



Title: **Torbay Economic Development Company Ltd (TDA) Business Plan 2011/12**

Public Agenda Item: **Yes**

Wards **All Wards in Torbay**

Affected:

To: **Council**

On: **29 September 2011**

Key Decision: **Yes – Ref. 1003938**

Change to Budget: **No**

Change to Policy Framework: **No**

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## **1. What we are trying to achieve and the impact on our customers**

- 1.1 The primary role of the Torbay Economic Development Company Ltd (TDA) is to deliver on behalf of Torbay Council and the Torbay Strategic Partnership a range of economic development and regeneration objectives principally aimed at creating new jobs and maintaining existing businesses, promoting strategic tourism and other key business sectors, delivering economic growth and physical regeneration.
- 1.2 The TDA works alongside the Local Authority and other partners to deliver a range of initiatives to bring about improved employment prospects and inward investment. Sensitive regeneration continues to help facilitate these outcomes whilst renewing the Bay's infrastructure thereby reducing the burden upon the local taxpayer. The appended Business Plan, recommended by the Company's Board of Directors, confirms the planned activities and envisaged outcomes for the coming year.

## **2. Recommendation(s) for decision**

- 2.1 That the Mayor be recommended that, subject to the Chief Executive of the Torbay Development Agency being given delegated authority to approve any minor amendments in consultation with the Mayor, the Torbay Economic Development Company Ltd (TDA) Business Plan 2011-2012, set out at Appendix 1 to this report be approved.

## **3. Key points and reasons for recommendations**

- 3.1 The transformation of the TDA to a wholly owned 'not for profit' company of the Council was approved by Full Council in 2009 (Report 198/2009). In accordance with that decision and subsequent development of the Company's memorandum

and articles of association the Council maintains control over 42 key decisions, known as reserved matters.

- 3.2 The memorandum and articles stipulate that the Mayor and the Mayor be asked to approve the Company's Business Plan as recommended by the Board of Directors.
- 3.3 The TDA Board has considered and consulted over the detail and approach that should be set out in the Plan.
- 3.4 The TDA has consulted with the Elected Mayor of Torbay, the Executive Lead for Assets and the Council's Place & Environment Commissioner. Their feedback has been incorporated.
- 3.5 Further guidance was received from Torbay Council's Overview and Scrutiny Board which met on the 28<sup>th</sup> July to consider the final draft. The Board made a number of resolutions with regard to the business plan, in particular to ensure that the TDA promotes its role in ensuring that there are pathways to employment for people living in Torbay's deprived areas.
- 3.6 Government policy provides the TDA with a limited role in delivering pathways to employment services but over the past year the TDA has procured or funded a number of activities, such as:
  - Enterprise Coaching & Intensive Start Up Support; part funded by the EU the TDA has commissioned Outset Torbay to provide these services leading to 383 individuals being supported in considering self employment. 55% from the deprived wards in Torbay.
  - The TDA is part of a consortium delivering the New Enterprise Allowance programme for Jobcentre Plus customers unemployed over 6 months.
  - The TDA has commissioned a number of employment and skills projects supported by the former Learning & Skills Council.
  - Organised a 'jobsfair' and other employment events with Jobcentre Plus.
  - Working with the Princes Trust to expand its provision in Torbay which will help a further 48 young people from the disadvantaged Wards find employment or establish a business.
- 3.7 The Overview and Scrutiny Board enquired whether the TDA should have a third sector representative on its own board. The TDA Board has considered this but feels that it already has individuals on its Board who can articulate the views of the third sector. For example, one of the board members is a graduate of the Devon School of Social Entrepreneurs and works closely with a variety of third sector organisations.

3.8 The Overview and Scrutiny Board enquired how the TDA calculated the number of jobs it has safeguarded at 500. This figure is estimated from the major physical regeneration projects completed to date e.g. Torquay Waterfront Phase 3, the Brixham Regeneration Programme and the Innovation Centre programme.

**Steve Parrock, Chief Executive of Torbay Economic Development Company Ltd**

## Supporting information

### A1. Introduction and history

A1.1 Torbay Council has established and commissioned the Torbay Economic Development Company Ltd (TDA) to promote the physical and economic development of Torbay and deliver the benefits to the local community.

Torbay Council (TDA) staff transferred to TEDC Ltd on the 1<sup>st</sup> May 2011 under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and a number of assets were also transferred to TEDC in accordance with the original Council approval.

Following the May 2011 Local Election the executive team has worked alongside the new Mayor and Council to understand its aspirations and to identify any changes that might be required to the work programme.

The Business Plan, appended to the report, is focused on the mission of achieving economic prosperity for Torbay, with TDA over this financial year and into the medium term.

The Business Plan, appended to this report, is focused on the mission of achieving economic prosperity for Torbay, with the TDA delivering employment and regeneration through inward investment, physical regeneration, business support and improved asset management services.

The Plan addresses Torbay Council's stated objectives, more fully articulated in Torbay's Economic Strategy and emerging Community Plan. It summarises the high level challenges that TDA will respond to over the coming year, and outlines probable challenges to be faced in the medium term.

It sets out the Key Performance Indicators that Torbay Council and Torbay Strategic Partnership has asked TDA to report against together with local indicators that TDA will use to monitor its own operational performance. The Workplans contained in the Appendices set out the on-going and future activities that TDA will be engaged in.

For the coming year the key challenges relate to the identification of employment related programmes to reflect Torbay Council's emphasis on job creation, and adjusting to the impact of a significant reduction in public and private sector funding, whilst continuing to deliver a varied and demanding asset management and capital works programme.

As well as managing these challenges, the TDA needs to harness the opportunities presented by the changing economic environment and new initiatives such as the Local Economic Partnership.

The TDA will continue to lobby national opinion formers to make the right decisions about the Bay that could affect our future prosperity, such as the establishment of Enterprise Areas and delivery of the South Devon Link Road. It will continue to seek new Grant opportunities in the UK and the European Union.

Historically TDA has achieved for Torbay:

- In excess of £30 million of external funding received for delivery of economic development projects, plus funds for other projects such as the restoration of Torre Abbey and Paignton Library and Information Centre
- Safeguarded over 500 jobs
- Created over 150 jobs through the Innovation Centre project alone generating over £4.5 million in value added for the Torbay economy
- Assisted over 200 businesses
- Delivered an improved asset base for Torbay Council
- Delivered a substantial capital works programme
- Taken an 'asset backed' joint venture proposal to the market which has the capability to lever in significant private sector funding

## **A2. Risk assessment of preferred option**

A2.1 If the Business Plan is not approved the TDA will need to consult further and revise the plan. This might delay some planned activities, which in turn might lead to a loss in performance and expected outcomes. The principal risk however relates to the TDA ability to deliver initiatives intended to bring about economic growth and prosperity within Torbay, and the resulting negative outcomes this will have.

## **A3. Summary of resource implications**

A3.1 Delivery of the activities set out in the Business Plan will be through the TDA and approved budgets.

## **A4. Summary of resource implications**

A4.1 Delivery of the business plan will support Council objectives in reducing inequality in Torbay with services aimed at increasing demand for and access to employment. The TDA is working with a number of partners to improve awareness of environmental sustainability measures by business with the aim of reducing the cost of energy to businesses and identifying how the green economy can be developed in Torbay.

## **A5. Consultation and Customer Focus**

A5.1 The Business Plan has been developed against a considerable evidence base and analysis. The adopted economic strategy was consulted upon with Councillors alongside consultation with the Business Forum, the Chamber of Commerce and has held an economic forum to consult on the overarching economic strategy. The TDA has used its business barometer survey and face to face meetings with business community and economic partnership to ensure that the Workplans set out in the Business Plan are relevant.

## **A6. Consultation and Customer Focus**

A6.1 No new implications.

A7.1 None

## **Appendices**

### Appendix 1 Torbay Economic Development Company Business Plan

#### **Background Papers:**

The following documents/files were used to compile this report:

- Report To Torbay Council 198/2009
- Torbay Economic Strategy 2010-2015
- Torbay Economic Assessment
- Torbay Economic Development Company Business Plan 2011-12
- Memorandum & Articles Of Association Of The Torbay Economic Development Company