

TORBAY UKSPF Investment Plan Summary

Contents

Introduction.....	3
UKSPF Priorities	3
Torbay’s Priorities	4
Funding.....	5
Local Challenges.....	6
Communities and Place.....	6
Business.....	8
People and skills.....	9
Local Opportunities	12
Communities and Place.....	12
Strategic objective and interventions	12
Business & Enterprise.....	13
Visitor Economy.....	13
Hi-tech sector	14
Social Enterprise	14
Scale ups.....	14
Low Carbon	15
Strategic objectives and interventions.....	15
Employment & Skills	16
Strategic objectives and interventions.....	19
Appendix 1: Communities and Place Interventions, Outcomes and Outputs.....	20
Appendix 2: Supporting Local Business, Interventions, Outcomes and Outputs	21
Appendix 3: People and Skills Interventions, Outcomes and Outputs	22

Introduction

The UK Shared Prosperity Fund (UKSPF) is a key component of the Government’s levelling up agenda and is the replacement for European Structural Funds (ESF).

Torbay has been allocated £2,378,002 of funding. £1,764,043 is core UKSPF and the remaining £613,959 is specifically allocated to Multiply to support adult numeracy. This investment Plan focusses solely on core UKSPF.

The Investment Plan is required to meet the Government’s priorities for UKSPF and is shaped around local priorities. Torbay has some significant challenges to overcome and this Plan is aligned to our Economic Growth Strategy to maximise the impact of the funding.

Government has placed the responsibility for delivering the fund on Local Authorities, expecting them to work with various stakeholders and partners. To develop the Investment Plan, the Council engaged with stakeholders and partners between May and July 2022 to develop the Plan.

UKSPF Priorities

The Government’s primary aim of the UKSPF is to build pride in place and increase life chances across the country. The fund has three investment priorities:

Investment Priority	Summary of Objectives
Community and Place	<ul style="list-style-type: none">• Strengthening our social fabric and fostering a sense of local pride and belonging• To build resilient and safe neighbourhoods
Supporting Local Businesses	<ul style="list-style-type: none">• Creating jobs and boosting community cohesion by supporting local businesses• Promoting networking and collaboration and stimulating innovation and growth• Targeting support to help businesses grow – eg. Innovation, productivity, energy efficiency, low carbon and exporting
People and Skills	<ul style="list-style-type: none">• Boosting core skills and support adults to progress in work• Supporting disadvantaged people to access the skills they need• Funding local skills needs and supplementing local adult skills provision• Reducing level of economic inactivity and supporting those furthest from the labour market

Funding for the first 2 priorities is expected to start on 2022/23, whilst the People and Skills priority will commence in 2024/25.

Torbay's Priorities

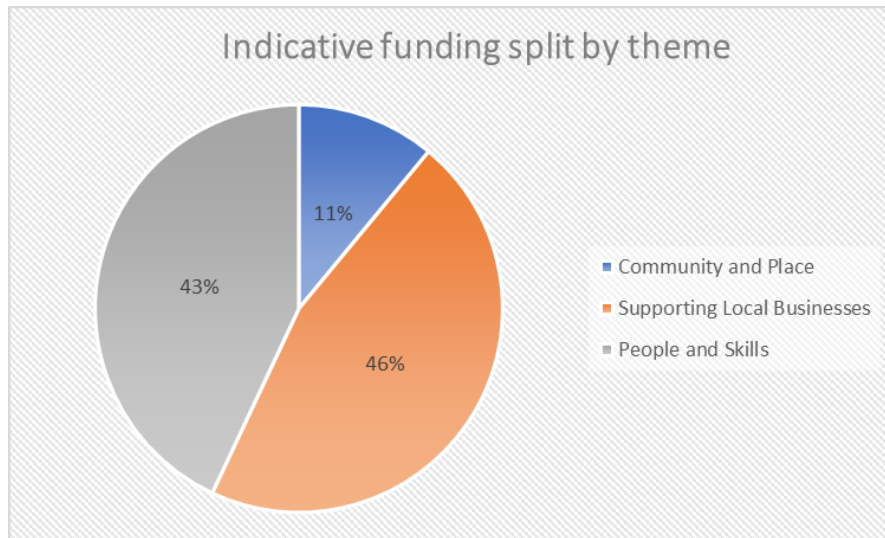
Government identified a number of interventions from which Local Authorities could select. Following engagement with stakeholder and partners, the following interventions were identified of most relevance to the needs of Torbay and where applicable, are expected to align to Torbay's Economic Growth Strategy.

Investment Priority	Intervention
Community and Place	Creation of and improvements to local greenspaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.
	Funding for impactful volunteering and/or social action projects to develop social and human capital in local places.
	Funding for local sports facilities, tournaments, teams and leagues; to bring people together.
	Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.
Supporting Local Businesses	Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.
	Research and development grants supporting the development of innovative products and services.
	Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.
	Grants to help places bid for and host international business events and conferences that support wider local growth sectors.
	Support for growing the local social economy, including community businesses, cooperatives and social enterprises.
	Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.
People and Skills	Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, math and ESOL) support where there are local provision gaps.
	Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses.
	Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licenses relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding.
	Funding to support local digital skills.

Funding

The proposed funding split between three themes over the funds three years is founded on partner and stakeholder analysis, and strategic need. The funding profile is set out below:

Investment Priority	Indicative split (%)	Total
Community and Place	11	£187,323
Supporting Local Businesses	46	£809,602
People and Skills	43	£767,118



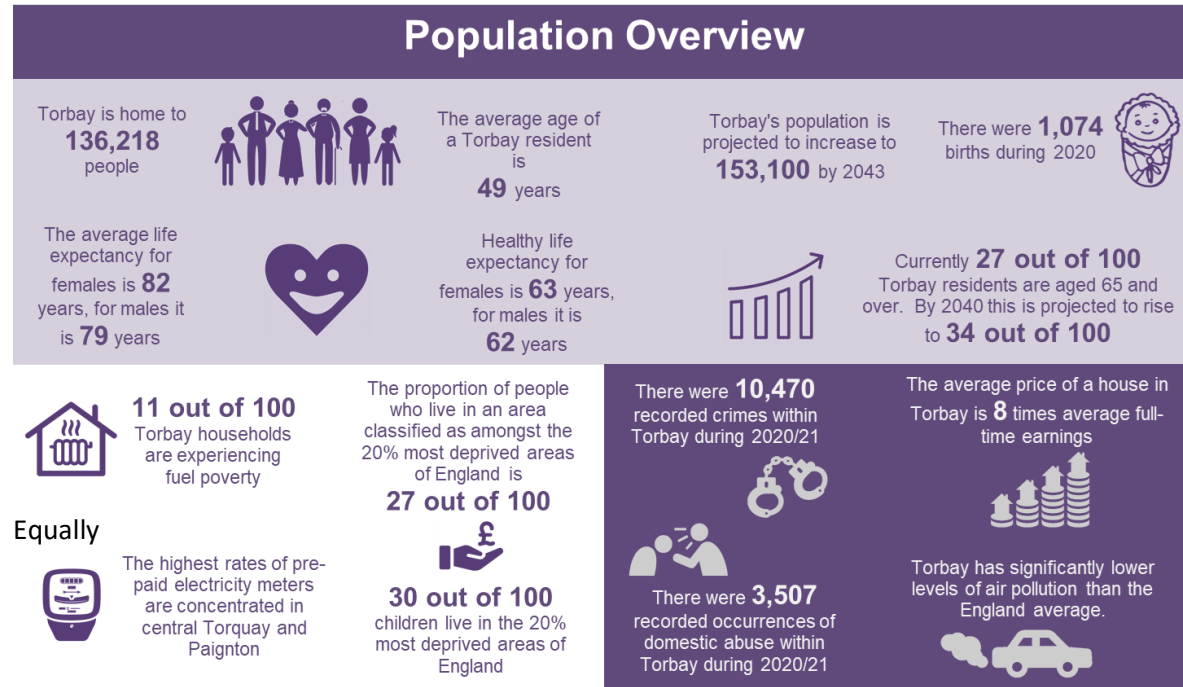
The funding is a mixture of revenue and capital and is allocated as follows:

	2022/23	2023/24	2024/25
Revenue split	£169,560	£289,104	£899,794
Capital split	£44,523	£139,062	£222,000
Total	£214,083	£428,166	£1,121,794

Local Challenges

Communities and Place

Torbay is located to the south coast of Devon, with a population of around 136,200 people (Nomis, Populations Estimates, 2020). It is the second largest urban area in Devon and is considered a strategically significant area in the region.



Torbay is unusual, in that it has developed into one largely urbanized area comprising of three separate towns in the heart of rural South Devon, however many of the social and economic challenges faced by Torbay are more often associated with those found in cities.

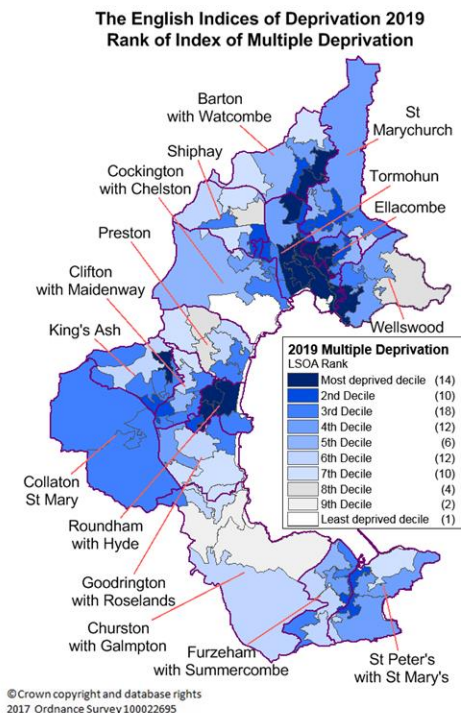
Economic output and wages in Torbay are lower compared to regional and national averages, and to a lesser extent household incomes, with pockets of high deprivation located next to areas of high affluence.

Being a coastal area, Torbay is located on the periphery 'at the end of the line' leading to a sense of disconnection, often impacting on opportunities and social mobility. challenges associated with climate change, coastal erosion, and rising sea levels are acutely felt in Torbay. The need for flood defences

and coastal management are crucial to safeguarding and raising productivity levels, not only in protecting houses, but also ensuring the resilience of critical road and rail connections and safeguarding the visitor economy.

Torbay's towns centres have endured long term decline, as private sector investment has decreased, with falling rates of return sapping investor confidence. This has led to a deterioration in the physical fabric of Torbay's town centres, including housing, public realm, tourism accommodation, and visitor attractions.

Torbay's economy is characterized as having predominantly low-wages, low-skills, low productivity, and comparatively high economic inactivity levels. Gross Value Added (GVA) in Torbay was £1.93Bn in 2020 (ONS, Regional GVA, 2020), growing on average 0.5% per year over the past 10 years. GVA per head for 2020 in Torbay was £14,173, 50.9% lower than the UK average with the gap in productivity between Torbay and the UK average continuing to widen.



Torbay is amongst the top 20% most deprived in England, and the most deprived local authority in the South West. There are marked inequalities within Torbay, with some of the most deprived areas in the country situated immediately beside some of the more affluent. The 2019 Index of Multiple Deprivation (IMD), shows the relative levels of deprivation in small geographical areas, identified 24 out of 89 areas within Torbay having levels of deprivation that placed them amongst the 20% most deprived areas of England. Around 27.4% of Torbay's population live in the top 20% most deprived areas across England, with particularly high incidence of income and employment deprivation.

Torbay has a relatively large private rented sector, when compared to other similar sized local authorities, with an estimated 21,600 dwellings. The private rented housing is not designed to reflect current housing needs and is aging with a history of poor conversion standards, resulting in lower quality accommodation and energy performance, which can often impact individuals' health and wellbeing.

Similar to other coastal areas, Torbay has a high density of Houses of Multiple Occupation (HMOs) situated in the poorest areas, which tend to house Torbay's most vulnerable residents. It also has a disproportionate reliance upon park home accommodation that is commonly used by older adults.

The 2019 IMD shows that 29 out of 89 Torbay Lower Super Output Areas (LSOA) are classified as being in the bottom 20% in England for Indoor deprivation, with over 32.9% of Torbay's population living in some of the poorest quality housing stock across England, often without access to central heating.

This is reflective of the relatively high-income deprivation across Torbay and particularly amongst older people. Torbay is the most deprived local authority in the South West for Income Deprivation. It ranks 42nd

most deprived upper tier local authority out of 151 for the 2019 Index of Multiple Deprivation.

Torbay's relative position has slightly worsened between 2015 and 2019 in respect of income deprivation affecting children, increasing from the 39th most deprived local authority in 2015 down to the 30th most deprived in 2019.

Around 21.2% of children in Torbay live in low-income families compared to 17% in England (Torbay Joint Strategic Needs Assessment, 2020). Differences or inequalities in the lives of children and young people can lead to differences in the longer term, often leading to stark differences in health and wellbeing that continue into adulthood. This has an impact on future aspirations, employment opportunities, social mobility, income, standards of living and, in turn, the productivity and economy of Torbay.

Furthermore, Torbay is ranked as having the highest bankruptcy rate across England in 2021 with around 3.6 adults out of every 10,000 entering personal insolvency (ONS, Individual Insolvencies by Location, Age and Gender, England and Wales, 2021). This highlights the vulnerabilities amongst Torbay's communities and the sensitivities to the cost-of-living crisis.

The poor standards of accommodation, coupled with relatively high insolvency rates and Universal Credit claimants presents a significant challenge with the ever-growing cost-of-living pressures facing many families and individuals who are comparatively low paid and in relatively insecure work.

Torbay has half the level of social housing compared to the national average, forcing many people on low incomes into the private rented sector. That means generally higher costs and many people living in poor conditions, crammed together HMOs. Families in the private sector face the insecurity of no-fault evictions, against the backdrop of private landlords increasingly exiting the private rental market and capitalising on the opportunities from AirBnB which resorts such as Torbay have to offer putting more pressure on the council's housing service to deal with homelessness.

The highest rates of pre-paid electricity meters are concentrated in the most deprived areas of Torbay such as central Torquay and Paignton (Torbay Joint Strategic Needs Assessment 2022/ 23). These areas have rates over triple the national average. Conversely, the lowest proportions of pre-paid meters occur in the more affluent areas of Torbay, such as Churston with Galmpton, with rates less than half the national average. This leads to some of the poorest households having to pay higher rates per unit of energy, leading to financial poverty and increasing inequality. These people often rent poor quality housing stock that is colder and more prone to damp, and more likely not to sufficiently be able to heat their property.

Charity and voluntary sector leaders are reporting dire scenarios across Torbay as the cost-of-living crisis is expected to bite many ever harder. Torbay Community Helpline hub first reported rising challenges in the cost-of-living amongst the 'just about managing' (JAMs) in December 2021 when families were making choices between eating and heating, however since then the impact of rising prices, mainly due to the war in Ukraine has resulted in the situation becoming desperate. Calls to the Torbay Community Helpline for help with finances or access to foodbanks have been soaring with over 2,524 calls in May 2021, volumes far higher than during the first lockdown.

In Torbay, the rates for key health conditions such as cardio-vascular disease, respiratory disease, and diabetes are either similar to, or significantly higher than, the England average. When taken in the round, Torbay's health profile for a number of mental health conditions and outcomes is significantly worse the England average, although the prevalence of dementia is significantly lower in Torbay. While the health outcomes of children and young people in Torbay are comparable to English average, the rates of factors associated with poorer health outcomes, such as childhood obesity, are significantly worse than the England average.

Furthermore, the pandemic has compounded many of Torbay's social and economic challenges. The Institute for Fiscal Studies have highlighted Torbay as one of the most vulnerable coastal areas susceptible to the multi-dimensional impacts from pandemic and shining a light on the extent of inequalities and deprivation.

Business

Torbay suffers from a relatively narrow industrial base with a heavy sectoral reliance on traditionally part-time low paid industries such as tourism and hospitality, retail, and health and social care – accounting for around 25,000 of the 47,000 jobs (Nomis, BRES, 2020), equating to around 53.2% of employment.

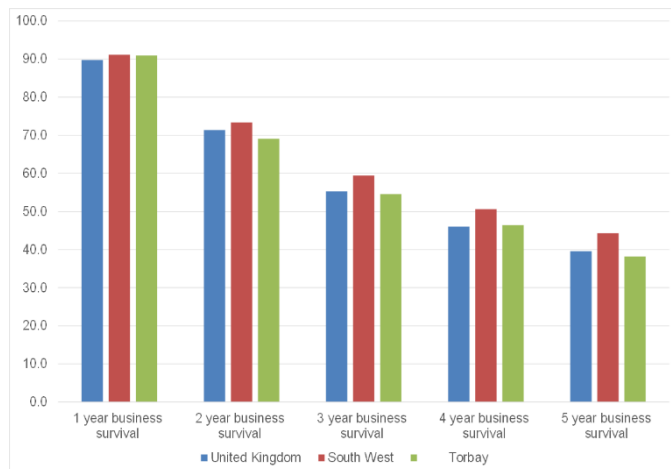
Businesses within Torbay tend to have a high reliance on visitors and actively trade during peak summer season and during school holidays. Although average business survival rates amongst SMEs in Torbay are broadly in line with the national average, this reflects many being run as ‘lifestyle’ businesses trading below the VAT threshold, particularly in the tourism and hospitality sectors. These businesses do not tend to actively seek and engage in business support, innovate, or change their culture and become more productive. This impacts upon their resilience and adaptability to significant changes to business conditions and has been evident through the scale of the impact of the pandemic, where many are still reliant upon the support provided by CBILs and Bounce Back Loans to support their cashflow.

Throughout the 2014 – 2020 ERDF Programme, Torbay businesses have been able to access over £16.4M of business support programmes over the past six years, primarily focused on business start-up support. The gap in business support provision following the end of the ERDF Programme is going to provide a significant gap within the business support ecosystem, particularly at a time when businesses are looking to improve their resilience, improve their efficiency, and reduce operating costs.

Over the past five years the number of businesses in Torbay has not significantly changed despite minor year-on-year fluctuations. In 2020, there were 4,485 active businesses, of which 520 new businesses started up and around 415 ceased trading (ONS, Business Demography, 2021). Around 88.4% of businesses are classed as micro (0 – 9 employees), 9.6% are small (10 – 49 employees), 1.6% are medium (50 – 249), and 0.4% are large (250+ employees). Over the past four years, the number of micro businesses has been steadily increasing while the number of small businesses has been steadily decreasing. The number of medium and large businesses has remained broadly unchanged over the same period.

The active number of businesses in Torbay increased 2.2% in 2019 compared to 2011, with survival rates of businesses in Torbay generally in line with the national average, although below the regional average.

Business survival rate (2019)



Business survival rates in Torbay are below the South West average over the five-year period to 2019, and broadly in line with the UK average for the first four years of trading, however, then fell marginally behind the national average in 2019.

After their first year of trading in 2014, 90.9% of Torbay businesses survived compared to 91.1% in the South West and 89.7% in the United Kingdom. By 2019 after their fifth year of trading, 38.2% of Torbay businesses had survived compared to 44.3% regionally and 39.6% nationally.

People and skills

Torbay has a variety of challenges which fall under the people and skills investment priority. The number of jobs in the area is declining, high levels of part time employment, an ageing workforce, and severe pockets of deprivation. Torbay’s workless household’s figure continues to rise year-on-year and remains

in the bottom 20% nationally for deprivation. The cost-of-living crisis will accelerate and exacerbate the deprivation. The number of residents nearing or at retirement age within the area continues to be higher than the national averages.

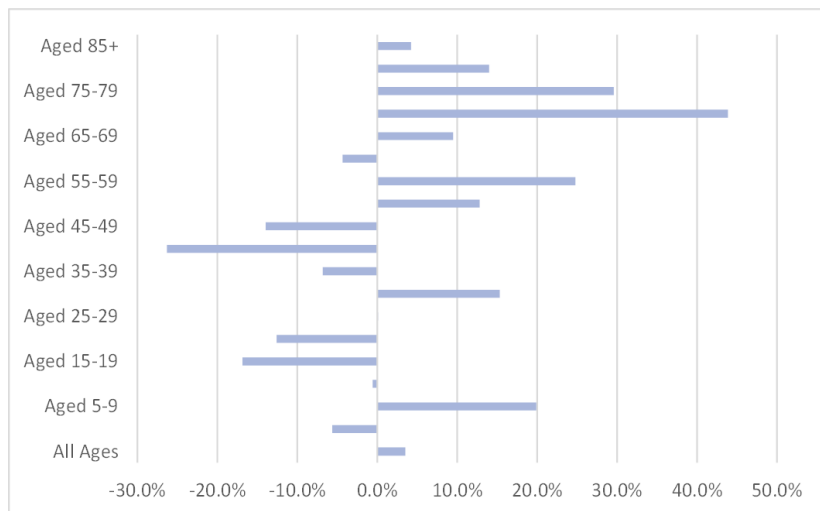
Torbay is home to over 136,200 people with 54.5% of people aged 45 or over, significantly above the national (44.1%) and regional (48.6%) average (Nomis, Population Estimates, 2020). In comparison, 24.3% of Torbay's population are aged 20-44, 8.1 percentage points below the national average (32.4%).

Torbay's workforce has remained generally the same over past five years (while the population has increased) compared to national and regional increases in workforce numbers (Nomis, Business Register and Employment Survey, 2020). Part-time employment accounts for 43% of the area's jobs, which is notably higher when compared to national and regional averages of 32.3% and 36.3% respectively.

In 2020, Torbay's (workplace) annual average income was £21,926 - 84.2% of the English average (Nomis, Annual Survey of Hours and Earnings, 2021). Skills levels in Torbay are lower – around 29% of Torbay's working age population are qualified to NVQ level 4 or above compared to 42.8% in England, while those with no qualifications account for 9% compared to only 6.2% in England (Nomis, Annual Population Survey, 2021).

Educational attainment in Torbay is mixed – 27.1% of Torbay's working population have GCSE grades A-C or equivalent compared to 20.7% in England (DfE, GCSE English and maths results – local authority, 2020), however the proportion of 16/ 17-year-olds not in education, employment, or training in Torbay is amongst the highest in the region accounting for 3.9% compared to 2.8% in England. Equally productivity levels in Torbay are comparatively low with GVA per hour worked being £26.10 – the 9th lowest in the UK equating to only 69.1% of the UK average (ONS, Subregional Productivity, 2021). The employment rate in Torbay is 74.7% compared to 75.1% in England (Nomis, Annual Population Survey, 2021), however the unemployment rate is lower at 4.0% compared to 5.1% in England. This is reflective of the economic activity rate – 77.8% of Torbay's working age population actively contribute towards the economy which is lower than English average of 79.1%.

Change in population by age (2010-20)



Nearly 50% of Torbay's population are aged 50 or over. In contrast, the lowest representation comes from ages 16 to 24. This reflects the historical challenge Torbay has long faced, where young people leave the area in pursuit of higher education or stronger career opportunities and do not return until later in life. The data supports this further as the general trend illustrates there has been a decline in the population under 49 and an increase in those aged 50 or above. By 2030, the population is estimated to grow 5.3% which the biggest increase coming from ages 50 to 64.

Vacancies within are at the highest levels since LMI data has been recorded, following the same pattern seen both regionally and nationally. Torbay has more vacancies than people actively seeking work suggesting that employers across all sectors are struggling to recruit and fill vacancies, with around 2.5 vacancies for every unemployed person (EMSI, July 2022). Across the vacancies there are large levels of disparity amongst the skills employers are looking for and the skills residents have.

Through place wide engagement, anecdotal evidence highlights a multitude of challenges and issues preventing residents from either working or moving from part time to full time work. Perceptions of certain roles and sectors, complex personal circumstances, volatility across employment programmes and multi-generational welfare dependencies are all regularly noted as barriers to employment.

Torbay has seen a decrease in the working age population over the past five years (2.1%). Torbay's part-time figure of 41.9% of the workforce is higher than most of its comparators with similar demographics and the regional and national averages. This prevalence is indicative of Torbay's economic make-up.

Nine percent of Torbay's working population have no qualifications, a figure that is increasing. Unsurprisingly this figure has worsened because of the pandemic and although NEET figures are relatively stable these too are above the English average and showing signs of a small increase. At the other end, Torbay continues to fare poorly across the working age population for NVQ+4. 29% are classified as graduates, a figure lower than comparators and the national and regional averages, reiterating further that the challenge Torbay faces is retaining talent. Overall, Torbay lags the national and regional qualification percentages across NVQ1+ right through to NVQ4.

Local Opportunities

Communities and Place

There is the opportunity for Torbay to be a place where individuals and communities can thrive, by tackling economic and social inequalities, raising aspirations for children and older people by providing quality employment opportunities, good pay, and affordable housing to promote positive health and wellbeing. Supporting people to live healthy lives that reduces the occurrence of preventable illness – both physical and mental, particularly through social prescribing, is central to raising opportunities for all and developing pride in place.

While it is not possible to change Torbay's demographics and health factors, there are other factors, such as access to good quality sport facilities and improved community spaces, which provide opportunities to influence the wider determinants of individuals health and behaviours. Wider determinants of health are a diverse range of social, economic, and environmental factors which influence people's mental and physical health.

Activities around social prescribing such as volunteering, community gardening and joining local sports clubs, which are accessible to all, provide significant opportunities and connection. Building upon Torbay Community Development Trust's (TCDT) network of community volunteers and partners during the pandemic has bolstered collaboration demonstrating their ability to quickly respond, and connect people, time, and skills, supported by a range of VCSE services. The appetite for partnership working was unparalleled, with partners from NHS, Council, the VCSE sector, and community centres, contributing along with the network of volunteers and residents who offered support to their neighbours and in the wider community. The community's response to the immediate need to assist vulnerable people in Torbay demonstrated the levels of resilience, collaboration, and 'ability-to-respond' that has been built up. This enthusiasm and unparalleled appetite to work differently, has seen the power of community and set up a series of transformation groups to foster a new way of working with the people across Torbay. This presents a significant opportunity for Torbay to support these partners to become engagement led over the coming years.

There is a 'once in a lifetime opportunity' to harness the goodwill and appetite to build on the VCSE sector and voluntary networks, and to make a continued difference in the community by building on the current pride amongst the community and providing opportunities for all. Throughout the pandemic, the volunteers' networks and community centres across Torbay reached parts of the community, which had not been reached before and took on the challenge to re-engage those socially excluded. To take advantage of these opportunities and support the most vulnerable to re-engage will take time, however the pandemic harnessed the goodwill of individuals, improved social cohesion, and was the catalyst for new creative ways to encourage reconnection to create a place where everyone feels valued, purposeful, and connected.

Strategic objective and interventions

To strengthen Torbay's social fabric and foster a sense of local pride and belonging, through investments in activities that enhance physical, cultural and social ties and amenities, such as community infrastructure and local green space, and community led projects.

To build resilient and safe neighbourhoods through investment in quality places that people want to live, play and learn in, through targeted improvements to the built environment and innovative approaches to crime prevention.

The interventions selected include:

E3 – creation of and improvements to green spaces, community gardens, water courses and embankments, along with incorporating natural features into wider public spaces.

E9 – Funding for impactful volunteering and/or social action projects to develop social and human capital in local places.

E10 – Funding for local sports facilities, tournaments, teams and leagues; to bring people together.

E13 – Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

See appendix 1 for details of outcomes and outputs required.

Business & Enterprise

There are opportunities across the visitor economy, hi-tech sector, social enterprise sector, as well as supporting the general business base and through start-up and scale up support.

Visitor Economy

The visitor economy remains one of Torbay's core sectors. The area maintains its status as one of the country's top 10 visitor destinations, achieving TripAdvisor's Number 1 Staycation Destination in 2021 – welcoming around 4.5M visitors per year with an annual spend of over £435M (South West Research Company, 2019). Developing the visitor economy and product development and attracting new segments of the market will appeal to different demographics and extend the 'shoulder' season to position the resort as an attractive all year-round destination.

The Destination Management Plan (DMP) 2022 – 2030 sets out key opportunities that will help Torbay's visitor economy and propel the destination forward. It identifies how it will shift into a higher gear, and builds on the inherent strengths and reflect market trends and opportunities, and help to achieve a more sustainable and resilient destination by:

- Recover – return to 2019 spend and visitor levels by 2024
- Grow – achieve an additional £75M of tourism spend and 1,500 new FTE jobs by 2030
- Re-balance – more sustainable visits, with 40% of visits over October – March 'shoulder' seasons.

Utilizing the area's natural and cultural assets and heritage to develop new attraction and product offering to visitors will attract new target markets and support growth and skills all year round.

Torbay's designation as an UNESCO Global Geopark recognises the rich and unique geological, historical, and cultural heritage and provides unrivalled opportunities unique to Torbay. Capitalising on this unique opportunity to develop it into a comprehensive product offer not only supports the green visitor economy and extends the seasons, but also benefits the businesses across the visitor economy.

Hi-tech sector

Torbay is home to an internally recognised hi-tech cluster comprising of both multinational blue-chip companies and highly innovative SMEs. Due to the strong skills legacy within the industry and innovation of new emerging technologies, the opportunity for the local cluster continues to grow, with the sector projected to grow by 8 – 10% per year.

The specialist capabilities of the companies in photonics integrated circuits packaging and specialist hi tech advance manufacturing, has cemented Torbay's reputation as one of the most important locations in the UK for innovation and research and development in emerging technologies.

The customer base of the hi-tech cluster is diverse, spanning many sectors and supplying multinational global leaders in the consumer goods markets, aerospace and defence sectors, mobile phone manufacturers and space applications.

The hi-tech sector provides highly skilled employment opportunities in the area. It is currently estimated that the local hi-tech sector directly employs over 960 full time equivalent staff – most of which are educated to NVQ level 4 and above, contributing over £108M per year to the local economy, as well as offering significant growth opportunities with continuing investment.

Social Enterprise

Torbay's growing social enterprise sector has grown from strength to strength and provides significant opportunities through the Community Wealth Building approach which has been adopted locally. Recent research on Torbay's social enterprise sector showed there are around 63 actively trading social enterprises (SEs) in Torbay. Overall, the sector is young and growing with 44% of the SEs having been established for three years or less. In 2020, 18 new SEs started operating – representing a 200% increase compared to the previous year. It is estimated that the sector generates around £5.7M per year for the Torbay economy, with strong representation in the; arts and creative sector, education, training and employment, and environment and recycling.

The research identifies that 43% of SEs in Torbay do not know who to reach out to regarding legal support, 71% require access to funding, 50% require support accessing more customers, and 36% require knowledgeable and skilled workers.

Torbay's SE sector is becoming an increasingly important contributor to the economy, providing many vital health and social care provision and wellbeing support across Torbay, as demonstrated through the recent growth in the sector and the establishment of the Torbay VCSE Procurement Alliance.

Scale ups

In Torbay, there are 42 fast growing companies which have a reported turnover in 2020 of £117M (Beauhurst, 2021). While these companies only account for around 1% of local businesses they employ around 2,680 people – equating to 5.7% of the workforce. Eight of these companies are scaleups and one is a spin-out from a university/ research institute. Most of the fast-growing companies in Torbay are in manufacturing and engineering, and other business and

professional services for businesses – mainly in the eHealth and preventive care arenas. Most of the fast-growing companies in Torbay are in the seed and venture funding stages of their evolution. Over the last 10 years there have been 3 management buy outs (MBO) and two acquisitions.

Since 2012, there have been 57 fundraisings totalling over £34.2M and around 36 Innovate UK funding applications totalling £5.9M and five of the companies have benefited from support through an accelerator programme.

Low Carbon

Torbay is committed to becoming a carbon neutral authority by 2030, as set out in Torbay's Energy and Climate Change Strategy. In Torbay commercial CO2 emissions have decreased by 61.6% from 129.0Kt in 2005 to 49.5Kt in 2020 (DBEIS, 2005 – 2020 UK local and regional greenhouse gas emissions). Similarly, but to a lesser extent, industrial CO2 emissions across Torbay have fallen by 36.8% from 44.6Kt to 28.2Kt over the same period. While significant carbon savings have been achieved over the past 15 years across Torbay's business sector, there are further opportunities to improve energy and resource efficiency and environmental sustainability while supporting local SMEs to become more resilient to potential future economic shocks.

Strategic objectives and interventions

To create jobs and boost community cohesion, through investments that build on existing industries, and range from support for start-up businesses to visible improvements to local businesses, in particular hi tech, high growth businesses.

To promote networking and collaboration, through interventions that bring together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.

To increase private sector investment in growth enhancing activities, through targeted support for small and medium sized businesses to undertake new-to-firm innovation, adopt productivity- enhancing, energy efficient and low carbon technologies and techniques, and start or grow exports.

The interventions selected include:

E17 - Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.

E20 - Research and development grants supporting the development of innovative products and services.

E23 - Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.

E25 - Grants to help places bid for and host international business events and conferences that support wider local growth sectors.

E26 - Support for growing the local social economy, including community businesses, co-operatives, and social enterprises

E29 - Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.

See appendix 2 for outcomes and outputs required.

Employment & Skills

Torbay has a disproportionately lower working age population accounting for 56.0% of the population compared to 60% regionally and 62.4% nationally (NOMIS, Population Estimates, 2020). Of the 76,300 working age people in Torbay, around 17,100 are economically inactive accounting for 23.3% of the population – much higher than the regional and national averages of 20% and 21.6% respectively (NOMIS, Annual Population Survey, 2021).

The annual population survey indicates that there is a significant opportunity in Torbay with around 5,600 economically inactive people or 32.5% wanting a job – much higher than that regionally (20.1%) and nationally (18.6%).

The negative aspects of being economically inactive deprive many people of the positive opportunities working life provides. Work can provide a sense of identity, self-respect, as well as providing opportunities to develop personal pride, often tackling many associated social and health impacts. Intergenerational unemployment, worklessness, and levels of deprivation, and disengagement has impacted on Torbay's social and economic development over the past decade. The evidence demonstrates there is a significant proportion of the working age population who are currently economically inactive, which could enter the employment market with the right support and skills and increase the local labour supply and fill the growing number of vacancies.

Supporting those furthest from the labour market with life skills and qualifications to enable them to enter employment, will enable them to take full advantage of new opportunities and to share in future prosperity.

Torbay has ambitions to be a net zero authority by 2030 as set out in the Energy and Climate Change Strategy, however there are skills shortages within the green economy and built environment. A coordinated approach is needed to increase the number of skilled people working in the construction and built environment sector to close the skills gaps and skills shortages and maximise the opportunities.

There is the opportunity to engage with the local construction sector in developing skills to support clean growth by up-skilling the existing workforce, promoting green jobs and career pathways, and influencing local training providers to align curriculum including new green apprenticeships.

Currently there are around 1,800 people employed in the construction industry in Torbay. Over the next six years, there are around £556M of public regeneration projects to be delivered through Future High Streets Funding, Town Deal, and the development of a new hospital. It is projected that an additional 1,600 construction workers are needed in Torbay between now and 2028 to deliver the projects.

The major capital regeneration programme in Torbay provides significant opportunities to establish a pipeline of Torbay-resident skilled labour to help deliver the multi-million regeneration projects, increase the number of training places available to meet the needs of the industry and potential learners, and establish frameworks through Torbay Council's Planning and Procurement teams' criteria to deliver employment and skills plans.

Raising the indoor environment, retrofitting current housing stock, and improving energy efficiency measures within local homes will also support Torbay's ambition to be net zero by 2030. This would also reduce the impact of the cost-of-living challenges by improving energy efficiency and reducing heating costs for many people who are in some of the most income deprived parts of Torbay.

The 2019 IMD shows that 29 out of 89 Torbay Lower Super Output Areas (LSOA) are classified as being in the bottom 20% in England for Indoor deprivation, with over 32.9% of Torbay's population living in some of the poorest quality housing stock across England, often without access to central heating.

There are currently around 37,700 homes in Torbay (Nomis, Local Area Profile, 2021) with an ambitious programme to deliver a further 500 new low carbon homes through Torbay Council's social housing company over the next five years. Across the existing housing stock in Torbay, it is projected that over 1,000 cavity wall and 1,000 solid wall insulation measures are needed each year to support the decarbonisation and improve energy efficiency, and 4,300 heat pumps in existing homes per year to 2030.

There are significant opportunities around developing skills to support retrofit, new build, energy efficiency and decarbonising homes. The green and low carbon sector supports training and employment opportunities around sustainable designs, development of street energy efficiency programmes, making the social housing stock more sustainable, and providing information for businesses and landlords, as well as the skills to retrofit and improve energy efficiency measures.

Throughout the pandemic businesses pivoted and adopted the use of digital technology in the delivery of their services, including those in health, social care, wellbeing, or community support services, with many introducing a 'digital' way for people to use their service. Local people have had to adapt to new ways, with many utilising tools like online banking and shopping or connecting with family and friends digitally using the internet for the first time.

Research shows that overall non-users of digital technologies are increasingly older, less educated, more likely to be unemployed, disabled, and socially isolated (London School of Economics, Inequalities in digital literacy: definitions, measurements, explanations, and policy implications, 2016).

In 2019, 91% of adults in the UK had used the internet in the last 3 months – an increase of 1% compared to 2018, however much lower than the proportion of disabled adults at 78%. There is also a large national difference between age groups. For adults aged 16 to 44 years it was 99%, compared to 47% of adults aged 75 years and over (ONS, Internet users, UK, 2019).

Given Torbay's demographic makeup with a higher proportion of older residents who are less 'comfortable' using digital technologies, a lack of digital skills and access can have a huge negative impact on a person's life and is becoming an increasingly important life skill. It is a key social determinant and can impact upon health, particularly causing stress and anxiety when acting as a barrier to accessing essential services and financial, excluding individuals who cannot undertake tasks such as paying bills online leading to increased risk of experiencing poverty. It can also mean losing a voice and visibility in society.

The Centre for Economics and Business Research (The economic impact of Basic Digital Skills and inclusion in the UK, 2015) identifies five areas in which individuals with basic digital skills benefit:

- increased earnings
- higher employability
- cheaper shopping
- improved communication
- time saved through online services

The research also demonstrates that the benefits of Basic Digital Skills training outweigh the costs involved

Strategic objectives and interventions

To support local areas to fund gaps in local skills provision to support people to progress in work, and supplement local adult skills provision e.g., by providing additional volumes; delivering provision through wider range of routes or enabling more intensive/innovative provision, both qualification based, and non-qualification based. This should be supplementary to the provision available through national employment and skills program.

To support people furthest from the labour market to overcome barriers to work by providing cohesive, locally tailored support, including access to basic skills.

The interventions selected include:

E33 - Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basicskills (digital, English, math and ESOL) support where there are local provision gaps. This provision can include projects promoting the importance of work to help people to live healthier and more independent lives, alongside building future financial resilience and wellbeing. Beyond that, this intervention will also contribute to building community cohesion and facilitate greater shared civil pride, leading to better integration for those benefitting from ESOL support. Expected cohorts include, but are not limited to people aged over 50, people with a disability and health condition, women, people from an ethnic minority, young people not in education, employment or training and people with multiple complex needs (homeless, care leavers, ex/offenders, people with substance abuse problems and victims of domestic violence).

E37 - Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses.

E38 - Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licenses relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding.

E41 - Funding to support local digital skills.

See appendix 3 for outcomes and outputs required.

Appendix 1: Communities and Place Interventions, Outcomes and Outputs

Investment Priority	Intervention	outputs required (min)	outcomes required (min)
Community and Place	Creation of and improvements to local greenspaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.	4 neighbourhood improvements undertaken 100m2 of new green/blue space created	10% increase in footfall 10% increase in improved perception of facilities/amenities 50% increase in users of facilities
	Funding for impactful volunteering and/or social action projects to develop social and human capital in local places.	5 organisations receiving financial support other than grants 4 organisations receiving grants 5 local events/activities supported 90 volunteering opportunities supported 2 projects delivered	20% increase in engagement users 90 volunteering activities/events/incidents
	Funding for local sports facilities, tournaments, teams and leagues; to bring people together.	2 facilities supported/created 15% increase in participation in sports and recreational activities at facilities that have benefitted from funding	20% improved perception of new facilities/amenities 15% increase in use of facilities/amenities
	Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.	200 households supported to take energy efficiency measures 450 people reached	5% increased take up of energy efficiency measures

Appendix 2: Supporting Local Business, Interventions, Outcomes and Outputs

Investment Priority	Intervention	outputs required (min)	outcomes required (min)
Supporting Local Businesses	Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.	4 businesses receiving non-financial support 3 tourism, culture or heritage asset improved 40,000 people reached	3 jobs created 8 jobs safeguarded 25% increase in footfall 15% increase in visitor numbers 2% increase in visitor spend 5% increase in perception of attraction(s)
	Research and development grants supporting the development of innovative products and services.	9 businesses receiving grant	£200,000 of increased investment 9 businesses introducing new products to the firm 5 businesses adopting new technologies/processes to the firm 9 R&D active businesses 7 businesses adopting new or improved products or services
	Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.	150 businesses receiving non-financial support	30 jobs created 50 jobs safeguarded 40 new businesses created 10 businesses introducing new products to the firm 50 businesses with improved productivity 15 businesses engagin in new markets
	Grants to help places bid for and host international business events and conferences that support wider local growth sectors.	1 business receiving grant 3 events/participatory programmes delivered	1% increase in visitor numbers 20% increase in number of businesses supported additional £40,000 of investment
	Support for growing the local social economy, including community businesses, cooperatives and social enterprises.	30 businesses receiving non-financial support 10 potential entrepreneurs helped to become business ready	4 jobs created 7 jobs safeguarded 15 new businesses created 4 businesses engaged in new markets
	Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.	96 businesses receiving non-financial support 40 businesses receiving grants 96 decarbonisation plans developed	30 jobs created 40 jobs safeguarded 20 new businesses created 20 businesses adopting new to the firm technologies or processes

Appendix 3: People and Skills Interventions, Outcomes and Outputs

Investment Priority	Intervention	outputs required (min)	outcomes required (min)
People and Skills	Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, math and ESOL) support where there are local provision gaps.	300 economically inactive people engaged with key worker support 120 economically inactive people supported to engage with the benefits system 50 socially excluded people accessing support 140 people supported to access basic skills 40 people accessing mental or physical health support leading to employment 100 people supported to engage in job searching 140 people receiving support to gain employment	100 Economically inactive individuals in receipt of benefits they are entitled to following support 50 Active or sustained participants in community groups as a result of support 150 Participants with basic skills (English, math, digital and ESOL) 40 People sustaining engagement with keyworker support and additional services 140 People engaged in job-searching following support 100 People in employment, including self-employment, following support 50 People sustaining employment for 6 months
	Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses.	1600 people in employment engaged with the skills system	1,600 People gaining qualifications, licenses and skills
	Support for local areas to fund local skills needs. This includes technical and vocationalSupport for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licenses relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that cannot be met through mainstream funding.	100 people receiving support to gain a vocational license	100 People in education/training 100 People in employment, including self-employment, following support
	Funding to support local digital skills.	120 people supported to engage in life skills 120 people gaining a qualification or completing a course	120 People gaining a qualification following support 60 People engaged in life skills support following interventions