingham  
Peter Faithfull  
Geoff Jung  
Rob Longhurst  
John Dyson  
Pauline Stott  
Tom Wright

**Officers present:**

Gerry Moore, Gerry Moore, Anti Social Behaviour & Community Safety Co-Ordinator  
John Harding, Office of PCC  
John Holding, Strategic Lead Housing and Environment  
Andrew Hancock, Service Lead for Streetscene  
Gareth Bourton, Recycling and Waste Contract Manager

Giles Salter, Solicitor  
Rebecca Heal, Solicitor  
Debbie Meakin, Democratic Services Officer

**Scrutiny Member apologies:**

Simon Grundy  
Darryl Nicholas

**Other Member apologies:**

Andrew Moulding  
Phillip Skinner  
Mike Allen  
Jill Elson

Richard Cohen, Deputy Chief Executive

Chairman ..... Date.....



YOUR FUTURE CARE

# Consultation Document

Consultation from 7 October 2016 to 6 January 2017





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# Executive summary

## What this document is for

**Northern, Eastern and Western Devon Clinical Commissioning Group (NEW Devon CCG) is accountable for the commissioning of healthcare services to meet the needs of the population of about 900,000 people in the Northern, Eastern and Western parts of Devon (named localities in this document).**

We are responsible for delivering care which meets the needs of all residents and for doing so in a way that makes best use of taxpayer funding. NEW Devon is not responsible for South Devon and Torbay which has its own Clinical Commissioning Group (CCG).

This document sets out proposals to improve your future care in Northern, Eastern and Western Devon by providing more care in people's homes and avoiding hospital admissions where possible. We want to implement a consistent model of community services across NEW Devon, one which is based on the principles and priorities identified in earlier engagement and consultation with the public and clinicians.

This previous consultation led the CCG to develop six strategic principles to guide the commissioning intentions for community services in future.

### **They are that our community services should:**

- Help people to stay well.
- Integrate care.
- Personalise support.
- Coordinate pathways.
- Think carer think family.
- Home as the first choice.

Doctors, nurses, therapists and social care professionals from across our health and social care system have worked together to develop proposals to design a model of care which meets all these principles.

To achieve this we need to shift our resources and focus from hospital beds to the care surrounding our patients in their own homes. This consultation is therefore about how we decide the location of fewer community hospital inpatient beds in Eastern Devon whilst giving people the reassurance as to the improved care they can expect instead in their own homes.

Local health and social care organisations are facing a financial shortfall in 2015/16 of £122m (4% of funding), rising to £384m (14% of funding) in 2020/21 if nothing changes.

These proposals have been expressed as four options, explained in full from page 34 of this document and summarised below.

### Consultation options

In addition to the consistent and enhanced provision of community health and social care delivered in people’s homes, the services will be supported by consolidating community inpatient beds in the following possible configurations, subject to consultation:

**The preferred option is A, as this combination results in the smallest changes in travel time and has greatest whole system impact.**

Honiton Hospital and Okehampton Hospital do not appear in any of the shortlisted options. Subject to consultation, the proposal would mean that there would be no inpatient beds on either of these sites and the new model of care would be implemented.

#### Option A

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Seaton   | 24 |
|          | Exmouth  | 16 |

#### Option B

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Sidmouth | 24 |
|          | Exmouth  | 16 |

#### Option C

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Seaton   | 24 |
|          | Exeter   | 16 |

#### Option D

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Sidmouth | 24 |
|          | Exeter   | 16 |

## Scope of consultation

The consultation will run over 13 weeks from 7 October 2016 to 6 January 2017. If you would like additional response forms please contact us at the details below.

We are asking for your views on whether you think the proposed options will deliver the model of integrated care described over the following pages, and on the best locations for community beds in Eastern Devon.

This document has been widely distributed. If you would like more information, including the technical Pre-Consultation Business Case (PCBC), you can find it on our website at: [www.newdevonccg.nhs.uk/about-us/your-future-care/102019](http://www.newdevonccg.nhs.uk/about-us/your-future-care/102019). You can also order a copy from our Freepost address or phone number, which are both shown on this page.

Please read the consultation document all the way through and then, on the response form provided, answer the questions we have asked.

You can fill in your answers on the printed response form and post it to our Freepost address: **Freepost YOUR FUTURE CARE**. This must be written exactly as it is shown above, including capital letters where indicated, and you will not need a stamp.

Or, you can fill in an electronic version of the response form online on our website: [www.newdevonccg.nhs.uk/about-us/your-future-care/102019](http://www.newdevonccg.nhs.uk/about-us/your-future-care/102019). We must receive your response form no later than **6 January 2017**.

## Contact us

**Telephone:** 01392 267 642

**E-Mail:** [d-ccg.YourFutureCare@nhs.net](mailto:d-ccg.YourFutureCare@nhs.net)

**Write:** Freepost YOUR FUTURE CARE  
(no stamp required)

Thank you for your interest in this important consultation.

This document is also available in other languages, in large print and in audio format. Please do not hesitate to call us on **01392 267 680** or email **d-ccg.YourFutureCare@nhs.net** if you would like to receive it in one of these formats.

## Polish

Dokument ten dostępny jest również w innych językach, dużym drukiem i w formacie audio. Jeśli chcą Państwo otrzymać ten dokument w jednym z tych formatów, prosimy o bezzwłoczny kontakt pod numer **01392 267 680**.

## Lithuanian

Šį dokumentą galite gauti ir su vertimu į kitas kalbas, dideliu šriftu bei garsiniu formatu. Prašome nedvejodami kreiptis į mus telefonu **01392 267 680** norėdami dokumentą gauti vienu iš šių formatų.

## Chinese

这份文件还提供其他的语言版本，大型字和音频格式。如果你需要，请不要犹豫联系我们，电话是 **01392 267 680**。

## Sorani Kurdish

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## Bengali

এই ডকুমেন্টটি অন্যান্য ভাষায়, বহু  
মুদ্রণে এবং অডিও ফরম্যাটে পাওয়া  
যায়। এসব ফরম্যাটের কোনো একটি  
পতে চাইলে **01392 267 680** নম্বরে  
আমাদের সাথে যোগাযোগ করতে  
দ্বিধা করবেন না।

## Arabic

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If you have any complaints about the  
consultation please contact:  
Patient Advice and Complaints Team  
NHS Northern Eastern and Western Devon  
Clinical Commissioning Group  
Freepost EX184  
County Hall, Topsham Road  
Exeter EX2 4QL

**Telephone:** 01392 267 665 or 0300 123 1672

**Text us for a call back:** 07789 741 099

**Email:** pals.devon@nhs.net or complaints  
devon@nhs.net



# Foreword



**Angela Pedder OBE**  
Lead Chief Executive  
in Northern, Eastern  
and Western Devon



**Dame Ruth Carnall**  
Independent Chair of  
the Success Regime

**“ The changes proposed in this document respond to the description of care members of the public and our clinical and care staff have said they want to have. To sustainably deliver the new service we need to change the current model.**

**They are part of a wider programme of change that will be necessary to secure a clinically sound and financially sustainable health and care system for Devon. ”**

The changes we propose in this document will prompt difficult discussion and debate. Put simply we cannot carry on as we are. The services we have currently in Devon cannot be sustained and that is not only about money. We must take action now and implement a programme of change to secure a health and care system capable of meeting the changing needs of our population. The problem is ours, must be addressed, and a solution found no matter how difficult that might be.

This consultation focuses on the need to create services in our communities which are fully joined up to support individual patients regardless of whether they live in towns or in isolated rural settings. Services which meet needs and which are effective at promoting the independence and health and wellbeing of our patients. We call this a ‘new model of care’ but in fact it is a model which already works in parts of Devon but not yet across the whole county for everyone. The changes proposed here are the first part of a wider programme of change that will be necessary to secure a clinically sound and financially sustainable health and care system for Devon. We will be discussing the whole programme over coming months.

Everyone living in Northern, Eastern and Western Devon should be able to access great care. There are examples of excellent practice in many areas but none are universal. The reality of the situation we face is that we do not currently provide an equitable service to people across all our communities. Many of our most vulnerable groups and populations receive lower levels of support.

Staff work hard to deliver care, many working additional hours to sustain services. Our population is ageing and our staff are also getting older.



Staff upon whom we have relied for many years are approaching retirement age and we are experiencing increasing difficulty in recruiting staff to replace them. This increases our reliance on temporary and agency staff which in turn impacts on the quality and continuity of service we can offer. It also increases the cost of our services. All of these factors contribute to the growing problems we are experiencing. We have to find a way to maximise the care we can provide, making the best use of our scarce resources and creating attractive employment opportunities that people will want to take.

During 2014, NEW Devon CCG began an extensive programme of discussion and engagement with people across Devon seeking their views on what was important to them in the design of health care services. Clear messages emerged. People wanted joined up care, which supported and promoted their independence, and was provided as locally as possible. They could describe the frustration and waste that resulted from different parts of the health and social care system operating in silos, and the impact of this on their care. At times when people are at their most vulnerable and most in need of support, our current system requires them to navigate their way through the multiple boundaries that exist between services. Our GPs and other clinical staff also described similar difficulties. This results in delays, multiple assessments, and frequently the only care intervention available is an emergency referral to a hospital due to the lack of a more appropriate, easily accessible alternative service.

This view is supported by the findings of an audit published in October last year which identified over 600 people being cared for in a hospital bed who did not need to be there, but who required a package of support to enable them to return home.

The support required was not available because it was tied up in staffing the very beds people didn't need to be in. Indeed if these resources were not tied up in supporting bed-based services, some people may not have needed to be admitted to hospital in the first place. Being in a hospital bed for longer than necessary causes significant loss of capability. In the elderly this can mean the end of living independently in their own home. It is not safe and it is not effective care to be in hospital unnecessarily and it can be profoundly disabling.

The changes proposed in this document respond to the description of care members of the public and our clinical and care staff have said they want to have. To sustainably deliver the new service we need to change the current model. These proposals have been developed to help build community resilience across Northern, Eastern and Western Devon and provide a platform capable of supporting resilient healthy and economically active communities.

They are a first and crucial step in a bigger picture of change. This work will support the next phase as we develop plans to ensure our acute and specialist services are clinically and financially sustainable. We expect further changes will be important, and where necessary and appropriate will consult on these.

The health service will not be able to do this alone and will work in partnership with our local authority, voluntary and charitable sector partners, who have contributed to the development of the model of care we describe in this document.

We look forward to hearing your feedback to this consultation. Thank you in advance for your contributions.

# Introduction from locality chairs

**As local GPs, we are uniquely and fortunately placed to understand the NHS – the great things it does and its tireless efforts to support people to remain healthy as well as treat them when unwell.**

But being on the frontline we also see the challenges, the lack of joined-up services and how this can impact on the lives of those in our care.

This consultation explains proposed changes in how people across Northern, Eastern and Western Devon are cared for. The changes are needed to unlock resources to deliver improved care and to contribute to creating a financially and clinically sustainable health service in Devon.

In many cases the care provided by NHS staff in our area is among the best in the country, often in facilities supported by investment from local communities and Leagues of Friends. But we also regularly see patients that should have received better care. We know we can do more to prevent unnecessary hospital admissions and support a faster return home for our patients.

Patients certainly deserve better. Too many people are currently in hospitals when they don't need to be there. This is at a time when growing evidence suggests that a length of stay in hospital over 10 days can cause some aspects of people's health to deteriorate, particularly in relation to muscle strength, with the risk of loss of mobility leading to increased falls, loss of confidence and independence – and so advancing frailty.

The average length of stay in our community hospitals today is over 23 days<sup>1</sup>, and so we risk causing avoidable harm to patients. This is powerful motivation for us to improve the care we commission.

We know that 40% of our community hospital inpatients never get back to their own home. A report by the Alzheimer's Society, published in 2009 and based on the experience of nurses, relatives and carers said the longer people living with dementia in particular were in hospital, the worse the effect on their symptoms – with discharge to a care home or other place of institutional care more likely and the potential for greater use of antipsychotic drugs.

So when patients do return home after a spell in hospital, they often find their confidence and independence has reduced.

Even when they return home, if there are too few services in the community, patients can soon find themselves back in hospital again, deteriorating further in what can all too often become a downward spiral.

Meanwhile a study by the University of Birmingham<sup>2</sup> into the contribution of older people to understanding and preventing avoidable hospital admissions has found that whilst there is evidence of good initiatives to try and divert older people from hospital, the ways into these services were sometimes complicated, for older people and professionals alike.

Health staff surveyed felt that hospital admission was more likely to be avoided if older people had early access to specialist staff who understood the complexity of the health and social problems which older people may experience.

<sup>1</sup> Care Quality Commission – Community Health Inpatient Services (11 September 2014).

<sup>2</sup> 'Who knows best?' Older people's contribution to understanding and preventing avoidable hospital admissions, University of Birmingham, September 2016.

The truth is that there are too few alternatives to bed-based care in the community – and it is this we must change. To do so we need to reduce the number of hospital beds in eastern Devon.

There is a growing and compelling body of evidence that the solution lies in developing community services outside hospital which in turn reduces the numbers of people unnecessarily admitted to a hospital.

This consultation proposes putting in place the right community services for people so that unless there is a clinical need, they do not find themselves in hospital.

The model will enable us to personalise care and pre-empt health crises through proactive care planning and targeted intervention to those most at risk. It will be a more active, rapid but comprehensive multidisciplinary service that gets patients back to the familiarity of their homes and families as soon as possible.

The model (detailed from page 18) will also put us on a more sustainable financial footing. There is a real imperative then to both improve the care of the most vulnerable in our communities and improve the financial stability of the NHS locally.

If we are to really care for the next generations of elderly people – the newly retired, and even those now in middle age, if we are really to create a local health care system which can sustain support to the health needs of the population we are to have in the future – then we must invest in, and redesign, primary and community care.

Throughout our careers as GPs, we have sought to improve the lives of the people we care for. We firmly believe that the model set out in this document will enable us to provide better care that patients deserve right across NEW Devon.

## Please have your say.



**Dr Tim Burke**

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**Dr Paul Hardy**

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**Dr David Jenner**

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**Dr John Womersley**

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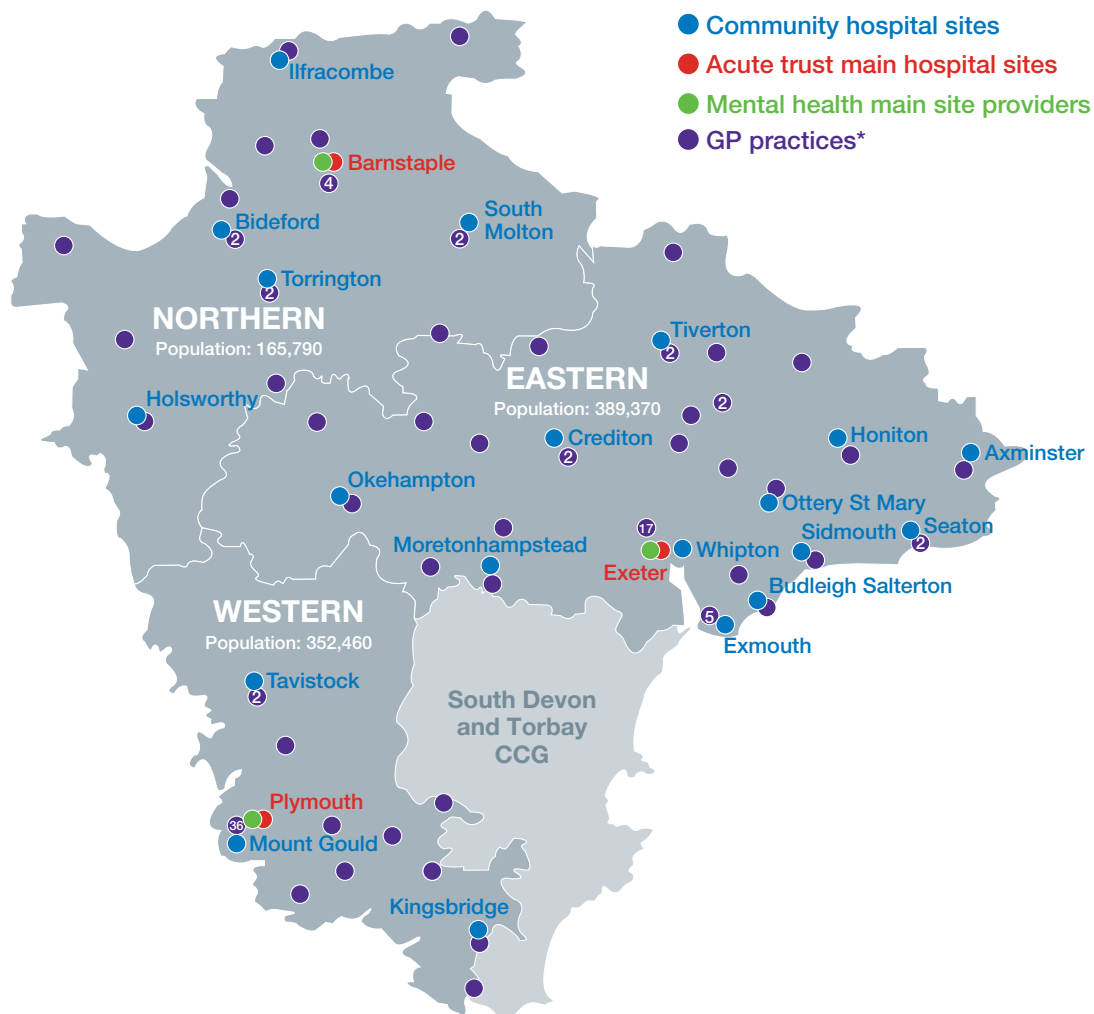
# 1 Your local NHS

NHS NEW Devon CCG commissions health care for almost 900,000 people in the Northern, Eastern and Western localities of Devon. The three localities were developed to reflect the hospital that patients are predominantly referred to – Royal Devon & Exeter, North Devon District Hospital, and Derriford Hospital in Plymouth. In recent years Okehampton services were run by North Devon Healthcare Trust, as they ran all community services in the Eastern locality until 1 October 2016. The Eastern locality of Devon refers to East Devon, Exeter, Mid Devon and parts of West Devon including Okehampton.

There are many local NHS providers of health care including independent and voluntary sector organisations, GPs, hospitals, community services and mental health services.

These services see many people with 5.5 million GP appointments a year across NEW Devon, 838,000 contacts with community staff and 190,000 people attending one of our three Accident and Emergency (A&E) departments. Health services work closely with social care, the voluntary sector, patients and the public to provide the best possible health care for local people. This is shown in the map below.

**Map showing major health facilities in NEW Devon**



\* GP practice data from NHS England South, (South West Team), validated in September 2016

## 2 The current challenges facing the local NHS

The challenge of providing consistent, high quality, affordable healthcare in NEW Devon has become increasingly difficult. This is because:

- The ways in which we provide care for people are becoming increasingly outdated – despite the efforts of local clinicians and staff – we have not done enough to modernise our services using the rapid advances in health and care.
- Our services are not set up in a way to enable them to increase quickly to meet the needs of the growing population of elderly and those with increasingly more complex needs.
- People in NEW Devon are living longer, which is a good thing but this means more people have more complex care needs that require support from health and social care services.
- Local health and social care organisations face a financial shortfall in 2015/16 of £122m. This cannot continue – even after adjusting for the size, age and social factors of the area – it is one of the largest overspends anywhere in the country. The funding allocations to the NHS up to 2020/21 are set and additional funding will not be made available.

The Case for Change published in February 2016 highlighted key aspects of the need for change in Devon overall:

- There are 280,000 local people living with one or more long-term conditions such as asthma, diabetes, hypertension, cancer and mental illness.
- More than 1 in 5 people in NEW Devon are over 65 – higher than the national average. It will be almost 1 in 4 by 2021.
- A local study found that more than 600 people in local hospital beds could go home with the right support.
- There is not the right support for people who are frail, elderly or have long-term conditions to stay well and independent, and in many cases they end up in hospital because of a lack of alternatives. We forecast that there will be 37,000 more emergency admissions to local hospitals over the next five years, an increase of more than 30%.
- People with mental health conditions do not have access to the level of support they need which impacts on their general health and wellbeing.
- If we do nothing over the next five years to change services, we will face a £400 million overspend.
- We also have difficulties with recruiting and keeping staff at all levels and, like people living in our communities, our staff are getting older with many expected to retire in the next 10 years. We need to make sure we use staff – our greatest assets – as efficiently as possible.

The case for change is particularly compelling in relation to how we use hospital beds:

- People have told us that when they are ill, they would prefer to be at home and stay at home wherever possible, with appropriate support.
- Up to half of patients in community beds and over a third of those in acute beds are medically fit to leave hospital but require some support to go home
- Every day a patient stays in hospital risks causing harm, as muscle strength can be reduced by up to 5% per day, threatening their ability to return to independent life, and reducing their confidence to remain independent
- Stays in hospital can expose patients to the threat of hospital-acquired infection and other complications
- The key reasons preventing patients from returning home have nothing to do with medical care but include needing some short term support with washing or preparing meals, medications or dressing changes, physiotherapy or needing additional equipment to be safe at home such as rails or walking aids
- The cost of a hospital stay is £200-300 per day – which is money wasted if people are having to stay in beds longer than clinically needed
- The money lost on unnecessary stays could be used to support care at home, and contribute to reducing Devon's overspend.

In Northern Devon changes have been made to put in place better care by moving the money and staff from delivering care in a bed to care at home, and the experience there demonstrates how this can be done safely. In Northern Devon, where more people are now being treated in their homes, the number of beds needed in community hospitals has fallen from 74 to 32.

The level of community beds in Eastern Devon in relation to the size of population is double that of anywhere else in Devon. Given the number of people occupying beds who could be cared for at home, it makes sense to learn from Northern Devon and elsewhere in the country to make similar changes in Eastern Devon to deliver more care at home and reduce the number of community beds.

**Providing safe, high quality care means making it consistent, at home where possible, using staff and money available effectively for your future care.**

## The National Picture

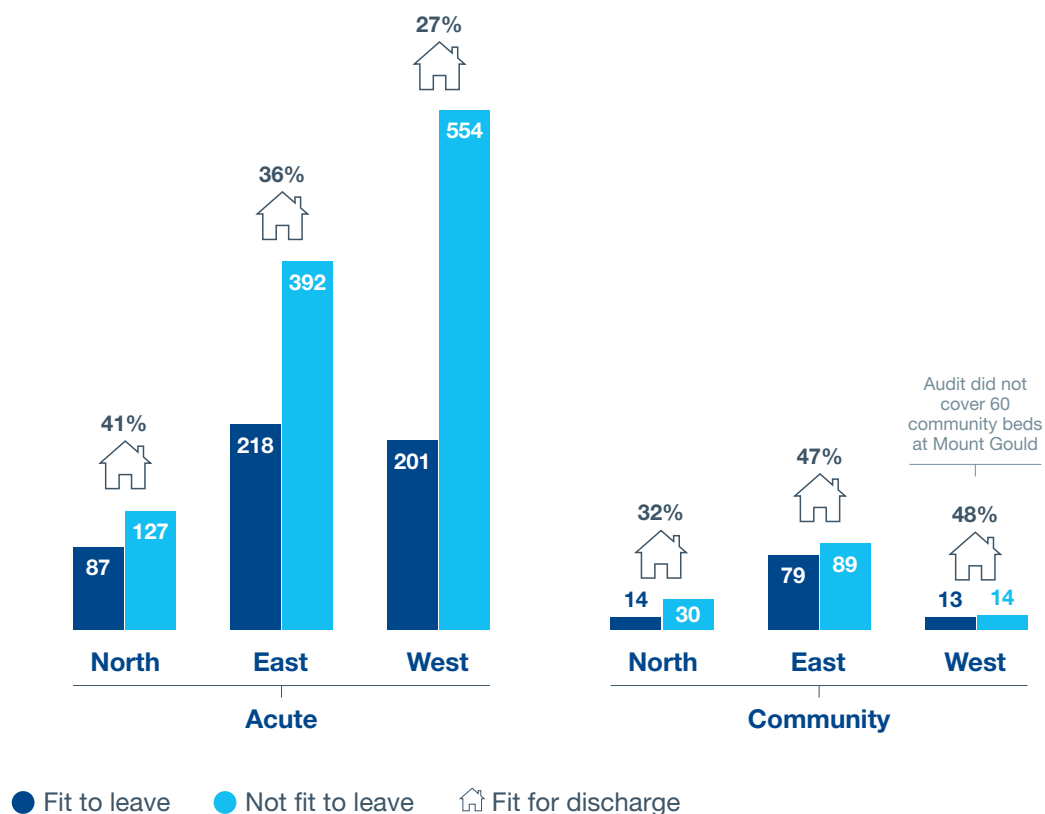
Our plans are not being developed in isolation and we have made sure that they align with what is happening in neighbouring areas and across the country.

The NHS nationally has a five-year plan launched in 2014 called the **Five Year Forward View**. This sets out the direction for the NHS over the next five years and areas to focus attention for change to deliver the objectives set by Government for the NHS. The Five Year Forward View includes important themes such as prevention, care outside hospital and integration of care, as well as the necessity for change. This national plan describes the importance of giving people greater control of their own care, breaking down barriers between

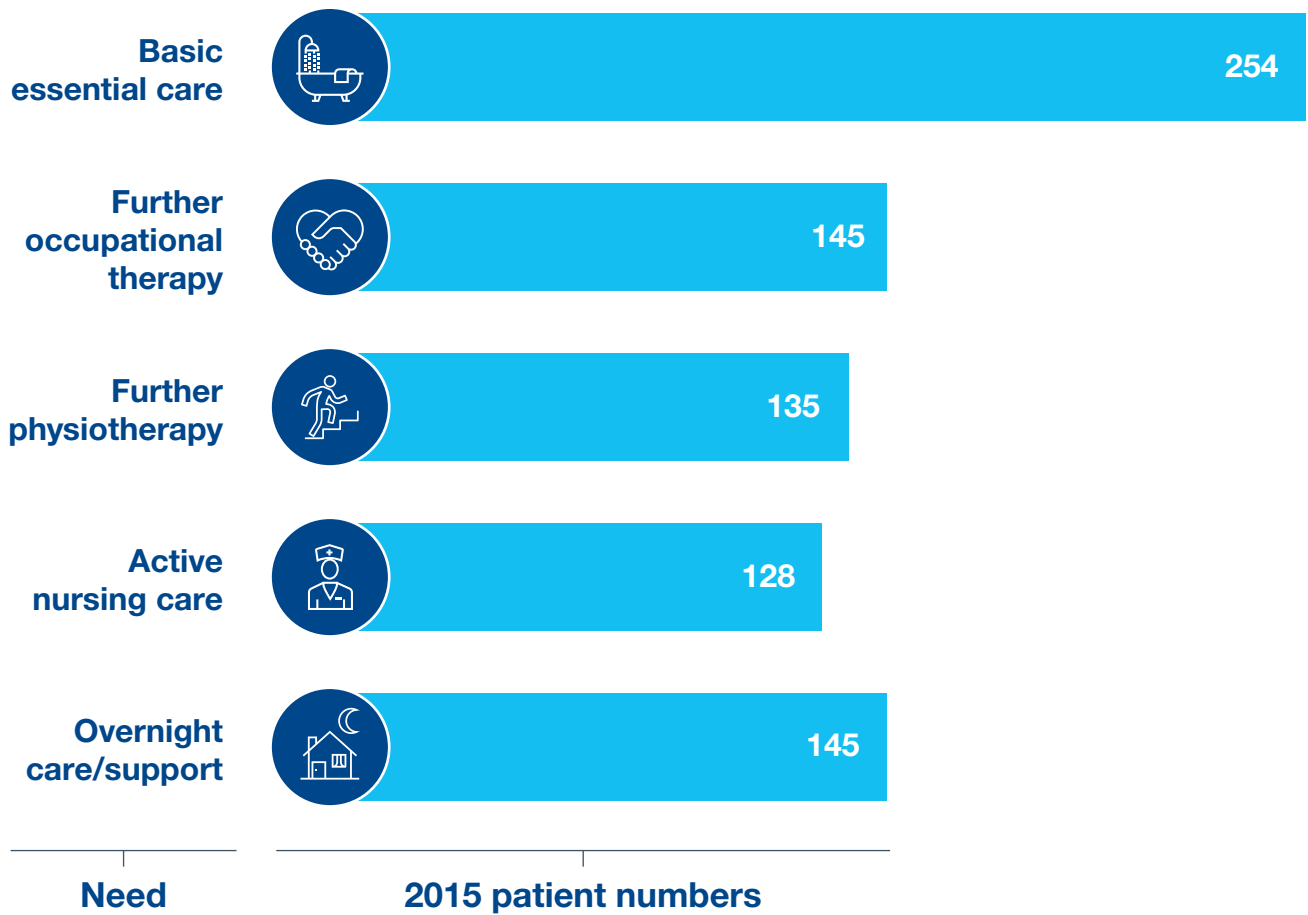
care delivered across different parts of the system, and integrating care. It emphasises the funding pressures and the need to address demand, efficiency and finances whilst engaging patients and communities. This aligns closely with our plans.

The **NEW Devon Success Regime** is a national initiative, locally-led, which has been established to help create the right conditions for high quality health and social care to develop in NEW Devon. Its aim is to secure improvement by introducing new care models where appropriate, developing leadership capacity and capability across the health and care system and ensuring collaborative working. These improvements are best achieved by involving doctors, nurses, other health and social care staff and members of the community.

**A graph showing the number of people who were in hospital beds who could have been cared for elsewhere, during an audit in NEW Devon in October 2015.**

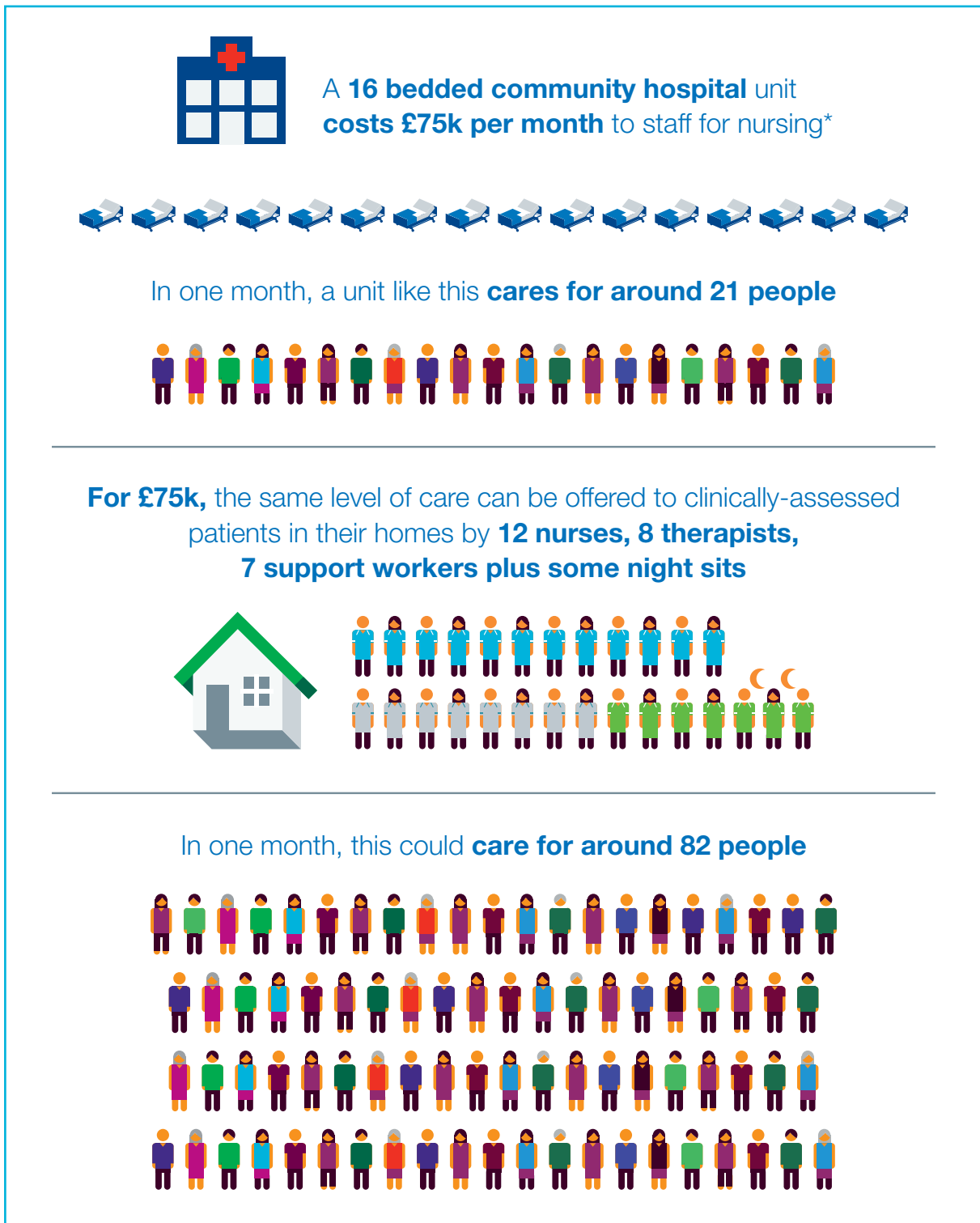


A lack of access to health care services at home or in the community was a key factor keeping patients who were fit for discharge in hospital settings. This is shown in the chart below.





The image below shows how many more people can be cared for in their own home compared with in a community hospital for the same cost.



\*This is based on a daily £174/bed nursing cost in Eastern Devon (Referenced in PCBC finance appendix). This gives an annual nursing cost of £914K for a 16 bed site. Rounded down to £900k or £75K per month.



### 3 What we've improved so far

Over the past three years, we have extensively engaged with local stakeholders about the changes needed to deliver high quality, affordable healthcare. In 2014, we published, and consulted on, the Transforming Community Services (TCS) Strategic Framework.

This set out six strategic priorities for services, thus:

- Help people to stay well
- Integrate care
- Personalise support
- Coordinate pathways
- Think carer think family
- Home as the first choice

The priorities set out in the Transforming Community Services Strategic Framework were consulted on and the first phase of service changes have already been made towards achieving these strategic priorities. This includes confirming future arrangements for who will run integrated services in all three areas/localities.

Across NEW Devon at any one time thousands are receiving care in their own homes from teams of highly skilled social care, therapy and nursing professionals. Ten years ago many of these people would have been admitted to hospital. It is clear that this model is the right way to care for the growing number of patients with more complex health needs requiring our care in future.

## Northern Devon locality

Northern Devon has made the most progress so far in developing the new model of care. Performance against national targets is better in Northern Devon than in other parts of Devon and in particular the traditional 'winter pressures' experienced across the country did not have the same impact in Northern Devon following the changes introduced ahead of winter 2015. These include:

- A single point of contact for GPs, carers, patients and wider health and social care which navigates the system to get the right support in place.
- A rapid response capability to quickly respond to patients whose health is deteriorating. This proactive support has been shown to enable people to remain in their own homes when it is safe to do so.

There has been closer working with the voluntary sector and mental health teams, and more integration between hospitals, community services and GPs. This has meant that:

- Patients are able to leave hospital more quickly.
- The enhanced community teams are able to offer patients support to avoid hospital admissions.
- With rapid response capability in place, the majority of people receive a visit from a multi-disciplinary team within 2 hours. This support also avoids hospital admissions. We have reduced the number of assessments needed so people do not have to tell their story multiple times.

- With more people treated in their homes, we have halved the number of community hospital beds across Northern Devon and removed beds entirely from Torrington, Ilfracombe and Bideford.
- The experience of patients receiving care and support in their own homes is regularly audited using the Friends and Family Test. Every month patients across Northern and Eastern Devon report consistently high levels of satisfaction (between 95 and 100%) with the service they receive.

Following the introduction of the model of care in Northern Devon, the Trust operated with 47 fewer beds last year compared to the 2014/5 winter (22 in acute and 25 in community). It was able to do this despite winter pressures, because people got the right care first time, at home and in the community, and so were able to avoid being admitted to hospital.

Because of the focus on proactive and out of hospital services over winter the acute and community services were resilient in the face of increased demand, which was in contrast to the experiences of prolonged escalation and 'red' alerts across the rest of Devon.

This model of care has been focused on providing services in the right place at the right time, and to the right standard.

## Western Devon locality

Western Devon has made considerable progress on bringing care together with the local authority in Plymouth, so people have more coordinated care and support than was previously possible. New services based on a new model of urgent care have begun, which are reducing the number of people attending and being admitted to Derriford Hospital and the length of time they have to stay.

### These include:

- The Robin Community Assessment Hub – a new service in the community at Mount Gould where 10 people a day can be assessed, treated and returned home quickly
- Acute Care at Home – a new service helping people to remain at home by offering a broader range of treatments, such as intravenous antibiotics
- Discharge to Assess – a new service aiming to return people to their own bed, with a package of intensive short term support available to allow a full assessment of long-term need to be undertaken away from the hospital
- National best practice to hospital based process – known as the SAFER bundle – being implemented in Derriford Hospital with support from the national Emergency Care Improvement Programme team.



## Eastern Devon locality

The first phase of the TCS strategy was implemented in 2014/15 and we were clear in our commissioning intentions that we would continue pursuing an out of hospital model of care and further bed reductions. Whilst we have made really good progress in implementing the community model of care, not everyone in the area currently has consistent access to these services, and we need to ensure more people are helped to live independently in their own homes.

In Eastern Devon, some consolidation of community hospital beds has taken place with the closure of beds in Axminster, Budleigh, Crediton, Moretonhampstead and Ottery St Mary.

### **There have been developments in different parts of Eastern Devon including:**

- Hospital at Home – an innovative service which provides health and social care support in Exmouth, Budleigh Salterton and Woodbury. The service was launched in 2011 and sees nurses, physiotherapists, occupational therapists and social care workers visit people in their own homes. It helps patients stay at home during their treatment and remain independent, while receiving similar care to that usually given on a conventional hospital ward.
- Single Point of Contact for GPs – one phone number to ensure a rapid response for people needing health and social care services is in place for people in Axminster, Seaton, Honiton, Ottery and Sidmouth.
- Integrated Care in Exeter (ICE) – this delivers high quality, cost effective, sustainable health and social care services. It brings together Devon County Council, Exeter City Council, Devon Partnership NHS Trust, Royal Devon

and Exeter NHS Foundation Trust and Northern Devon Healthcare Trust and Age UK to promote independence for adults with complex needs.

- From 1st October 2016 acute and community services within Eastern Devon will be provided by Royal Devon and Exeter NHS Foundation Trust. This will mean closer working between acute and community services and improved partnership working with social care to implement a new model of care.

The key theme running through all the approaches in Devon detailed above is how each locality is responding to the changing needs and expectations of the public. Patients and the public have told us they want us to put the services in place that prevent unnecessary admissions to hospital. And that hospital admissions – when they are required – should be for the shortest time possible, based on clinical need, and patients should be discharged home as soon as it is safe for them to be there. The majority of patients go straight home after hospital, but where support is required it is really important that the skills and expertise are in place to help people regain their health and independence in their own homes.

Across NEW Devon, patients are already being cared for in their own homes by health and social care teams, working well together to meet their needs, but the model is inconsistent. We have seen compelling evidence from Northern Devon of how patients can benefit from a consistent and resilient model of care, as proposed by this consultation. Northern Devon has gone the furthest in showing how enhancing the community model means fewer acute and community beds are needed. We want to see a consistent, high quality, common standard of care that is available to everyone in NEW Devon.

## 4 What we want to do next: Your Future Care

Over the last 12 months, local clinicians have been further developing the model of care for health services, focusing on patients who are likely to benefit the most. These are frail and elderly people, people with dementia and people with long-term conditions affecting both their physical and mental health. In the short term, this is about doing the same better. Over time, the model will evolve with greater focus on prevention, population health and wellbeing.

The aim is to join up care more effectively so people are not being sent to hospital just because services are not available to look after them at home.

For frail and elderly people, a prolonged stay in hospital can cause harm, increase risk of exposure to infection and reduce their ability to live independently at home. People have told us they would prefer to be in their own homes. Whilst people do sometimes need treatment in hospital, it is essential that they are then able to go home as soon as they are well enough and it is safe for them to do so.

There is a real opportunity to get services right. Local clinicians want to deliver better care as early as possible and have been learning from successful schemes locally and nationally.

### **An integrated model of care to help people stay well and at home**

Over 80 clinicians and social care professionals have worked together over the summer to shape an integrated model to transform the care of people who are frail and elderly, building on existing services to deliver truly joined up care. Three interventions have been agreed to deliver key aspects of the new care model.

#### **These are:**

##### **1. Comprehensive assessment.**

Identify people who are frail or pre-frail, and therefore at risk of admission to hospital; put a care plan in place, owned by the individual, that outlines potential avenues for escalating care when it is required.

##### **2. A single point of access.**

One phone number that will make getting additional support when it is needed urgently as easy as possible. It will be connected to a Comprehensive Rapid Response service.

##### **3. Comprehensive Rapid Response (Care at Home) Service.**

This will help people to remain at home with support, rather than being admitted to hospital and where hospital admission is unavoidable, it will provide the additional support at home that makes it safe to leave hospital. This will include health and care workers delivering rehabilitation alongside traditional care.

**These interventions are summarised in the box below and then described in more detail:**

| Comprehensive Assessment  | Single point of access   | Rapid Response  |
|---|--|---|
| <ul style="list-style-type: none"> <li>Identifies people who are frail or becoming frail and more likely to be admitted to hospital.</li> <li>Puts plans in place that help people to be supported and remain well at home.</li> <li>Assessors act as 'community connectors' to support resilient communities.</li> </ul> | <ul style="list-style-type: none"> <li>Makes organising care at home as easy as care in hospital and 24/7.</li> <li>Referral can be made by any care service – with a clinical conversation based on patient need.</li> <li>A home-based 'first responder' service available within 2 hours to help support people to stay at home.</li> </ul> | <ul style="list-style-type: none"> <li>Multi-disciplinary team to respond to the needs of people at home and in residential and nursing homes.</li> <li>An initial assessment of need undertaken and a package of care at home applied.</li> <li>Rapid Response Team has access to additional capability and input – including through the acute sector.</li> </ul> |



## Comprehensive Assessment

The aim of assessment is to identify people who are frail or becoming frail and ensure there is an agreed plan in place to support them if their health deteriorates.

Assessment and planning is completed by trained staff who may or may not be clinical, recognising that non-clinicians may obtain a more accurate picture of need. Assessors will coordinate available sources of formal and more informal information, such as health records and discussion with carers and families, and work with people to produce their plan. In addition they would help connect people with voluntary groups, and work with social prescribing to ensure people are supported to remain well and retain their independence.

## Single Point of Access

This means a single telephone number which can be called by a health professional, a patient, or a carer when faced with the need to access advice and services quickly.

The single point of access is designed to make access to care at home as easy as care in a hospital, and available 24/7. Referrals can be made by any care service, including but not limited to domiciliary care teams, community nurses, GPs, paramedics, mental health teams, care homes and hospital services (Emergency Department, rapid discharge teams, elderly medicine etc.) The aim is to identify what a patient needs to keep them safe and at home as an alternative to hospital.

Referrals are received by a nurse, therapist or a doctor with the right knowledge and skills to help put in place the services the patient needs. They have access to the comprehensive assessment record so they are fully aware of the patient's circumstances and health.

It is important to emphasise two things that this is not. It is not an ambulance – if there is urgent need for care to be provided and for transport to hospital, then an ambulance will still be called. Equally it is much more than a general advice line for the general public.

This service determines the most appropriate first responder for the patient, and ensures this is timely and within 2 hours of referral. Once the referral is made, they will assume responsibility for liaison with the patient and/or family.

## Rapid Response (Care at Home)

If the person has an immediate health need, the rapid response multidisciplinary team will visit the patient within two hours in their own home.

### The team includes:

- Community nursing
- Therapists
- Health and Care assistants
- Access to medical input
- Staff who can prescribe and give drugs and medicines
- Mental health workers
- Administration support
- Domiciliary care workers

While most care will be delivered in patients' homes, the rapid response team will also support patients in residential and care homes.

The team undertakes an initial assessment of need and then institutes a package of care at home which can include support from a range of nursing, therapies, domiciliary support and night sitting. Where care needs exceed the capability of the team, they will escalate directly to the most appropriate level of care, including the acute sector.



The team will ensure the patient's lead medical carer (usually their GP) is kept informed of progress, but the responsibility for care, including escalation to hospital-based services as required, will remain with the team for up to 72 hours. Care may be decreased sooner than 72 hours if the patient no longer needs it.

The team will work alongside existing care providers to coordinate their input. Where a package of care is already in place, the team will support and build on this rather than make new care arrangements, so as to maintain continuity as far as possible

The same team supports patients when they are discharged from hospital, so this can happen as soon as it is clinically safe, accessed via the single point of contact. This will result in a managed transition between care settings. Home care workers, whether delivering health, personal or domiciliary care, will work with patients to achieve specific rehabilitation and re-ablement goals.

We want to give greater clarity and confidence to patients and professionals that care will be readily accessible, resilient and organised around the needs of the community served.



## Where will care be provided in future?

The three interventions being put in place can from a patient point of view be delivered at home — either in person from visiting health and care staff, or by phone, or other electronic methods (where that is practical and useful).

- Assessments will usually be carried out at a local centre, or at home.
- The single point of access will be by telephone and so from home, but could also be from other places such as a GP practice.
- Rapid response will be delivered at home, or in a care or residential home if that is where the patient is.

These are the three foundation stones of our community model and create the infrastructure to move care out of hospital and into patient homes.

By providing responsive, timely and multi-disciplinary services in the community and patient home, we can avoid hospital admissions. In hospital, we can avoid delays to discharge by:

- Ensuring a plan for discharge is made at the point of admission to hospital, and that patients get the therapy they need to maintain mobility during their inpatient stay.
- Enhancing care coordination to facilitate transitions of care both into and out of hospital, including the ability to commit a care package within two hours to support discharge.

**It is primarily through these interventions that clinicians believe we can have a much greater beneficial impact on people's lives.**

The changes outlined here are the first step towards delivering more services that are joined up and provided in, or near to, the places people live. In modern day healthcare, hospital is no longer the first choice for care. Instead services should focus on supporting people to stay as well as possible for as long as possible — helping them to remain independent in their own communities. In the future we see:

- More support and care will be provided in peoples' homes either through home visits, regular checks over the telephone or other technology (including telemonitoring and telecare).
- Where it is not practical to deliver care at home, more care will be provided in the community (for example, face-to-face consultation or group therapy).
- Only where there are good clinical reasons will people travel to hospital for treatment — reducing unnecessary, sometimes physically painful and/or costly trips.

The Transforming Community Services programme put forward the idea of **health and wellbeing hubs** to supplement this model. A hub is a focal point for modern day integrated care. It could be based in an NHS or public service building such as a hospital or General Practice, or an alternative local building. A hub could also be a network of professionals and communities working together on place based improvements. The services offered could be virtual, may vary in size and function depending on local needs and range from bases for multidisciplinary teams to 'one-stop' centres for GP services, diagnostics and outpatient appointments.

The development of these is already underway. Importantly, hubs are designed with and by communities.

Locally, much of the early work has been building-focused, but as thinking develops the opportunities of place-based networked hubs will also be taken into account.

Hubs will be a focus for integrated care and community teams. At this stage we are not being prescriptive about what hubs should look like.







## What will our proposals mean for people receiving care, their families and carers?

John and Mary are similar to our typical users of health and care services in NEW Devon. Although there is a rich mix of different types of communities across our area, we know that the vast majority of patients whose care will be transformed by the integrated model fit the profiles of John and Mary. We have therefore used these fictional people to explain how local services affect them now, and how our proposals for change would affect them in future.

Although they are fictional for the purposes of this document, the information we have used to create John and Mary is very firmly based on the wealth of evidence we have about our patients in NEW Devon.



**John**



**Mary**



**John is 88 and cares for his wife. He has a urinary infection which because he is elderly starts to affect his balance. As a result he falls at home, an ambulance is called and he is taken to the Royal Devon and Exeter Hospital.**

## Now

- John stays in hospital a number of days. He develops a blood clot in his leg, which then needs treating.
- The length of stay in hospital means that he has become weaker and can no longer move around easily, for example using stairs.
- It also means that family need to come and help look after his wife while he is away.
- Once John gets better, doctors and nurses need to organise what help and equipment he and his wife will need when he goes back home.
- So he is moved from the acute hospital bed, which is needed by more seriously ill patients, to a community hospital bed, while this care at home is organised for him.

## Future

- John's community nurse has assessed him as frail and noted his home circumstances on his health record. As part of the care plan developed with him, John has been connected up with a local carer support network, which is in regular contact with him and supports him as the sole carer for his wife.
- Following his fall, the ambulance paramedic who is called out to see him contacts the rapid response Care at Home service and John's GP.
- The Care at Home service sends a senior nurse to John's home, and recognises that he has a serious urinary infection. If necessary, a GP will visit him. Arrangements are made for him to be seen in hospital, and care is put in place for his wife including a night sitter in case John cannot return home.
- John needs hospital treatment for his infection. After 24 hours he no longer needs to be in hospital however so the ward liaises with the Care at Home service which arranges some short term care for John and his wife, to help with daily activities such as getting washed and dressed. They also organise additional equipment for their home, such as handrails, to reduce the risk of further falls.
- John is able to return home that day. The Care at Home team continues to care for him at home for the next three days with regular nursing visits, physiotherapy and occupational therapy.
- John makes a full recovery, and the care and support is reduced back to the same level as before.



**Mary is 82 and lives alone. She has been increasingly forgetful and has been diagnosed with dementia, but is managing well with some help from family and social care support.**

## Now

- Following a chest infection, Mary is admitted to the Royal Devon and Exeter Hospital.
- During her stay, she becomes very confused because of the new environment she is in, and it is clear to doctors and her concerned family that her dementia has become worse as a result.
- The infection has made her more unsteady on her feet and she has two minor falls while on the ward.
- When she has recovered from the chest infection she is moved to a community hospital to see if she improves; if not she will need full time care potentially in a care home.

## Future

- Mary has been identified by her GP as being at risk of emergency admission to hospital and there is a clear plan in place to avoid and manage events that could lead to this. She is regularly visited by care workers, as well as her family, who help her with bathing and getting dressed. Her care worker calls her GP when she sees that she is frequently coughing and seems short of breath.
- The GP visits and gives Mary some antibiotics to help her chest infection. He also contacts the Care at Home team via the Single Point of Access to ask for additional support. They all know it is important for Mary to remain at home, as she could get very confused if she was moved to a new environment.
- So the team coordinates physiotherapy twice a day, more regular nursing visits, and someone to stay with her overnight to keep her safe at home.
- The chest infection is causing Mary to be more confused than usual, but with the additional support this is manageable.
- Each member of the team has additional skills in caring for patients with dementia, as well as access to expert advice if they need it, and is able to give Mary the care she needs.
- After three days of antibiotics, Mary's chest is much better. Mary's care plan is reviewed with her, and the level of ongoing support she needs is altered.

## Who will provide care?

Staff are our greatest asset and they are dedicated to delivering high-quality care. Whatever their role, they need to have the right skills, experience and tools.

Changes to how and where care is delivered will inevitably mean staff will need to work in different ways developing new skills and competencies, providing care potentially in different places.

Staff will work together in an integrated way and the focus will be on caring for people in their own homes safely. The reduction in community hospital beds will mean that the staff who currently work on the wards will transfer to join the community health and social care teams in their locality. There will be no need for any compulsory redundancies associated with these proposals, as we will be able to redeploy affected staff within different settings or neighbouring organisations. In particular there will be roles to deliver care in peoples' homes as part of the new services, as well as filling vacancies, and reducing the reliance on temporary staff.

From our experience of successfully managing this transition in communities where services have already changed, our providers will offer staff excellent training and support to undertake the new role.

Experience in Northern Devon indicates implementing the new model of care has not created additional work for our already hard-pressed primary care teams. Further work will be undertaken to confirm this is the case across the NEW Devon area and as implementation plans are developed our primary care workforce will be an important element.

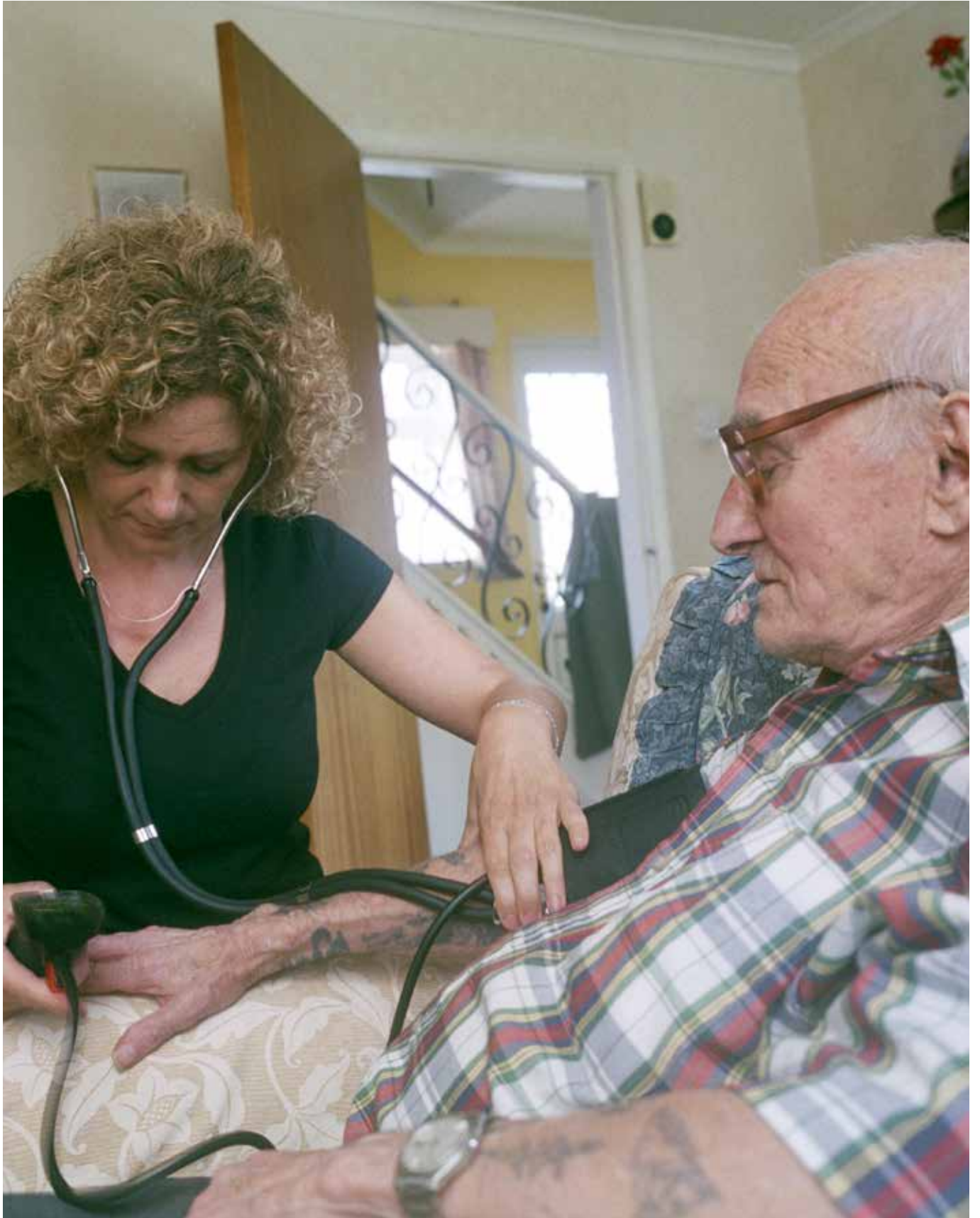
A detailed **workforce strategy** will be developed to support the further implementation of the new model of care. This will include a more detailed analysis of the staff, roles, skills, competencies and training required. This strategy will form part of the final decision-making business case. We recognise that the successful implementation of the new model of care will not shift pressure from one point in the system to another. We will work to ensure that existing pressures and new demands on existing primary and community based workforce through the new model of care are mitigated by actively redeploying workforce from bedded care to new model of care delivery.

An **estates strategy** is being developed to make sure best use is being made of the buildings that currently support delivery of primary, community, mental health, acute and social care. When completed it will set out in detail the future use of the buildings required to support the care delivery models. This will include how existing buildings will be used to support the model of care described, including hubs and other care services.

Some of the hospitals from which inpatient beds could be removed would continue to be local health and social care hubs, housing integrated teams that provide enhanced home and outpatient care, and other services such as therapies.

We will not be making any decisions on the future of buildings within the NEW Devon estate as part of the Your Future Care consultation. Members of the public will have the opportunity to comment on the estates strategy at a later date.





# 5 What service changes are needed?

Implementing the new model of care across NEW Devon will bring about improved care within home and community settings with less need for community hospital beds – this will improve health outcomes for patients.

Across Devon we have an unequal distribution of community hospital beds. Our clinical cabinet of doctors, nurses and other professionals has reviewed this data which shows that Eastern Devon has much higher numbers of beds per person compared to Western or Northern Devon, even after the older population is taken into account, and for the patients in those beds, almost half (47%) could go home if services were available in the community.

If the new model was implemented and working well with patients only hospitalised for as long as necessary then evidence and the experience in Northern Devon, suggests that the Eastern locality would need 72 beds at this stage, compared to the current number of 143.

The next sections of this consultation document explore how to determine the best locations for 72 community beds in Eastern Devon to ensure we release the resources to enhance the community health and care teams.

## Proposals for Eastern Devon

There are seven community hospitals in Eastern Devon that have community beds. These community hospitals also provide a range of day services including minor injury units, x-ray, day case units, maternity services, therapies, outpatients co-located primary care, endoscopies, mental health services and services provided by the voluntary sector. Different services are provided at each community hospital, as shown in the table on the next page.









**The map below shows community hospitals in Eastern Devon with beds and the numbers of beds in each.**



\* On an interim basis, Ottery St Mary is currently providing stroke unit care and three community inpatient beds.



### Community hospitals provide a range of services:

| Community Hospital |  Midwife-led birth units |  Minor Injuries Unit |  Therapies |  Out-patients |  X-ray |  Surgical day case |  GP collocated primary care |  Endoscopy |
|--------------------|---|---|---|--|---|---|--|---|
| Axminster          | —   | —   | ✓   | ✓  | ✓   | ✓   | —  | ✓   |
| Seaton             | —   | —   | ✓   | ✓  | —   | —   | —  | —   |
| Sidmouth           | —   | —   | ✓   | ✓  | ✓   | ✓   | —  | —   |
| Honiton            | ✓   | ✓   | ✓   | ✓  | ✓   | —   | ✓  | —   |
| Ottery St Mary     | —   | —   | ✓   | ✓  | ✓   | —   | —  | —   |
| Exmouth            | —   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓  | —   |
| Budleigh*          | —   | —   | —   | —  | —   | —   | —  | —   |
| Exeter             | —   | —   | ✓   | ✓  | —   | —   | —  | —   |
| Crediton           | —   | —   | ✓   | ✓  | —   | —   | —  | —   |
| Tiverton           | ✓   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓  | ✓   |
| Okehampton         | ✓   | —   | ✓   | ✓  | ✓   | —   | —  | —   |
| Moreton-hampstead  | —   | —   | ✓   | ✓  | —   | —   | —  | —   |

\*Budleigh Salterton Hospital is temporarily closed. During the closure, the majority of outpatient clinics and services have switched to Exmouth Hospital. Other services have moved to other nearby venues.

## Applying longlist criteria

To reduce the options to a manageable number, we agreed the following principles:

- **No new build due to cost and timescales:** Clinicians have recommended that only the existing community hospital sites should be considered for future location of community hospital beds. New sites are not suitable due to the timescale required to find and develop any site. Equally, clinicians and finance teams have recommended that there should be no new building on existing community hospital sites given the timescales and costs, and given the existence of current community hospitals whose space is currently not being fully utilised.
  - **Ensures changes already consulted on are implemented:** There was a consultation on the location of community hospital beds in Eastern Devon in 2014/15. The decision from this consultation was that community hospital beds would be removed in Axminster, Ottery St Mary and Crediton. This decision has already been taken, and is therefore not affected by this current consultation.
  - **Makes best use of Private Finance Initiative (PFI) / Local Improvement Finance Trust (LIFT) services:** PFI is a scheme for funding new hospital buildings, where the health service enters into long term arrangements to rent back the property from private companies who have borrowed money in advance to finance the initial capital costs of building the facilities. Under PFI and LIFT, the local health service has entered into long term arrangements to rent back property from private organisations who have borrowed the upfront costs to build the premises.
- The high costs of exiting these contracts and the generally high quality of the buildings mean it is sensible to make best use of PFI and LIFT premises. There is one hospital in Eastern Devon that fits all of the criteria and is PFI-funded – Tiverton Hospital – built in 2004 with a contract that runs until 2034 and which would cost approximately £35m to exit. Clinicians and finance leads have therefore recommended that 32 beds at Tiverton should continue to be used in all options, as best use of this space within this period. **Therefore 32 of the 72 beds required will be at Tiverton in all options.**
- **Meets agreed minimum size of unit:** Safer staffing guidance suggests that the minimum number of beds per unit should be 16. This is the most effective and safe nurse to patient ratio and avoids situations where registered nurses on the wards work on their own, without any professional support or supervision (what we call lone-working). Clinicians and finance leads reviewed the evidence and agreed that a minimum unit size of 16, with additional beds in multiples of 8, was required to make sure there are enough staff and to get best value for money. **Therefore, the remaining 40 beds required will be provided in one unit of 16 and one unit of 24 (no unit except Tiverton can provide more than 24 beds without new building works). Some community hospitals only have space for a 16-bed unit without new build, and are therefore not being considered as a 24-bed unit.**

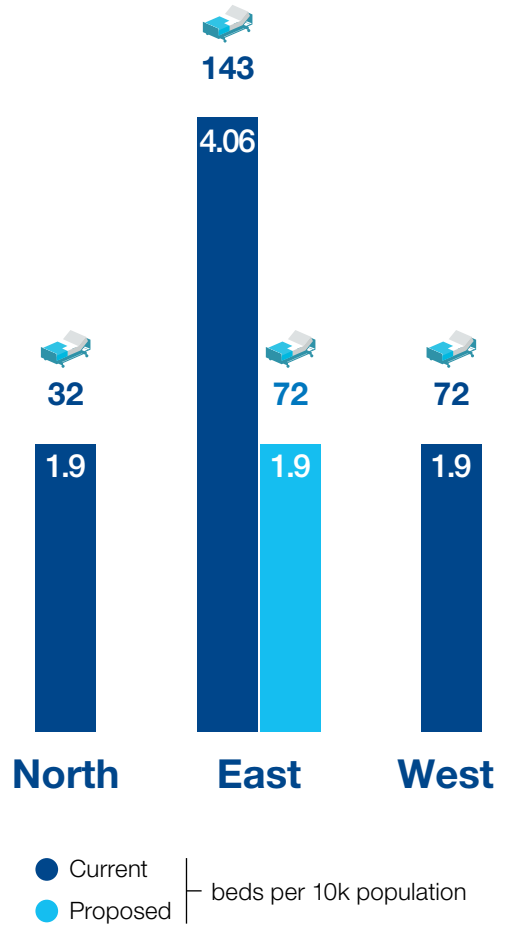
This results in 15 possible options for the location of community hospital beds in Eastern Devon. These are shown on the table below.

| Options             | Option 1        | Option 2         | Option 3         | Option 4         | Option 5         | Option 6         | Option 7         | Option 8 |
|---------------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|----------|
| <b>32 bed unit</b>  | Tiverton        | Tiverton         | Tiverton         | Tiverton         | Tiverton         | Tiverton         | Tiverton         | Tiverton |
| <b>24 bed unit</b>  | Seaton          | Seaton           | Seaton           | Seaton           | Seaton           | Exmouth          | Exmouth          | Exmouth  |
| <b>16 bed unit</b>  | Sidmouth        | Honiton          | Exmouth          | Exeter           | Okehamp-ton      | Sidmouth         | Honiton          | Seaton   |
| <b>continued...</b> | <b>Option 9</b> | <b>Option 10</b> | <b>Option 11</b> | <b>Option 12</b> | <b>Option 13</b> | <b>Option 14</b> | <b>Option 15</b> |          |
| <b>32 bed unit</b>  | Tiverton        | Tiverton         | Tiverton         | Tiverton         | Tiverton         | Tiverton         | Tiverton         |          |
| <b>24 bed unit</b>  | Exmouth         | Exmouth          | Sidmouth         | Sidmouth         | Sidmouth         | Sidmouth         | Sidmouth         |          |
| <b>16 bed unit</b>  | Exeter          | Okehamp-ton      | Exmouth          | Honiton          | Seaton           | Exeter           | Okehamp-ton      |          |

Fixed point  
 Optional sites



**Beds in East Devon will need to be reduced by 54% to be in line with the rest of NEW Devon**



## Shortlisting options

Clinicians and finance leads then analysed these 15 options further, and reduced them to a shortlist for consultation. The evaluation criteria used to do this were built on criteria used in previous public consultations in NEW Devon, including *Transforming Community Services*, *Pathways for the Future* and *Safe and Effective Care within a Budget*.

### The evaluation criteria were:



#### Quality

Which options would provide the best clinical quality and patient experience?



#### Patient access

Which options keep to a minimum any increase in travel time?



#### Implementation

Which options can easily be put in place? Building work to reconfigure hospitals would be needed in some options.



#### Access for carers

Which options keep to a minimum the average travel time for carers, friends and relatives visiting people in community inpatient beds, and what parking space is available?



#### Finance

Impact on income and expenditure and capital costs of the service.



#### Ability to support whole system impact

Which options best support the wider system of health and care delivery? There are differences between the options as some hospitals already have other services being provided from them, and some have greater flexibility for other services to be provided onsite.

You can find all the detailed information and analysis we used to answer these questions in the Pre-Consultation Business Case on our website at [www.newdevonccg.nhs.uk/about-us/your-future-care/102019](http://www.newdevonccg.nhs.uk/about-us/your-future-care/102019).

Clinicians concluded that the following criteria are very important but do not differentiate between the 15 options (all options provide the same result and therefore the criteria cannot be used to choose between options):

- **Quality** in the new care model will improve to the same standard regardless of the option selected.
- **Patient Access** – Patients will be admitted to community hospitals when they require a community bed, and therefore patient access is no different between options.

Clinicians and finance leads carefully evaluated the remaining criteria and a shortlist of four options was reached. The following table shows the evaluation results for all 15 options.

- Our preferred viable option
- Other viable options
- Options we have evaluated as being less viable
- ✓✓ Highest evaluation
- ✓ High evaluation
- Neutral
- ✗ Low evaluation
- ✗✗ Lowest evaluation

| Summary of Evaluation | 1<br>Tiverton (32)<br>Seaton (24)<br>Sidmouth (16) | 2<br>Tiverton (32)<br>Seaton (24)<br>Honiton (16) | 3<br>Tiverton (32)<br>Seaton (24)<br>Exmouth (16) | 4<br>Tiverton (32)<br>Seaton (24)<br>Exeter (16) | 5<br>Tiverton (32)<br>Seaton (24)<br>Okehampton (16) | 6<br>Tiverton (32)<br>Exmouth (24)<br>Sidmouth (16) | 7<br>Tiverton (32)<br>Exmouth (24)<br>Honiton (16) |  |
|-----------------------|--|---|---|--|--|---|--|--|
| Quality               | ✓✓   | ✓✓  | ✓✓  | ✓✓   | ✓✓   | ✓✓  | ✓✓   |  |
| Implementability      | ✓✓   | ✓✓  | ✓✓  | ✓✓   | ✓✓   | ✗✗  | ✗✗   |  |
| Patient access        | ✓✓   | ✓✓  | ✓✓  | ✓✓   | ✓✓   | ✓✓  | ✓✓   |  |
| Access for carers     | ✗✗   | –   | –   | ✓✓   | ✗✗   | ✗✗  | ✓  |  |
| Finance               | ✓✓   | ✓✓  | ✓✓  | ✓✓   | ✓✓   | ✗✗  | ✗✗   |  |
| Whole system impact   | ✗  | –   | ✓   | ✗✗   | ✗  | ✓   | ✓✓   |  |
|                       | ●  | ●   | ●   | ●  | ●  | ●   | ●  |  |





| 8<br>Tiverton (32)<br>Exmouth (24)<br>Seaton (16) | 9<br>Tiverton (32)<br>Exmouth (24)<br>Exeter (16) | 10<br>Tiverton (32)<br>Exmouth (24)<br>Okehampton (16) | 11<br>Tiverton (32)<br>Sidmouth (24)<br>Exmouth (16) | 12<br>Tiverton (32)<br>Sidmouth (24)<br>Honiton (16) | 13<br>Tiverton (32)<br>Sidmouth (24)<br>Seaton (16) | 14<br>Tiverton (32)<br>Sidmouth (24)<br>Exeter (16) | 15<br>Tiverton (32)<br>Sidmouth (24)<br>Okehampton (16) |
|---|---|--|--|--|---|---|---|
| ✓✓  | ✓✓  | ✓✓   | ✓✓   | ✓✓   | ✓✓  | ✓✓  | ✓✓  |
| XX  | XX  | XX   | ✓✓   | ✓✓   | ✓✓  | ✓✓  | ✓✓  |
| ✓✓  | ✓✓  | ✓✓   | ✓✓   | ✓✓   | ✓✓  | ✓✓  | ✓✓  |
| —   | ✓✓  | —  | XX   | —  | XX  | ✓✓  | —   |
| XX  | XX  | XX   | ✓✓   | ✓✓   | ✓✓  | ✓✓  | ✓✓  |
| ✓   | —   | ✓  | ✓  | —  | ×   | XX  | ×   |
| ●   | ●   | ●  | ●  | ●  | ●   | ●   | ●   |

**The four shortlisted options are as follows all including Tiverton as the 32 bed hospital:**

- **Option 3:** 32 beds at Tiverton, 24 beds at Seaton and 16 beds at Exmouth (from now on referred to as option A).
- **Option 4:** 32 beds at Tiverton, 24 beds at Seaton and 16 beds at Exeter (from now on referred to as option C).
- **Option 11:** 32 beds at Tiverton, 24 beds at Sidmouth and 16 beds at Exmouth (from now on referred to as option B).
- **Option 14:** 32 beds at Tiverton, 24 beds at Sidmouth and 16 beds at Exeter (from now on referred to as option D).

**There is a genuine choice about which of these is the best option for NEW Devon.**

**However, by a small margin, Option A (24 beds at Seaton and 16 beds at Exmouth) is the preferred option as this combination results in the smallest impact in travel time and has greatest benefit to the whole acute-community pathways of care.**

## Option A

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Seaton   | 24 |
|          | Exmouth  | 16 |

## Option B

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Sidmouth | 24 |
|          | Exmouth  | 16 |

## Option C

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Seaton   | 24 |
|          | Exeter   | 16 |

## Option D

|          |          |    |
|----------|----------|----|
| Beds at: | Tiverton | 32 |
|          | Sidmouth | 24 |
|          | Exeter   | 16 |

In reducing the long list to a short list of options for public consultation, the CCG has and continues to have an open mind on other options. As a result, we welcome all views and will carefully consider all responses and analyse these against the decision making criteria. That will include options which are not currently in the consultation document, but that those providing responses suggest should be considered.

## Current community hospitals not included in the four viable options

### Honiton Hospital

All three longlist options that included Honiton scored less highly than the four shortlisted options when measured against the evaluation criteria. Honiton Hospital is close to a number of other community hospitals, including Tiverton, Seaton and Sidmouth. Having all the community hospitals very close together would mean some people would have to travel further than in the other options.

### Okehampton Hospital

While there may be an impact for the population living in Okehampton, we have focused on understanding the impact on travel for carers. The impact on carers is mitigated by reducing the number of people needing admission at all, and reducing their length of stay in hospital through better care, including in their own home. If an extended stay in a community hospital bed is needed, Holsworthy and Tavistock are available, as beds serve the Devon population not just immediate area. To fill 16 beds requires a catchment of 85,000 people. For Okehampton, this would mean people travelling from nearly as far as Barnstaple and the outskirts of Exeter – resulting in longer travel times for the rest of population. The travel time calculations are weighted to the population of the catchment area for individual hospitals, and hence the impact this has is negative.



## Current community hospitals included in some options, but with fewer beds

### Exmouth Hospital

Exmouth Hospital is not a 24-bed hospital in any of the shortlisted options – but does appear with 16 beds in two of the four options in the consultation. Exmouth Hospital currently has two wards with 18 and 10 beds respectively. One ward (18 beds) is currently open. These wards have separate entrances, their own nurse station and separate ward clerks.

The building works to convert Exmouth's two current wards to a single 24-bed ward would cost up to £1.2m and take up to 18 months to complete – leading to temporary disruption to hospital services and delaying our ability to improve care for our patients. Options with Exmouth as a 24-bed hospital therefore scored poorly in the 'implementation' criteria, excluding this hospital from the shortlist as a 24 bed site. At Sidmouth Hospital and Seaton Hospital, there are existing wards which can accommodate 24 beds immediately.

### Exeter (Whipton) Hospital

Whipton community hospital currently has 20 beds. They are unable to increase to 24 beds without investment for changes to the building, so 16 beds is the only suitable option for Whipton community hospital.

Other existing services in community hospitals are not affected by this consultation.

**This consultation aims to gather people's views and we would welcome other options or proposals which show that they can improve local care, while better meeting the criteria described above. We will make sure that information is available so that anyone who is interested in making proposals is able to do so, and we will fully and fairly consider any further options.**



We know from the changes we have made already under Transforming Community Services and other programmes that this can be done, so we can provide high quality, affordable care for local people.

## Finance

NEW Devon health and social care organisations are facing a financial shortfall in 2015/16 of £122m rising to £384m in 2020/21 if nothing changes.

By applying the new model of care, we will not only be able to care for people better in their own homes but we will also plan to increase spending on community services by £1.4m – £1.9m.

**We forecast the changes will save between £2.8m and £5.6m a year after the investment in additional community services has been made.**

**Whilst this may seem relatively modest, it forms the key to unlocking our wider vision that will transform the way we currently provide care and enables us to say with confidence that the model we are describing will be available no matter where people live in Devon. This will move us from the reliance on bed-based care to an improved, community-based service. Overall our programme of change is forecast to achieve net savings of between £87.5 million and £100 million a year.**

This work will support the next phase of our programme of change as we develop plans to ensure our acute and specialist services are clinically and financially sustainable. A timetable will follow and this programme of work will commence in October. The CCG will meet all statutory obligations when undertaking this element of the change programme.

## Equalities

The CCG has two statutory duties, one under the NHS Act 2006 and one under the Equality Act 2010. Under the Equality Act 2010 a public authority (and a person exercising public function) is subject to the Public Sector Equality Duty. To inform our proposals an equalities and inequalities analysis was conducted to ensure that appropriate consideration has been given to the impact of the options under consideration on protected characteristics and protected groups within the context of the Public Sector Equality Duty.

It was determined that none of the evidence considered at this point identified differential or disproportionate impact on people or groups with protected characteristics in the scope of the Assessment. This means for all 15 options under consideration, none were identified as discriminating against vulnerable populations. If an agreed option for Eastern community bed reconfiguration is decided following consultation, the impact of the agreed option on protected characteristics or groups will be further tracked pre and post implementation, before wider change is decided on and rolled out across NEW Devon.



## 6 Safe and effective implementation

The safety of patients and staff is our top priority as our plans are implemented. As a Clinical Commissioning Group we would not support these plans if we did not believe they will provide a better, higher quality service for local people.

Following consultation, we will review all of the feedback to inform our final decision. Once the decision is made, implementation of the changes will start as soon as possible, delivering benefits in 2017/18.

We know that local people will want to be reassured that our proposals will have a positive impact on local communities and on the people living in them.

Local clinicians have therefore developed a series of 'tests' to make sure that changes to community services are safe and reliable when implemented. They build on themes identified in the Transforming Community Services Programme, including similar tests designed in Northern Devon. These tests will ensure that local clinicians have confidence in a safe implementation of the new model of care. They need to be passed before any changes are made.

A system for monitoring and measuring the impact of our proposals is also being put in place to help us make sure that the benefits are delivered as expected.

In total over 30 questions will need to be answered during the three phases – before, during and after implementation. To provide an illustration, questions before implementation include:

- Is there a robust operational managerial model and leadership to support the implementation?
- Is there an agreed roll out plan for implementation, which has due regard to the operational issues of managing change?
- Have the training needs of people undertaking new roles been identified including ensuring they are able to meet the needs of patients with dementia?

### The main benefits from the proposed changes to the model of care will be improvements in:

- Clinical outcomes for patients.
- Patient and carer experience.
- The way staff work.
- Local financial pressures, due to money being saved

Further detailed information on implementation and benefits can be found in our Pre-Consultation Business Case, available on our website [www.newdevonccg.nhs.uk/about-us/your-future-care/102019](http://www.newdevonccg.nhs.uk/about-us/your-future-care/102019).

## 7 Your future care – next steps

We would like your views on the proposed changes set out in this document, which build on changes that have already started being put in place in parts of NEW Devon as a result of previous consultations. Once we have gathered these and properly and thoroughly considered them, we will report back, in public, on the outcome of this consultation prior to any implementation.

Devon County Council and Plymouth City Council's Overview and Scrutiny Committees will closely check our consultation process and will be consulted on our proposals.

A final business case will be produced which will be discussed by our Governing Body so that we can make a final decision.

**We expect this decision to be taken in early 2017.**

NEW Devon CCG will drive the commissioning process required to implement the changes through contracts and benefits-focused performance management.





## 8 Your views

We are keen to continue the discussion with patients, the public, and those who may be affected by the proposed changes to health services in the area.

There is a recognised process for doing this as, by law, the NHS has to consult patients and the public on any major change to local health services. Government guidance on this says:

- 1 Consultations should be clear and concise
- 2 Consultations should have a purpose
- 3 Consultation should be informative
- 4 Consultations are only part of a process of engagement
- 5 Consultations should last for a proportionate amount of time
- 6 Consultations should be targeted
- 7 Consultations should take account of the groups being consulted
- 8 Consultations should be agreed before publication
- 9 Consultation should facilitate scrutiny
- 10 Responses to consultations should be published in a timely fashion

Through a large-scale consultation running for 13 weeks from 7 October 2016 to 6 January 2017, we are asking people for their opinions on our proposals, making sure we involve patients and the public widely.

There will be events, meetings, focus groups and presentations, including with those who are sometimes referred to as 'hard to reach' groups. The aim is to discuss, to listen, and to receive views from as many people as possible.

**The response form offers you the opportunity to express your views on some specific questions we would like answers to, as well as anything else you want to say.**

## 9 Glossary

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|                              |   |
|------------------------------|---|
| <b>A&amp;E</b>               | Accident & emergency is a service available 24 hours a day, seven days a week where people receive treatment for medical and surgical emergencies that are likely to need admission to hospital. This includes severe pneumonia, diabetic coma, bleeding from the gut, complicated fractures that need surgery, and other serious illnesses.  |
| <b>Acute care</b>            | Acute care refers to short-term treatment, usually in a hospital, for patients with any kind of serious or significant illness or injury that needs the specialist intervention of senior consultants, specialist nurses or diagnostics.  |
| <b>Acute trust</b>           | NHS acute trusts manage hospitals. Some are regional or national centres for specialist care, others are attached to universities and help to train health professionals. Some acute trusts also provide community services.  |
| <b>CCG</b>                   | Clinical commissioning group. These are the health commissioning organisations which are led by GPs and represent a group of GP practices in a certain area. They are responsible for commissioning health and care services.   |
| <b>Care at Home</b>          | Medical care, as opposed to domiciliary (personal) care, that is provided at home.  |
| <b>Care outside hospital</b> | Care that takes place outside hospital, in a community setting. This could be a patient's home or community health centre.  |
| <b>Case for change</b>       | In February 2016 the Success Regime published The Case for Change for NEW Devon. This set out the key challenges facing the NHS in NEW Devon – including health inequalities between different parts of the county, a large and growing financial deficit, and an over-reliance on hospital rather than community-based care. This can be found on the CCG website here <a href="http://www.newdevonccg.nhs.uk/about-us/your-future-care/success-regime/case-for-change/101857">http://www.newdevonccg.nhs.uk/about-us/your-future-care/success-regime/case-for-change/101857</a> |
| <b>Clinical Cabinet</b>      | The Clinical Cabinet membership includes GPs, and other clinicians from CCG member practices, hospital trusts and representatives from Healthwatch. The Clinical Cabinet provides clinical input and leadership to the development of service change and ensures that there are clinical advocates for proposals in each relevant service area.   |
| <b>Co-located</b>            | Where services or facilities are located together in the same place.  |

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|                                      |  |
|--------------------------------------|--|
| <b>Community Hospital</b>            | Community hospitals provide a range of different services, but do not have the levels or type of staff or equipment to care for people who need immediate access to medical care or other services such as critical care. The services can include medical and nurse led clinics, some diagnostic tests, minor injuries units, midwife led birth units, or day case surgery. Some services are for the local community while others, such as day case surgery, may serve a much larger area.         |
| <b>Comprehensive Assessment</b>      | An assessment carried out by a trained member of staff, using available information and discussion with the individual, so that a plan can be agreed that outlines the type of support likely to be needed if that person becomes ill. The assessment will also help connect the person with the kind of support in their local area, that can help them keep well and independent. It will be undertaken with people who have been identified as frail, or likely to become frail.                  |
| <b>CQC – Care Quality Commission</b> | This is an organisation funded by the Government to check all hospitals in England to make sure they are meeting government standards, and to share their findings with the public.  |
| <b>Deficit</b>                       | When spending is greater than income.  |
| <b>Endoscopies</b>                   | A procedure that helps clinicians looking inside the human body.   |
| <b>Equalities</b>                    | Things or outcomes that are the same.  |
| <b>Foundation trust (FT)</b>         | NHS Foundation Trusts are not-for-profit corporations. They are part of the NHS yet they have greater freedom to decide their own plans and the way services are run. Foundation trusts have members and a council of governors.   |
| <b>Frail/Frailty</b>                 | Frailty is a health condition related to the ageing process in which multiple body systems gradually lose their in-built reserves. Around 10% of people aged over 65 years have frailty, rising to between a quarter and a half of those aged over 85 years. Older people living with frailty are at risk of adverse outcomes such as dramatic changes in their physical and mental wellbeing after an apparently minor event which challenges their health, such as an infection or new medication. |
| <b>Governing Body</b>                | The Governing Body is made up of GPs, clinicians, managers and lay members to ensure the CCG commissions the highest quality services within budget.   |

# Glossary

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| <b>Healthwatch</b>   | Organisations whose role is to make sure patients are involved in developing and changing NHS services and to provide support to local people. There is a national HealthWatch which oversees the local HealthWatch and provides advice as an independent part of the CQC (see above).  |
| <b>Health and wellbeing board (HWB)</b>  | Local authority bodies whose aim is to encourage joint working between the NHS and local councils across health and social care.  |
| <b>Hub</b>   | A setting for care outside hospital adapted from existing community sites to provide other services locally, serving as a support 'hub' to local healthcare teams, and not necessarily based on a particular building or site. The services offered could be virtual, may vary in size and function depending on local needs and range from bases for multidisciplinary teams to 'one-stop' centres for GP services, diagnostics and outpatient appointments. |
| <b>Inequalities</b>  | Differences, used often in relation to access to services.  |
| <b>Inpatient</b>   | A patient who is admitted to a hospital, usually for 24 hours, for treatment or an operation.   |
| <b>Local Improvement Finance Trust (LIFT)</b>  | NHS LIFT was a vehicle for improving and developing frontline primary and community care facilities. It allowed the NHS (Primary Care Trusts) to invest in new premises in new locations, not merely reproduce existing types of service.   |
| <b>Maternity</b>   | Relating to pregnancy, childbirth and immediately following childbirth.   |
| <b>NEW Devon</b>   | Northern, Eastern and Western Devon Clinical Commissioning Group.   |
| <b>NHS</b>   | National Health Service.  |
| <b>Overview and Scrutiny Committee (OSC), Health OSC (HOSC) and Joint Health OSC (JHOSC)</b> | The committee of the relevant local authority, or group of local authorities, made up of local councillors who are responsible for monitoring, and if necessary challenging programmes such as this. Parts of consultation, such as the length of the consultation period, have to be agreed by them.   |
| <b>Outpatient</b>  | A patient who attends an appointment to receive treatment without needing to be actually admitted to hospital, unlike an inpatient. Outpatient care can be provided by hospitals, GPs and community providers and is often used to follow up after treatment or to assess for further treatment.  |
| <b>Outpatients and diagnostics</b>   | For people who need specialist advice or investigation in hospital. This includes support for insulin-dependent diabetics or neurological conditions such as multiple sclerosis. It also includes minor surgery, ECGs, x-rays, ultrasounds, CT and MRI scans.   |

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|---|--|
| <b>Patient and public engagement committee (PPEC)</b> | A group whose role is to make sure the interests of patients and the public are represented in the NHS. Members usually include representatives of local hospital patient groups, local clinical commissioning groups, and NHS staff.  |
| <b>Primary care</b>                                   | Services which are the main or first point of contact for the patient, provided by GPs, community providers and so on.   |
| <b>Private Finance Initiative (PFI)</b>               | A scheme for funding new hospital buildings, where the health service enters into long term arrangements to rent back the property from private companies who have borrowed money in advance to finance the initial capital costs of building the facilities.  |
| <b>Single Point of Access or Contact</b>              | A single telephone number or point of communication which helps to organise services for patients.   |
| <b>Success Regime</b>                                 | With long-term difficulties in recruiting permanently to key clinical posts, a history of financial challenges, and the need to improve the quality of services across the area, the NEW Devon area has been selected nationally, along with Essex and West, North and East Cumbria, to take part in the regime. Organisations working in partnership under the NEW Devon Success Regime banner include the five local NHS organisations and the two top-tier local authorities. |
| <b>Telemonitoring/telcare</b>                         | Monitoring health using technology from a distance.  |
| <b>Transforming Community Services</b>                | Transforming Community Services is NEW Devon CCG's plan to provide preventative and personalised support, alongside urgent and specialist care, in local communities.  |
| <b>Your Future Care</b>                               | The term used to refer to the consultation for NEW Devon's Success Regime.   |





## Contact us

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## **Wakley Stakeholder Reference Group**

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**Recommendations for the future provision of inpatient beds and minor injuries services in the WAKLEY sub-locality.**

**Independent Report**

**Sir John Evans**

May 2015

## Executive Summary with the recommendations

This report describes the work done by the Wakley Stakeholder Reference Group (WSRG) since January 2015 with representation from across the five towns of Axminster, Honiton, Ottery St Mary, Seaton and Sidmouth regarding inpatient community hospital bed service and minor injury services provision.

The document details the background to the motives for the formation of the WSRG, describing the action taken by the Northern, Eastern & Western (NEW) Clinical Commissioning Groups (CCG) in its planning for the future provision of community services and goes on to describe the purpose of the WSRG and its remit, together with the representatives involved.

A number of options were put forward for evaluation by the group for both inpatient community hospital bed services and minor injury services provision which were considered in a two day workshop, together with the CCGs proposal. The group scored each option against an agreed evaluation criteria. Details of the two day workshop including the options considered, the evaluation criteria and the conclusions are presented here, together with the recommendations made by the Group for the future structure of provision of services within inpatient community bed service and minor injury services provision.

The group have three recommendations to the Eastern Locality Board:

1. The reference group would recommend that option 3; provision of community hospital beds in each community hospital is adopted pending the introduction of a new integrated service.
2. The reference group would recommend that option 3; provision of minor injury services in each town in hours and a single site providing minor injury services out of hours is adopted pending the introduction of a new integrated model of care.
3. The group does support change but strongly recommend that any reduction in the baseline configuration and capacity of community hospital inpatient beds and minor injury services as described previously in this document, is premature and counter-productive in advance of the CCG understanding and designing the new model of care in the Wakley sub-locality that aligns with the NHS 5 Year Forward View.

These recommendations are endorsed by Sir John Evans, independent Chairman of the WSRG, for consideration by the Eastern Locality board of NEW Devon CCG to inform their decision for future provision of community services.

## The Options: Inpatient Services

The following options for general medical inpatient services were taken into the appraisal process. Options were presented by reference group members.

### **Option 1: minimal change to maintain provision of inpatient services in all towns**

This option was presented by Martin Thurgood on behalf of Claire Wright, representing Ottery St Mary.

This option - provides reassurance and inpatient beds in every town in Wakley. It provides for the people who use it and is locally integrated for patients, carers and community support. It avoids uncertainty and doubt regarding hospital at home. It provides better use of the least expensive beds (versus more expensive beds in acute settings) and is able to meet the demand as 'pre-black/black' escalation status have been widely publicised in the media. It offers flexibility and a greater ability to integrate social and health needs. The CCG's forecasted savings for their option are small and there are better ways for the CCG to save money. Option 1 provides time for the CCG to develop an integrated approach to healthcare under the NHS 5 year forward view. This option also avoids reputational damage to the CCG.

### **Option 2: no inpatient services in any community hospital**

This option was discussed for completeness; it describes no general medical community inpatient beds in any of the hospitals in each town.

The group agreed to reject this option without more detailed consideration at the start of the appraisal workshop.

Further detail on the option can be found in Appendix {6b}

### **Option 3: inpatients beds in each community hospital**

This option was presented by Dr James Vann on behalf of Steve Holt, representing Axminster and is based on an "Option 4" presented by the CCG Financial Director, John Dowell at the Stakeholder meeting of February 2<sup>nd</sup> 2015 (see Appendix 3b).

The option describes sixteen (16) general medical community inpatient beds in Honiton, Axminster, Seaton, and Sidmouth and eight (8) community inpatient hospital beds in Ottery St Mary. In addition, in this option 15/16 community stroke rehabilitation inpatient beds would be maintained at Ottery St Mary.

This option increases the total number of general medicine community inpatient beds to 72 (and excludes the stroke beds from this number)

The option eliminates lone working and assumes that 'winter' monies, received by the CCG and used in 2014/15 to increase community hospital general medical inpatient beds for the winter period, can be used in 2015/16. It is also suggested, but with no certainty, that beds in Axminster utilised by Dorset patients will attract an income of circa £100K (previously £140K)

The resulting financial situation would produce a recurring annual saving to the CCG of £420K. It is probable that further funds from the community to the value of £80k could be found for 2 years to make this a £500K saving for the CCG equivalent to that predicted by the John Dowell Option 4, if this was required.

This plan allows the CCG to adhere to the themes of the NHS 5 year plan, satisfy public opinion, provide a considerable saving to the CCG and allows the CCG to produce an evidence based plan for the longer term future after the need for community hospital beds has been fully enumerated.

Further detail on the option can be found in Appendix {6c} and Appendix {9e}

**Option 4: consolidation of general medical community inpatient beds in three community hospitals: Honiton, Sidmouth and Seaton**

This option is the CCG proposal. It was presented by Tamara Powderley.

The option describes 64 general medical community hospital beds in three community hospitals only. This option eliminates lone working and offers the Clinical Commissioning Group a recurrent saving of £500k. It is designed to achieve a more sustainable model of service.

Further detail on the option can be found in Appendix [6d]

**Option 5: An integrated approach to the provision of future services (as initially described by Dr Kerr at the first meeting of the group)**

Those present on day 1 agreed that they wanted to discuss Option 5. Martin Thurgood gave a short presentation on what this meant essentially in the light of the NHS 5-year Forward View. Members agreed with and supported Option 5.

The NHS 5-Year Forward View and the Group's support for it are described more fully later in this report: and the views of the Group are carried forward into the recommendations.

## The baseline provision of inpatient services across the five towns:

In the towns of Honiton, Seaton, Axminster, Sidmouth and Ottery St Mary there are five community hospitals.

Patients are admitted to community hospitals either directly by their GP or by transfer from the acute hospitals (for example the Royal Devon and Exeter).

There are 64 general medical inpatient community hospital beds across the five units.

The baseline provision of community inpatient services across the five towns, as at April 2014 is as follows:

| Hospital       | Number of general medical inpatient beds                       |
|----------------|--|
| Sidmouth       | 16   |
| Ottery St Mary | 10<br>(Plus 15 community inpatient stroke rehabilitation beds) |
| Honiton        | 18   |
| Axminster      | 10   |
| Seaton         | 10   |
| Total          | 64   |

It is important to recognise that the configuration described above does not necessarily reflect any assessment of need.

It is the view of the CCG that:

- This configuration of both hospitals and beds is uneconomical, unsustainable and does not optimise patient safety and quality;
- It does not enable the development of inpatient services in the community which will help to avoid more admissions to acute hospitals;
- It also causes issues with staffing resilience; especially in very rural units.
- These issues make the inpatient services comparatively expensive, inefficient and contribute to extended stays in community hospitals.

The Group noted that the configuration described above has been established relatively recently and is the result of various cuts by the provider NDHT because of recruitment difficulties leading to an inability to produce safe staffing without reducing bed numbers.

It should be noted that the current service is different to that described above. The Group noted that the current provision of service is already reduced significantly compared to the last two years. The lack of staffing resilience and inefficiency is a direct response to the presence of the 10 bed units.

The CCG commission 15 community stroke beds across the Eastern Locality. These beds were based in Crediton and Exmouth hospitals. Over the past two years extensive work has been carried out with stroke patients, communities and the local provider organisations to agree the best pathway for stroke patients. As a result, CCG plans to consolidate stroke beds in Exeter and introduce early supported discharge for all stroke patients. As an interim position the beds have been temporarily located at Ottery St Mary Hospital. Patients from across the entire Eastern Locality have access to these beds.

## Stakeholder group recommendations: Inpatient Services

The stakeholder group's preferred option for the configuration of inpatient services was Option 3, the provision of 72 general medical community inpatient beds across the five towns.

The results of the town vote are described below.

| Town             | 1 <sup>st</sup> preference               | 2 <sup>nd</sup> preference   | 3 <sup>rd</sup> preference   |
|------------------|--|--|--|
| <b>Sidmouth</b>  | Option 3<br>(72 beds across the 5 towns) | Option 1<br>(minimal change under TCS and then an integrated health care approach) | Option 4<br>(CCG consolidated model)   |
| <b>Seaton</b>    | Option 3<br>(72 beds across the 5 towns) | Option 4<br>(minimal change under TCS and then an integrated health care approach) | Option 1<br>(minimal changes only, eliminating lone working)                       |
| <b>OSM</b>       | Option 3<br>(72 beds across the 5 towns) | Option 1<br>(minimal change under TCS and then an integrated health care approach) | Option 4<br>(CCG consolidated model)   |
| <b>Honiton</b>   | Option 4<br>(CCG consolidated model)     | Option 3<br>(72 beds across the 5 towns)   | Option 1<br>(minimal change under TCS and then an integrated health care approach) |
| <b>Axminster</b> | Option 3<br>(72 beds across the 5 towns) | Option 1<br>(minimal change under TCS and then an integrated health care approach) | Option 4<br>(CCG consolidated model)   |

The following views from representatives attending the workshop were noted.

- Option 3 was judged best to meet the criteria. Specifically, 72 beds across the five towns was considered to offer greatest access to patients and their carers. It resolves all staffing and resilience issues and was thought to offer a model of provision which afforded flexibility whilst the absolute need for inpatient services in the future is defined.
- Option 1 was regarded as inferior to option 3 because in three hospitals 10 beds would be commissioned for the price of 16 whereas option 3 commissions beds in every town more cost effectively.
- Three towns identified option four as the least favourable option whilst resolving staffing and resilience issues. This option was considered to offer poorer access for patients and their visitors and to be a concern for communities.
- Two towns identified option 1 as the least favourable option

# Introduction

## Background

This Annual Audit Letter (the letter) summarises the key issues arising from our 2015-16 audit at NHS NEW Devon Clinical Commissioning Group (the CCG). Although this letter is addressed to the Members of the Governing Body of the CCG, it is also intended to communicate these issues to external stakeholders, such as members of the public. It is the responsibility of the CCG to publish this letter on the CCG's website.

We have reported all the issues in this letter to the CCG during the year and we have provided a list of our reports in Appendix A.

## Scope of our audit

The statutory responsibilities and powers of appointed auditors are set out in the Local Audit and Accountability Act 2014. Our main responsibility is to carry out an audit that meets the requirements of the National Audit Office's Code of Audit Practice (the Code) which requires us to report on:

|  |  |
|--|--|
| <b>Financial Statements including the regularity opinion and Annual Governance Statement</b> | <p>We provide an opinion on the CCG's financial statements. That is whether we believe the financial statements give a true and fair view of the financial affairs of the CCG and of the income and expenditure recorded during the year.</p> <p>We are also required to form a view on the regularity of the CCG's income and expenditure i.e. that the expenditure and income included in the CCG's financial statements has been applied to the purposes intended by Parliament and the financial transactions in the financial statements conform to the authorities which govern them.</p> <p>We also confirm whether the CCG has complied with the requirements of the NHS Commissioning Board in the preparation of its Annual Governance Statement (AGS). We also confirm whether the balances you have prepared for consolidation into the Whole of Government Accounts (WGA) are not inconsistent with our other work.</p> |
| <b>Value for Money conclusion</b>  | <p>We conclude on the arrangements in place for securing economy, efficiency and effectiveness (value for money) in the CCG's use of resources.</p>  |

# Introduction (cont.)

## **Adding value from the External Audit service**

We have added value to the CCG from our service throughout the year through by:

- Providing a workshop to the Governing Body members on the role of external audit, risk matrix and what good governance looks like;
- Providing tax specialists to perform a “tax health check” to consider any tax risks;
- Providing an audit workshop for finance staff during February 2016 which members of your finance team attended;
- Attendance at meetings with members of the Governing Body and Audit Committee to present our audit findings, broaden our knowledge of the CCG and to provide insight from sector developments and examples of best practice;
- A proactive and pragmatic approach to issues arising in the production of the financial statements to ensure that our opinion is delivered on time;
- Issuing benchmarking reports for example “CCG Audit Committee Effectiveness Survey” and Audit Committee effectiveness checklists and guidance; and
- Building a strong and effective working relationship with Internal Audit to maximise assurance to the Audit Committee, avoid duplication and provide value for money.

## **Fees**

Our fee for 2015-16 was £70,000 excluding VAT (2014-15: £100,000 provided by Grant Thornton). Our fees are set nationally by Public Sector Audit Appointments Ltd and reflect significant 25% reductions made nationally to scale fees. We will be charging additional fees, in addition to the scale fee for the work we have performed on the Integrated Fund, this amounts to £7,973 (excluding VAT). This is currently being agreed by the PSAA before we charge this amount to the CCG.

We have not performed any non-audit work.

## **Acknowledgement**

We would like to take this opportunity to thank the officers of the CCG for their support throughout the year.



This section summarises the key messages from our work during 2015-16.

|  |   |
|--|---|
| <p><b>Overall financial results and other key messages</b></p> | <p>Financially, 2015-16 was another challenging year for the CCG. The CCG achieved a deficit of £38m for 2015/16 but met their control total set by NHS England and achieved 87% of their QIPP target of £37m. The 2016/17 financial plan which was submitted to NHS England showed a projected £29m deficit, accumulated deficits of £105m and a QIPP target of £74m. Management are working with NHS England to understand the CCG's longer term financial plan. The CCG therefore continues to face significant financial challenges.</p>  |
| <p><b>VFM conclusion risk areas</b></p>                        | <p>We undertook a risk assessment as part of our VFM audit work to identify the key areas impacting on our VFM conclusion and considered the arrangements you have put in place to mitigate these risks.</p> <p>Our work identified the following significant risks:</p> <ul style="list-style-type: none"> <li>▪ Financial reliance: The CCG's approved financial plan by NHS England showed a £40m deficit (£78.9m includes brought forward deficits) for the year ended 31 March 2016. As mentioned on the above, the CCG met its control total in the year. We reviewed the deficit position for the 2015/16 financial year obtaining supporting documentation that the CCG was closely monitoring the position each month; reviewed and held a number of discussions with management surrounding the 2016/17 financial plan; held discussions with the Turnaround Director to understand the work that had been performed in the year and the plans going forward; reviewed the governance structure in place surrounding the Better Care Fund with Devon County Council and NHS South Devon and Torbay CCG and the Integrated Fund with Plymouth City Council.</li> <li>▪ Success Regime: The Success Regime was launched by NHS England on 1 June 2015. The regime plans to address systemic issues across whole health and care economies, with providers, commissioners and local authorities, rather than focusing on a single organisation. The Devon Health Economy, has been selected as one of three pilots for the Success Regime. The CCG continues to be committed to the success regime process, and has supported and contributed to the regime in a number of areas during the year.</li> </ul> |
| <p><b>Value for Money (VFM) conclusion</b></p>                 | <p>We concluded that the CCG has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, except for:</p> <p><i>Financial resilience and sustainability</i></p> <p>The CCG achieved its in-year control total of a £40m deficit and a cumulative deficit of £78m. For 2016/17 the CCG's control total remains the delivery of a significant deficit, albeit at a reduced level of £29m which at the time of writing this report had yet to be agreed with NHS England.</p>   |

# Headlines (cont.)

|   |  |
|---|--|
| <b>Financial Statements audit opinion</b>         | <p>We issued an unqualified opinion on the CCG's accounts on 26 May 2016. This means that we believe the accounts give a true and fair view of the financial affairs of the CCG and of the income and expenditure recorded during the year.</p> <p>There are no unadjusted audit differences and a total of three adjusted audit differences which relate to reallocations within the balance sheet.</p>   |
| <b>Financial statements audit work undertaken</b> | <p>We are required to apply the concept of materiality in planning and performing our audit. We are required to plan our audit to determine with reasonable confidence whether or not the financial statements are free from material misstatement. An omission or misstatement is regarded as material if it would reasonably influence the user of financial statements. Our materiality for the audit was £27m.</p> <p>We identified the following risks of material misstatement in the financial statements as part of our External Audit Plan 2015/16:</p> <ul style="list-style-type: none"><li>• Accounting for the joint integrated fund with Plymouth City Council: During the year the CCG entered into a s75 agreement with Plymouth City Council (PCC) under a pooled fund arrangement. Under the s75 agreement, the CCG is the host. We held a number of discussions and understood the governance arrangements in place over the Integrated fund; we audited the year end reconciliation and performed detailed testing over the expenditure; we reviewed the CCG's accounting treatment to consider its compliance with the Manual of Accounts and IFRS 11.</li></ul> <p>As a result of our work we identified that the CCG had booked the entire contract instead of their share. As a result a £176m audit adjustment (which was adjusted by management) to remove the associated income and expenditure incurred by the PCC as were the lead commissioner. This adjustment effected the gross numbers in the accounts and did not change any spend or the financial position or underlying objectives of the Integrated fund.</p> <ul style="list-style-type: none"><li>■ Accounting for the Better Care Fund with Devon County Council and NHS South Devon and Torbay CCG: The CCG entered into a S75 agreement with Devon County Council and South Devon &amp; Torbay CCG for the Better Care Fund of Devon. Under the S75 agreement, Devon County Council is the host. The total amount of the fund amounted to £51m. The CCG had paid £35.5m into the fund, Devon County Council £6.8m and South Devon &amp; Torbay CCG £9.5m. We reviewed the Section 75 agreement and the year end reconciliations; assessed how the funds operate, ensured that gross or net accounting arrangements were fully agreed and understood by all parties and correctly applied by the CCG; we tested a sample of CCG expenditure and agreed these back to invoices and performed cut off testing over purchases to ensure that invoices had been correctly booked into the right accounting period.</li></ul> <p>We reviewed the CCG's accounting treatment to ensure it is in compliance with the Manual for Accounts; As a result of our work, we identified two arrangements (Rapid Response Payments £2.1m and Frailty &amp; Community Care £10.5m) where the CCG is the lead commissioner. This led to additional disclosure being made in the notes to the CCG's accounts in order to disclose the arrangements in order for the accounts to be compliant.</p> |

# Headlines (cont.)

|                                     |   |
|-------------------------------------|---|
| <b>Regularity Opinion</b>           | <p>We are required to form a view on the regularity of the CCG's income and expenditure i.e. that the expenditure and income included in the CCG's financial statements has been applied to the purposes intended by Parliament and the financial transactions in the financial statements conform to the authorities which govern them.</p> <p>We issued a non-standard qualified opinion as the CCG breached two of its resource limits, being: the CCG's expenditure exceeds income; and the CCG's revenue resource exceeded the specified directions.</p> |
| <b>Annual Governance Statement</b>  | <p>We confirmed that the CCG complied with the NHS Commissioning Board requirements in the preparation of the CCG's Annual Governance Statement.</p> <p>— No significant adjustments were required to the Annual Governance Statement.</p>  |
| <b>Whole of Government Accounts</b> | <p>We issued an unqualified Group Audit Assurance Certificate to the National Audit Office regarding the Whole of Government accounts submission with a number of exceptions mainly relating to re-allocations from the statutory accounts to the WGA return.</p>   |
| <b>Recommendations</b>              | <p>We are pleased to report that there are no high recommendations arising from our 2015-16 audit work. We made two recommendations which were graded Low which related to journal authorisation and the Better Care Fund year end review.</p>  |
| <b>Public Interest Reporting</b>    | <p>We have a responsibility to consider whether there is a need to issue a public interest report or whether there are any issues which require referral to the Secretary of State. We did not issue a report in the public interest or refer any matters to the Secretary of State in 2015-16.</p>   |

This paper is to provide general information about NHS Property Services.

It also includes details regarding the transfer of 12 community hospitals to NHS Property Services as part of NHS Northern, Eastern and Western Devon Clinical Commissioning Group's plans to award its contract for community services to the Royal Devon and Exeter NHS Foundation Trust (RDEFT) for the Eastern locality of Devon.

This information is provided further to a briefing given to members of the committee at County Hall in Exeter on 20 June, 2016.

### **About NHS Property Services**

NHS Property Services manages, maintains and improves NHS properties and facilities, working in partnership with NHS organisations to create safe, efficient, sustainable and modern healthcare and working environments.

NHS Property Services is a limited company created as part of the 2013 health reforms and wholly owned by the Secretary of State for Health. It is responsible for managing 3,500 NHS properties, worth an estimated £3 billion. The portfolio covers around 10 per cent of the NHS estate in England and was inherited from the 161 Primary Care Trusts and Strategic Health Authorities which were abolished as part of the 2013 health reforms. It comprises mostly clinical premises such as health centres, GP practices and community hospitals but also includes office buildings.

The company aims to drive efficiency in order to offer occupiers, tenants and customers reduced costs in running properties and related services.

In 2015/16, core operating costs were reduced by more than £30 million and over the last two years, operating costs have been reduced by £84.6 million.

### **Every pound saved by the company is returned to the NHS.**

NHS Property Services has two main roles:

- Strategic estates management – acting as a landlord, modernising facilities, buying new facilities and selling facilities the NHS no longer needs.
- Dedicated provider of support services such as cleaning and catering.

### **Transfer of 12 Community Hospitals in Eastern Devon**

NHS Northern, Eastern and Western Devon Clinical Commissioning Group (NEW Devon CCG) has set out plans to award its contract for community services to the Royal Devon and Exeter NHS Foundation Trust (RDEFT) for the Eastern locality of Devon.

As part of this process, the Department of Health decided that 12 properties will be transferred to NHS Property Services from the ownership of the existing healthcare provider, Northern Devon Healthcare Trust (NDHT).

The properties transferring are: Axminster Community Hospital, Honiton Hospital, Tiverton Hospital, Seaton Community Hospital, Budleigh Salterton Community Hospital, Exmouth Community Hospital, Sidmouth Hospital, Ottery St Mary Community Hospital, Crediton Hospital, Moretonhampstead Hospital, Okehampton Hospital and Whipton Hospital.

As part of the NHS family, the role of NHS Property Services is to work with commissioners to meet their healthcare estates requirements.

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**NHS Property Services will therefore provide professional estates services to colleagues at NEW Devon CCG to help them develop their commissioning plans for the hospitals involved in the transfer, but it is important to be clear that decisions about service provision in these buildings, and their futures, rest with the CCG.**

NHS Property Services can only act on the wishes of commissioners (i.e. CCGs and NHS England) if they declare a site surplus to NHS requirements.

The transfer of community services is due to take place on 1 October 2016

The transfer of the ownership of community hospitals is due to take place on 1 December 2016.

Property managers are currently finalising a due diligence exercise as part of the transfer process and are working closely with NHS partners to agree leases with occupiers.

This process will see NHS Property Services become the landlord of the properties and therefore ownership remains in the NHS.

### **Community involvement**

Many communities and Friends groups have raised vital funds for their local hospital and this is always hugely appreciated by the NHS and patients.

However, the buildings themselves are owned by the NHS (whether this is an NHS Trust, NHS Foundation Trust or NHS Property Services) and charitable donations raised by leagues of friends and other groups are gifted to the NHS for a specific purpose. Patients and the community benefit from this specific purpose but the donation does not in itself provide rights of ownership.

NHS Property Services has about 270 hospital related properties nationwide and property and facilities teams work with NHS partners, local people, councils, charities and friends groups – and the organisation will work to achieve the same in eastern Devon.

### **Health hubs**

When the NHS requirements for each of the buildings involved in the transfer are confirmed, NHS Property Services will be able to consider the options available for working with other prospective tenants locally.

### **Market-based charging**

At the start of the current financial year, NHS Property Services moved to market-based rental charging on all freehold properties, which has been agreed with the Department of Health and NHS England.

The market rent model applies the property sector's standard method of charging and is a long-planned part of a move across the public sector to improve utilisation and value for money in property occupancy by putting publicly owned property on a level with privately owned alternatives.

The change has benefits for the NHS:

- It helps the NHS understand the true cost of occupation and reflect these transparently.
- It informs decisions about the best location for services and investment.
- It drives better and more efficient use of space.

The Department of Health has committed to meeting any increased property costs in the 2016/17 financial year arising from the introduction of market rent. Arrangements in relation to funding adjustments for 2017/18 and beyond will be considered by the Department of Health in conjunction with NHS England and NHS Improvement.

Charging market rents will provide the money needed for the ongoing renewal of the estate to the high standards that people rightly expect and NHS Property Services does not make a profit from its involvement. Any surplus funds are reinvested into NHS services.

The estimated annual rental value for all 12 hospitals is approximately £3.1million. This is based on 100% occupation at market rent.

### **Investment in the health estate**

Projects to keep our buildings statutorily and lease compliant and in a good state of repair, are carried out by NHS Property Services in line with our obligations as a landlord.

Larger schemes, typically major multi-million pound projects, such as new buildings, extensions and major refurbishments, are requested by our customers. Up-front funding is normally provided by NHS Property Services, but in some cases we work with third-party development partners. These capital projects are led by commissioners and, if approved, delivered by NHS Property Services.

By way of local example, NHS Property Services has recently completed a £4.2 million refurbishment of two wards at the Glenbourne Unit in Plymouth.

Nationally, NHS Property Services invested £55.4 million through the capital programme in 2015/16 to improve the property portfolio. Of this, £21.1 million related to new or refurbished buildings requested by customers within the NHS, and £34.3 million related to ensuring the estate managed by NHS Property Services is safe, warm, secure, and operates efficiently.

### **Further information**

More details about NHS Property Services are available on the organisation's website, [www.property.nhs.uk](http://www.property.nhs.uk)

## **Extract of minutes from Health and Wellbeing Scrutiny Committee 19 September 2016 Devon County Council**

### **Item 20 NHS Property Services**

Mr R Goodier (National Head of Service Improvement) and Mr Hugh Groves (Chief Finance Officer, NEW Devon CCG) attended and spoke to this item at the invitation of the Committee.

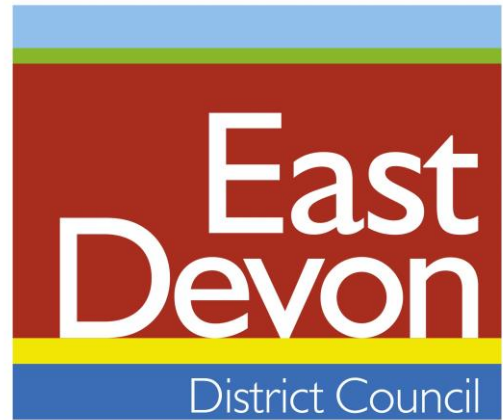
The Committee considered the report of NHS Property Services on general information about NHS Property Services and the transfer of 12 community hospitals to NHS Property Services as part of NHS Northern, Eastern and Western Devon Clinical Commissioning Group's plans to award its contract for community services to the Royal Devon and Exeter NHS Foundation Trust (RDEFT) for the Eastern locality of Devon.

The representatives responded to Members' comments and/or questions including:

- the calculation methodology of 'market rents' in accordance with RICS professional guidelines used by public sector organisations;
- associated services provided by NHS Property Services as part of their ownership and management of assets;
- ownership of the NHS property Services by the Secretary of State with proceeds reinvested in the NHS;
- an undertaking to provide more information in respect of the Sidmouth GP practice following a meeting held earlier that day;
- disposal of assets at the best market values, with any subsequent development being subject to Community Infrastructure Levy (or S106) contributions for health services;
- use of charitable voluntary donations such as League of Friends contributions.

It was **MOVED** by Councillor Westlake, **SECONDED** by Councillor Wright and

**RESOLVED** that the report be noted and that the CCG and NHS Property Services be requested to provide a briefing note on the terms for the transfer of the 12 Community Hospitals in Eastern Devon, confirmation of ownership of the Bideford Community Hospital and an update on the Sidmouth GP Surgery.



## **Financial Plan (2017 -2022)**



## 1. About this Plan

Our Financial Plan considers the General Fund <sup>1</sup> position and the Capital Programme <sup>2</sup>, the third area of the Council's finances the Housing Revenue Account <sup>3</sup> is reviewed and monitored within its own 30 year Business Plan.

The purpose of this Plan is to define how the Council will structure and manage its finances over the next five years in order to deliver services to customers and support the objectives detailed within the Council Plan.

The Financial Plan links with other key plans and documents of the Council including the Transformation Strategy, Service Plans, its Asset Management Plan, Treasury Management Strategy and input from the Budget Working Party (Member Group) and the Council's Senior Management Team.

The Financial Plan requires the preparation of an annual Medium Term Financial Plan Model (MTFP) and is an essential part of the budget setting process. The MTFP provides a financial model and forecast of the cost of providing services over a rolling five-year period, together with an estimate of the financial resources that are likely to be available to the Council. The process is designed to provide an early warning of any potential deficit in the required level of resources.

As well as considering the General Fund, the MTFP also reviews the affordability of the Council's capital investment programme, matching its forecast potential available funding against planned capital spending over a five year horizon.

The development of a five-year financial model is based upon a number of assumptions and perceived risks which clearly become more difficult to predict as the period covered lengthens. However, as a broad principle the model has been developed on the basis of 'reasonable and prudent' forecasts and assumptions in accordance with sound accounting practice.

## 2. Fundamental principles

Underpinning this plan, the following fundamental principles have been adopted by the Council:

- Annually, a balanced revenue budget will be set with expenditure to be limited by the amount of available resources.
- The General Fund balance will be maintained at the adopted level.
- That the strategic imperatives as considered in the Council's Transformation Strategy will be implicit in resource allocation, in addition if required to balance the budget resources will be redirected from low to high priority services to meet objectives set out in the Council Plan.

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1. The General Fund records day to day spending on the delivery of Council services 2. Capital Programme spending relates to the purchase or enhancement of assets, expenditure that has a benefit greater than a year. 3. Housing Revenue Account records spending on Council Housing and its landlord function.

- Council Tax increases will be kept within annually announced government guidelines to ensure a local referendum is not triggered.

In considering the capital budget, the Council will continue to follow the methodology of scheme scoring and prioritisation. The Council will also seek to maximise the use of its assets.

### **3. Financial background**

One of the most significant impacts on the Council's finances came from the Comprehensive Spending Review in 2010 and following Spending Reviews where the Government has cut local authorities funding as part of its programme in tackling national debt.

From 2010/11 to 2015/16 there has been a 55% reduction in the main Government grant received by the Council to support services, from £7.030m to £3.164m, this decline in funding for local authorities has continued into 2016/17 with a further cash reduction to the Council of £0.750m.

In addition to government spending cuts, there is the added pressure of inflationary increases, continued low investment income, an increasing call on services, members' ambitions to enhance and improve services and the wish to keep to moderate increases in Council Tax and other fees and charges.

Against this financial background the Council has delivered its spending plans and Council Plan outcomes through careful financial management and planning ahead. Careful decisions have been taken where service savings have been made, initiatives taken in the areas of; asset management, shared service provision, systems thinking principles, the persuasion of customers to use more convenient and cost effective means of transacting with the Council, procurement efficiencies and income generation. These initiatives have been implemented with the overall arching principle required by the Council to protect front line services to the public.

The Council has facilitated and encouraged business and housing growth in the district to deliver its ambitions and this has financially benefited the Council in additional government funding through New Homes Bonus and extra Business Rate income. These areas were incentivised funding streams by government to encourage growth which East Devon has capitalised on to help fund our plans.

A balanced budget was agreed by Council for 2016/17 despite a projected gap of £0.819m for the year alone, this was achieved by following the Council's Transformation Strategy which contained actions that reduced our spending levels or increased the income available to us enabled us to balance our books.

### **4. Medium Term Financial Plan**

The base for the MTFP is the 2016/17 approved budget and the current cost of ongoing services, adjusted to take account of a range of unavoidable costs such as pay increases, inflationary pressures, the implementation of any approved changes to the

budget and any costs arising from new legislation and associated regulations or changes in customer demand. The MTFP takes account of any forecast variations in the level of both investment and fee income.

The Plan also considers and makes reasonable assumptions about the likely incomes from council tax and central government funding for which the Governments funding allocations outlined in the multi-year settlement offer has been used.

The MTFP is designed to model scenarios and to aggregate the sum of all potential financial inputs, to determine whether the Council will have sufficient resources to achieve its objectives, or indeed whether action is required to bridge a funding gap. In formulating these calculations a number of assumptions have been made and a range of external influences considered. The various risks and pressures are detailed at the end of the Plan with commentary on their potential impact.

Appendix A to the Financial Plan contains the summary page of the MTFP including an analysis of costs and inflation applied.

A similar exercise has been undertaken in respect of future capital expenditure, detailing the anticipated level of resources required, together with potential funding sources available to the Council to support its planned programme of works and where there are revenue implications these have been acknowledged within the Plan.

### **MTFP – Revenue Position**

The position on General Fund services is detailed in the table below and shows the current year 2016/17 for comparison and forms the basis from which future assessments have been made.

The MTFP shows a projected deficit for 2017/18 of £0.792m which then increases annually reaching £1.916m in 2021/22 as a cumulative deficit to find. Clearly this is an unsustainable pattern and not one that the Council will allow, this updated MTFP is in line with previous assessments and reports to Council. A summary position of the MTFP is given below.

| <b>Summary of MTFP- Revenue</b>                   | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> | <b>2018/19<br/>£000</b> | <b>2019/20<br/>£000</b> | <b>2020/21<br/>£000</b> | <b>2021/22<br/>£000</b> |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Net Service Costs</b>                          | 15,010                  | 15,010                  | 14,486                  | 15,043                  | 15,449                  | 15,861                  |
| <b>Amendments to base budget</b>                  | -                       | (935)                   | 200                     | -                       | 57                      | (57)                    |
| <b>Pay &amp; Inflation and other inescapables</b> | -                       | 411                     | 357                     | 406                     | 355                     | 519                     |
| <b>Net Budget Requirement</b>                     | <b>15,010</b>           | <b>14,486</b>           | <b>15,043</b>           | <b>15,449</b>           | <b>15,861</b>           | <b>16,323</b>           |
| <b>Revenue Support Grant</b>                      | (1,203)                 | (533)                   | (127)                   | -                       | -                       | -                       |
| <b>NNDR Gov't baseline</b>                        | (2,441)                 | (2,489)                 | (2,562)                 | (2,644)                 | (2,724)                 | (2,805)                 |
| <b>NNDR income above baseline</b>                 | (776)                   | (900)                   | (900)                   | (900)                   | (900)                   | (900)                   |
| <b>Rural Grant</b>                                | (224)                   | (181)                   | (139)                   | (181)                   | -                       | -                       |
| <b>Transitional Grant</b>                         | (62)                    | (62)                    | -                       | -                       | -                       | -                       |
| <b>Council Tax</b>                                | (7,151)                 | (7,499)                 | (7,851)                 | (8,210)                 | (8,446)                 | (8,689)                 |
| <b>Council Tax Support Grant to Parishes</b>      | 98                      | 98                      | 98                      | 98                      | 98                      | 98                      |
| <b>External Interest (net of payments)</b>        | (199)                   | (199)                   | (199)                   | (199)                   | (199)                   | (199)                   |
| <b>Collection Fund Surplus</b>                    | (156)                   | (182)                   | (100)                   | -                       | -                       | -                       |
| <b>Savings Target - Procurement</b>               | (70)                    | (70)                    | (70)                    | (70)                    | (70)                    | (70)                    |
| <b>Strata Savings – Shared ICT</b>                | In base                 | (177)                   | (230)                   | (281)                   | (314)                   | (342)                   |
| <b>Reserves for one off expenditure</b>           | (680)                   | -                       | -                       | -                       | -                       | -                       |
| <b>New Homes Bonus – Specific funding</b>         | (646)                   | -                       | -                       | -                       | -                       | -                       |
| <b>New Homes Bonus to support general funding</b> | (1,500)                 | (1,500)                 | (1,500)                 | (1,500)                 | (1,500)                 | (1,500)                 |
| <b>Agreed use of General Fund</b>                 | -                       | -                       | -                       | -                       | (57)                    | -                       |
| <b>Total Resources Available</b>                  | <b>(15,010)</b>         | <b>(13,694)</b>         | <b>(13,580)</b>         | <b>(13,887)</b>         | <b>(14,112)</b>         | <b>(14,407)</b>         |
| <b>Cumulative Budget (Surplus) /Shortfall</b>     | -                       | <b>792</b>              | <b>1,463</b>            | <b>1,562</b>            | <b>1,749</b>            | <b>1,916</b>            |

The table above shows the cumulative shortfall assuming no action is taken to address each year's shortfall. The table below shows the shortfall each year in isolation, assuming the previous year's shortfall was found.

**Table: MTFP Model – Summary of General Fund Position shortfall each year**

| <b>General Fund</b>     | <b>2017/18<br/>£000</b> | <b>2018/19<br/>£000</b> | <b>2019/20<br/>£000</b> | <b>2020/21<br/>£000</b> | <b>2021/22<br/>£000</b> |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Budget Shortfall</b> | 792                     | 670                     | 99                      | 187                     | 167                     |

*Figures assume the shortfall in each year is found so deficit is not carried forward.*

The Model assumes that the Council will adopt the Government's multi-year settlement offer and the allocations given in the 2016/17 settlement for 4 years up to 2019/20 have used.

The continued use of New Homes Bonus (NHB) monies is assumed within the above to a value of £1.5m a year to support revenue expenditure in line with Council's previous approval and consideration. NHB is considered in more detail further in this Plan highlighting the risks with this assumption.

The model identifies the pressures and influences on the Council's revenue budgets and highlights a shortfall between the Council's spending requirements and the amount of finance available. Actions will need to be taken to meet these shortfalls and the need to keep finding savings year on year is not to be underestimated.

A clear message from the Plan is there is a need to address the funding gap and there are no resources available for growth unless capacity is found through a combination of; reprioritising spending, the achievement of savings or increased income.

### **MTFP Revenue - The Way Forward**

Presented to Members' along side this Financial Plan is the Council's Transformation Strategy which outlines how transforming the way we work will deliver our purpose despite the £1.9m budget gap identified in the MTFP and plays an integral part in meeting our deficit.

The Transformation Strategy is a dynamic 5 year strategy which requires review and update at least on an annual basis over the period so that we can track progress and savings made. The first year of the Transformation Strategy in 2016/17 helped deliver a balanced budget for the Council against a projected budget gap in year of £0.819m.

The following 'strategic themes' make up our Transformation Strategy.

- 1) Deliver our Worksmart Strategy and transforming our culture through new ways of working underpinned by the right technology at the right time.
- 2) Deliver improved online services through our Open for Business project.
- 3) Implement systems thinking reviews across all services.
- 4) Maximise the value of our assets through commercial thinking with a focus on income generation, sustainability and developing local economies.
- 5) Actively pursue alternative service delivery methods and models.

The 'strategic themes' of this Transformation Strategy will be used to ensure that spending and savings proposals can be tested on an ongoing basis against pre-agreed criteria. Keeping the 'strategic imperatives' in mind will help everyone in the Council keep a firm focus on how it directs its human and financial resources so that we steer a steady course to deliver, despite the reductions in government funding.

Key actions are identified within the Strategy, some of which need further exploration to determine the financial implications whilst other more immediate actions have been defined with a financial target/estimate of the savings/income generation that they will achieve. The savings identified so far within the Strategy are given below and compared against the budget shortfall identified. These actions are summarised in

Appendix B to this Plan and the full Strategy is linked to the covering report on the agenda introducing this Plan.

| General Fund   | 2017/18<br>£000 | 2018/19<br>£000 | 2019/20<br>£000 | 2020/21<br>£000 | 2021/22<br>£000 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>MTFP Annual Budget Shortfall</b>  | 792             | 670             | 99              | 187             | 167             |
| <b>Transformation Strategy where finance identified- assuming all saving delivered</b> | (709)           | (205)           | (200)           | (100)           | -               |
| <b>Outstanding annual Shortfall/(Surplus)</b>  | 83              | 465             | (101)           | 87              | 167             |

This is an encouraging position with actions identified starting to bridge the funding gap. There is still more to do and the Transformation Strategy is dynamic and will require further work and refinement to continue to help deliver balanced budgets; the position on delivery will also require close monitoring. **The Council does however have in place a proven mechanism to deliver continuous balanced budgets.**

There are clearly risks that savings will not materialise as planned or that future actions do not identify the full savings required, other actions outside this Strategy will need to be considered if this becomes the case which unfortunately is likely to be less sophisticated and blunt such as straight forward cuts in budgets possibly affecting front line services. The MTFP already includes savings identified through Strata but the continued close working between East Devon, Exeter and Teignbridge Councils is seen as an element to assist all three Councils with their finances.

## 5. Capital

The Council maintains a programme of capital expenditure designed to improve a wide range of community facilities and local infrastructure. The forward funding projections below only include rolling items and projects identified early by managers; **there will be proposals missing from this list** that will need to be considered for funding out of available resources.

There will be a disparity between the Council's capital spending aspirations being greater than the amount of finance available. In producing these figures, previous recommendations have now been implemented to help fund the programme going forward, these being:

- Capital works associated with the Housing Revenue Account are self funded; these costs have been included in the HRA business model. Any capital receipts generated from the HRA are used to finance HRA expenditure.
- External Interest achieved above a base level (determined at £0.5m) will be used to assist in funding the Capital Programme instead of it being used to fund revenue services.

- Members agreed that the savings achieved in 2015/16 General Fund position should be transferred into the Capital Reserve (£0.101m).
- A capital bid process is in place whereby appraisal forms are completed for each scheme and a scoring methodology applied to prioritise expenditure within resources available. This prioritisation is overseen by the Member Capital Strategy & Allocation Group.

#### MTFP Model – Capital Expenditure and Funding Position

|  | 2016/17<br>£000 | 2017/18<br>£000 | 2018/19<br>£000 | 2019/20<br>£000 | 2020/21<br>£000 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Net Capital Expenditure</b>                                       | 26,992          | 9,748           | 6,465           | 5,831           | 5,831           |
| <b>HRA Financing</b>   | (5,477)         | (5,475)         | (5,475)         | (5,475)         | (5,475)         |
| <b>GF Capital Receipts</b>   | (1,880)         | (8,085)         | (180)           | (180)           | (180)           |
| <b>External Interest</b>   | -               | -               | -               | -               | -               |
| <b>New Homes Bonus – allocated</b>                                   | (2,154)         | (3,403)         | (3,796)         | (4,495)         | (5,094)         |
| <b>Sec 106 &amp; Grants</b>  | (581)           | (85)            | -               | -               | -               |
| <b>Project Reserves</b>  | (5)             | -               | -               | -               | -               |
| <b>Net Internal/ External Borrowing &amp; Repayments</b>             | (14,490)        | 6,855           | -               | -               | -               |
| <b>Budget (Surplus)/ Deficit</b>                                     | <b>2,405</b>    | <b>(445)</b>    | <b>(2,986)</b>  | <b>(4,319)</b>  | <b>(4,319)</b>  |
| <b>Capital Reserve Remaining after funding (opening bal £2.405m)</b> | -               | <b>(445)</b>    | <b>(3,431)</b>  | <b>(7,750)</b>  | <b>(12,069)</b> |

The significant change in fortunes above in 2017/18 is as a result of capital receipt in relation to the Exmouth Regeneration scheme which pays off previous funding of the project (this is based on project timing presented at Outturn in June 2016 - further detailed proposals need to be considered by Council relating to this project).

It should also be noted that the programme expenditure includes only those schemes already approved by Council and rolling items such as; the provision of statutory disabled facility grants, the public toilet renovation programme, equipment replacement for street scene services and housing improvement schemes (fully funded by HRA contribution). **Bids will come through the annual budget process giving a completely different picture to that given above and there will be choices to make in order to keep expenditure within resources available.**

Key issues to consider for this Plan in terms of capital are:

- Only rolling items, or early request for items, have been included in the MTFP. No amount is included for future coast protection or flood prevention schemes. If any schemes do come forward, it is assumed they will attract Government funding if of high enough priority.

- Any scheme inclusion in the Programme over and above this core annual expenditure needs to be considered carefully for inclusion in future programmes on a case by case basis to determine if they meet corporate objectives and, if they can be self funded, evidenced in a business case or delivered in conjunction with other agencies/partners. Some schemes will come with no funding but may still be required to be funded due to their nature.
- **New Homes Bonus monies allocated to the Capital Programme represents the Balance available after deducting £1.5m to fund the General Fund. Income calculations of the New Homes Bonus monies has been based on the current scheme, there was however a Government consultation paper issued in December 2015 considering reduced funding proposals. A conclusion to these proposals have yet to be determined, possible implications are consider further below in this Plan and the affect this might have on the Council’s capital programme to that presented above.**

### **The Way Forward – Capital programme**

- There is a clear necessity for the continuation of the member **Capital Strategy & Allocation Group** to consider the allocating of capital resources against competing capital scheme bids.
- The programme needs to be populated with realistic expenditure estimates into the future; further work is required with budget managers across the Council to start formulating a more forwarded looking capital programme for the Council.



## Some key issues to highlight for MTFP - Revenue

### ➤ New Homes Bonus

In April 2011 the Government introduced the New Homes Bonus (NHB) scheme which rewards local authorities where there is housing growth in their area. A 6 year payment of an average council tax per additional property is paid to the Council. **The table below shows monies received to date by the Council and projections going forward based on the current NHB scheme in place.**

| <b>New Home Bonus payments to East Devon</b> |                         |                         |                         |                         |                         |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|  | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> | <b>2018/19<br/>£000</b> | <b>2019/20<br/>£000</b> | <b>2020/21<br/>£000</b> | <b>2021/22<br/>£000</b> |
| Yr1 = 2011/12                                | 311                     | -                       | -                       | -                       | -                       | -                       |
| Yr2 = 2012/13                                | 448                     | 448                     | -                       | -                       | -                       | -                       |
| Yr3 = 2013/14                                | 418                     | 418                     | 418                     | -                       | -                       | -                       |
| Yr4 = 2014/15                                | 646                     | 646                     | 646                     | 646                     | -                       | -                       |
| Yr5 = 2015/16                                | 1,193                   | 1,193                   | 1,193                   | 1,193                   | 1,193                   | -                       |
| Yr6 = 2016/17                                | 1,360                   | 1,360                   | 1,360                   | 1,360                   | 1,360                   | 1,360                   |
| Yr7 = 2017/18                                |                         | 913                     | 913                     | 913                     | 913                     | 913                     |
| Yr8 = 2018/19                                |                         |                         | 841                     | 841                     | 841                     | 841                     |
| Yr9 = 2019/20                                |                         |                         |                         | 1,116                   | 1,116                   | 1,116                   |
| Yr10 = 2020/21                               |                         |                         |                         |                         | 1,171                   | 1,171                   |
| Yr11= 2021/22                                |                         |                         |                         |                         |                         | 1,171                   |
| <b>Totals</b>                                | <b>4,376</b>            | <b>4,978</b>            | <b>5,371</b>            | <b>6,069</b>            | <b>6,594</b>            | <b>6,572</b>            |
| <i>Shaded areas are estimated</i>            |                         |                         |                         |                         |                         |                         |

### Effects on the Council's MTFP

*Members have agreed to date to use £1.5m to support General Fund expenditure. This has been reflected in MTFP through the life of the Plan.*

*NHB has also been used for specific expenditure related to encouraging housing growth; £350,000 funding for loan repayments associated with Cranbrook infrastructure and over £400,000 towards planning costs and specific assistants to effected parish councils.*

*The Cabinet meeting on 8th June 2016 considered further proposals relating to the Council making a contribution of £2.4m from NHB to Cranbrook Town centre facilities including a leisure centre and a health and well being centre – bringing forward key assets ahead of planning obligation to support the new community.*

***This is however on hold awaiting the outcome of the Government's consultation on the future of NHB which is further discussed below.***

*The balance of the annual NHB allocation is used to support the Council's capital programme.*

**There are two key risks affecting the projection of income through NHB;**

- In December 2015 Government issued a consultation paper on NHB with the clear implication of reduced funding. No conclusion to this consultation has been published and it is assumed, but no certainty, that changes will be announced in the autumn statement for the 2017/18 settlement. For the purpose of projecting NHB income going forward it could be assumed that 57% of NHB will be directed to social care (a broad statement made in the consultation paper) and we will lose this proportion of income. The projected NHB for 2017/18 has been calculated at £5m (even after taking account of reduced delivery at Cranbrook). A 57% reduction drops this sum to £2.1m.

The Council's policy is to retain £1.5m of NHB annually to fund the General Fund with the balance in the main being used to support the Council's Capital Programme. In 2017/18 the Council has allocated £3.4m to the capital programme. If this decrease in funding is applied to the element that is transferred to capital this reduces the level going to capital in 2017/18 to £0.6m and would mean the need to borrow £2.3m to fund the proposed capital programme in 2017/18. This is a very pessimistic view and any changes made to the scheme are likely to be phased, however taking this view the capital programme would be affected as follows.

| <b>Shaded area is how the capital programme is presented in body of Financial Plan Report</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> | <b>2018/19<br/>£000</b> | <b>2019/20<br/>£000</b> | <b>2020/21<br/>£000</b> |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Net Capital Expenditure</b>  | 26,992                  | 9,748                   | 6,465                   | 5,831                   | 5,831                   |
| <b>HRA Financing</b>  | (5,477)                 | (5,475)                 | (5,475)                 | (5,475)                 | (5,475)                 |
| <b>GF Capital Receipts</b>  | (1,880)                 | (8,085)                 | (180)                   | (180)                   | (180)                   |
| <b>External Interest</b>  | -                       | -                       | -                       | -                       | -                       |
| <b>New Homes Bonus – allocated</b>  | (2,154)                 | (3,403)                 | (3,796)                 | (4,495)                 | (5,094)                 |
| <b>Sec 106 &amp; Grants</b>   | (581)                   | (85)                    | -                       | -                       | -                       |
| <b>Project Reserves</b>   | (5)                     | -                       | -                       | -                       | -                       |
| <b>Net Internal/ External Borrowing</b>   | (14,490)                | 6,855                   | -                       | -                       | -                       |
| <b>Budget (Surplus)/ Deficit</b>  | <b>2,405</b>            | <b>(445)</b>            | <b>(2,986)</b>          | <b>(4,319)</b>          | <b>(4,319)</b>          |
| <b>Capital Reserve Remaining after funding (opening bal £2.405m)</b>                          | -                       | <b>(445)</b>            | <b>(3,431)</b>          | <b>(7,750)</b>          | <b>(12,069)</b>         |
| <b>Affect if NHB falls by 57%</b>   |                         |                         |                         |                         |                         |
| <b>Revised Budget (Surplus)/ Deficit</b>  | -                       | <b>2,392</b>            | <b>75</b>               | <b>(860)</b>            | <b>(8,311)</b>          |
| <b>Revised Capital Reserve Balance</b>  | -                       | -                       | -                       | <b>(860)</b>            | <b>(9,171)</b>          |
| <b>Additional borrowing required to meet existing programme</b>                               | -                       | <b>2,392</b>            | <b>75</b>               | -                       | -                       |

As stated with any reduction in NHB it is likely there will be a phased reduction in any funding which is discussed in the consultation paper.

At this stage for the preparation for the MTFP it is assumed it is the capital programme which will take the pain of the assumed reduction of income, at least initially, as it is so uncertain at this stage. The capital programme can be adjusted more readily to deal with such fluctuations in resources whereas to adjust revenue would mean a radical restructure of our services and staffing which would have to be done now to be effective for the 2017/18 budget and this would be for a level of change which is unknown. Once further details are available this position can be revisited for 2018/19.

The Council does hold a New Homes Bonus Volatility Fund of £1.4m to mitigate reduced levels of funding should a worse position arise to that projected.

- There has been a recent slow down in the delivery of housing numbers in Cranbrook whereby in recent years we have seen delivery around 400 a year; this will drop to around 166 for 2017/18. The NHB calculation assumes a level of just 100 for 2018/19 with the numbers then rising steadily again in future projections.

These issues are to be followed up and discussed at the Strategic Planning meeting

This has been mitigated in part by additional growth in the rest of the District.

➤ **Government multi-year settlement offer**

The Secretary of State for Communities and Local Government wrote to every local authority in England setting out conditions of a multi-year settlement offer. Councils have until the 14<sup>th</sup> October 2016 to apply and to submit a published efficiency plan. It was made clear that the offer and the production of an efficiency plan should be as simple and straightforward as possible using existing plans in place. Should members agree to apply for the multi-year settlement it is considered that the Financial Plan (containing the Council's MTFP) and the Transformation Strategy would meet this requirement.

The offer, as described in the Secretary of State's letter includes:

- Revenue Support Grant
- Business rates tariff and top up payments, which will not change for reasons relating to the relative needs of local authorities
- Rural Services Delivery Grant and
- Transition Grant.

Details are shown in the table below for East Devon

| <b>Finance Settlement</b>     | <b>2016/17<br/>£</b> | <b>2017/18<br/>£</b> | <b>2018/19<br/>£</b> | <b>2019/20<br/>£</b> |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| Revenue Support Grant         | 1,202,791            | 533,365              | 126,655              | 0                    |
| Tariff Payments               | -10,424,873          | -10,629,913          | -10,943,504          | -11,620,926          |
| Rural Services Delivery Grant | 224,199              | 181,030              | 139,254              | 181,030              |
| Transitional Grant            | 62,356               | 62,132               | 0                    | 0                    |

These allocations have been used in the preparation of the MTFP.

➤ **Universal Credit**

In future, the Council will no longer be responsible for the administration of Housing Benefit payments. Benefits payments will form part of the **Universal Credit** proposals amalgamating a number of welfare payments into one system administered directly by the Department for Works and Pensions (DWP). Roll out in East Devon began in November 2015. The roll is extremely slow with only a small number of new claimants affect in the initial period.

This brings with it uncertainties for customers, Council staff and the financial uncertainty. The current administration of the scheme is in theory cost neutral when taking direct grant and formula grant together, although with formula grant, individual service grant is not identifiable. There is a risk in the calculations to be used by Government to reduce funding to reflect the stopping of this responsibility that the Council could be disadvantaged.

Effects on the Council's MTFP

*A reduction has been taken for the Housing Benefit administration grant in line with general funding reductions of 9% year on year.*

*The Plan assumes the same level of staffing and maintains the overall Government funding position except for the expected year on year reduction indicated above. Careful consideration will be required as to the level of workload as more customers are dealt with direct by the DWP, the actual funding reduction to be seen and a determination of the reductions in staffing levels that should be made.*

*This will be assessed when more details are known; the reductions in staff will be planned ahead and it is assumed this will be accommodated through normal turnover.*

➤ **Council offices relocation**

The Council has agreed to an office relocation whereby the existing Knowle headquarters is sold to fund a new office build next to the East Devon Business Centre in Honiton, on land owned by the Council, and also for the Council to utilise Exmouth Town Hall, again owned by the Council; thereby delivering its operation from two sites.

Financially, this was assessed as the best option for the Council going forward mainly because of the high running costs associated with the Knowle and the significant costs involved in necessary essential maintenance. The essential maintenance costs have not been included within the Plan as the decision to move has been taken, savings on running costs however have not been taken into account at this stage until further assurance over timings can be more certain. These savings will be reflected in future iterations of the Plan.

➤ **NNDR / Business Rate Retention Scheme**

Business Rates income has been assumed under the existing arrangements; the 100% rate retention proposal it appears will not be applicable to us until 2020/21. The MTFP assumes the continued position where our income levels are above our set baseline with additional income included in 2017/18 of £0.9m above the baseline of £2.5m. This level of income has been included each year in the MTFP and current monitoring shows this is sensible and prudent. The Council holds £0.9m in a Business Rates Volatility Fund to mitigate the risk that this income level reduces in order to protect the general fund against significant fluctuations.

Business Rate revaluation is effective from April 2017; any implication on the Council's income position as a result of revaluation movements in the District should be negated by the Government amending our Tariff payment thereby having no overall effect on our income level.

*Effects on the Council's MTFP*

*The Plan shows income from NNDR at the Government's Baseline amount, in 2017/18 this being £2.489m, and projects the annual amount forward to 2020/21 at £2.805m. The amounts included for 2017/18 to 2019/20 are based on the Governments multi-year settlement announcement.*

*The Council currently receives NNDR income above this level. The MTFP includes this additional income at £0.9m in 2017/18 through to the end of the Plan. This is considered to be set at a sensible level, however this is a difficult area to predict and if over estimated could have a significant impact on the Plan.*

*This will be monitored carefully and future versions of the MTFP updated as necessary, to mitigate risk Members have agreed to set an NNDR volatility fund of £0.9m at the end of 2015/16 to safeguard the Council against the volatility in this income stream.*

**EXTERNAL INFLUENCES AND KEY ASSUMPTIONS WITHIN THE REVENUE MTFP MODEL**

• **Inflation**

Inflation rates used are identified in Appendix A of the MTFP attached. Although the financial model is based upon what are believed to be a series of prudent assumptions, there is inevitably a risk that some or all factors applied could be inaccurate. The table below summarises the impact of any such inaccuracies that would have a detrimental effect upon the financial plan:

**Financial impact of changes in inflation assumptions 2017/18.**

| Factor                                    | Predicted Cost Base (Revenue)<br>£000 | Worse by 0.5%<br>£'000 | Worse by 1.0%<br>£'000 |
|---|---------------------------------------|------------------------|------------------------|
| Pay, N.I & Pension & other employee costs | 13,228                                | 66                     | 132                    |
| Other costs (excl. HB)                    | 15,256                                | 71                     | 142                    |

- **Investment Returns**

The approach adopted, of budgeting for investment income remains prudent. Investment return predictions have been factored in to continue at less than 1% during the life of the Plan.

- **Council Tax Income**

The four year settlement issued by Government in determining councils' grant funding has assumed that Councils will increase their Council Tax year on year to the maximum allowed as detailed in the 2016/17 settlement and this level of income has been taken into account in their calculations. **The MTFP follows this line with £5 a year increase up to 2019/20 with an inflation increase applied thereafter.**

**Financial impact of changes in council tax levels.**

| Level of council Tax increase           | Predicted council tax income<br>£000 | Loss of income in MTFP 2017/18<br>£'000 |
|---|--------------------------------------|---|
| Council tax yield at £5 (3.9%) increase | (7,499)                              | Nil                                     |
| Yield at 2.0%                           | (7,359)                              | 140                                     |
| Yield at 1.0%                           | (7,287)                              | 212                                     |
| Yield at 0.0%                           | (7,214)                              | 285                                     |

This calculation shows a one year effect, this reduction would be lost each year going forward plus the opportunity to increase the level in future on a higher base.

- **Cranbrook & other development**

The expected build rate for Cranbrook has been considered along with service cost implications. The majority of costs for the new town are to covered in Planning 106 agreements or are not this Council's liability, other areas such as recycling and refuse collection and street cleansing have been included in the Plan when expected demand requires a stepped increase in cost. Other planned development in the area has been considered alongside these figures.

| Note | BUDGET | AMENDMENTS TO BUDGET  | 2016/17    |           | 2017/18   |             | 2018/19   |            | 2019/20   |            | 2020/21   |            | 2021/22   |            |
|------|--------|---|------------|-----------|-----------|-------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|
|      |        |   | Total      | Addition  | Reduction | Total       | Addition  | Reduction  | Total     | Addition   | Reduction | Total      | Addition  | Reduction  |
| 1    | 0      | One off items of expenditure funded from NHB in 16/17   | 15,009,530 | 0         | 309,000   | 15,009,530  | 0         | 14,485,659 | 0         | 15,043,141 | 0         | 15,449,276 | 0         | 15,860,534 |
| 2    | 0      | One off items of expenditure from Reserves  | 0          | 0         | 680,150   | (309,000)   | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
| 3    | 0      | One Off/Other items of expenditure  | 0          | 0         | 61,080    | (680,150)   | 0         | 0          | 0         | 0          | 0         | 57,000     | 0         | (57,000)   |
| 4    | 0      | Apprenticeship Levy   | 0          | 48,290    | 0         | 48,290      | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
| 5    | 0      | Transformation Saving in 16/17 not achievable   | 0          | 50,000    | 0         | 50,000      | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
| 6    | 0      | Planning Additional Income  | 0          | (200,000) | 0         | (200,000)   | 0         | 200,000    | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | Strata Saving in base   | 0          | 93,200    | 0         | 93,200      | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        |   | 0          | (8,510)   | 1,050,230 | (1,058,740) | 200,000   | 200,000    | 0         | 0          | 0         | 57,000     | 0         | (57,000)   |
| 7    | 0      | SUPPLEMENTARY ESTIMATES / BUDGET CHANGES AGREED   | 0          | 124,000   | 0         | 124,000     | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | Planning/Growth Point management restructure  | 0          | 124,000   | 0         | 124,000     | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
| 8    | 0      | ONGOING BUDGET VARIANCES IDENTIFIED DURING BUDGET MONITORING  | 0          | 0         | 0         | 0           | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | None - All considered in 16/17 budget preparation   | 0          | 0         | 0         | 0           | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | INESCAPABLE BUDGET CHANGES  | 0          | 0         | 0         | 0           | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
| 9    | 0      | a Employee Pay Award  | 0          | 99,263    | 0         | 99,263      | 0         | 100,256    | 0         | 101,258    | 0         | 102,271    | 0         | 206,587    |
|      |        | b Employees Other Costs   | 0          | 10,435    | 0         | 10,435      | 0         | 10,644     | 0         | 10,857     | 0         | 11,074     | 0         | 11,296     |
|      |        | c Superannuation (new valuation 17/18)  | 0          | 35,128    | 0         | 35,128      | 0         | 17,915     | 0         | 18,095     | 0         | 36,551     | 0         | 37,282     |
|      |        | d N.I (Rebate lost 16/17)   | 0          | 9,758     | 0         | 9,758       | 0         | 9,855      | 0         | 9,954      | 0         | 10,053     | 0         | 20,307     |
|      |        | e Apprenticeship Levy   | 0          | 483       | 0         | 483         | 0         | 488        | 0         | 493        | 0         | 498        | 0         | 1,005      |
| 10   | 0      | 10 Inflation Summary - expenditure  | 0          | 273,754   | 0         | 273,754     | 0         | 282,941    | 0         | 332,565    | 0         | 295,574    | 0         | 320,239    |
|      |        | 11 Inflation Summary - fees, charges & contributions  | 0          | (97,753)  | 0         | (97,753)    | 0         | (128,656)  | 0         | (101,701)  | 0         | (133,263)  | 0         | (105,810)  |
|      |        | 11 HB Admin reduction   | 0          | 41,801    | 0         | 41,801      | 0         | 38,038     | 0         | 34,615     | 0         | 31,500     | 0         | 28,665     |
|      |        | 12 Cranbrook (costs not covered by 1065) + New development implications   | 0          | 38,000    | 0         | 38,000      | 0         | 26,000     | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | TOTAL INESCAPABLE BUDGET CHANGES  | 0          | 410,869   | 0         | 410,869     | 0         | 357,482    | 0         | 406,135    | 0         | 354,258    | 0         | 519,571    |
|      |        | SERVICE PLAN COMMITMENTS NOT INCLUDED IN BASE BUDGET  | 0          | 0         | 0         | 0           | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | 13 None identified  | 0          | 0         | 0         | 0           | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | TOTAL "UNAVOIDABLE" CHANGES TO BUDGET   | 0          | 526,359   | 1,050,230 | (523,871)   | 557,482   | 0          | 557,482   | 406,135    | 0         | 411,258    | 0         | 519,571    |
|      |        | Debt Repayments - in base assume no additional  | 0          | 0         | 0         | 0           | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 462,571    |
|      |        | PREDICTED BUDGET REQUIREMENT  | 15,009,530 | 0         | 0         | 14,485,659  | 0         | 15,043,141 | 0         | 15,449,276 | 0         | 15,860,534 | 0         | 16,323,105 |
|      |        | FINANCED BY:  |            |           |           |             |           |            |           |            |           |            |           |            |
|      |        | Government Grant - RSG  | 1,202,790  | 0         | 0         | 533,000     | 0         | 126,665    | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | Government Grant - NNDR Gov't baseline  | 2,441,080  | 0         | 0         | 2,489,000   | 0         | 2,562,525  | 0         | 2,644,428  | 0         | 2,723,761  | 0         | 2,805,474  |
|      |        | Rural Grant   | 224,200    | 0         | 0         | 181,030     | 0         | 139,254    | 0         | 181,030    | 0         | 0          | 0         | 0          |
|      |        | Transitional Grant  | 62,350     | 0         | 0         | 62,132      | 0         | 900,000    | 0         | 900,000    | 0         | 900,000    | 0         | 900,000    |
|      |        | NNDR Uplift - Amount above Baseline   | 776,000    | 0         | 0         | 900,000     | 0         | 900,000    | 0         | 900,000    | 0         | 900,000    | 0         | 900,000    |
|      |        | Council Tax 2016/17 = £126.78 - Growth in base 500 each year, from 16/17 + £5 per annum increase for remaining of 4yr settlement then inflation | 7,150,900  | 0         | 0         | 7,498,809   | 0         | 7,851,719  | 0         | 8,209,629  | 0         | 8,446,130  | 0         | 8,688,806  |
|      |        | Interest Income (Agreed up to £500k to revenue, remaining to Capital)   | 773,750    | 0         | 0         | 773,750     | 0         | 773,750    | 0         | 773,750    | 0         | 773,750    | 0         | 773,750    |
|      |        | Interest Payment  | (575,660)  | 0         | 0         | (575,660)   | 0         | (575,660)  | 0         | (575,660)  | 0         | (575,660)  | 0         | (575,660)  |
|      |        | Savings Target (Procurement)  | 70,000     | 0         | 0         | 70,000      | 0         | 70,000     | 0         | 70,000     | 0         | 70,000     | 0         | 70,000     |
|      |        | Strata Savings  | 156,250    | 0         | 0         | 177,162     | 0         | 230,411    | 0         | 282,401    | 0         | 314,925    | 0         | 342,566    |
|      |        | Collection Fund Surplus   | 680,150    | 0         | 0         | 680,150     | 0         | 680,150    | 0         | 680,150    | 0         | 680,150    | 0         | 680,150    |
|      |        | Earmarked Reserve - one off items of expenditure  | 0          | 0         | 0         | 0           | 0         | 0          | 0         | 0          | 0         | 0          | 0         | 0          |
|      |        | Parishes - Council Tax Support Grant payment - Assume no further reductions   | (98,190)   | 0         | 0         | (98,190)    | 0         | (98,190)   | 0         | (98,190)   | 0         | (98,190)   | 0         | (98,190)   |
|      |        | NHB - one off costs 309k with £245k ongoing   | 645,910    | 0         | 0         | 645,910     | 0         | 645,910    | 0         | 645,910    | 0         | 645,910    | 0         | 645,910    |
|      |        | NHB - General   | 1,500,000  | 0         | 0         | 1,500,000   | 0         | 1,500,000  | 0         | 1,500,000  | 0         | 1,500,000  | 0         | 1,500,000  |
|      |        | GENERAL FUND BALANCE  | 15,009,530 | 0         | 0         | 13,693,183  | 0         | 13,580,475 | 0         | 13,887,388 | 0         | 14,111,715 | 0         | 14,406,746 |
|      |        | (Abbreviations used - NHB = New Homes Bonus, NI = National Insurance, RSG = Revenue Support Grant, NNDR = National Non Domestic Rates)          |            |           |           |             |           |            |           |            |           |            |           |            |
|      |        | (SURPLUS)/DEFICIT   | 0          | 792,476   | 792,476   | 1,462,667   | 1,561,888 | 1,748,819  | 1,916,359 | 1,916,359  | 1,916,359 | 1,916,359  | 1,916,359 | 1,916,359  |
|      |        | IN YEAR (SURPLUS)/DEFICIT   | 0          | 792,476   | 670,191   | 99,221      | 186,931   | 167,541    | 167,541   | 167,541    | 167,541   | 167,541    | 167,541   | 167,541    |



## APPENDIX A

## INESCAPABLE BUDGET CHANGES

| Note   | 2016/17<br>£<br>BASE | 2016/17<br>£ | 2017/18<br>£ | 2018/19<br>£ | 2019/20<br>£ | 2020/21<br>£ |
|--|----------------------|--------------|--------------|--------------|--------------|--------------|
| <b>EMPLOY</b>  |                      |              |              |              |              |              |
| <b>Inflation - Employees Pay</b>   |                      |              |              |              |              |              |
| Base Pay Budget (Salary/Wages/Overtime)  | 9,926,300            | 9,926,300    | 10,025,563   | 10,125,819   | 10,227,077   | 10,329,348   |
| Assumed Pay Award Level (inline with Treasury Target on Public Sector Pay)                 |                      | 1.00%        | 1.00%        | 1.00%        | 1.00%        | 2.00%        |
| Total Pay  |                      | 99,263       | 100,256      | 101,258      | 102,271      | 206,587      |
| <b>Inflation - Employees Other - Inline with General Inflation</b>                         |                      |              |              |              |              |              |
| Base Pay Budget  | 521,770              | 521,770      | 532,205      | 542,850      | 553,706      | 564,781      |
| Assumed Inflation Level  |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
| Total Pay Inflation  |                      | 10,435       | 10,644       | 10,857       | 11,074       | 11,296       |
| <b>Pension Increase - Stepped</b>  |                      |              |              |              |              |              |
| Pension review 17/18 - actuary modest increase say salary inflation plus step 1% yr1 & yr4 | 1,756,410            | 1,756,410    | 1,791,538    | 1,809,454    | 1,827,548    | 1,864,099    |
| Step inflation   |                      | 1%           | 0%           | 0%           | 1%           | 0%           |
|  |                      | 1%           | 1%           | 1%           | 1%           | 2%           |
|  |                      | 35,128       | 17,915       | 18,095       | 36,551       | 37,282       |
| <b>National Insurance</b>  |                      |              |              |              |              |              |
|  | 975,750              | 975,750      | 985,508      | 995,363      | 1,005,316    | 1,015,369    |
|  |                      | 1.00%        | 1.00%        | 1.00%        | 1.00%        | 2.00%        |
|  |                      | 9,758        | 9,855        | 9,954        | 10,053       | 20,307       |
| <b>Apprenticeship levy</b>   |                      |              |              |              |              |              |
| Inflation Rate   | 48,292               | 48,292       | 48,775       | 49,263       | 49,755       | 50,253       |
| Increased Sum  |                      | 1.00%        | 1.00%        | 1.00%        | 1.00%        | 2.00%        |
|  |                      | 483          | 488          | 493          | 498          | 1,005        |
| <b>OTHER</b>   |                      |              |              |              |              |              |
| <b>Inflation - Premises General</b>  |                      |              |              |              |              |              |
| Inflation Rate   | 1,257,360            | 1,257,360    | 1,282,507    | 1,308,157    | 1,334,320    | 1,361,007    |
| Increased Sum  |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
|  |                      | 25,147       | 25,650       | 26,163       | 26,686       | 27,220       |
| <b>Inflation - Premises Utilities</b>  |                      |              |              |              |              |              |
| Inflation Rate   | 380,940              | 380,940      | 388,559      | 400,216      | 456,246      | 469,933      |
| Increased Sum  |                      | 2.00%        | 3.00%        | 14.00%       | 3.00%        | 7.00%        |
|  |                      | 7,619        | 11,657       | 56,030       | 13,687       | 32,895       |
| <b>Inflation - Premises Rates</b>  |                      |              |              |              |              |              |
| Inflation Rate   | 762,410              | 762,410      | 777,658      | 793,211      | 809,076      | 825,257      |
| Increased Sum  |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
|  |                      | 15,248       | 15,553       | 15,864       | 16,182       | 16,505       |
| <b>Inflation - Transport General</b>   |                      |              |              |              |              |              |
| Inflation Rate   | 691,510              | 691,510      | 705,340      | 719,447      | 733,836      | 748,513      |
| Increased Sum  |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
|  |                      | 13,830       | 14,107       | 14,389       | 14,677       | 14,970       |
| <b>Inflation - Transport Fuel related</b>  |                      |              |              |              |              |              |
| Inflation Rate   | 170,820              | 170,820      | 174,236      | 177,721      | 181,276      | 184,901      |
| Increased Sum  |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
|  |                      | 3,416        | 3,485        | 3,554        | 3,626        | 3,698        |
| <b>Inflation - Supplies &amp; Services</b>   |                      |              |              |              |              |              |
| Inflation Rate   | 3,753,850            | 3,753,850    | 3,828,927    | 3,905,506    | 3,983,616    | 4,063,288    |
| Increased Sum  |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
|  |                      | 75,077       | 76,579       | 78,110       | 79,672       | 81,266       |
| <b>Inflation - Refuse &amp; Recycling</b>  |                      |              |              |              |              |              |
| Inflation Rate   | 4,940,650            | 4,940,650    | 5,039,463    | 5,140,252    | 5,243,057    | 5,347,918    |
| Increased Sum  |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
|  |                      | 98,813       | 100,789      | 102,805      | 104,861      | 106,958      |
| <b>Inflation - LED SLA</b>   |                      |              |              |              |              |              |
| Leisure Contract freeze agreed 2016/17 for 5yrs  | 893,720              | 893,720      | 893,720      | 893,720      | 893,720      | 893,720      |
| Increased Sum  |                      | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        |
|  |                      | 0            | 0            | 0            | 0            | 0            |
| <b>Inflation - Strata</b>  |                      |              |              |              |              |              |
| Contract (payment based on inflation)  | 2,306,860            | 2,306,860    | 2,341,463    | 2,376,585    | 2,412,234    | 2,448,417    |
| Increased Sum  |                      | 1.50%        | 1.50%        | 1.50%        | 1.50%        | 1.50%        |
|  |                      | 34,603       | 35,122       | 35,649       | 36,184       | 36,726       |
| <b>Summary of inflation</b>  |                      | 273,754      | 282,941      | 332,565      | 295,574      | 320,239      |
| <b>Inflation - IIB payments</b>  | 30,531,780           | 30,531,780   | 30,531,780   | 30,531,780   | 30,531,780   | 30,531,780   |
|  |                      | 0            | 0            | 0            | 0            | 0            |
| <b>Parish Tax Support</b>  | 98,190               | 98,190       | 98,190       | 98,190       | 98,190       | 98,190       |
|  |                      | 0            | 0            | 0            | 0            | 0            |
| <b>Sub Total</b>   | 59,016,612           |              |              |              |              |              |
| <b>Inflation - IIB Admin</b>   | -464,450.00          | -464,450     | -422,650     | -384,611     | -349,996     | -318,496     |
| Inflation Rate - 9% reduction yr on yr   |                      | -9.00%       | -9.00%       | -9.00%       | -9.00%       | -9.00%       |
| Reduced Sum  |                      | 41,801       | 38,038       | 34,615       | 31,500       | 28,665       |
| <b>Inflation - NNDR Admin</b>  | -249,970             | -249,970     | -254,969     | -260,069     | -265,270     | -270,576     |
| Inflation Rate   |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
| Increased Sum  |                      | -4,999       | -5,099       | -5,201       | -5,305       | -5,412       |
| <b>Inflation - Recycling</b>   | -1,337,680           | -1,337,680   | -1,337,680   | -1,337,680   | -1,337,680   | -1,337,680   |
| Inflation Rate   |                      | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        |
| Increased Sum  |                      | 0            | 0            | 0            | 0            | 0            |
| <b>Inflation - Income Grants &amp; Contributions - one off</b>                             | -152,810             | -152,810     | -152,810     | -152,810     | -152,810     | -152,810     |
| Inflation Rate   |                      | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        |
| Increased Sum  |                      | 0            | 0            | 0            | 0            | 0            |
| <b>Inflation - IIB Subsidy</b>   | -30,965,440.00       | -30,965,440  | -30,965,440  | -30,965,440  | -30,965,440  | -30,965,440  |
|  |                      | 0            | 0            | 0            | 0            | 0            |
| <b>Inflation - Service Income</b>  | -4,637,620           | -4,637,620   | -4,730,372   | -4,824,980   | -4,921,479   | -5,019,909   |
| Inflation Rate   |                      | 2.00%        | 2.00%        | 2.00%        | 2.00%        | 2.00%        |
| Increased Sum  |                      | -92,752      | -94,607      | -96,500      | -98,430      | -100,398     |
| <b>Inflation - Car Park Charges</b>  | -3,101,070           | -3,101,070   | -3,101,070   | -3,101,070   | -3,101,070   | -3,101,070   |
| Inflation Rate   |                      | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        |
| Increased Sum  |                      | 0            | 0            | 0            | 0            | 0            |
| <b>Inflation - Planning Fees</b>   | -1,447,450           | -1,447,450   | -1,447,450   | -1,476,399   | -1,476,399   | -1,505,927   |
|  |                      | 0.00%        | 2.00%        | 0.00%        | 2.00%        | 0.00%        |
|  |                      | 0            | -28,949      | 0            | -29,528      | 0            |
| <b>Summary of inflation</b>  |                      | -97,752      | -128,656     | -101,701     | -133,263     | -105,810     |

Transformation Strategy Monitor

APPENDIX B

| Year  | 2017/18         | 2018/19          | 2019/20          | 2020/21          | 2021/22          |
|---|-----------------|------------------|------------------|------------------|------------------|
| MTFP - deficit cumulative   | £ 792,476       | £ 1,462,667      | £ 1,561,888      | £ 1,748,819      | £ 1,916,359      |
| Transformation Strategy assuming all delivered  | £ 709,000       | £ 205,000        | £ 200,000        | £ 100,000        | £ -              |
| <b>Revised Deficit cumulative</b>   | <b>£ 83,476</b> | <b>£ 548,667</b> | <b>£ 447,888</b> | <b>£ 534,819</b> | <b>£ 702,359</b> |
| <b>Savings where £ given</b>  | <b>£000</b>     | <b>£000</b>      |                  |                  |                  |
| <b>Estates &amp; Property Team efficiencies</b>   | 10              |                  |                  |                  |                  |
| Property Lease Renewals   | 50              |                  |                  |                  |                  |
| Exmouth CCTV transfer to external group - upfront cost £75k   | 25              |                  |                  |                  |                  |
| East Devon Business Centre - Improved income position   | 30              |                  |                  |                  |                  |
| General Fund Housing - efficiency   | 30              |                  |                  |                  |                  |
| Countryside & Leisure income generation initiatives - including charging for manor Pavilion Car Park.           | 40              |                  |                  |                  |                  |
| Review of Pre Application planning advice to include listed building and conservation advice £20k- £30k         | 20              |                  |                  |                  |                  |
| Mobile devices - printing costs   |                 | 5                |                  |                  |                  |
| Mobile devices - printing costs (s106 officer)  | 34              |                  |                  |                  |                  |
| 2nd Tranche Beach Huts income implementation - £35k   | 35              |                  |                  |                  |                  |
| East Walk, Seaton 20 more sites (subject to planning)   | 9               |                  |                  |                  |                  |
| Street Scene Event Income   | 35              |                  |                  |                  |                  |
| Street Scene - outside contracts  | 2               |                  |                  |                  |                  |
| Street Scene - recharge event cost clear up. Could be controversial - Tar Barrels, Folk Festival, Carnivals etc | 9               |                  |                  |                  |                  |
| Asset Review - Target   |                 | 200              |                  | 200              | 100              |
| Homesafeguard - Business Plan projections   |                 | 200              |                  |                  |                  |
| Error & Fraud Incentives  |                 | 30               |                  |                  |                  |
| R&B self service  |                 | 30               |                  |                  |                  |
| Review of officer travel payments   |                 | 120              |                  |                  |                  |
|   | 709             | 205              | 200              | 100              | 0                |
|   | £ 709,000       | £ 205,000        | £ 200,000        | £ 100,000        | £ -              |

**Report to:** **Scrutiny Committee**  
**Date of Meeting:** 24 November 2016  
**Public Document:** Yes  
**Exemption:** None



**Review date for release** None

**Agenda item:** 11

**Subject:** **Quarterly monitoring of performance – 2nd quarter 2016/17 July to September 2016**

**Purpose of report:** This report provides performance information and progress against our promises and priorities as outlined in the Council Plan. This cumulative quarterly information will be used to provide an annual review of our performance against the Council Plan in the Annual Report.

**Recommendation:** **It is recommended that Members consider performance against delivery of the actions/priorities in the Council Plan, key service objectives from service plans and performance measures for the 2<sup>nd</sup> quarter of 2016/17 so that issues can be addressed in a timely way.**

**Reason for recommendation:** So that Members can gain a clear view of progress against what we said we would deliver in the Council Plan and deal with performance issues arising.

**Officer:** Karen Jenkins, Strategic Lead – Organisational Development and Transformation  
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ext 2762

**Financial implications:** There are no direct financial implications.

**Legal implications:** No legal comments are required

**Equalities impact:** Low Impact

**Risk:** Low Risk  
A failure to monitor performance may result in customer complaints, poor service delivery and may compromise the Council's reputation.

**Links to background information:**

- [Appendix A – Performance against Council Plan and our key performance indicators](#)
- [Appendix B – Performance against Service Plans and their objectives](#)
- [Appendix C - Explanations and definitions.](#)

**Link to Council Plan:** Continuously improving to be an outstanding Council

## Report in full

1. [Appendix A](#) gives an overview of the performance against measures in the form of gauge charts for the following:

- **council actions taken from the Council Plan 2016-20**
- **objectives from the service plans**
- **key performance indicators**

The report also provides detailed information on the status of the council actions and key performance indicators.

Most of the **council actions for 2016/17** from the Council Plan are showing as achieved or on track, with none showing concern and only one variation. This is highlighted in Appendix A and relates to the implementation of actions in the Public Health Plan. As a council, we are still working on public health projects but much of our time this year has been diverted into NHS England Healthy New Towns programme in Cranbrook which is considered to be a service priority.

2. [Appendix B](#) shows progress against service plan objectives linked to the council aims in the form of gauge charts (reports from SPAR.net detail the progress of all the service objectives.) There are two service objectives showing a status of concern:

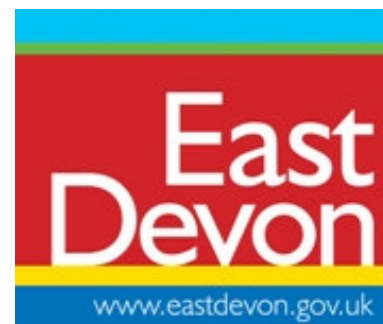
- **Promote inspection outcomes under the Food Hygiene Rating Scheme and to improve the ways in which we draw attention to those outcomes. To provide a clear incentive for businesses to improve their compliance with regulatory standards we will clearly and expressly identify businesses who have achieved improved scores and those who have not** - Real time "changes" to food hygiene scores remains something that we are keen to promote and we are working with Strata to see if this IT related work is possible in the current schedule of work. In the meantime anyone can view the current food hygiene rating score of any restaurant, café and pub - in fact any caterer or food retailer in our area via the EAST DEVON APP.
- **Promoting use of Council assets as potential locations for joint venture energy generation with private energy company.** The Limited opportunities available are currently being explored.

Further details of the progress of our service objectives can be found in the report.

5. Our performance indicators are showing on track with two showing a status of concern.

- **Number of random vehicle licence checks** – Licensing service operates with reduced staffing in 2016 impacting upon number of checks conducted. However recruitment for one officer post has been authorised and is planned in the next quarter.
- **Percentage of Other planning applications determined within 8 weeks** – Development Management are aware that the target for the quarter has not been met. This is partly due to heavy workloads and the focus on improving performance on Major applications, but in any case improved performance is being addressed as part of the current Systems Thinking review into the service where a number of changes to the way we process Other applications is about to be trialed. It should be noted that for the Government Returns for the quarter we were at 77.5%.

Further details of the progress of our performance indicators can be found in [Appendix A](#)



# Quarter 2 Performance Report 2016-17

## Performance Overview, Council Plan Actions and Key Performance Indicators

October 2016

### Document Key

#### Action Status classification

- Red (Concern) highlights targets with serious problems or significant delays.
- Amber (Variation) indicates actions with mild concerns or minor setbacks.
- Green (Achieved) displays special achievements or early completions.

#### Performance Indicators (PI)

- The 'Previous Year End' column reports performance at the end of 2015/16, if that information is available.
- The 'Current Target' column represents the annual target some measures no longer have targets or are not suitable for targets.
- The columns 'Q1 Act', 'Q2 Act', etc. show the actual year to date situation for each Performance Indicator. The key for the colours is as follows:
  - Red (Concern) – if the PI is 10% or more below the target.
  - Yellow (Variation) – if the PI is between 10% and 0.1% below the target.
  - Green (Achieved) – if the PI and the target match exactly or the PI is above the target.
- The Direction of Travel column shows if the PI has improved since the same period last year. An up arrow showing improvement, a down arrow showing deterioration and a level arrow showing a static trend.

# Overview of our performance – Quarter Two 2016/17

Chart a. Performance against our Council Plan 2016/17 – for more detail please see the following pages

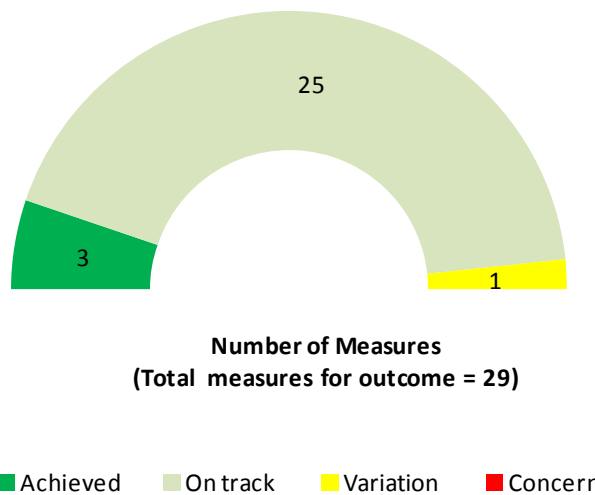


Chart b. Performance against our Service Plan Objectives – for more detail please see appendix B

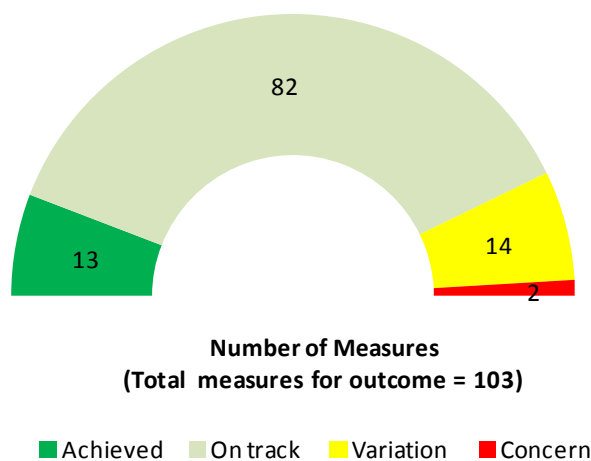
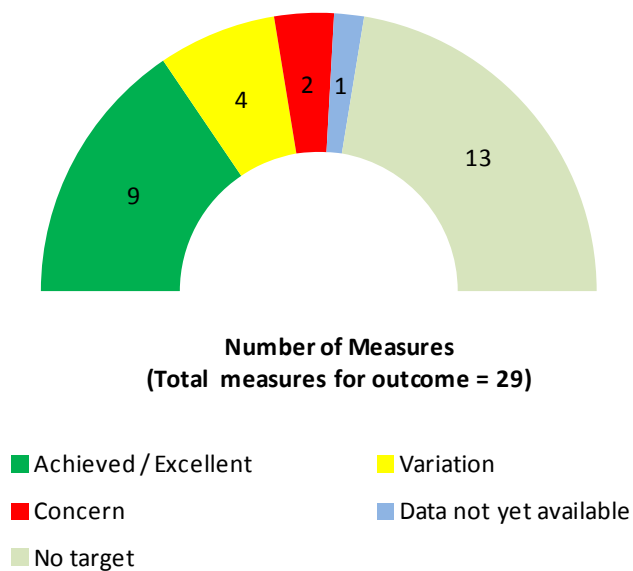


Chart c. Performance against Key Performance Indicators - for more detail please see the following pages



## Council Priority 1 – Encouraging communities to be outstanding

| Council Action 2016-20   | Status    | Comments  |
|--|-----------|---|
| Deliver quality green space and wildlife habitats alongside new development.   | On track  | We continue to deliver high quality green spaces as part of developments integrating these with sustainable drainage systems wherever possible as well as securing on-site or off-site provision of SANG's within 10km of European protected habitats.  |
| Deliver the Local Plan to meet the district's aspirations and needs in terms of the different housing people need and land for employment.   | Achieved  | The Local Plan has now been found sound by the inspector and has been formally adopted by the Council.  |
| Deliver the right infrastructure through the Community Infrastructure Levy (CIL) to ensure that new developments and communities have all the facilities they need.                                  | On track  | Having formally adopted and implemented CIL work now starts in earnest on setting up the processes to allocate monies received. The bones of governance arrangements have already been established through a Members TAFF and the establishment of the Strategic Planning Committee. It is envisaged that a report to agree the details of this process and the focus for spend will be brought to the Strategic Planning Committee in the new year.  |
| Ensure that council homes are well maintained and managed effectively with high tenant satisfaction.   | On track  | We are delivering against our commitments in the Housing Revenue Account Business Plan and commitments to tenants.  |
| Ensure that the activities which require it are appropriately licensed.  | On track  | While remaining down on team numbers the service is performing well to ensure applications are progressing smoothly and within time. Resourcing issues being addressed with temporary support and recruitment is in progress to fill post.  |
| Extend our range of community development activities to work with people of all ages, focusing particularly on the issues of health and wellbeing, worklessness and financial and digital inclusion. | On track  | This year's East Devon Open tenant art exhibition organized by Mobile Support Officers was a great success with paintings, ceramics and other artwork on show at Seaton Jurassic, The Manor Pavilion in Sidmouth and the Thelma Hulbert gallery in Honiton. Mobile Support Officers also ran three separate sessions across the district celebrating Silver Sunday. Tenants from Axminster, Exmouth and Sidmouth enjoyed manicures, bowling, bingo and numerous other activities throughout the day.          |
| Extending the housing options service and reducing numbers on the housing register.  | Achieved  | We are managing to meet demand for housing by providing a wide range of accommodation options for people accessing the Housing Options service, with the aim of preventing homelessness whenever possible and assisting people who do become homeless into suitable accommodation.  |
| Implement the actions and commitments in our Public Health Plan.   | Variation | Although we are still working on our public health projects, much of our time this year has been diverted into work on the NHS England Healthy New Towns programme in Cranbrook as a service priority.  |
| Return empty homes to beneficial use.  | On track  | The long term empty properties in the same ownership have been auctioned and completion of the sale process will be finalised in November. Further work is being undertaken on 2 large estates which are to be taken down the same Enforced Sale route. Other empty properties on the district are being assessed and prioritised for enforcement. A review of the Empty Homes Partnership with Exeter is underway following the announcement of our partnership officer's retirement at the end of December. |

|   |          |   |
|---|----------|---|
| Review our business plan for council homes to maintain a viable level of income and expenditure following changes in government policy to ensure that we continue to achieve a high level of tenant satisfaction. | On track | We are working with a TaFF set up by the Housing Review Board and SWAP to update the Business Plan in response to significant changes in national housing policy.                 |
| When development happens, ensure that the natural environment and historic buildings are protected from inappropriate development.  | On track | New developments are always fully assessed in terms of their impact on the natural and historic environment to ensure that any impacts are minimized and that they are protected. |

| Performance Indicators                                 | Prev Year End | Current Target | Q1 Actual | Q2 Actual | Q3 Actual | Q4 Actual | Direction of travel |
|--|---------------|----------------|-----------|-----------|-----------|-----------|---------------------|
| Number of affordable homes delivered                   | 204           | 50<br>(2/4)    | 0         | 52        |           |           | ↓                   |
| Number of households living in temporary accommodation | 0             | 20<br>(2/4)    | 3         | 4         |           |           | ↓                   |



## Council Priority 2 – Developing an outstanding local economy

| Council Action 2016-20   | Status   | Comments   |
|--|----------|--|
| Continue to support the growth of the Greater Exeter's economy through promoting employment sites identified in our Local Plan.  | On track | We have provision in place to focus our Economic Development, Growth Point on wider sites promotion. With the Local Plan approved this promotes confidence to bring sites forward. The Growth Point logistics site has been approved in planning for Lidl with work due to start in 2016 which will deliver approximately 500 jobs. Planning work on next phase of the enterprise zone development has moved forward with a joint memorandum of understanding signed with Devon County Council and the Local Enterprise Partnership. Business plan to follow with Enterprise zone start up April 2017. |
| Deliver our target to pay businesses within ten working days and through our Procurement Strategy encourage local business to do business with the council.                              | Achieved | 96% in June 2016   |
| Deliver projects to help create the conditions for local economic growth in partnership with neighbouring authorities where shared objectives exist and improved efficiencies evidenced. | On track | Through the Growth Point and Greater Exeter area council's partnership we continue to secure significant central government and private investment. Early discussions are underway for a joint strategic local plan for the wider economic area. We are working closely with Devon County Council and has responded to A30/A303 improvement proposals. Working with Greater Exeter area neighbouring authorities to deliver housing and economic development plans to promote long term growth.  |
| Identify and bring forward a pipeline of regeneration and development projects across the lifetime of the Council Plan to deliver benefits through regeneration and/or capital receipts. | On track | Work continuing on regeneration projects. New workspace opportunities being considered. Commencing supportive work to Sidmouth town council for the Port Royal project.  |
| Implement the serviced workspace study recommendations and initiate site specific detailed reviews and business cases to seek investment and funding.                                    | On track | Continuing to consider options for new workspace provision throughout the district.  |
| Increase income from existing assets either directly or through local partnerships.  | On track | Through completion of rent reviews and lease renewals  |
| Secure new job opportunities in conjunction with development arising from the Local Plan for local residents (both young and disadvantaged in the labour market).                        | On track | Continuing to comment on planning applications where applicable and supporting new job opportunities   |

|   |          |  |
|---|----------|--|
| Work in partnership with and gain the positive support of town councils and local partners to identify and deliver new opportunities for regeneration.              | On track | We have committed to a future focus on regeneration in Axminster and appropriate structures will be put in place in the 3rd quarter of 2016-17. The previous regeneration board of Seaton has agreed succession arrangements with Seaton Town Council. We continue to work closely with Exmouth Town Council on delivering the seafront regeneration. Sidmouth Port Royal scoping survey funds and terms of reference agreed by town and district council's and consultants to be commissioned in 3rd quarter 2016-17. |
| Work with Exeter and Heart of Devon (EHOD) partner economic development teams to produce a joint economic development strategy which prioritises inward investment. | On track | Continuing to work with the Exeter and Heart of Devon districts on the joint economic development strategy.  |

| Performance Indicators                                    | Prev Year End | Current Target | Q1 Actual | Q2 Actual | Q3 Actual | Q4 Actual | Direction of travel |
|---|---------------|----------------|-----------|-----------|-----------|-----------|---------------------|
| Creditor days - % of invoices paid within 10 working days | 92            | 95<br>(6/12)   | 96        | 94        |           |           | ↑                   |
| Creditor days - % of invoices paid within 30 days         | 97            | 99<br>(6/12)   | 99        | 99        |           |           | ↑                   |

## Council Priority 3 – Delivering and promoting our outstanding environment

| Council Action 2016-20  | Status   | Comments   |
|---|----------|--|
| Adopt a Green Space Strategy, the purpose of which is to value and help protect our natural environment.  | On track | Draft version taken to AMF meeting 6 October with some recommendations to make changes to format and content. A revised document will be taken back to AMF in November.  |
| Adopt Beach Management Plans (BMP) for our beaches working closely with town councils and manage the risk of coastal erosion and flooding.                          | On track | We have submitted capital bids to the annual budget setting program to allow us to undertake actions identified through the BMPs, which includes producing a business case for access to EA funding for the main Sidmouth BMP scheme. Sidmouth BMP is progressing and a recommended coastal protection option has been put forwards. A steering group meeting was held in August to look at the proposals and agreed to set up a funding sub group to see how we could find partnership funding which is required to make the scheme viable. The level of partnership funding required varies significantly depending on which coastal protection option is taken forward. The preferred option of additional groynes on East Beach and some alterations to the main beach scheme as well as beach recharge requires around £2.5mil of partnership funding. The technically preferred option of shore parallel breakwaters requires £11mil of partnership funding. The steering group will meet again in November to look at the results from the funding sub group to see which option is viable. Work has started on the tender documents for the Seaton BMP process.  |
| Enter into a new innovative recycling and waste collection contract extending the options for recycling and reducing waste that is incinerated or sent to landfill. | On track | <p>There has been a great deal of progress since the last review and preparations for the mobilisation of the improved recycling and waste collection service are going well. Vehicles are still due to be delivered from mid October into November and will come into service as soon as they are on fleet. The improved recycling service can't begin however until the new year because we need to wait for all fleet to be in service before we can start the new service (vehicles will be delivered a few at a time, bin lorries first, followed by the recycling lorries. All the vehicles are needed to provide the new service); coupled with this we have an extensive communications program planned and we will be too close to Christmas to plan and deliver this effectively once we have all the vehicles on fleet. Finally our professional advice and that of our partner Suez is that a big service change such as this needs to take place after Christmas so that communications are not lost over the Christmas period.</p> <p>The start dates for the new service are now contractually agreed and are mid-February 2017 for Phase 1 (Exmouth area) and June 2017 for Phase 2 (rest of the district). We are now planning our roadshows and communications to meet these timelines; with letters and mailers hitting door mats for the phase 1 area early in the new year. We are starting a poster campaign in October in the phase 1 area to start introducing the idea that there is a change coming.</p> <p>We will be doing an all council Member presentation at some point before Christmas and have yet to agree the best meeting for this. The presentation will apprise all Members of the changes</p> |

|   |          |   |
|---|----------|---|
|   |          | coming. We will also be doing ward member and parish/town council briefs in each area as we roll out.<br><br>Marketing materials and livery designs for the new materials have been agreed. Suez's mobilization team are now in East Devon and helping us to complete the plans for the new service roll out. |
| Explore opportunities for securing a Blue Flag for the beaches in East Devon. | On track | No further progress - we are awaiting the next application opportunity which opens in November.   |
| Implement a programme of fuel efficiency measures for council properties.     | On track |   |

| Performance Indicators   | Prev Year End | Current Target | Q1 Actual | Q2 Actual | Q3 Actual | Q4 Actual | Direction of travel |
|--|---------------|----------------|-----------|-----------|-----------|-----------|---------------------|
| Percentage of Household waste sent for reuse and recycling             | N/A           | (6/12)         | 46        | 47        |           |           | ↑                   |
| Residual household waste in kg per household                           | N/A           | (6/12)         | 24        | 25        |           |           | ↑                   |
| Percentage of Municipal waste for disposal (incineration and landfill) | N/A           | (6/12)         | 52        | 47        |           |           | ↑                   |
| Improved street and environmental cleanliness – fly tipping            | 2             | 3 (2/4)        | 2         | 2         |           |           | ↑                   |

## Council Priority 4 – Continuously improving to be an outstanding council

| Council Action 2016-20   | Status   | Comments   |
|--|----------|--|
| Continue to develop self service capability of our website so that customers can access services online if they wish to.   | On track |  |
| Continue to identify opportunities to save money across Teignbridge, East Devon and Exeter City councils as well as through established frameworks nationally.   | On track |  |
| Implement the approved Strata Business Plan (a wholly-owned ICT company by East Devon, Exeter City and Teignbridge councils) in order to deliver savings, reduce risks and improve capability for IT-enabled change. | On track |  |
| Relocate to Honiton and Exmouth Town Hall and establish surgeries where necessary to meet identified demand for particular services.   | On track | Relocation plans continue in detail towards stage 7 RIBA sign off. Planning process for Knowle, Heathpark and Exmouth Town Hall are underway with applications to be considered by committee in the autumn 2016. Service continuity for the district is a key priority in the process. |

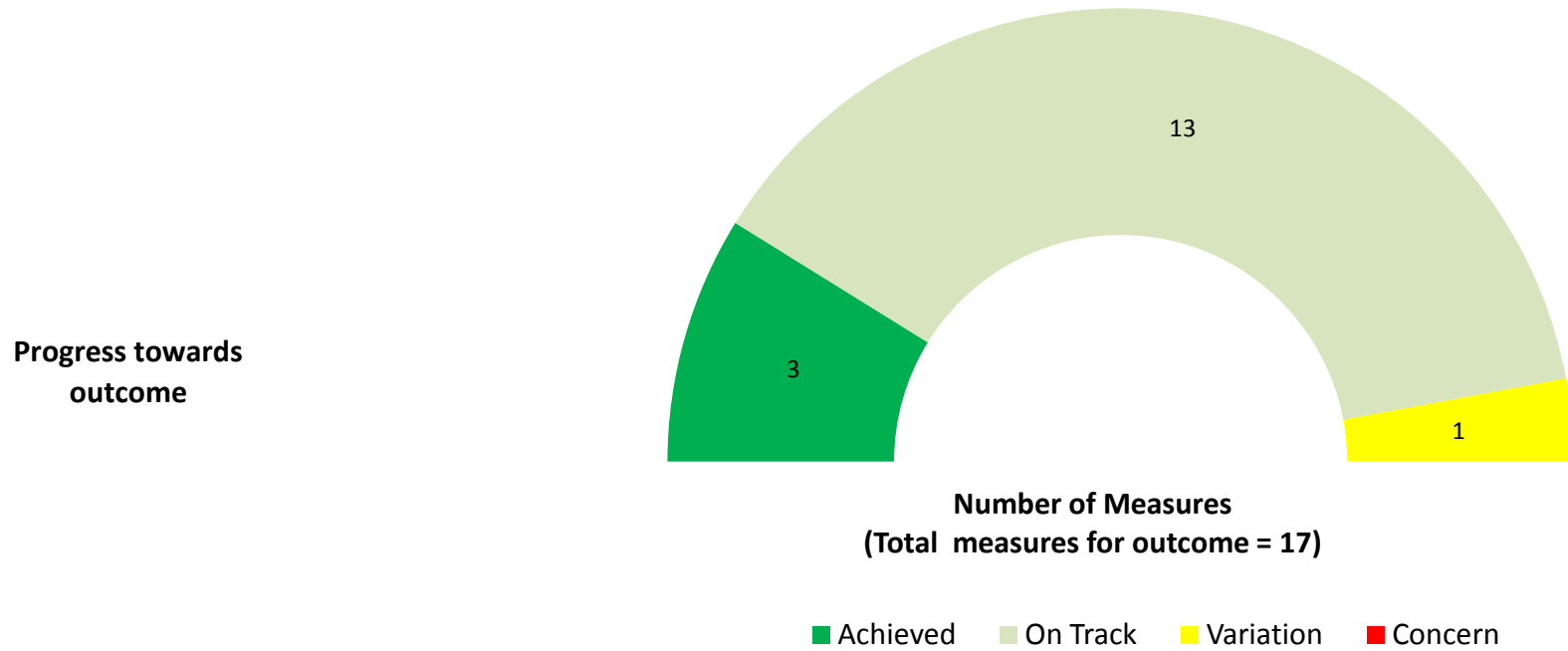
| Performance Indicator   | Prev Year End   | Current Target | Q1 Actual | Q2 Actual | Q3 Actual | Q4 Actual | Direction of travel |
|---|---|----------------|-----------|-----------|-----------|-----------|---------------------|
| Percentage of Council Tax collected   | 98.84   | 58.18 (6/12)   | 30.46     | 58.19     |           |           | ↑                   |
| Percentage of Non-domestic rates collected  | 97.75   | 59.23 (6/12)   | 30.54     | 58.75     |           |           | ↓                   |
| Working days lost due to sickness absence   | 8.91  | 4.25 (6/12)    | 1.93      | 3.74      |           |           | ↑                   |
| Percentage of planning appeal decisions allowed against the authority's decision to refuse    | 21.8  | 30 (6/12)      | 26.7      | 25.0      |           |           | ↓                   |
| Percentage of Stage 2 complaints responded to within stated timeframes                        | N/A<br>New PI   |                | 80%       | 85%       |           |           | N/A                 |
| Ratio of paper agendas issued   | N/A<br>New PI   |                | -         | -         | -         |           | N/A                 |
| Management Note   | Annual indicator data due in quarter 4. The team is currently reviewing agenda distribution lists. The team is always vigilant for opportunities to reduce the size of agendas - for example whether attachments can be included as electronic links. |                |           |           |           |           |                     |
| Percentage of minutes and audio from council meetings uploaded together within 5 working days | N/A<br>New PI   |                | 85.70     | 93.70     |           |           | N/A                 |
| Percentage of FOI responded to within the statutory time limits                               | N/A<br>New PI   |                | 100       | 100       |           |           | N/A                 |

|  |  |                |       |       |  |  |   |
|--|--|----------------|-------|-------|--|--|---|
| Number of random general licence checks  | 195  | 93<br>(2/4)    | 47    | 86    |  |  | ↔ |
| Number of random vehicle licence checks  | 90   | 75<br>(2/4)    | 38    | 62    |  |  | ↑ |
| Management Note  | Licensing service operates with reduced staffing in 2016 impacting upon number of checks conducted. However recruitment for one officer post has been authorised and is planned in the next quarter.   |                |       |       |  |  |   |
| Total average headcount (quarterly total)  | 498  |                | 502   | 494   |  |  | ↑ |
| Cumulative Staff Turnover as a percentage of all staff (voluntary leavers)             | 7  |                | 3     | 6     |  |  | ↓ |
| Capability at point of contact for Benefits  | 65   |                | 65    | 63    |  |  | ↓ |
| % of residents who pay their Council Tax by Direct Debit                               | 77   |                | 78    | 78    |  |  | ↑ |
| Number of Level 2 complaints (year to date)  | 33   |                | 5     | 12    |  |  | ↓ |
| Number of Freedom of Information Requests (year to date)                               | 588  |                | 203   | 380   |  |  | ↑ |
| Missed bin collections per 1000 households   | N/A  | (6/12)         | 48    | 93    |  |  | ↑ |
| Percentage of minor planning applications determined within 8 weeks                    | 46.39  | 65.0<br>(2/4)  | 46.89 | 68.14 |  |  | ↑ |
| Percentage of other planning applications determined within 8 weeks                    | 69.87  | 80.0<br>(2/4)  | 73.54 | 71.90 |  |  | ↑ |
| Management Note  | Development Management are aware that the target for the quarter has not been met. This is partly due to heavy workloads and the focus on improving performance on Major applications, but in any case improved performance is being addressed as part of the current Systems Thinking review into the service where a number of changes to the way we process Other applications is about to be trialed. It should be noted that for the Government Returns for the quarter we were at 77.5%. |                |       |       |  |  |   |
| Days taken to process Housing Benefit/Council Tax Benefit new claims and change events | 4.86   | 5.35<br>(6/12) | 4.13  | 4.28  |  |  | ↑ |
| Proportion of outstanding debt that is more than 90 days old from date of invoice      | 11   |                | 51    | 16    |  |  | ↑ |

| Performance Indicator not linked to any aims | Prev Year End | Current Target | Q1 Actual | Q2 Actual | Q3 Actual | Q4 Actual | Direction of travel |
|--|---------------|----------------|-----------|-----------|-----------|-----------|---------------------|
| Number of redundancies (year to date)        | 2             | -              | 0         | 0         |           |           | ↔                   |

**PRIORITY ONE: Encouraging communities to be outstanding**

**Service Plan Objectives - Quarter Two Results 2016/17**



## Service Plan Objectives - Priority 1

Annual report for 2016/2017

Arranged by Aims

Filtered by Aim: Priority Encouraging communities to be outstanding

Key to Performance Status:

|                          |                   |                  |          |         |           |          |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|
| Key Strategic Objective: | No Data available | Milestone Missed | On track | Concern | Variation | Achieved |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|

\* indicates that an entity is linked to the Aim by its parent Service

| Service Plan Objectives - Priority 1                |  |  |   |
|---|--|--|---|
| Priority: Encouraging communities to be outstanding |  |  |   |
| Key Strategic Objective                             |  |  |   |
| Objective Status                                    | Objective  | Service                                      | Comments  |
| On track  | <u>Advise on legal strategy / implementation of major projects (including regeneration) and related processes (internal with external resource where required).</u>  | Legal, Licensing and Democratic Services     | Advice being given as and when required. No challenges received.  |
| On track  | <u>Complete the Cranbrook Masterplan and adopt it as a Development Plan Document (DPD) to guide the next phases of development at the new community</u>  | Planning Strategy and Development Management | We have completed a successful Issues and Options consultation on the masterplan and reported the results to Strategic Planning Committee along with details of the evidence base that will now be used to draft the document. We have also met with our consultants Savills who are assisting us and are in the process of agreeing a way forward with the production of the document with a view to reporting on the next stages of the work to the Strategic Planning Committee in the new year. |
| Achieved  | <u>Complete the disposal of Seaton Town Hall subject to resolution with and between local parties</u>  | Property and Estates                         | Transfer complete   |
| On track  | <u>Continue to secure affordable housing (and other planning benefit through planning and property transactions and appropriate advice to council committees)</u>  | Legal, Licensing and Democratic Services     | S106 agreements being completed on appropriate developments to deliver affordable housing.  |
| On track  | <u>Continue to support the development management function in securing the right development in the right place, and taking effective enforcement action against unauthorised and harmful development.</u> | Legal, Licensing and Democratic Services     | Dedicated resource (1 full time equivalent and Head of Service) providing support to Development Management function.   |
| On track  | <u>Develop a range of cultural events and engagement activities such as outdoor theatre, children's education</u>  | StreetScene                                  | Our Parks Improvement Officer has secured some Heritage Lottery funding to implement a heritage trial   |



## Service Plan Objectives - Priority 1

### Priority: Encouraging communities to be outstanding

#### Key Strategic Objective

| Objective Status | Objective  | Service                                      | Comments  |
|------------------|--|--|---|
|                  | <u>and outbound activities to link with the Countryside events brochure and give our communities varied opportunities to make the most of our outside spaces for culture and leisure</u>                                     |  | around some of our key parks sites to increase interest in their history and add a cultural offer. She is also working on a program of events for next summer.  |
| On track         | <u>Enable the delivery of affordable housing through negotiation with developers</u>   | Planning Strategy and Development Management | We continue to secure affordable housing from new housing developments in accordance with the policies in the newly adopted Local Plan. Viability issues remain an issue in some cases and in the introduction of Community Infrastructure Levy (CIL) will potentially put greater pressure on affordable housing delivery as this is one of few areas that remain for negotiation with CIL being non-negotiable. |
| Achieved         | <u>Ensure delivery of the new waste contract</u>   | Legal, Licensing and Democratic Services     | New waste contract completed in summer 2016   |
| On track         | <u>Implement the council's new rent support scheme for sports and activity club tenants</u>  | Property and Estates                         | The scheme has been launched.   |
| On track         | <u>Introduce design review at Cranbrook/strategic projects</u>   | Planning Strategy and Development Management | While we have an existing local level design review panel in place there are plans to introduce a panel for the growth area to be run by government design panel Chartered Association of Building Engineers (CABE). Discussions continue with CABE and Exeter and Teignbridge Councils to bring this forward.  |
| Variation        | <u>In consultation with the Chair of Asset Management Forum (AMF), oversee the council's ambition to devolve services and assets to the third sector</u>   | Property and Estates                         | Compilation of database linking council assets with financial figures is almost complete. Capacity for wider project not available. Pilot project for Beer will proceed: Proposal from the Parish council to be assessed and recommendations to be made to Members in near future.  |
| On track         | <u>Provide governance advice and support for any devolution deal that may come forward</u>   | Legal, Licensing and Democratic Services     | Advice being given as and when required although currently there is little progression with the deal  |
| Achieved         | <u>Provide guidance to developers on the submission of a health impact assessment with their application to ensure that the Council has good information on which it can make the right development management decisions</u> | Env Health & Car Parks                       | Large scale developments must now submit a health impact assessment to accompany their planning applications as part of the validation process. Incomplete applications will not be considered and our Environment Health team has produced guidance in   |

## Service Plan Objectives - Priority 1

### Priority: Encouraging communities to be outstanding

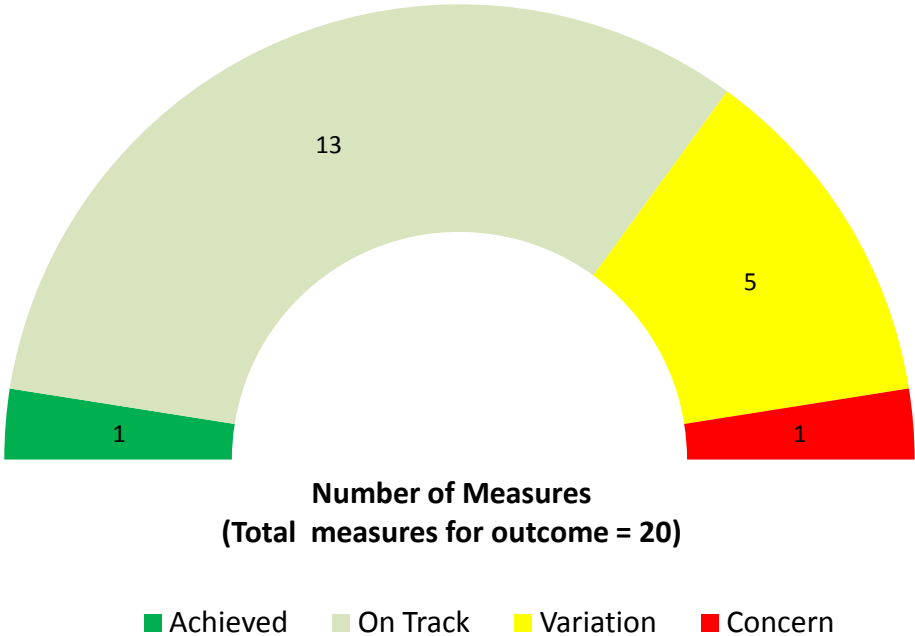
#### Key Strategic Objective

| Objective Status | Objective  | Service                                  | Comments   |
|------------------|--|--|--|
|                  |  |  | both summary and detailed form to assist developers the identify the relevant planning policies and suggest a structure for documenting how issues will be addressed by the proposed development.  |
| On track         | <b><u>The local Council Tax Support Scheme for 2016/17 has been adopted with no amendments to the existing scheme other than applying appropriate uplifts. A full review will be undertaken in 2016/17 in relation to a scheme for 2017/18, this will involve working with other Devon authorities and possible extensive public and stakeholder consultation. A report will be presented to Council in 2016/17 with recommendation for consideration.</u></b> | Finance                                  | We have undergone consultation which finished in September which was to make changes to our scheme for 17/18 in-line with other Devon Authorities. The results of the consultation need to be evaluated. Members of the Finance Think Tank will meet to agree the recommendations for Cabinet. A meeting is scheduled for early November. This will then go to Cabinet on 7 December 2016 before Full Council on 21 December 16. |
| On track         | <b><u>Reviewing and supporting the delivery of assets and services at Cranbrook to ensure that these are timely, cost effective and meet the needs of the community</u></b>  | Growth Point Team                        | Focus continues to be on the delivery of key facilities in the Town Centre.  |
| On track         | <b><u>Support for Healthy New Towns status and delivery of further community infrastructure to support the Cranbrook new community.</u></b>  | Growth Point Team                        | Meeting with NHS England appointed consultants undertaken. Event with Met Office being organized.  |
| On track         | <b><u>Support the Planning Policy team through the Local Plan process and implementation of the Community Infrastructure Levy (CIL).</u></b>   | Legal, Licensing and Democratic Services | Governance arrangements for CIL still to be resolved   |

**PRIORITY TWO: Developing and outstanding local economy**

Service Plan Objectives - Quarter Two Results 2016/17

Progress towards outcome



## Service Plan Objectives - Priority 2

Annual report for 2016/2017

Arranged by Aims

Filtered by Aim: Priority Developing an outstanding local economy

Key to Performance Status:

|                          |                   |                  |          |         |           |          |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|
| Key Strategic Objective: | No Data available | Milestone Missed | On track | Concern | Variation | Achieved |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|

\* indicates that an entity is linked to the Aim by its parent Service

| Service Plan Objectives - Priority 2              |  |  |   |
|---|--|--|---|
| Priority: Developing an outstanding local economy |  |  |   |
| Key Strategic Objective                           |  |  |   |
| Objective Status                                  | Objective  | Service                                      | Comments  |
| Achieved  | <b><u>Adopt a Community Infrastructure Levy (CIL) Charging Schedule and establish procedures for charging and collecting monies</u></b>  | Planning Strategy and Development Management | Community Infrastructure Levy (CIL) has successfully been implemented and we are now issues notices of charges to approved developments and procedures are in place for collecting the monies.  |
| On track  | <b><u>Appraisal of investment models to improve or equal the return on Council's cash flow investments that also deliver a wider social benefit (example District Heating Investment). Report to be prepared for Cabinet for any such schemes.</u></b>   | Finance                                      |   |
| On track  | <b><u>Complete a review of district wide public toilet provision and report to the Asset Management Forum (AMF) with a range of suggestions to reduce reliance on general fund budget by analysing the possibility of paid access at some key sites leases to businesses for some toilets and other innovative ways of reducing the costs of providing the service</u></b> | StreetScene                                  | <p>Work on the review is continuing with an assessment of costs for each toilet and usage levels. A range of options are being drafted for consideration by AMF/Cabinet and will be completed by the end of the year.</p> <p>In response to a recent press enquirey regarding this, which was very concerned about earmarking sites for closure we said: The council recognises that public toilet provision is a very important service for our residents and visitors, however, it is not a statutory service, we provide it because we know how much it is valued. As part of the Council Plan, we need to look at ways of operating services differently in order to help meet our budget deficit of £2.6m. We spend around £800,000 p.a. on our toilets, so we need to assess them responsibly for quality, level of provision in any given area and possible options for different ways of operating. However, we would like to</p> |

## Service Plan Objectives - Priority 2

### Priority: Developing an outstanding local economy

#### Key Strategic Objective

| Objective Status | Objective  | Service                             | Comments  |
|------------------|--|-------------------------------------|---|
|                  |  |                                     | <p>stress that no decisions have yet been made – it is far too early and is still a work in progress. Once the review is complete (by the end of 2016), we will take the report to our Asset Management Forum and to cabinet, where we will discuss a wide range of options for toilet provision. As and when proposals come forward there will be full engagement, including consultation, with all interested parties. We anticipate that any changes would not come into place for at least two years.</p> <p>This is an accurate reflection of our current position.</p>  |
| Variation        | <b><u>Continue to explore the benefit of alternative delivery models and conduct trials of alternative partnerships, technologies and systems as appropriate</u></b>               | Env Health & Car Parks              | Whilst we are still working more closely with Exeter City and Teignbridge District Council looking for opportunities to deliver some of our food safety and workplace safety role as a business support service across the Greater Exeter area actual progress has been slow with little clear evidence that small local businesses are ready to pay for regulatory advice (yet).   |
| On track         | <b><u>Continue to support small and start up business through the proactive management of East Devon Business Centre</u></b>   | Regeneration & Economic Development | We have now (as of Oct 1st 2016) successfully let Office 17 – the largest of our offices at the Business Centre. This takes our overall level of occupancy at the Centre to around 90%. We have also experienced an upturn in the levels of office enquiries being received since the refurb in Spring 2016. We now operate monthly Jellies from the centre which are proving popular with freelancers and home-workers as well as a new series of business support workshops in association with our new jointly procured Business Boost support service. Since Aug 2016 the number of conference and training room bookings has increased noticeably. We can provide specific figures and comparison data on request. We now provide new license agreements via the uniform following a systems thing review of the centre – reducing considerably the officer time required to secure the tenant income. |
| Variation        | <b><u>Develop a package of increased events charges across our assets to generate a better income whilst balancing this with encouraging our communities to be outstanding</u></b> | StreetScene                         | We've now completed our revised application forms and are continuing to work on the local appendices with town and parish councils where events are held. We have been working on local examples of the new approach as they come forwards such as the Exmouth Markets Association, where the charge to the market has been applied from a more commercial perspective. We are working closely with the town council to apply criteria to this 3 month trial of a fortnightly market on the strand to ensure we minimize any impact on local traders and are confident it brings footfall and additional offer to the town.   |

## Service Plan Objectives - Priority 2

### Priority: Developing an outstanding local economy

#### Key Strategic Objective

| Objective Status | Objective   | Service                             | Comments  |
|------------------|---|-------------------------------------|---|
|                  |   |                                     | We will shortly be reviewing our final draft of the new procedure before taking it to SMT in Nov/Dec. Seasonal operational demand has hampered more rapid progress, but now the event season is over we can refocuss on this.   |
| On track         | <b><u>Explore the option of a tariff structure that encourages off-peak and low-season activity in our towns and that reflects market conditions during peak hours and high-season. We believe that this will encourage better traffic flow and reduce congestion in some of our most popular locations at times of peak demand</u></b> | Env Health & Car Parks              | We will shortly be presenting ideas for consultation this autumn for both winter offers and better ways of managing peak demand in high season next year.   |
| Variation        | <b><u>Explore the potential benefits including fee earning opportunities that might arise from working with other local authorities including Exeter City Council and Teignbridge District Council to deliver advice, support, training and auditing services to businesses across the region.</u></b>                                  | Env Health & Car Parks              | The work described above being carried out with other Councils has the potential to lead to fee earning work in the future. There is still no realistic prospect of significant revenue generation this year but with potential changes in business regulation reasonably foreseeable in the future, work on setting up delivery structures now makes good sense.   |
| On track         | <b><u>Extend our domestic pest control service to provide expert advice and assistance to Environmental Health staff engaged in providing advice and support to the operators of new and small food businesses</u></b>  | Env Health & Car Parks              | This service is now available and is being signposted at the point of inspection if the Environmental Health Officers believes that a suitable opportunity to provide this support service in a small business exists. Possible (but small scale) income generation potential. The pest control officer has worked with officers and businesses to treat and give advice on the treatment of pests in approximately 10 commercial premises.   |
| On track         | <b><u>Extending corporate support on economy matters: support to Licensing; support to Estates; Business Rates; Planning Policy; Community Development; Growth Point Team</u></b>   | Regeneration & Economic Development | This has intensified with an increase in the level of support and consultation responses provided to Planning in particular. We have also had technical meetings with Environmental Health; are facilitating negotiations between private sector event organisers and Street Scene; have provided considerable input and assistance (inc. c.500 business leads) to Licensing in their Street Trading report work and applied for £550k funding from the Local Enterprise Partnership's Unlocking Growth Fund on behalf of Property and Estates. |
| On               | <b><u>Progress a town centre</u></b>  | Regeneration &                      | A first team meeting has been held to identify  |

## Service Plan Objectives - Priority 2

### Priority: Developing an outstanding local economy

#### Key Strategic Objective

| Objective Status | Objective  | Service                             | Comments   |
|------------------|--|-------------------------------------|--|
| track            | <u>economy and design study for Axminster and provide support to the owners of Websters Garage site to enable this site to come forward in the near future. This will be subject to resources being available</u>  | Economic Development                | future tasks for moving this project forward   |
| Concern          | <u>Promote inspection outcomes under the Food Hygiene Rating Scheme and to improve the ways in which we draw attention to those outcomes. To provide a clear incentive for businesses to improve their compliance with regulatory standards we will clearly and expressly identify businesses who have achieved improved scores and those who have not</u> | Env Health & Car Parks              | Real time "changes" to food hygiene scores remains something that we are keen to promote and we are working with Strata to see if this IT related work is possible in the current schedule of work. In the meantime anyone can view the current food hygiene rating score of any restaurant, café and pub - in fact any caterer or food retailer in our area via the EAST DEVON APP. |
| On track         | <u>Review of Exmouth masterplan: engagement with Magnolia landowner and retail market for Exmouth town centre and to promote a new solution for the Estuaryside site. This will be subject to resources being available</u>  | Regeneration & Economic Development | Consideration being given to the necessary expertise required to move this project forward.  |
| On track         | <u>Secure Enterprise Zone status for investment to support the delivery of new jobs in the growth point area addressing associated governance investment and marketing issues.</u>   | Growth Point Team                   | Memorandum of Understanding submitted to Government by deadline.   |
| On track         | <u>Port Royal: Sidmouth Town Council has asked us to join in a scoping exercise to explore opportunities to renew the eastern part of Sidmouth's seafront. Subject to Cabinet agreement this exercise will identify future potential for planning and</u>  | Regeneration & Economic Development | Work commenced with Sidmouth Town Council to support them with taking forward the project. Scoping Exercise project brief prepared and will be issued shortly.   |

## Service Plan Objectives - Priority 2

### Priority: Developing an outstanding local economy

#### Key Strategic Objective

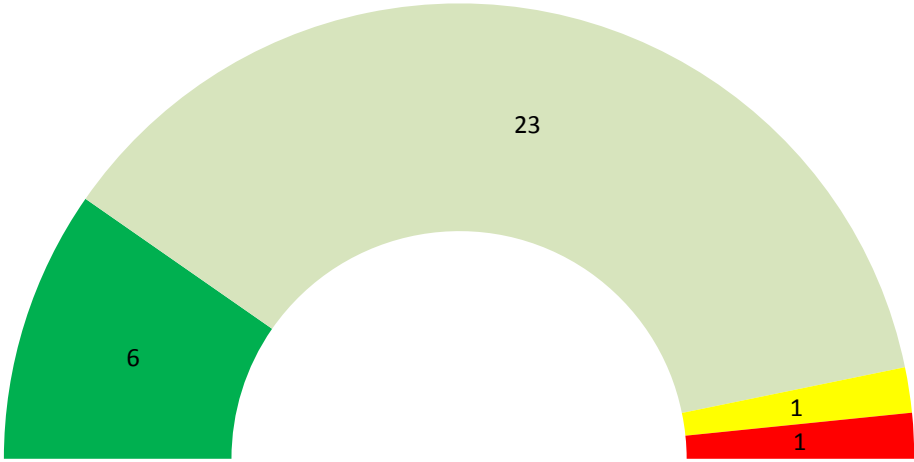
| Objective Status | Objective  | Service  | Comments   |
|------------------|--|--|--|
|                  | <u>redevelopment. This will be subject to resources being available</u>  |  |  |
| On track         | <u>Street Trading consultation and consideration for developing a more flexible policy while also extending the control to the whole district</u>  | Deputy Chief Executive - Development, Regeneration and Partnership | Consultation process Completed. Results undergoing analysis with proposals for widespread relaxation to be considered by Council in quarter three with a view to promoting greater opportunities for business, town centre viability and new local spending.                       |
| Variation        | <u>In partnership with economic development manager establish route to securing the council's ambition to support local economic growth through the development of workspace for small and start up business on council owned land</u> | Property and Estates   | Bids made to Local Enterprise Partnership to support pre-development work.   |
| On track         | <u>Support the Exeter Innovation Greater Exeter and Exeter City Futures Initiatives to deliver productivity-led growth and take forward the outcomes of the Heart of the South West devolution bid</u>                                 | Growth Point Team  | Support being provided to the development of the Greater Exeter Strategic Plan.  |
| Variation        | <u>Support the first phase workspace/ Business Centre provision at Cranbrook</u>   | Property and Estates   | Planning permission for change of use granted. Awaiting purchase by Consortium to in turn lease to the Council.  |
| On track         | <u>Supporting Early Help and helping people into work.</u>   | Housing  | We continue to play our part in the Early Help team, attending all local meetings across the district and providing digital coaching and training opportunities for local customers designed to help them gain the required skills to help them into work or longer term training. |



**PRIORITY THREE: Delivery and promoting our outstanding environment**

Service Plan Objectives - Quarter Two Results 2016/17

Progress towards  
outcome



**Number of Measures**  
(Total measures for outcome = 31)

■ Achieved   ■ On Track   ■ Variation   ■ Concern

## Service Plan Objectives - Priority 3

Annual report for 2016/2017

Arranged by Aims

Filtered by Aim: Priority Delivering and promoting our outstanding environment

Key to Performance Status:

|                          |                   |                  |          |         |           |          |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|
| Key Strategic Objective: | No Data available | Milestone Missed | On track | Concern | Variation | Achieved |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|

\* indicates that an entity is linked to the Aim by its parent Service

| Service Plan Objectives - Priority 3                           |   |                                     |   |
|--|---|-------------------------------------|---|
| Priority: Delivering and promoting our outstanding environment |   |                                     |   |
| Key Strategic Objective  |   |                                     |   |
| Objective Status   | Objective   | Service                             | Comments  |
| Achieved   | <u>Continue to support the work of Villages in Action ensuring that East Devon's rural communities benefit from high quality cultural &amp; artistic performances</u>   | Countryside, Arts and Leisure       | Grant awarded for the 2016/17 programme of artistic productions into our rural communities.   |
| On track   | <u>Creating new opportunities and reasons for people to visit East Devon. Accommodation and attractions that widen the visitor type and extend the season</u>   | Regeneration & Economic Development | Continuing to develop opportunities for creation of new attractions that will bring people to the district.   |
| On track   | <u>Deliver countryside outreach work programme within targeted communities across East Devon collaborating with Housing</u>   | Countryside, Arts and Leisure       | A successful period has been undertaken with new projects linking up with Childrens' centres in Exmouth, Honiton, Axminster and Seaton. More targeted work with East Devon Switch youth groups have been carried out including a residential at Trill Farm. New commissioned work with DCH housing has also occurred during this quarter providing tenants in social housing with outdoor learning opportunities. |
| On track   | <u>Delivery of habitat mitigation regulation interventions through the Joint Committee. This will ensure that legal requirements are met in relation to protecting the integrity of European Habitats are met in this area of high growth</u> | Growth Point Team                   | Second Committee meeting now successfully undertaken. Land for first Strategic Alternative Natural Greenspace now acquired.   |
| On track   | <u>Develop a programme of health walks green gym project and GP referral scheme that helps to deliver the East Devon Public Health Plan</u>   | Countryside, Arts and Leisure       | LED Leisure have started a health walk provision in Cranbrook and our Country Park Ranger has undertaken the training and led some trial walks. Volunteering has been growing through this period including two beach cleans attracting over 150 people. We have  |

## Service Plan Objectives - Priority 3

### Priority: Delivering and promoting our outstanding environment

#### Key Strategic Objective

| Objective Status | Objective  | Service                       | Comments  |
|------------------|--|-------------------------------|---|
|                  |  |                               | been working closely with the Healthy New Town project team to embed green space development into the plans for the town. There is now a healthy relationship with the GP practice at Cranbrook.  |
| On track         | <b><u>Develop new income streams around woodland products facilities hire corporate away days and review events to drive up income potential. Investigate opportunities for creating franchised out operations on selected Local Nature Reserves eg bike hire café</u></b> | Countryside, Arts and Leisure | Both charcoal and firewood are now being produced from Holyfod Woods Local Nature Reserves and further investment required in developing a reliable farm shop/distribution network as currently being sold on site which is developing income but it is limited.  |
| On track         | <b><u>Develop phase 2 of the Community Orchard project collaborating with Housing &amp; Streetscene services that links to East Devon's Public Health Plan</u></b>   | Countryside, Arts and Leisure | This period has seen two apple pressing events taking place in Cranbrook and Sidmouth. A community picnic took place at the Budleigh Community Orchard in September with 25 people attending. A new site in Axminster has been identified and will be investigated in the next quarter for delivery in early 2017.  |
| On track         | <b><u>Enter Thelma Hulbert Gallery for following awards: Devon Tourism/ Family Arts Festival South West Tourism/ Exeter Living</u></b>   | Countryside, Arts and Leisure | Results imminent for Devon Tourism Award.   |
| On track         | <b><u>Expanding Thelma Hulbert Gallery's outreach offer and reaching new areas of East Devon</u></b>   | Countryside, Arts and Leisure | Thelma Hulbert Gallery (THG) Takeover activities at Fun Days included:<br>Clyst St. George, Awliscombe, Uppottery, Exmouth (National Play Day), Seaton, East Budleigh, Shute, Payhembury,<br><br>Education activities at St Martins Primary, Cranbrook<br><br>Promoted THG at Honiton Show  |
| Variation        | <b><u>Feniton – Following completion of phase 1 in 2015; Complete delivery of phase 2, 3 &amp; 4 engineering works to provide a completed flood alleviation scheme for Feniton.</u></b>  | StreetScene                   | Phase 2 completed.<br>Phase 3 delayed due to on going discussions with Network Rail with regard to possession of rail track for construction of section underneath the West of England Main Line and the associated liabilities.<br>Phase 4 tender documents complete, and reviewed by our Legal service. To be tendered once program for Phase 3 is confirmed. |
| On               | <b><u>Identify new opportunities to</u></b>  | Env Health &                  | During the summer period the team   |

## Service Plan Objectives - Priority 3

### Priority: Delivering and promoting our outstanding environment

#### Key Strategic Objective

| Objective Status | Objective  | Service              | Comments  |
|------------------|--|----------------------|---|
| track            | <b><u>promote responsible dog ownership in communities and to develop flexible ways of ensuring high levels of compliance with dog control restrictions within communities utilising that community's knowledge and intelligence</u></b>   | Car Parks            | carried out talks in several primary schools, teaching over 1,000 children the benefits of responsible dog ownership.   |
| On track         | <b><u>Implement the Council's Energy Act Action Plan to ensure compliance with current legislation and to enable assessment of current energy efficiency and risk performance across the portfolio including the risk against the anticipated April 2018 legislative changes</u></b>   | Property and Estates | The Council's buildings comply with current legislation. An assessment of risk against the April 2018 legislative changes has been undertaken and due to be reported to the Asset Management Forum in November.   |
| On track         | <b><u>Asset mapping &amp; condition survey. Map all of our assets (Street furniture signs bridges flood defence schemes) so we can undertake pro-active asset inspections and condition surveys and plan a proactive maintenance budget. Transfer mapping info onto Emap to improve Customer Service Centre (CSC) and customer information regarding StreetScene/Council assets. Agree an Asset inspection protocol and service asset management plan in conjunction with Estates and inspect assets accordingly. Implement recommendations from asset audit including identifying an appropriate software system to track asset inspections developing a simple app. style tool for on-site asset inspections to be logged electronically and a protocol of inspection frequencies.</u></b> | StreetScene          | Mapping ongoing, with public open space due for completion in December, with assets to be added to corporate asset management system in the Spring.   |
| On track         | <b><u>Plan to implement an operational trees team through analysis of the business case allowing us to take work in-house do more proactive management of our tree stock generate an income from timber arising and outside work and put in place a forward plan for tree planting. Produce Trees policy for management of council owned stock. Work with Countryside to better manage our entire tree stock.</u></b>  | StreetScene          | So far we have employed another mobile Grounds Operative to work with the Grounds and tree maintenance Operative. The two of them are now working on our tree stock full time through the winter months. This will allow us to have a more proactive approach to our trees and minimize any risk. |

## Service Plan Objectives - Priority 3

### Priority: Delivering and promoting our outstanding environment

#### Key Strategic Objective

| Objective Status | Objective  | Service     | Comments   |
|------------------|--|-------------|--|
| On track         | <p><b><u>Seaton Beach Management Plan (BMP) to produce a beach management plan for Seaton beaches from Seaton Hole to Axmouth Harbour which will produce options and costs to manage the beaches over the next 10 years.</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>Working with all stakeholders through a steering group to develop a Beach Management Plan to ensure the existing standard of protection from flooding is maintained or improved and that erosion is managed in line with the shoreline management plan.</u></b></li> <li>• <b><u>BMP to tender &amp; completion</u></b></li> <li>• <b><u>Use BMP to design a scheme of works to help protect Seaton beaches &amp; apply for DEFRA funding if appropriate.</u></b></li> </ul> | StreetScene | Aims and objective agreed with steering group. Meeting with stakeholder group planned in November prior to tendering of the project.   |
| On track         | <p><b><u>Sidmouth Beach Management Plan (BMP) to produce a beach management plan for Sidmouth town beach and Sidmouth East beach which will produce options and costs to manage the beaches over the next 10 years.</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>Working with all stakeholders through the Sidmouth town and East Beach Steering Group to progress the Beach Management Plan process to help achieve funding for future protection works which may include beach recharge.</u></b></li> <li>• <b><u>BMP to tender &amp; completion</u></b></li> <li>• <b><u>Use BMP to design a scheme of works to help protect Sidmouth Town and East beaches &amp; apply for DEFRA funding if appropriate.</u></b></li> </ul>                    | StreetScene | Comments on draft final reports due back in October, with final reports due to be completed the end of November.   |
| On track         | <p><b><u>Produce a renovation plan for Beach gardens Exmouth to tie in with the surrounding regeneration; include interactive play features, reduced maintenance planting, multi use community space and the possibility of a cafe or bar style concession. Work with local partners to agree the plans and identify sources of funding to deliver the renovation.</u></b></p>   | StreetScene | Progress is being made regarding the regeneration of Beach Gardens and we are waiting results of a topography study which will help us understand an limitations associated with the site. We have submitted a Special Items Bid in order to fund some key preliminary work so that we can have a fully costed proposed scheme that is complementary to the wider Queens Drive regeneration. Once we are able to produce a fully costed scheme we will be able to apply for match funding as well as update SMT on the proposed regeneration of Beach Gardens. |

## Service Plan Objectives - Priority 3

### Priority: Delivering and promoting our outstanding environment

#### Key Strategic Objective

| Objective Status | Objective   | Service                                  | Comments  |
|------------------|---|--|---|
| Concern          | <u>Promoting use of Council assets as potential locations for joint venture energy generation with private energy company</u>   | Property and Estates                     | Limited opportunities available and are currently being explored.   |
| On track         | <u>Provide governance support / advice and committee administration support for the new Joint Habitats Committee</u>  | Legal, Licensing and Democratic Services | Second meeting now held and arrangements worked well for this meeting   |
| On track         | <u>Submit new 2 year Grants for the Arts application to Arts Council England to continue to expand our audience and fund our learning programme</u>   | Countryside, Arts and Leisure            | Arts Council of England grant 'Celebrating Age' submitted, partnering with Action East Devon if approved on Dementia project. New Grants For the Arts and National Portfolio Organisations applications being researched before submitting prior to March 2017. |
| Achieved         | <u>Support the annual placement of at least 2 Trainee Ranger posts as part of commitment to East Devon's Public Health Plan</u>   | Countryside, Arts and Leisure            | Appointment made for Trainee Ranger post 2016/17 - due to start September 2016.   |
| On track         | <u>Support the work of the East Devon Area of Outstanding Natural Beauty (AONB) &amp; Blackdown Hills AONB Partnerships to deliver their annual business plan outputs – promoting the value of the landscape and wildlife of these nationally important landscapes</u>  | Countryside, Arts and Leisure            | Continuing support to the work of both AONBs is delivered through our funding of the partnerships and attending Officer and Executive group meetings to ensure our corporate objectives of enjoying our outstanding environment are being met.                  |
| On track         | <u>The Customer Service Centre (CSC) will be responsible for delivering aspects of the new recycling and refuse contract to our customers. This will involve changes to the CSC processes and systems. Allocation of tasks will be managed and reviewed through a project board; the CSC manager will be responsible for the delivery of some of these tasks.</u> | Customer Service                         | Various meetings re new re-cycling scheme and planned work to amend and update all relevant processes   |
| Achieved         | <u>The Manor Pavilion Theatre to resubmit to the Trip Adviser Award</u>   | Countryside, Arts and Leisure            | The venue continues to get very high ratings and excellent comments.  |
| Achieved         | <u>The Manor Pavilion Theatre to more proactively market and promote the second 3 year contract of the Summer Season</u>  | Countryside, Arts and Leisure            | Summer Season complete for this year. With a 10k increase in ticket sales. The 2016 has been the most successful summer season ever.  |
| On track         | <u>Thelma Hulbert Gallery to programme five significant exhibitions a year attracting an audience of 10,000 as agreed in the Gallery's business survival strategy</u>   | Countryside, Arts and Leisure            | Total 2822 visitors to the gallery this quarter. Hayward Touring exhibition of screen prints by Eduardo Paolozzi saw a staggering 1,056 visitors between 10 Sept and 30 Sept.   |

## Service Plan Objectives - Priority 3

### Priority: Delivering and promoting our outstanding environment

#### Key Strategic Objective

| Objective Status | Objective  | Service                                      | Comments   |
|------------------|--|--|--|
| On track         | <b><u>To produce a District Design Guide to improve the quality of new buildings and places to enable the development of places that work</u></b>  | Planning Strategy and Development Management | The Design Guide is included in the Planning Policy Teams work programme, however focus is on the Villages Development Plan Document (DPD) and the Gypsy and Traveller DPD at present. We have successfully recruited to the vacant planning officer and technical officer posts in the Planning Policy Team with the appointees due to start shortly. This should then give us the capacity to start work on this project.  |
| Achieved         | <b><u>To provide a responsive and proactive dangerous structures service to ensure that action is taken against any dangerous structures in a timely manner</u></b>  | Planning Strategy and Development Management | The dangerous structures response service is running both during and outside of officer hours and is effective.  |
| On track         | <b><u>Undertake more detailed planning across the district in partnership with Devon County Council (DCC) to enable us to deal with extreme flooding events and ensure that the appropriate flood defences are delivered such as the scheme at Feniton.</u></b><br><b><u>Produce a 6 year plan to link into both the EA 6 year plan and DCC's action plans.</u></b>  | StreetScene                                  | Discussions on going with Devon County Council   |
| On track         | <b><u>Update our Play Strategy to improve outdated sites ensure appropriate provision introduce play space and 'play along the way' micro parks. Include in the strategy a rolling maintenance and refurbishment programme for our existing sites and plan in the use of s106 funds for these and ongoing maintenance where possible. Relate the Play Strategy to the Green Space Strategy so the two work in harmony.</u></b> | StreetScene                                  | Draft strategy to be completed by end of 2016 and distributed to officers for comment early in the new year.   |
| Achieved         | <b><u>We will work in partnership with the Environment Agency to ensure that the public have access to good quality information allowing individuals to make informed decisions about swimming in East Devon's classified bathing waters</u></b>   | Env Health & Car Parks                       | We are continuing to work closely with the Environment Agency to ensure that the correct public information signs are in place at our bathing water beaches warning that bathing is not advised today due to pollution run off following heavy rainfall. This year we are also trialling an automated electronic sign providing real time information at Budleigh Salterton beach. The 2016 season has now ended and it appears that the very dry summer will contribute to results which at this stage indicate |

## Service Plan Objectives - Priority 3

**Priority: Delivering and promoting our outstanding environment**

### Key Strategic Objective

| Objective Status | Objective | Service | Comments   |
|------------------|-----------|---------|--|
|                  |           |         | that the highest standards have been met at most of our beaches. |

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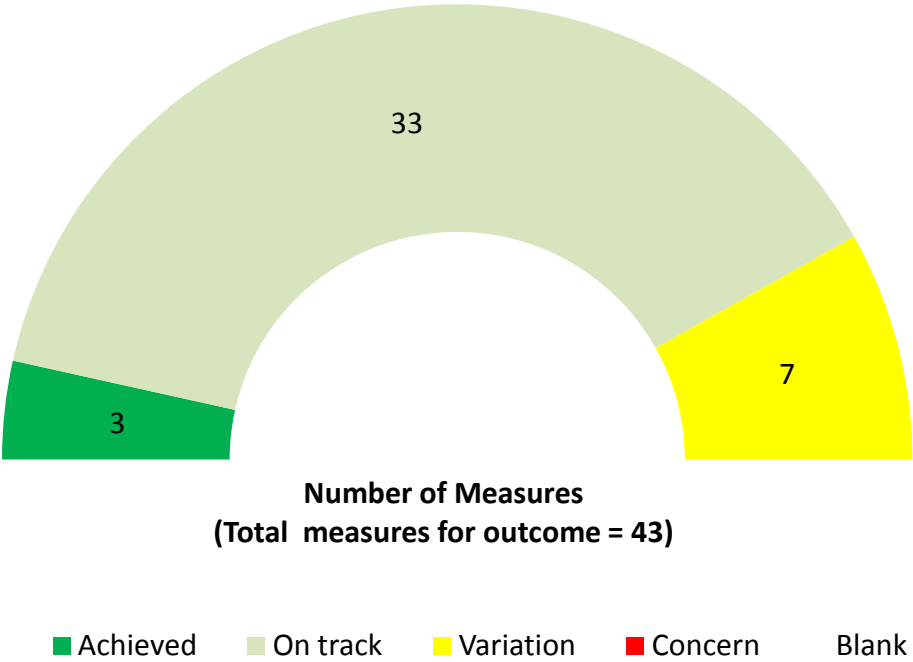
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**PRIORITY FOUR: Continuously improving to be an outstanding council**

**Service Plan Objectives - Quarter Two Results 2016/17**

Progress towards outcome



## Service Plan Objectives - Priority 4

Annual report for 2016/2017

Arranged by Aims

Filtered by Aim: Priority Continuously improving to be an outstanding council

### Key to Performance Status:

|                          |                   |                  |          |         |           |          |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|
| Key Strategic Objective: | No Data available | Milestone Missed | On track | Concern | Variation | Achieved |
|--------------------------|-------------------|------------------|----------|---------|-----------|----------|

\* indicates that an entity is linked to the Aim by its parent Service

| Service Plan Objectives - Priority 4                          |  |  |   |
|---|--|--|---|
| Priority: Continuously improving to be an outstanding council |  |  |   |
| Key Strategic Objective                                       |  |  |   |
| Objective Status  | Objective  | Service  | Comments  |
| On track  | <u>Agree new policies with UNISON in relation to travel, home working and flexi time and additions to 'the way we work' protocols and policy.</u>  | Organisational Development   |   |
| On track  | <u>Combine Property and Estates Teams under a newly recruited Property and Estates Manager and determine an effective combined structure</u>   | Deputy Chief Executive - Regeneration, Partnership and Partnership | Funding and specification agreed and post advertised via profession agent, selection process to follow with dates confirmed in quarter 3 2016-17.   |
| On track  | <u>Consult UNISON and staff individually and collectively with regard to office move where staff move to Exmouth ahead of October 2017</u>   | Organisational Development   |   |
| On track  | <u>Continue to provide integrated interdisciplinary legal service for major projects such as office relocation, Seaton and Exmouth Projects</u>  | Legal, Licensing and Democratic Services                           | Legal regularly involved in major project meetings and advising on such projects.   |
| On track  | <u>Deliver service efficiencies and improvements through the application of Systems Thinking techniques and ensure that we do 'what matters' for customers.</u>  | Legal, Licensing and Democratic Services                           | To be delivered in 16/17  |
| On track  | <u>Area Working – Operations Technical Officers arranged in an Area Working method for the East of the district, allowing more flexibility of service and ownership by teams as well as efficiencies in multi skilled operational teams. Design and implement an area working team to copy the principles and design of the East</u> | StreetScene  | Formal consultation with staff has commenced (e/c 24th Oct) and the proposed area working structure will be shared with them. We will start with the current Technical Officers followed by the current Team Leaders. It is anticipated that pending these discussions, we will be in a position to trial area working in the new proposed areas throughout the winter months making adjustments as necessary and |

## Service Plan Objectives - Priority 4

Priority: Continuously improving to be an outstanding council

### Key Strategic Objective

| Objective Status | Objective  | Service                    | Comments   |
|------------------|--|----------------------------|--|
|                  | <u>team, but using systems thinking principles to ensure the set up fits customer demand.</u><br><u>Introduce area working to the recycling and waste team, with team potentially co-locating with contractor at Greendale Depot</u>   |                            | then have a full rollout ready for the 2017 summer season.   |
| On track         | <u>Design policy and procedures and then implement changes on corporate anti fraud and compliance focusing on the revenues and benefits service and to consider Council wide issues (including electoral registration).</u><br><u>The purpose being to safeguard public funds and maximising income to the Council.</u>  | Finance                    | Policy currently been updated together with a fraud strategy which we aim to bring to Committee before end of calendar year.   |
| Variation        | <u>Develop new intranet content in Umbraco for new intranet ahead of office relocation</u>   | Organisational Development | Following discussions with Strata this project date has moved due to rescheduling of project work and will be delivered by January 2018.   |
| On track         | <u>Developing a pipeline of projects that can deliver key growth objectives and can benefit from Growth Deal or European programme funding</u>   | Growth Point Team          |  |
| Achieved         | <u>Implement gov.delivery with Strata to build communicate more effectively with subscribers to our website and launch the digital magazine as part of this implementation</u>   | Organisational Development |  |
| Achieved         | <u>Implementation of any necessary changes required to Land Charges fees to comply with recent case law and subsequent guidance.</u>   | Finance                    |  |
| On track         | <u>Implementation of Revenues &amp; Benefits Self Service modules and roll out to customers.</u><br><u>Targets set for uptake by 31/3/17 are:</u><br><u>- Business Rate customers signed up to online billing/notifications 5%</u><br><u>- Benefit customers signed up to online notifications 3%</u><br><u>- Landlords signed up to online notifications/viewing 10%</u><br><u>- Council Tax customers signed up to online billing/notifications 3%</u> | Finance                    | Our software supplier have developed some improvements to the self service modules that can now be uploaded onto our system. These changes should improve the customer journey. Our aim is to undertake a take up campaign in the last quarter in readiness for next year's bills. |

## Service Plan Objectives - Priority 4

Priority: Continuously improving to be an outstanding council

### Key Strategic Objective

| Objective Status | Objective   | Service                                  | Comments   |
|------------------|---|--|--|
| On track         | <u>Lead implementation of communications strategy in relation to full roll out of new recycling and waste contract across the district</u>  | Organisational Development               |  |
| On track         | <u>Maximise recoverable legal fee income</u>  | Legal, Licensing and Democratic Services | Ahead of budget at this time   |
| On track         | <u>Minimise the amount of paper used by the Service including through continuing the 'Paper light' committee agenda policy but also including reducing officer reliance on paper copies and general file management</u> | Legal, Licensing and Democratic Services | The service continues to seek to reduce the amount of printing carried out   |
| On track         | <u>New combined Cemeteries Regulations preparation, consultation and approval by Council (for all 3 council cemeteries)</u>   | Legal, Licensing and Democratic Services | Draft document is pending approval and consultation in early 2017  |
| Variation        | <u>New Procurement Strategy to be prepared and agreed by Council</u>  | Finance                                  | Procurement post currently vacant - waiting for proposal regarding sharing service which will then required shared strategy to be developed.                   |
| On track         | <u>Plan, cost and commence works at Manstone Depot to upgrade facilities and also to accommodate transfer of Knowle Depot operations</u>  | Property and Estates                     | Planning application for works submitted. Awaiting Gateway 7 (due December) prior to tendering for works on site with view to works commencing April/May 2017. |
| On track         | <u>Prepare 2015/16 Accounts to an appropriate standard that requires no additional audit days to be purchased from external auditor</u>   | Finance                                  |  |
| Variation        | <u>Progress proposals for the establishment of a revolving infrastructure fund linking to the potential pooling of CIL monies in the locality</u>   | Growth Point Team                        | This proposal is bound up in the wider Devolution prospectus which in turn depends upon negotiations with Government.  |
| On track         | <u>Provide governance advice (especially in relation to new corporate projects) to facilitate effective corporate decision making.</u>  | Legal, Licensing and Democratic Services | Advice provided to Members / officers / Committees when required   |
| On track         | <u>Provide legal advice to enable informed and appropriate strategy to be adopted for maximising value of Council's property assets.</u>  | Legal, Licensing and Democratic Services | Advice being given as and when required  |
| On track         | <u>Provision of strategic legal advice on policy implementation at senior officer / Cabinet briefing</u>  | Legal, Licensing and Democratic Services | Ongoing  |

## Service Plan Objectives - Priority 4

Priority: Continuously improving to be an outstanding council

### Key Strategic Objective

| Objective Status | Objective   | Service                                  | Comments   |
|------------------|---|--|--|
|                  | <u>level including inputting into and commenting on reports as appropriate</u>  |  |  |
| On track         | <u>Pursue opportunities for external funding towards regeneration and economic development activities individually and in partnership. Develop a corporate approach to providing economic data to inform strategic priorities, decision making, investment and project promotion, bidding and impact analysis</u> | Regeneration & Economic Development      | 3 bids currently being worked on for Queen's Drive infrastructure. Bid for Devon Enabling Works successful. Other bid in for workspace   |
| Variation        | <u>Reduce the need for FOI requests by carrying through the Council's stated transparency aims</u>  | Legal, Licensing and Democratic Services | Figures currently higher than last year, but requests in relation to specific projects (relocation, queens drive) are skewing the overall figures for use as a comparator  |
| On track         | <u>Review and make recommendations in relation to essential user allowances and use of company cars/vans with a view to saving money as outlined in the Transformation Strategy. Implement agreed recommendations following negotiation and agreement with staff and UNISON.</u>                                  | Organisational Development               |  |
| Variation        | <u>Review the Council's Asset Management Plan to test continued fitness for purpose in the light of new Council priorities, local devolution opportunities and Loc Gov future funding</u>   | Property and Estates                     | Initial work commenced.  |
| Achieved         | <u>Send out Viewpoint Survey, analyse results and work with management team to implement action plan</u>  | Organisational Development               |  |
| On track         | <u>Taxi Licensing Policy development, consultation and approval</u>   | Legal, Licensing and Democratic Services | Remains on track currently pending going out for consultation. A national change in taxi driver assessments has required amendment of draft policy with a revised procedure to be identified before December 2016  |
| On track         | <u>To continue to promote local democracy through engagement with local councils and schools</u>  | Legal, Licensing and Democratic Services | A meeting was arranged with the Boundary Commission Review Officer in September – all local town and parish councillors and clerks were invited to meet the officer to ask questions about the review. Preparations are underway for the Take Over Day in November – the Chairman of the Council has again |

## Service Plan Objectives - Priority 4

Priority: Continuously improving to be an outstanding council

### Key Strategic Objective

| Objective Status | Objective   | Service                                      | Comments   |
|------------------|---|--|--|
|                  |   |  | agreed to chair a school debate.   |
| On track         | <b><u>To develop a programme of Member Development from January 2016 onwards, based on feedback from Councillors and to accommodate any new legislation and ways of working</u></b> | Legal, Licensing and Democratic Services     | This is on-going. Most recent development opportunities have included 2 x ICT workshops to address issues raised by Councillors in respect of computer use.  |
| On track         | <b><u>To ensure the Council has appropriate plans in place that will deliver a balanced Council budget up to 2020/21.</u></b>   | Finance                                      |  |
| On track         | <b><u>To service any changes to the committee structure as agreed by Council from both legal and democratic services perspectives</u></b>   | Legal, Licensing and Democratic Services     | Strategic Planning Committee has now met twice and is working efficiently  |
| On track         | <b><u>To undertake a systems thinking refresh of the development management and enforcement services to ensure that they provide the best quality customer service</u></b>          | Planning Strategy and Development Management | The Enforcement and Conservation parts of the service have been reviewed as far as they can be and now need to be aligned with a review of the wider Development Management Service which is currently underway and is making good progress. The intention is to start testing some of the proposed changes arising from this review from the end of November.   |
| On track         | <b><u>To work with neighbouring authorities to investigate closer working through partnership to deliver planning services in the future</u></b>                                    | Planning Strategy and Development Management | Work has begun on a joint strategic plan for the Greater Exeter area following resolutions of Strategic Planning Committee and Council to pursue this joint project. Alongside this work is underway at looking at how we can jointly fund infrastructure projects that relate to cross boundary issues as well while the proposed CABA operated design review panel would also operate across boundaries. |
| On track         | <b><u>Trial new flexi time policy in a key front facing service area</u></b>  | Organisational Development                   |  |
| Variation        | <b><u>Undertake a Review of the process for writing the Local Plan in future</u></b>  | Planning Strategy and Development Management | A meeting has been held with our external auditors to scope out this review but it was quickly determined that they are not the right people to undertake this review due to their lack of knowledge of the plan making process. Other options including using the Planning Advisory Service (PAS) are now being pursued.  |
| On track         | <b><u>Undertaking Systems Thinking reviews throughout the Housing service.</u></b>  | Housing                                      | Managers have been trained and have Performance Excellence Reviews objectives to implement this action.  |
| On track         | <b><u>We will carry out a systems thinking review of all</u></b>  | Env Health & Car Parks                       | Reviews have begun and work is ongoing in several service areas.   |

## Service Plan Objectives - Priority 4

Priority: Continuously improving to be an outstanding council

### Key Strategic Objective

| Objective Status | Objective  | Service  | Comments  |
|------------------|--|--|---|
|                  | <u>Environmental Health and car parking services.</u>  |  | Demand analysis has revealed little preventable demand but has helped us focus on what matters to our customers and identify areas for improvement.   |
| On track         | <u>In the face of previous and projected year on year formula grant reductions, we will seek to increasingly cover cost and generate surplus to reinvest in improved Planning services</u>   | Deputy Chief Executive - Development, Regeneration and Partnership | Ongoing review of costs as part of the transformation agenda. It is important to sustain levels of housing development and employment land take up in a sustainable manner and maintain a reward based grant. Funding and intelligence post to be recruited in the Economic Development team. Government consultation underway for devolution of business rates. Increased commercial approach to asset management underway (eg sports and social clubs commercial valuation).  |
| On track         | <u>Work with local government and other public sector partners to identify shared service and shared resource opportunities with a view to savings and more efficient service delivery from and of assets. Also explore opportunities for asset sharing and disposal</u> | Property and Estates   | Initial discussions held with Exeter and Teignbridge for shared Ratings valuer and or capital accounting valuer. Valuation software shared between Exeter and East Devon.   |
| Variation        | <u>Work with Strata to scope workflows for electronic document management system for key HR processes</u>  | Organisational Development   |   |
| On track         | <u>Working proactively with developers to enable the release of development sites that are currently locked or not coming forward as quickly as they could</u>   | Planning Strategy and Development Management                       | We continue to work with developers to bring forward sites that have stalled or are not proceeding as quickly as they could and in so doing are considering various viability issues to see if sites could be brought forward more quickly. We have also been working with the Homes and Communities Agency (HCA) to see how current projects they are working on in relation to Starter Homes can be used to help us unlock some stalled and other sites in the district and how we can tap into HCA funds either by ourselves in partnership with our neighbouring authorities. |

**Agenda Item 12****Scrutiny Committee****Scrutiny Committee Forward Plan 2016/17**

| <b>Date of Committee</b>    | <b>Report</b>   | <b>Lead</b>     |
|-----------------------------|---|-----------------|
| 5 Jan 2017                  |   |                 |
| 18 Jan 2017<br>9.30am start | Draft budget and service plans <b>with Overview</b>   | Simon Davey     |
| 2 Feb 2017                  | Broadband update<br>Performance monitoring report Quarter 3 tbc                               | Cllr Phil Twiss |
| 2 Mar 2017                  |   |                 |
| 30 Mar 2017                 | Community Safety Partnership update and future of Community Safety Partnership Scrutiny Panel | Gerry Moore     |
| 9 May 2017                  |   |                 |

**Work for allocation to the Forward Plan as appropriate:**

| <b>Proposed date</b> | <b>Topic</b>  |
|----------------------|---|
| tbc                  | Portfolio Holder update reports being sought; committee can then subsequently ask the PH to attend committee on specific aspects of their portfolio |
| tbc                  | Review of the production process of the Local Plan  |
| tbc                  | Service Lead Planning Strategy and Development Management report back on performance indicator queries  |
| tbc                  | Update on all beach management plans – general updates are included in the performance monitoring reports.  |

## Work to scope:

- East Devon Citizens Advice Bureau
- Sports club rental charge changes
- Improvements in footfall and revenue for Thelma Hulbert Gallery
- Process of production of the Local Plan
- Current media protocol/communication team resource allocation