

Norwich City Council
SCRUTINY COMMITTEE
ITEM 7

REPORT for meeting to be held on 18 December 2014

**Draft corporate plan 2015-2020 and Transformation programme
2015/16**

- Summary:** The report sets out the council's current draft corporate plan, including performance measures and the transformation programme for 2015/16.
- Conclusions:** The report should enable the scrutiny committee to determine any recommendations they would wish to make on the draft plan and performance measures and the transformation programme.
- Recommendation:** To determine any recommendations scrutiny would wish to make to cabinet.
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Report

The new draft corporate plan framework 2015-2020

1. The council's current corporate plan 2012-2015 will end in March 2015. Work has, therefore, been progressing to develop a new corporate plan. The corporate plan sets out the overall strategic direction of the council including its vision and priorities. This guides everything the council will do for the city and its residents and visitors for the period. As such, the plan acts as the overarching policy framework for the council.
2. A draft new corporate plan framework for 2015-2020 (annex A) which will act as the basis for a new full plan is currently being consulted upon.
3. The current corporate plan is monitored by means of a range of performances measures across each of the priorities. These are monitored through the council performance management framework and are then reported each quarter to cabinet and every six months to scrutiny.
4. A similar approach is proposed for the new plan for 2015-2020 and officers have worked with portfolio holders to consider how best to measure the new proposed priorities. Measures have been chosen that can best show progress towards the priorities whilst recognising the need to have measures that can easily and accurately be collected without incurring significant additional costs.
5. There needs to be a balance between accountability and frequency of performance reporting and avoiding data collection burdens purely for their own sake. Measures should also be seen in those terms; indicators of progress toward important priority outcomes and as such fluctuate and may be reactive to a range of external as well as internal changes and pressures.
6. At annex B the proposed measures are set out including a short rationale for their inclusion and their frequency of monitoring. Additionally targets are proposed where possible for each of the next three years. Targets have been set looking at:
 - Current performance (where applicable).
 - Comparable performance of similar organisations (where possible).
 - The planned approach to delivery.
 - Likely resourcing levels.
 - What is likely to be achieved but balancing the need to also be stretching.
7. These targets can be re-evaluated on an annual basis to reflect changes during the year and will be considered via the scrutiny, cabinet and council process. We also plan to look at target setting for the final two years of the new corporate plan nearer to the time so they more closely reflect the operating environment.
8. In terms of reporting progress a "Red / Amber / Green" (RAG) method is used to indicate performance. Very generally to be green, performance needs to be at or above target level, to be amber it needs to be ten per cent below target or better and to be red it needs to be worse than ten percent away from target.

However, in some instances other arrangements may be made based upon the specific measure, the degree of likely variation or if a percentage variation is not appropriate. These have not been finalised at present and will be worked on ahead of the final report to scrutiny, cabinet and council in February.

9. In some cases meaningful data is not available on a quarterly basis or a six monthly basis. It may be possible on some of those cases to report other measures as a proxy for the annual or other frequency data. For example, the measure of council housing meeting the Norwich standard can only be calculated at the end of each financial year. However, regular reports on key capital programmes designed to deliver that standard will indicate progress toward that annual target during the year.

Medium term financial strategy (MTFS)

10. Due to the combined effects of government funding reductions, inflation and other budgetary pressures the council's current MTFS shows a requirement for the council to find net general fund revenue savings of approximately £1.75 million per year. Net savings take into account any growth or other budgetary requirements to result in a final overall reduction. These reductions would be in addition to the approximately £26 million (£98 million cumulative) of general fund revenue savings the council has already delivered over the past six years.

Development of the income and savings options for 2015-16

11. Guided by the council's current corporate plan 2012-2015, its 'changing pace blueprint' and the results of previous budget consultations, a range of work has been carried out across the council, through the transformation programme, to develop options for further income and savings.
12. From this work it is believed that the required net savings of £1.75 million for 2015/16 can be met through generating income and continuing to change the way the council works.
13. The current proposed income and savings options for 2015-16 can be found at annex C and annex D (within the exempt part of the report).
14. The total amount of these income and savings options take into account the expected level of growth for the budget for 2015-16, the potential for changes following consultation which is currently ongoing, and the potential for not achieving certain income or savings proposals. It is considered with the total options included that the net reduction of approximately £1.75million should be achievable for 2015-16.
15. Some of the savings would inevitably further reduce the council's overall capacity and its ability to do new work for the city. However, we don't believe any of them should significantly impact the key services for 2015-16 that the public receive from the council.

Overall timescales

16. The overall timescales are set out in the table below.

	Activity	Timescale
1	12 week public and partner consultation carried out	13 October – 6 January 2015
2	Scrutiny consider proposed performance targets for the corporate plan	18 December 2014
3	Full draft corporate plan considered alongside draft budget by scrutiny, cabinet and council	29 January, 4 February, 17 February 2015