

# LGA Corporate Peer Challenge

Torbay Council

15<sup>th</sup> to 18<sup>th</sup> April 2024

Feedback report



# 1. Executive summary

It is widely recognised internally and externally that this is ‘a moment in time’ for Torbay. This opportunity may not come around again. The whole council – elected members and officers – and the wider community need to hold this in their mind and not lose sight of it.

The Corporate and Community Plan sets out an ambition of a ‘healthy, happy and prosperous Torbay’ and the ‘Torbay Story’ outlines a long-term vision and the characteristics and opportunities of the Bay. The ‘Torbay Story’ enjoys the full support of partners across the public, private and voluntary sectors and the level of Government funding to support key regeneration projects is unprecedented. This is what constitutes the ‘moment in time’ for Torbay and the attendant level of expectation, both politically and amongst partners, is significant. Everything now needs to mature into mobilised capacity to deliver at pace.

The council is in a very different and much better place compared to a few years ago and has a solid foundation. It has demonstrated drive, determination and delivery across a number of spheres. What has been achieved is reflected in the 2023 Local Government Chronicle (LGC) awards recognising Torbay as the ‘Most Improved Council’ in the country.

There is a lot to be proud of but there remains a lot to do, with a range of socio-economic challenges in Torbay. It is the most deprived local authority area in the South-West of England and is in the top quarter of most deprived council areas nationally. The housing agenda is a key priority for Torbay and progressing the development of a comprehensive and bold housing strategy is of critical importance to the successful and inclusive regeneration of Torbay. Crucial within this is driving further progress in addressing the challenges around homelessness. The potential and opportunity of the ‘moment in time’ lies in maximising the economic and social benefits for the people and place of Torbay.

The Community and Corporate Plan seeks to provide stability and continuity in a context of political uncertainty. The development of the council's Business Plan – representing a delivery plan through to 2027 – had been intended to establish a clear set of manageable priorities that enable real focus for the organisation. The absence of an agreed plan – due to political tensions that have emerged recently – represents a key risk to the council being able to deliver the inclusive growth agenda. Officers need to be able to focus on clear strategic political priorities otherwise there is a risk to progress, delivery and the council's credibility. The message that we have gleaned loudly and clearly from partners is that the opportunity of this 'moment in time' must not be missed.

The council is seen as a good local and regional partner. Those organisations we spoke to at the regional level described a confident and influential organisation that is operating as an equal partner. The Leader is seen to have advocated effectively for Torbay and the Chief Executive is widely held in very high regard, both internally and externally.

The Devon and Torbay Devolution Deal is a major strategic opportunity for Torbay and provides the potential to leverage more investment, exert more influence and continue to enhance the profile and economic growth prospects for the benefit of residents, communities and businesses. The proposed Combined County Authority arrangements, if fully approved, will require the council to gear up and ensure that elected members, officers and the organisation overall are effectively placed to lead, advocate and influence at that level. Such preparations are not a light touch endeavour and the work needs to start now.

The complexity of the challenges and opportunities facing Torbay requires the organisation to develop a suitably strategic and integrated way of working in response. Positive progress is being made, with a council that has a better understanding of communities; is engaging those communities more; is better understanding and managing performance, delivery and risk; and is demonstrating greater cross-organisational collaboration. This can and should be built upon.

Torbay is also a council that is demonstrating greater joined-up working and cross-organisational collaboration. There is, however, a widespread desire both politically and managerially for greater time and space to be dedicated to strategic thinking. People are keen to have the opportunity to capitalise upon and share knowledge and expertise in order to collectively 'problem-solve', inform strategic direction, enhance the focus on outcomes and develop a greater sense of shared endeavour. This would also serve to develop a more distributed model of leadership which, in turn, would address the risk of so much being vested in the Chief Executive.

Staff that we met at various levels in the council emphasised the positive organisational culture that exists, centred on teamwork, mutual support and trust between colleagues. The council also demonstrates a good track record around enabling people to grow and develop in the organisation. These dimensions are significant factors in the council having such a loyal, committed and passionate workforce. There is huge goodwill and staff are clearly very invested in the place that they serve. The Staff Wellbeing Check-In results from last year reflect dimensions of the organisation that require suitable and effective responses in order to maintain that.

Process and system is absolutely central to good and effective governance. We would, though, encourage the council to consider the extent to which current approaches are proportionate and geared both to maximising impact through making the best use of people's time and securing the necessary assurance on what matters most. Our sense is that there may be potential to streamline the processes and meetings structure in order to create the space and capacity for leaders and managers to focus increasingly on strategic thinking and delivery.

A minority Administration under No Overall Control is a new way of working for all in Torbay and requires the appropriate adaptation of style and approach to reflect the fact that no single political party now has the majority of elected members on the council. Some success was seen in the 'Minority Administration Way of Working' developed a few months ago, not least the formal adoption of the Community and Corporate Plan and passing of the 2024/25 budget – both on a cross-party basis. Unfortunately, the 'Way of Working' has clearly broken down in recent weeks.


It is clear that the current political tensions, and the way they are being played out, are negatively impacting upon staff morale and motivation; the vast majority of elected members; the reputation of the council and the trust and confidence of partners. The issues are vested in a very small number of elected members, from across the Council Chamber, who must ask themselves what they want their legacy to be – in a context of this being that ‘moment in time’ for Torbay.

‘No Overall Control’ with a minority Administration is not unique to Torbay and there is no ‘silver bullet’. It requires pragmatism on the part of political leaders to find common ground on the top strategic priorities that must be determined and delivered collaboratively. What is crucial is there being a genuine desire to listen on all ‘sides’ and not try to ‘score political points’. It needs to be approached from the perspective of ‘how do we get things done for the people of Torbay’ and ‘how do we collectively ensure good governance is maintained in the council’.

Torbay is a council that has been financially well managed and prudent over a number of years. The council’s overall financial position is providing it with the scope to undertake a longer-term strategic approach to finance and invest in priority areas. Budgets are set without any reliance upon the use of reserves and the council has been working to increase the level of reserves. The council has a strategic approach to savings, focused on nine areas of significant spend and demand pressure. There is no reliance on material savings in the short-term from these and they are instead being looked at as helping to address the medium-term financial gap.

Torbay has high levels of borrowing and interest payments relative to other unitary authorities, although the level of borrowing has not increased since 2020 and £18m of long-term debt has recently been repaid. The maturity of the council’s loans portfolio is seen to protect it from increased interest rates whilst it has, in turn, benefited with an increased return on its cash investments through the situation with interest rates.

The ‘return to the workplace’ following the pandemic has been managed in a way that has given scope and flexibility to managers and teams to determine approaches



matched to their needs and context. There have been a number of upsides to this. We see merit in now taking stock to collectively consider the learning, challenges and opportunities that exist as the 'return to the workplace' continues to evolve. This forms part of what we see as the need for the council to consider its approach to its buildings and accommodation. This can be looked at both from the perspective of service users, staff and elected members and in a 'place-shaping' context. Considerations around council accommodation have formed part of the 'Whole Council Redesign' programme. Continuing to drive this whole programme forward will be important.

The progress the council has made in services such as adults and children's services is to be commended. As the council continues to progress, the role and ways of working of corporate services will need to continue to evolve too, in order to ensure they are fully geared to supporting the needs of the 'corporate body' and the wider organisation.

The importance of equalities, diversity and inclusion (EDI) has been gaining increasing recognition in the council. However, there is much to do and there are significant considerations and the EDI agenda requires clear corporate leadership and ownership.

## 2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

### **Recommendation 1**

- Adopt a council Business Plan agreed on a cross-party basis that outlines a clear set of strategic political priorities

### **Recommendation 2**

- The very small number of elected members from across the council chamber whose behaviours are impacting so negatively must ask themselves what they want their legacy to be and find ways of working effectively in a context of the minority Administration No Overall Control arrangement

### **Recommendation 3**

- Gear up fully to deliver the proposed Combined County Authority arrangements

### **Recommendation 4**

- Dedicate greater time and space for thinking and collaboration across the organisation to inform strategic direction and focus on outcomes and develop a more distributed model of leadership

### **Recommendation 5**

- Ensure the People Strategy is collectively owned and led from the top

### **Recommendation 6**

- Ensure corporate leadership and ownership of the equalities, diversity and inclusion (EDI) agenda

### **Recommendation 7**

- Reflect on current approaches around process and system to ensure risk is balanced with outcomes and the necessary assurance is received on what matters most

### **Recommendation 8**

- Deliver a 'reset' of Overview and Scrutiny organisationally and politically

### **Recommendation 9**

- Create the space for cross-party consideration of matters relating to Constitutional and elected member governance

### **Recommendation 10**

- Maintain the focus on the nine areas of significant spend and demand pressure

### **Recommendation 11**

- Consider the approach to the council's buildings and accommodation and take stock of the learning, challenges and opportunities around the 'return to the workplace'

### **Recommendation 12**

- Enhance the corporate approach to transformation

### **Recommendation 13**

- Evolve the role and ways of working of corporate services

### **Recommendation 14**

- Undertake the necessary functional realignments in relation to the Torbay Economic Development Company (known as TDA)



## Recommendation 15

- Dedicate the necessary resource to develop the housing strategy and ensure the delivery of it is corporately owned

## 3. Summary of the peer challenge approach

### 3.1 The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Rob Walsh, Chief Executive, North East Lincolnshire Council
- Councillor Laura Mayes, Cabinet Member for Children’s Services, Education and Skills and Deputy Leader, Wiltshire Council (Conservative)
- Councillor Gareth Roberts, Leader, London Borough of Richmond upon Thames (Liberal Democrat)
- Mary Morrissey, Director of Economy and Infrastructure, Solihull Metropolitan Borough Council
- Kate Martin, Executive Director for City Futures, Sheffield City Council
- Rebekah Wilson, Programme Manager, Cyber, Digital and Technology Team, LGA (shadowing)
- Chris Bowron, Peer Challenge Manager, Local Government Association

### 3.2 Scope and focus

The peer team considered the following five themes which form the core components of all corporate peer challenges. These areas are critical to councils’ performance

and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In undertaking this, overarching questions that the council asked the peer team to provide insight on were:

- With the agreement of our new Community and Corporate Plan and draft Council Business Plan: How well does the council focus on and prioritise its ambitions?
- Given the recent move to being a council with No Overall Control: What more needs to be done to ensure that governance and practical arrangements are working effectively to deliver for our residents?
- In light of the emerging national assurance framework for local government: Is the council making good progress at documenting its assurance framework (setting out our 'Torbay Way')?
- Given the ambitions of the council around our capital and regeneration projects: Do we now have in place the organisational structures and capacity to support delivery of local priorities?

- In light of the recent transfer to the council of the Torbay Economic Development Company (TDA): Are the foundations in place to ensure that we maximise the opportunities that this presents?

### **3.3 The peer challenge process**

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and its context, challenges and opportunities. The team then spent three and a half days onsite in Torbay, during which they:

- Gathered information and views from more than 40 meetings, in addition to further research and reading
- Spoke to more than 120 people, including a range of council staff, elected members and external stakeholders

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and elected members.

## **4. Feedback**

### **4.1 Local priorities and outcomes**

It is widely recognised internally and externally that this is 'a moment in time' for Torbay which may not come around again. The whole council – elected members and officers – and the wider community need to hold this in their mind and not lose sight of it.

The Corporate and Community Plan, agreed on a cross-party basis last year and running through to 2043, sets out a long-term vision and ambition of a 'healthy, happy and prosperous Torbay'. Sitting alongside this is the 'Torbay Story', developed through engagement with residents and a range of partners across the public, business and voluntary and community sector and launched in early 2022. This is a fantastic vision providing both an overarching story of the characteristics and opportunities of Torbay as a whole, whilst outlining the individual identities, sense of place, assets and roles of the three towns of which it is comprised. Brixham, with its harbour and fish market; Paignton as a classic British seaside town with its sandy beach, promenade and pier, zoo and steam train; and Torquay with the marina and its gardens and galleries explains why the area is such a magnet for tourists. Especially when the natural environment of Tor Bay, supplemented through proximity to Dartmoor National Park, is also considered. Then there is the economic potential, reflected in the globally significant technology businesses, in the likes of marine industries and photonics, that Torbay is home to.

The 'Torbay Story' enjoys the full support of partners across the public, private and voluntary sectors. The level of Government funding of over £100m – including 'Levelling Up', 'Town Deal' and 'Future High Streets' monies – to support key regeneration projects is unprecedented. Established regeneration partnerships demonstrate strong public, business and voluntary and community sector support and continued commitment to the next phase for Torbay. The council's new regeneration partnership with Willmot Dixon and Milligan offers further capacity and knowledge. It shows early positive signs of productive and successful relationship forming and added value focused on place shaping and driving socio-economic benefits. The scale of regeneration in Torbay is likely to require, and provides the opportunity to establish, additional partnerships to facilitate neighbourhood regeneration and master planning. This is likely to require regional funding structural support and national agency bespoke capacity, through the likes of Homes England.

The council has the general capacity to support the direct delivery of its physical regeneration project priorities. The transfer to the council of the Torbay Economic Development Company (known as TDA) offers a phased opportunity for strengthened delivery around economic development and regeneration but there will

need to be consideration given to some functional realignments, around agreed priorities, to aid this. Aligning the council's capacity with the drive and scope of key partners, and the potential of local, regional and national investment, offers the opportunity to maximise the council's regeneration activity into longer-term place shaping.

What is outlined above constitutes the 'moment in time' for Torbay. The attendant level of expectation, both politically and amongst partners, is significant and everything now needs to mature into mobilised capacity to deliver at pace. The next phase of delivery and the key priorities that are central to it need to be communicated to the public, including the 2,000 Torbay 'Place Champions, and partners. It is also important to foster a place for councillors to enhance their role as ambassadors for their local areas and place them at the heart of neighbourhood regeneration.

The council is in a very different and much better place compared to a few years ago and has a solid foundation. It has demonstrated drive, determination and delivery across a number of spheres in recent years. This includes leading the response to the pandemic, driving improvement in children's services improvements and taking more direct control of a number of key functions and services. The latter includes the creation of SWISCo, as a company wholly owned by the council, to deliver waste, highways, street scene and parks services. What has been achieved is reflected in the 2023 Local Government Chronicle (LGC) awards recognising Torbay as the 'Most Improved Council' in the country.

There is a lot to be proud of but there remains a lot to do, with a range of socio-economic challenges in Torbay. It is the most deprived local authority area in the South-West of England and is in the top quarter of most deprived council areas nationally. Twenty-seven per cent of residents live in the twenty per cent most deprived areas in England. Life expectancy for men and women in the most deprived areas is nine years and eight years less, respectively, compared to those in the least deprived. Twenty-four per cent of residents are reported as having a long-term limiting illness, compared to averages in the South-West and nationally of 18.4% and 17.6% respectively. The growth in Gross Value Added (GVA) in Torbay since 2010 measures 7.5% compared to 28.8% nationally.

The housing agenda, and the challenges and opportunities it represents, featured widely in our discussions as one of the key priority areas for Torbay. Progressing the development of a comprehensive and bold housing strategy is of critical importance to the successful and inclusive regeneration of Torbay. Crucial within this is driving further progress in addressing the challenges around homelessness. Linked to both the regeneration and housing agendas, continuing to improve Planning Services at pace is important given the statutory requirement for an adopted Local Plan.

The council and its partners are very much aware of the challenges that exist and the potential and opportunity of the 'moment in time' lies in maximising the economic and social benefits for the people and place of Torbay – raising aspiration, creating the conditions for long term positive change and tackling inequality. The regeneration projects alone offer significant local opportunities around training, skills and employment.

The Community and Corporate Plan, along with its related objectives and priorities, seeks to provide stability and continuity in a context of political uncertainty. The development of the council's Business Plan – representing a delivery plan through to 2027 – had been intended to establish a clear set of manageable priorities that enable real focus for the organisation. The absence of an agreed plan – due to political tensions that have emerged recently and which we expand upon later – represents a key risk to the council being able to deliver the inclusive growth agenda that can be transformative for existing and future communities. Officers need to be able to focus on clear strategic political priorities and that which is going to deliver the greatest impact for local communities. Otherwise, there is a risk to progress, delivery and the council's credibility. The message that we have gleaned loudly and clearly from partners is that the opportunity of this 'moment in time' must not be missed.

#### **4.1.1 Performance**

Whilst ambition is high and much is being achieved, the Residents' Survey of last summer should serve to focus minds further. Drawing on the 'LG Inform' data and performance information system which the Local Government Association hosts on

behalf of the sector, it is feasible to see the following for Torbay when compared to the fifteen other councils in its CIPFA 'family' grouping of similar authorities, using the most recently available data:

Where Torbay is amongst the better performers:

- Average Attainment 8 score
- Percentage of child protection cases which were reviewed within required timescales
- Overall satisfaction of people who use adult social care services for their care and support
- Total households on the housing waiting list
- Time taken to process housing benefit new claims and change events
- Residual household waste per household
- Percentage of household waste sent for reuse, recycling and composting
- Percentage of adults aged 16+ who are active (150+ minutes a week)

Where Torbay is less high performing:

- Council tax not collected as a percentage of council tax due
- Proportion of population aged 16-64 qualified to at least Level 2
- Children looked after rate, per 10,000 children aged under 18
- Care leavers in education, employment or training
- Social care-related quality of life
- Vacant dwellings as a percentage of all dwellings in the area
- Principal roads where maintenance should be considered
- Non-principal roads where maintenance should be considered
- Access to employment by public transport
- Processing of planning applications – other
- Percentage of adults (18+) classified as overweight or obese
- Percentage of children in reception year who are obese

Where performance in Torbay is around the average:

- Non-domestic rates not collected as a percentage of non-domestic rates due

- Proportion of 16 and 17 year olds who were not in education, employment or training (NEET) or their activity was not known
- Percentage of children becoming the subject of a child protection plan for a second or subsequent time
- Care leavers in suitable accommodation
- Number of households living in temporary accommodation per 1,000 households
- Number of affordable homes delivered
- Processing of planning applications – major
- Processing of planning applications – minor
- Percentage of children in year 6 who are obese

The following is a link to the ‘Headline Report’ for Torbay in the LG Inform system:

[https://lginform.local.gov.uk/reports/view/lga-research/lga-research-report-headline-report-bar-charts?mod-area=E06000027&mod-group=CIPFA\\_Near\\_Neighbours&mod-type=comparisonGroupType](https://lginform.local.gov.uk/reports/view/lga-research/lga-research-report-headline-report-bar-charts?mod-area=E06000027&mod-group=CIPFA_Near_Neighbours&mod-type=comparisonGroupType)

## 4.2 Organisational and place leadership

The Torbay Place Leadership Board provides stewardship, advocacy, influence and strategic leadership from across the area’s anchor institutions. Those involved are fully invested in the vision and ambition for Torbay and provide strong, credible and strategic place leadership along with a healthy balance of challenge and support to the council. The new Culture Board that sits under the Place Leadership Board, and the related strategy that has been developed, offers great opportunities to enhance tourism, heritage, culture and destination benefits along with aiding the development of new creative industries.

The council is seen as a good local and regional partner. Those organisations we spoke to at the regional level described a confident and influential organisation that is operating as an equal partner. There is a set of well-established sub-regional partnerships that the council is effectively engaged in, including those focused on



housing, skills, climate change and the visitor economy at the Devon-wide level. The Leader is seen to have advocated effectively for Torbay, including at the UK's Real Estate Investment and Infrastructure Forum last year and in the discussions around Devolution. The Chief Executive is widely held in very high regard, both internally and externally.

The Devon and Torbay Level 2 Devolution Deal is a major strategic opportunity for Torbay. It represents a platform to communicate the area's needs and future opportunities to key stakeholders at the regional and national level. Devolution provides the potential to leverage more investment, exert more influence and continue to enhance the profile and economic growth prospects for Torbay for the benefit of residents, communities and businesses. The proposed Combined County Authority arrangements, if fully approved, will require the council to gear up and ensure that elected members, officers and the organisation overall are effectively placed to lead, advocate and influence at that level. Such preparations are not a light touch endeavour and the work needs to start now.

The complexity of the challenges and opportunities facing Torbay, outlined earlier, requires the organisation to develop a suitably strategic and integrated way of working in response. Positive progress is being made, with a council that has a better understanding of communities; is engaging those communities more; is better understanding and managing performance, delivery and risk; and is demonstrating greater cross-organisational collaboration. This can and should be built upon.

As an example, effective consultation and engagement is seen to have taken place around the likes of the 'Big Plan' for learning disabilities, the development of sea defence schemes and a range of projects delivered through the 'Councillor Ward Fund' including the development of play areas and installation of defibrillators. The delivery of successful regeneration will require more and deeper engagement with communities. It will also require an enhanced understanding of communities, building upon the 'Torbay Profile', centred on data and insight looking much deeper into localities and neighbourhoods to drive improved outcomes, leverage potential funding and track the impact of regeneration.

As another example, the council is demonstrating an improvement in understanding and managing performance, delivery and risk. It has fundamentally changed its approach to planning capital investment from this year. A review of the Capital Investment Programme last year has sought to ensure that the £270m four-year plan is realistic and can be delivered and the 'Gateway' and monitoring processes that have been developed are designed to provide elected members with much greater oversight. This will be important for reasons of financial control, delivery, impact and credibility. A revised and strengthened Risk Management Policy and Framework was agreed by Cabinet in March last year. The council recognises that the same focus that has been applied to enhancing risk management now needs to be applied to performance management. A revised Performance Management Policy and Framework is being developed, along with a refreshed performance report commencing with Quarter 1 of this year.

Torbay is also a council that is demonstrating greater joined-up working and cross-organisational collaboration, facilitated at least in part by the meetings every six weeks of the Senior Leadership Team (SLT), which brings together the Chief Executive, Directors and Divisional Directors, and fortnightly meetings of the Cabinet and Directors (CAD) forum. There is, however, a widespread desire both politically and managerially – identified through our discussions with Cabinet and Divisional Directors – for greater time and space to be dedicated to strategic thinking in these types of forums.

People are keen to have the opportunity to capitalise upon and share knowledge and expertise from across different Portfolios, directorates and services in order to collectively 'problem-solve', inform strategic direction, enhance the focus on outcomes and develop a greater sense of shared endeavour. An example here would be the council's desire to see Public Health thinking and understanding become more embedded across the organisation. We also noted reference to recent discussions in SLT sessions having enabled people to make connections between their services and wider strategic agendas that they hadn't previously recognised.

The type of approach outlined here would also serve to develop a more distributed model of leadership. This, in turn, would address the risk of so much being vested in

the Chief Executive, which was highlighted through many of our conversations both internally and externally.

### **4.3 Governance and culture**

Staff that we met at various levels in the council emphasised the positive organisational culture that exists, centred on teamwork, mutual support and trust between colleagues. The council also demonstrates a good track around enabling people to grow and develop in the organisation. What struck us most around these aspects is the informal but clearly very effective approaches to them that have developed and which drive them. The organisation describes itself as “small and agile” and is clearly one in which informal networks and links within and between teams develop easily. These links have been enhanced through the pandemic and sustained during the subsequent period of increased remote working. In relation to people progressing in the organisation, those staff that we met reflected a willingness on the part of the council to invest in their development – both financially and in the provision of opportunity – and highlighted an informal ‘talent spotting’ approach that identifies future managers and leaders.

The above dimensions are, based on what we heard, significant factors in the council having such a loyal, committed and passionate workforce. There is huge goodwill and staff are clearly very invested in the place that they serve. The Staff Wellbeing Check-In results from last year reflect dimensions of the organisation that require suitable and effective responses in order to maintain the goodwill and motivation that exists. Issues around work pressures featured prominently and there were also some issues of discrimination highlighted.

Of those completing the Check-In, 44.6% indicated they were experiencing health or wellbeing challenges. Within that, 46.5% cited mental health matters and 42.6% workload related issues. Staff that we spoke to highlighted the good progress that has been made in the council’s wellbeing offer, with a member of staff within the HR function dedicated to this area, and the Check-In results show 65.5% of respondents felt the council was committed to staff wellbeing. A series of support mechanisms,

events and initiatives have been introduced in recent times, covering areas such as financial wellbeing; menopause; being a carer; men's health; domestic abuse; and mental health. Nearly a quarter of respondents to the Check-In had drawn upon these sources of support.

In relation to discrimination, 8.7% of Check-In respondents indicated they had either experienced or witnessed it at work, comprising 6.1% coming from a colleague or manager and 2.6% from a customer, client or member of the public.

The Internal Engagement Strategy, which has been in place since 2020, provides a wide range of communication and engagement approaches across the organisation, including 'All Staff News', 'Manager's Briefing', forums for managers and senior managers and 'Ask Us Anything' sessions. The next phase of the Internal Engagement Strategy is currently being progressed and is intended to refine and enhance approaches over the coming months. Developments include establishing directorate newsletters and encouraging increased visibility on the part of senior leaders, including them meeting new starters and holding briefing sessions for their directorates.

A new People Strategy, covering the period through to 2029, was approved in March and sets the framework for council-wide organisation and workforce development and a clearer focus on equalities, diversity and inclusion (EDI). The vision at the heart of the strategy is to empower, support, develop and engage people, now and into the future, to deliver the council's ambitions for Torbay and ensure a sustainable workforce moving forward. Priority areas are:

- An organisational culture that prioritises relationships internally and externally
- Improving consistency in ways of working and delivering services through a flexible and high-performing workforce
- Employee wellbeing through work/life balance and a happy and healthy workplace where everyone can be themselves, thrive and perform to the best

of their ability

- Supporting learning and development to enhance personal and professional growth and aspiration – including a management and leadership development programme
- Valuing and respecting people for their differences, building on them to enhance performance and organisational capability
- Attracting, retaining and maximising talent through recruitment, induction, career progression, development programmes and an effective pay, reward and retention offer

As planned, it is imperative that the People Strategy is led visibly by the Chief Executive and all Directors in order to maximise its impact.

As we outlined earlier, the council is demonstrating an improvement in understanding and managing performance, delivery and risk. This has involved developing greater rigour in key processes and systems and this will continue to evolve with the development of a refined approach to performance management. The council asked us to consider the progress it is making in documenting its 'Assurance Framework' in the light of the emerging national assurance framework for local government. We have additionally woven the council's 'Decision-Making Framework and Internal Governance Meeting Structure' into our thinking.

Process and system is absolutely central to good and effective governance. We would, though, encourage the council to consider the extent to which current approaches are proportionate and geared both to maximising impact through making the best use of people's time and securing the necessary assurance on what matters most, including performance, project delivery, budget and risk. It is perhaps helpful here to reflect on our earlier observation about the informal but effective approaches seen in the council fostering links within and between teams and growing and developing people. The related outcomes are impressive and yet there is little

reliance upon process and system. This perhaps contrasts with, as an example, reflections we heard around the number of meetings and steps that have to be navigated in the drafting of a report for consideration by elected members. Our sense is that there may be potential to streamline the processes and meetings structure currently in place in order to create the space and capacity for leaders and managers to focus increasingly on strategic thinking and delivery and balance the managing of risk with an enhanced focus on 'outcomes'. There is, though, a complex set of considerations here – not least the additional requirements generated in a council under a 'Minority Administration No Overall Control (NOC)'.

Torbay has traditionally been politically contested and that continues with it now being a council that is under 'No Overall Control' with a minority Conservative Administration. The council has been NOC since 2019 but has not previously had a minority Administration – with the previous Administration having entered into a formal arrangement with independent councillors. A minority Administration is a new way of working for all in Torbay and requires the appropriate adaptation of style and approach to reflect the fact that no single political party now has the majority of elected members on the council. Some success was seen in the 'Minority Administration Way of Working' a few months ago, not least the formal adoption of the Community and Corporate Plan and passing of the 2024/25 budget – both on a cross-party basis. A set of key principles were established to sit at the heart of this, as follows:

- To act in the best interests of Torbay Council and its residents
- To work together on the basis of honesty, openness and transparency
- To work together on the basis of no surprises
- To seek to achieve consensus through discussion
- To promote strong working relationships with council officers based on mutual trust and respect

Unfortunately, the 'Way of Working' has clearly broken down in recent weeks. There are too many contrasting perspectives and there is too much complexity around this, and the related deterioration in relationships, for us to make sense of it.

What is absolutely clear is that the current political tensions, and the way they are being played out, are negatively impacting upon staff morale and motivation; the vast majority of elected members; the reputation of the council and the trust and confidence of partners. The issues are vested in a very small number of elected members, from across the Council Chamber, who must ask themselves what they want their legacy to be – in a context of this being that ‘moment in time’ for Torbay.

‘No Overall Control’ with a minority Administration is not unique to Torbay and there is no ‘silver bullet’. It requires pragmatism on the part of political leaders to find common ground on the top strategic priorities that must be determined and delivered collaboratively. Achieving this is crucial in providing stability and continuity for the council and Torbay in the face of likely future political change and, in so doing, helping stakeholders to retain trust and confidence in the council.

Currently, significant capacity is being absorbed in terms of time, negative energy and diversion of officer focus from what is truly important. It is right and appropriate that officers dedicate the additional time necessitated by NOC to supporting the smooth flow, through the council’s democratic and decision-making structures, of the key considerations and strategic issues for the council and Torbay. This is inevitably more demanding and drawn out than in an environment where there is a political majority. What is a less positive use of senior officer time is managing the ‘fall-out’ in the organisation of the latest political point-scoring and public criticisms of the council and trying to maintain an ‘even keel’ in a context of the challenging political dynamic.

It is undoubtedly the case that ensuring the council gets the ‘brilliant basics’ right would take some of the ‘heat’ out of the system by reducing the scope for criticism. Also, it would reduce the amount of time officers at all levels are having to dedicate to responding to issues elected members are raising with them as casework. Ensuring the effective use of the elected member casework system, and a consistently good quality and timeliness of response to the issues raised through it by councillors, would also assist here.

We see the Council Leadership Group (CLG), which includes the political group leaders, as a valuable concept that should be maintained. We also urge the senior political leaders to uphold the key principles upon which the intended 'Way of Working' under NOC has been founded. At the same time, we feel the focus of CLG could usefully be refined to generate the greater time and space necessary for strategic thinking and related discussion on a cross-party basis. At present, alternate CLG meetings have different purposes. One focuses on governance, Constitutional issues and work programming across the likes of Full Council, Cabinet and Overview and Scrutiny. The other provides the scope to focus on key strategic issues, often centred upon 'Emerging Issues' papers. We see merit in shifting CLG meetings to focus on two issues:

- The in-depth consideration and discussion of key issues for Torbay and the council – strictly confined to truly strategic or highly politically sensitive matters
- Determining the work programming of key matters that need to progress through the council's governance structures, in order to ensure that they receive appropriate consideration

We would see this as then leaving a requirement for governance and Constitutional matters being considered by a separate body but which also operates on a cross-party basis. This would enable the consideration of the types of governance issues that we heard about anecdotally during our discussions and for which jointly agreed approaches and solutions need to be identified. Examples include ad hoc changes being made to the order of business at some meetings of Full Council; the unannounced tabling of Amendments to Motions at some meetings of Full Council; some desire on the part of some councillors to see a wider range of elected member meetings being Webcast; the limited scope that some Chairs feel they have to influence the agendas for their meetings; and ensuring minutes consistently provide an accurate record of meetings.

We fully acknowledge, in citing anecdotal evidence in these areas, that experiences and perspectives will differ and it may be that an issue lies more with levels of understanding than it does to a need for Constitutional revision. Where this is the



case, that should inform elected member development and awareness raising. However, there may be instances where a Constitutional refinement or adaptation, agreed on a cross-party basis, would provide increased certainty to elected members; help to protect the interests of all political groups on the council; and provide greater stability for councillors and officers during periods of No Overall Control.

This links to what we outlined earlier regarding the adaptation of style and approach necessary under NOC. That includes the need to avoid notions at any point in the future of any political group determining that 'we're in charge now so we'll just change things to how we want it'. Another example would be ensuring the cross-party shaping and steering of what we recommend by way of a fundamental reset of Overview and Scrutiny, organisationally and politically. It is clear that Overview and Scrutiny has got caught up in the politics and there is an opportunity in the months ahead to jointly consider and determine what it is there to do and how it can best operate to support good governance and improved outcomes for local people.

What is crucial is there being a genuine desire to listen on all 'sides' and not try to 'score political points'. It needs to be approached from the perspective of 'how do we get things done for the people of Torbay' and 'how do we collectively ensure good governance is maintained in the council'.

There are many positive aspects to elected member development in the council. We learnt of the induction process at the last elections being open to all councillors rather than just those newly elected and the process having been refined in line with learning from previous years. We heard that training and development in more technical and quasi-judicial areas, such as Licensing and Planning, is seen to be particularly valuable. Examples of this include the delivery of a briefing on Strategic Planning; participation in national level training around Licensing committees; and the bringing in of national experts to talk to councillors sitting on the Harbour Committee.

The council seems to be tapping increasingly into provision of elected member training at the national level, in particular through the Local Government Association. There was also evidence of some tailoring of provision to specific need, for example

participation in remotely delivered training in order to suit individual circumstances, whilst councillor colleagues attended a similar event face to face in line with their preferences. People we spoke to highlighted training they had particularly valued, including Chairing Skills and media training. There is undoubtedly scope to enhance things further in relation to elected member development – for example there is clearly a desire for more guidance and insight around managing councillors’ personal safety and a more personalised and tailored approach to identifying and meeting individuals’ needs generally – but the direction of travel is positive.

Finally in this section, it is of vital importance that councillors are not underestimated in relation to the contribution they can make. We highlight this in a context of having heard of some instances of attitudes towards councillors that could be deemed to be patronising, along the lines of matters being “too complex” for them.

#### **4.4 Financial planning and management**

Torbay is a council that has been financially well managed and prudent over a number of years. It has delivered balanced budgets year on year without significant overspends and, where overspends have occurred, these have been matched by surpluses elsewhere in the budget. Budgets are set without any reliance upon the use of reserves and the council has been working to increase the level of reserves, leaving them now comparing reasonably favourably with other unitary councils. A revised ‘Revenue Reserves Policy’ has been established and the General Fund reserve was planned to rise from £5.7m at the end of 2022/23 to £7.6m in the financial year just concluded. A ‘top up’ to the council’s unearmarked Working Balance Reserve is intended over the period of the Medium-Term Resource Plan in order to return it to a level of 5% of net revenue budget.

Torbay has high levels of borrowing (circa £385m) and interest payments relative to other unitary authorities, although the level of borrowing has not increased since 2020 and £18m of long-term debt has recently been repaid. The maturity of the council’s loans portfolio is seen to protect it from increased interest rates whilst it has, in turn, benefited with an increased return on its cash investments through the situation with interest rates. Torbay invested in a number of commercial assets

several years ago. Whilst these assets provide a financial return of around £4m per annum currently, the value of them appears to have reduced significantly recently and the council is currently determining its strategy around them going forward.

The 'Safety Valve' agreement reached with the Department for Education in 2022 in relation to the 'High Needs Block' of the Dedicated Schools Grant is seen to be working. The Department agreed to fund the cumulative deficit to a level close to £13m, dependent upon key milestones in a deficit recovery plan being achieved which, if successful, should provide for a balanced High Needs Block by 2026/27. Thus far the council has received over £6m from the Department.

For the last nearly 20 years, the council and health partners have sought to work collaboratively across adult social care and health. In 2015 an integrated care organisation (ICO) was established for Torbay. The recent renewal of the Section 75 agreement between the council and Torbay and South Devon NHS Foundation Trust, covering a five-year period, provides greater financial stability around what the council identified as its biggest financial risk over the medium-term. It also continues what the council and partners are proud of in terms of joined-up delivery across social care and health. Central to helping improve financial sustainability in this sphere – in a context of the ICO forecasting a £12m deficit in the last financial year that is attributable to adult social care and which could rise to as much as £36m across a five-year period – is a cross-partnership transformation programme.

The council has a strategic approach to savings, focused on nine areas of significant spend and demand pressure. These include children's social care placements; home to school transport; the prevention and relief of homelessness; and the optimisation of council assets. Each of the nine areas has a Revenue Savings Plan that is focused over four years. There is no reliance on material savings in the short-term from these plans and they are instead being looked at as helping to address the medium-term financial gap that is forecast to be £5.4m in 2025/26 and £1.9m in 2026/27.

The council's overall financial position is providing it with the scope both to undertake this longer-term strategic approach to finance and invest in priority areas. Examples

of the latter include the purchase or lease of 37 properties to reduce the council's costs associated with temporary accommodation whilst simultaneously increasing the stability of accommodation options that could be offered. This is in a context of a 66% per cent increase having been seen since 2020 in those people being provided with temporary accommodation. Another example of investment is senior posts that have been established and recruited to in the areas of housing and regeneration.

#### **4.5 Capacity for improvement**

The 'return to the workplace' following the pandemic has been managed in a way that has given scope and flexibility to managers and teams to determine approaches matched to their needs and context. There have been a number of upsides to this. One example is helping to address recruitment challenges in certain areas, such as Legal Services and Children's Services, with the ability to perform roles remotely having led to people joining the organisation who previously wouldn't have been available to the council. Another example is the creation of working environments and atmospheres that people have found enable collaboration and working across teams and which they enjoy working in and appreciate. We see merit in now taking stock to collectively consider the learning, challenges and opportunities that exist as the 'return to the workplace' continues to evolve – as it is doing for every organisation. Clearly there are approaches and experiences which, when shared, may be felt appropriate for adoption elsewhere in the organisation. Equally, commonly shared challenges can be identified and corporate solutions potentially devised. We learnt, as an example, that when some office accommodation is fully occupied the Wi-Fi facility can sometimes struggle to cope and thus there is a negative impact on people's ability to work.

The above forms part of what we see as the need for the council to consider its approach to its buildings and accommodation. This can be looked at both from the perspective of service users, staff and elected members and in a 'place-shaping' context. We gleaned some concerns from our engagement with staff about the limited ability for service users to come into the council through a customer access point and the challenges and risks this particularly poses to more vulnerable citizens.

In relation to staff and elected members, ensuring the way offices and meeting rooms are designed and kitted out is consistently conducive to desired ways of working and fully meets people needs is clearly important. In relation to ‘place-shaping’, an ‘asset optimisation’ approach to public and private assets would help to co-ordinate a ‘One Bay Estate’ approach and prioritise potential catalyst schemes for regeneration. The council’s own accommodation – in terms of what it occupies and where and what it might potentially relinquish going forward – forms part of this.

Considerations around council accommodation have formed part of the ‘Whole Council Redesign’ programme. Continuing to drive this programme forward will be important. The ‘Future Ways of Working’ strand of the programme, focused on where and how the council works, has delivered, amongst other things, some hybrid meeting rooms and staff breakout rooms plus a desk booking system. This project is currently paused and we would encourage the council to revisit it in the context of what we have outlined above.

The ‘Our People’ project within the ‘Whole Council Redesign’ programme has supported the development of the new People Strategy and the creation of a new recruitment strategy and website, applicant tracking system and induction programme. The ‘Our Organisation’ element has seen the roll-out of ‘Microsoft 365’ and is now taking forward the deployment of ‘Power BI’ across the organisation to support the enhancement of performance management. Work has also taken place focusing on the approach to customers. This has included the development of a set of corporate customer service standards; establishment of a customer relationship management (CRM) system; and a shift towards emphasising a ‘digital by default’ approach. There has also been consideration given to the council’s ‘tone of voice’ which focuses the organisation on always being perceived as approachable, friendly and professional.

The ‘transformation’ activity outlined above is corporate in nature, being designed to take effect across the organisation. Other ‘transformation’ is taking place that is more specific to certain directorates or functions, such as adults and children’s services. Some corporate support has been provided for this, including the

implementation of a new IT system in children's services. In a context of transformation being most effectively delivered when it is led, owned and governed on a 'whole council' basis, we would encourage Torbay to enhance the corporate approach to transformation. This would help to maximise synergies, enable the deployment of constrained corporate resource to support such initiatives to be as effectively co-ordinated as possible; and identify where such corporate resource might usefully be enhanced if feasible.

The progress the council has made in services such as adults and children's services is to be commended. As the council continues to progress, the role and ways of working of corporate services will need to continue to evolve too, in order to ensure they are fully geared to supporting the needs of the 'corporate body' and the wider organisation. One example is what we outlined earlier around supporting the development of the Combined County Authority arrangements and the demands of the wider Devolution agenda. Another is the delivery of the necessary support for the regeneration agenda in Torbay.

The council's approach to communications is seen to be working much better, including a weekly E-newsletter distributed to over 10,000 residents. The agreement of clear political priorities would enable a truly strategic approach to communications to be developed. We would see this entailing a 'campaigns-based' approach, involving the corporate funding of communications activity supporting those political priorities. This contrasts with the current approach of the corporate communications function being asked to support and advise on the communications ambitions devised by directorates and services themselves, which has led to too broad a range of engagement and communications priorities.

The importance of equalities, diversity and inclusion (EDI) has been gaining increasing recognition in the council. The recruitment of a dedicated officer to lead the EDI strategic agenda is welcomed for the expertise and guidance that can be offered through this to colleagues across the organisation. Those colleagues are mindful, however, of the risk that the responsibility for driving EDI forward comes to be seen to sit with one individual rather than shared widely. There is much to do and

there are significant considerations. This is reflected in what we outlined earlier around issues of discrimination being highlighted in the Staff Check-In. This was brought to life for us through a discussion with officers that highlighted what had been experienced by some members of staff, recruited internationally to support work in children's services, during their work in communities. Such issues, as well as the wider EDI agenda, require clear corporate leadership and ownership.


With all that is being achieved and the progress being made, we would encourage the council to ensure it celebrates success. The move to establish the Staff Awards is an important one that people are pleased to see being brought about. Being recognised as the 'Most Improved Council' and securing the improvement in children's services are huge steps in the council's journey and have provided people with an enormous boost. There have been, and continue to be, many positive steps forward made from right across the organisation. Whilst these may not be of the same order of magnitude nor enjoy the same profile as those judgements from LGC and OFSTED, they are important to recognise, celebrate and communicate at regular junctures and their cumulative impact is highly significant.

## 5. Next steps

It is recognised that the council's senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The corporate peer challenge process includes a Progress Review, the findings from which need to be publicly reported within twelve months of the corporate peer challenge. The Progress Review provides space for the council's senior leadership to update peers on the authority's progress against the action plan and discuss next steps.

In the meantime, Paul Clarke, Principal Adviser for the South-West region, is the main contact between your authority and the Local Government Association. Paul is



available to discuss any further support the council requires and can be reached via [paul.clarke@local.gov.uk](mailto:paul.clarke@local.gov.uk)