

Annex B of this report is not for publication because it would disclose information relating to an individual as in part 1 of schedule 12A of the local government act 1972

**Report to** Cabinet  
8 June 2016  
**Report of** Chief Executive  
**Subject** Norwich City Council 'Fit for the Future'

**Item**

**5**

## **KEY DECISION**

---

### **Purpose**

To seek approval for a range of new corporate initiatives which will set the future direction of the council and make Norwich city council 'Fit for the Future'?

### **Recommendation**

To:

1. Approve the initiation of a process to:
  - a) Work with partners in the public, private, voluntary and community sectors to develop a new city vision
  - b) Develop a revised corporate plan, priorities and performance measures which reflects the council's part in supporting that vision
  - c) Determine a new blue print or operating model to guide how the council works in future which reflects available resources
2. Endorse the revised senior management structure shown in annex B, subject to the outcome of the formal consultation with employees impacted.

### **Corporate and service priorities**

The report helps to meet all of the current corporate priorities and pave the way for a new set which will reflect the constrained financial position that the council faces in the future.

### **Financial implications**

The council's general fund account is expected to reduce by £9.2m over the next four years medium term financial strategy and the Housing revenue account also faces severe constraints over its 30 years business plan.

The revised management structure is cost/savings neutral on implementation. There will be a saving to the revenue budget in 2019/20 of approximately £85,000.

As a result of these proposals, further proposed organisational changes will be consulted on, which will result in a saving to the revenue budget of approximately £30,000 - £35,000 per annum.

**Ward/s:** all wards

**Cabinet member:** Cllr Waters – Council leader.

**Contact officers**

Laura McGillivray, chief executive	01603 212 001
------------------------------------	---------------

Justine Hartley, chief finance officer	01603 212440
--	--------------

Phil Shreeve, strategy manager	01603 212356
--------------------------------	--------------

Dawn Bradshaw, head of HR and learning	01603 212 434
--	---------------

**Background documents**

None.

## Report

### Background

1. The council faces severe financial difficulties over the next four years as reflected in its medium term financial strategy. This results from government reductions in the councils revenue support grant and increasing cost pressures. The effect on the council's General fund is a net reduction of £10.2m over the next four years.
2. The Council's housing revenue account is equally challenged as a result of the effects of the enforced 1% rent reduction over a four year period considerably reducing the rental income available to spend on housing repairs and improvements in the future.
3. In addition, there are a range of uncertainties which are likely to affect the council's budgets in the years to come. The results of the government's consultation on new homes bonus, the determination on how the government proposes that councils with retained housing stock will cover the cost of 'Right to Buy' of registered housing providers and the impact of business rates claims and the retention of business rates generally.
4. Norwich city council has successfully managed financial reductions since the recession with a range of efficiency measures including lean systems reviews, smart procurement and reconfiguring services in addition to investing in new website design to make on line services easier to access and increasing income to the council for example by opening the new car park on Rose Lane. These measures earned the council the award of 'most improved council of the year' in 2015 and a shortlisting for 'Council of the year' in 2016 by the Local Government chronicle.
5. However, the Council has reached the point where the potential for reconfiguration of services is increasingly limited and a redesign of the council is necessary. With the resources available to the council in future, it will not be able to meet the aspirations of the corporate plan and new priorities need to be set that can be delivered within the reduced resources available.
6. The government has invited councils to submit four year 'efficiency plans' in October of this year on the understanding that as a result it may confirm funding for the remaining life of the parliament to assist in forward financial planning. The deadline for submissions is 14<sup>th</sup> October 2016.
7. This deadline is challenging. In order to produce a four year financial plan, the balance of reducing resources must reflect corporate priorities which should reflect the council's role in supporting the city. The plan will need an equality impact assessment and would benefit from discussion with key organisations in the city to assess the impact of reducing resources.
8. Of course, it is not just the city council that is facing diminishing resources, the County council, probation service, police, clinical commissioning groups and NHS trusts are all under pressure. It is unclear how these varying pressures will impact collectively on the people of Norwich.

## **A new vision for the City**

9. The City Council exists to serve the city. The existing corporate plan priorities cover the following themes:
  - Prosperous city
  - Healthy city with good housing
  - Fair city
  - Safe and clean city
  - Value for money services
10. Whereas these themes may continue to be valid for the future, the role that the council can play in supporting them will become more limited and different approaches will be required. The corporate plan, priorities and performance measures will therefore be adjusted. There will need to be new ways of working as a result and the council will work even more closely with partners in the business, public, voluntary and community sectors to ensure the continued success of the city.
11. Just as the council's priorities need to be adjusted to reflect resource changes, the way the council operates will also have to change. This will require changes to the blue print or operating model and build on our changing PACE values of Pride, Accountability, Collaboration and Excellence.
12. As all public service budgets are reduced, there is an increasing danger that the most vulnerable members of our communities receive less help and support and struggle to make ends meet. The existence of food banks and increased levels of homelessness are evidence of increasing social inequality in a prosperous city. Some of the challenges faced by the city are illustrated in annex A.
13. It is recommended that cabinet approves the initiation of a process to:
  - Work with partners in the public, private, voluntary and community sectors to develop a new city vision
  - Develop a revised Corporate plan, priorities and performance measures which reflect the council's part in supporting that vision
  - Determine a new or revised blue print or operating model to guide how the council works in future which reflects available resources

## **New ways of working**

14. Also on this agenda is an item covering the review of the neighbourhood model and services phase 2. The report covers a different style of council operations based on enabling and encouraging local residents and communities to be more self-sufficient and get more involved in their local areas. This is a good example of new ways of working based on enabling and facilitating as opposed to direct service delivery.
15. This approach has been reflected in changes to the management and organisational structure in citywide and neighbourhood services.

## **Revised senior management structure**

16. With the departure of the Executive Head of Strategy, People and Neighbourhoods in January of this year, a temporary management structure was put into place. Approval is now sought to revise the current arrangements and take steps to amend the senior management structure. There is an opportunity to make savings and increase capacity to focus on the corporate policy and efficiency requirements outlined above.
17. It is recommended that Cabinet endorse the new management arrangements contained within annex B

## Integrated impact assessment



**NORWICH**  
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

### Report author to complete

**Committee:** Cabinet

**Committee date:** 8 June

**Head of service:** Chief Executive

**Report subject:** Norwich City Council 'Fit for the Future'

**Date assessed:**

**Description:**

	Impact			
	Neutral	Positive	Negative	Comments
<b>Economic</b> (please add an 'x' as appropriate)				
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	X	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Social</b> (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Equality and diversity</b> (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Eliminating discrimination & harassment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	



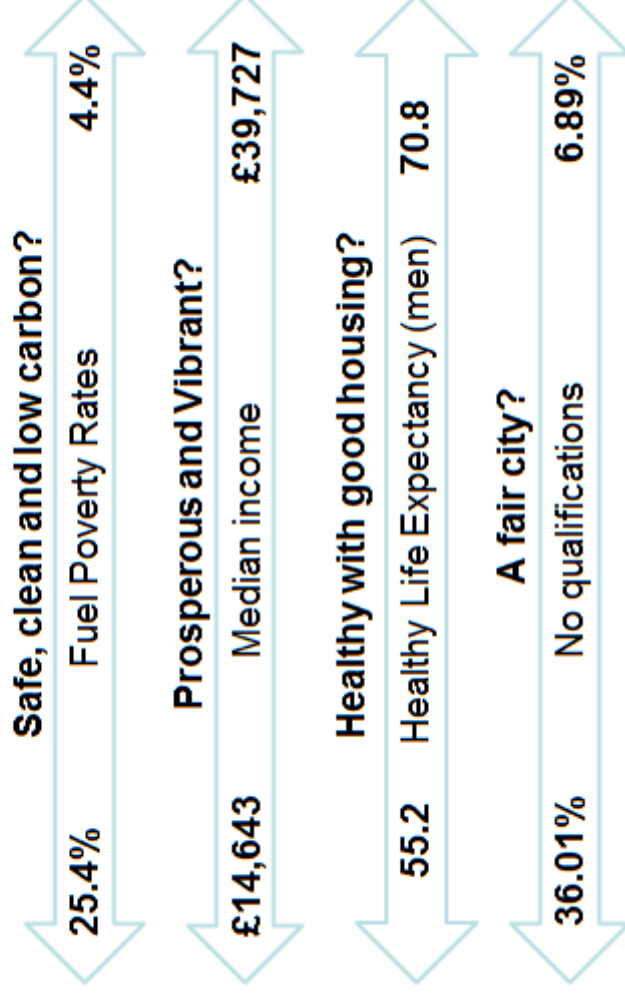
Recommendations from impact assessment	
Positive	
Negative	
Neutral	
Issues	



## Challenges

Alongside the funding and legislative challenges highlighted within the main report, the city continues to exhibit very unequal outcomes for different parts of the population. Consequently the priority to support a “fair city” becomes ever more important but also more difficult to deliver. The information below shows the spread across a number of key life outcomes highlighting the best and worst outcomes based on geography against corporate plan priorities:

### Inequality in Norwich



The following information was produced last year to show headline figures across a range of indicators to show Norwich population compared with elsewhere and some of the broader inequality challenges. Some of these data are being updated for 2016:

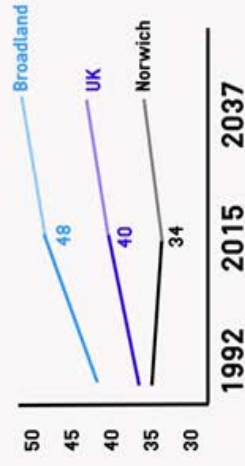
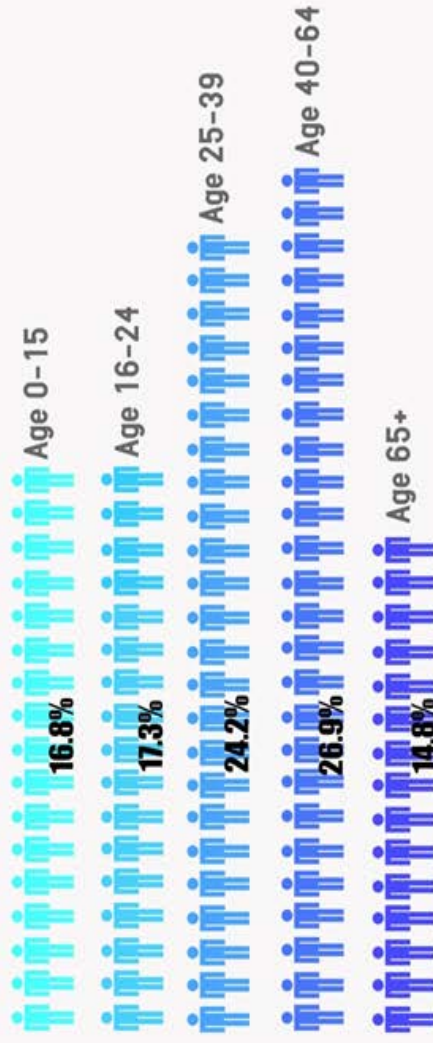
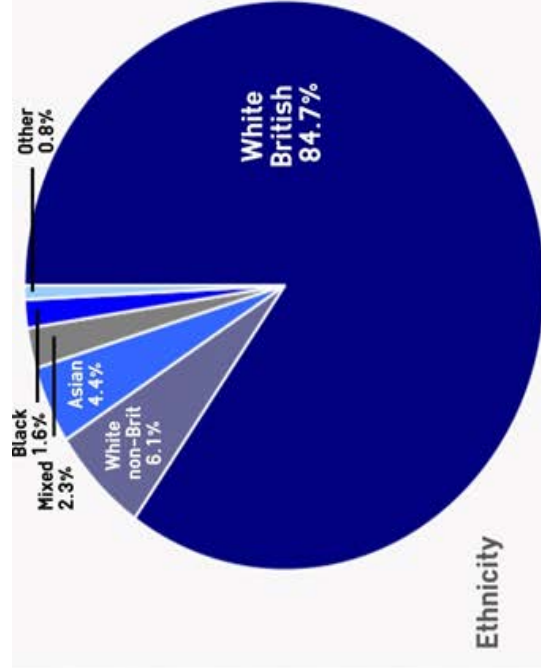


# The State of Norwich

People, Place, Economy, Wellbeing

Norwich Locality Board

16<sup>th</sup> April 2015

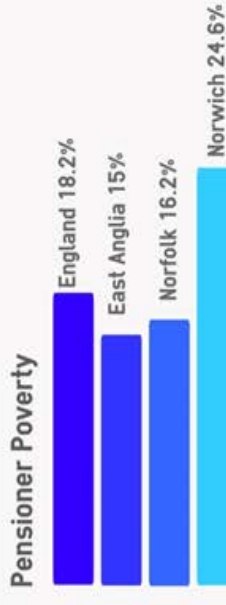
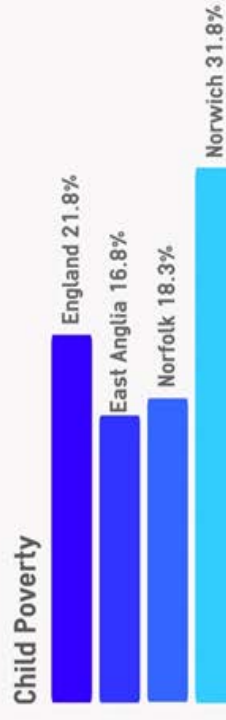


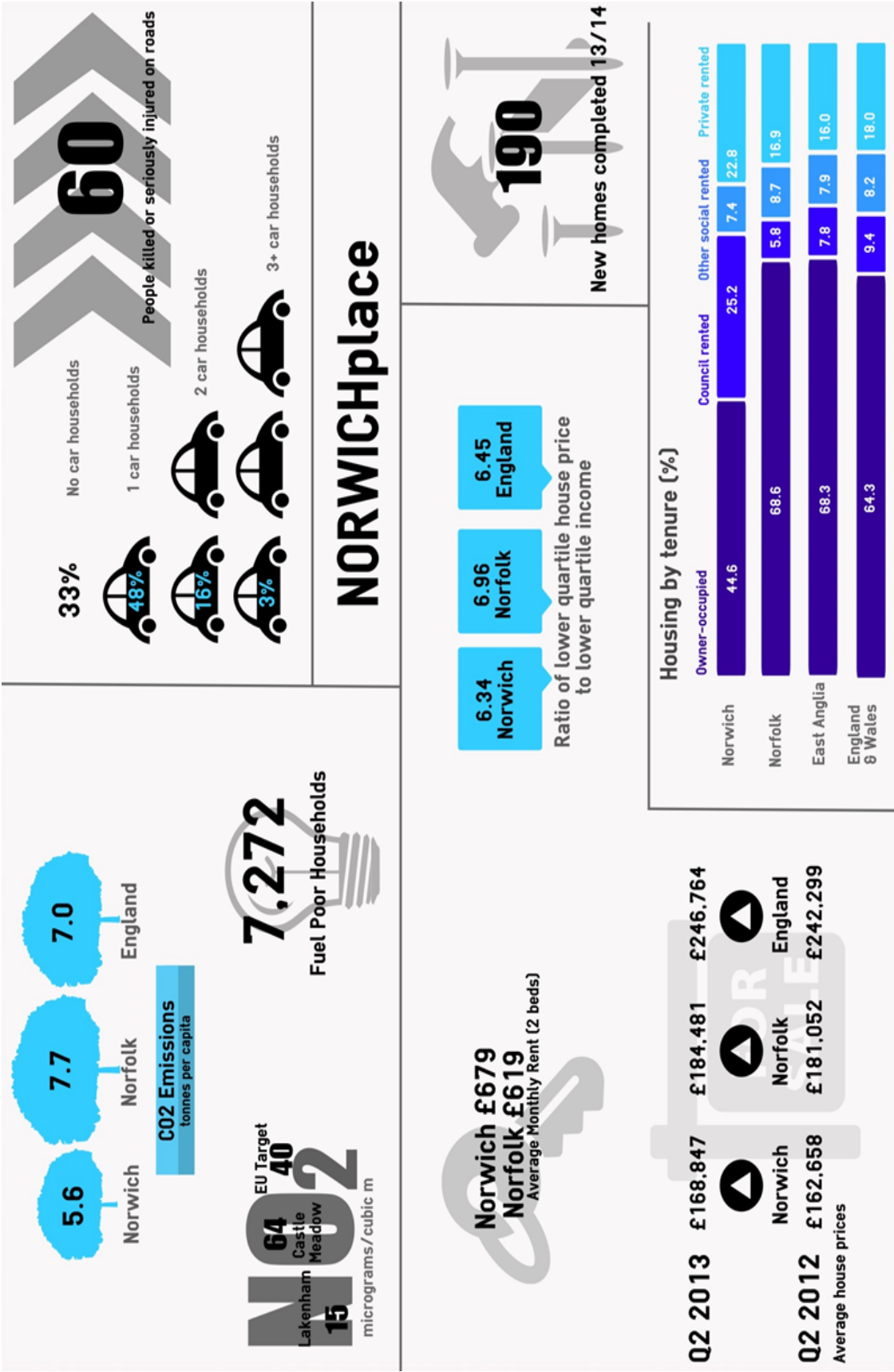
# NORWICHpeople

# 135,900 Residents



**60,319 Households**





NORWICHplace

6.34

Norwich

6.96

Norfolk

6.45

England

Ratio of lower quartile house price to lower quartile income

190

New homes completed 13/14

Q2 2013

£168,847

Norwich

Q2 2012

£162,658

Norwich

Q2 2013

£184,481

Norfolk

Q2 2012

£181,052

Norfolk

Q2 2013

£246,764

England

Q2 2012

£242,299

England

Average house prices

Housing by tenure (%)

	Owner-occupied	Council rented	Other social rented	Private rented
Norwich	44.6	25.2	7.4	22.8
Norfolk	68.6	5.8	8.7	16.9
East Anglia	68.3	7.8	7.9	16.0
England & Wales	64.3	9.4	8.2	18.0



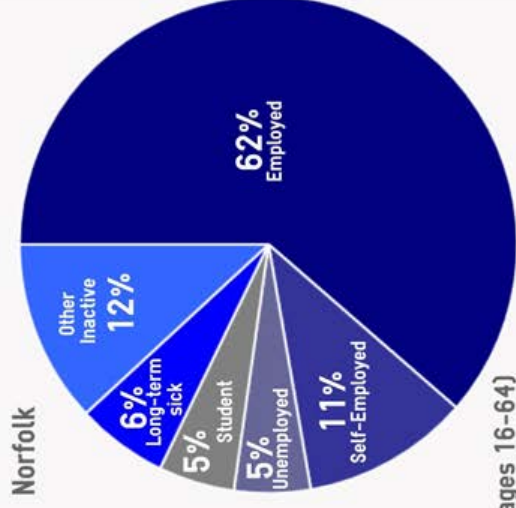
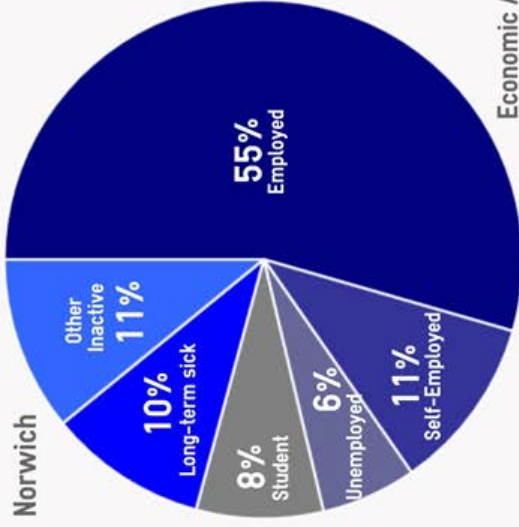
Feb 2015 **2.4%**  
**ISA Claimant Count**  
Feb 2014 **3.6%**

Highest Ward £33,285

**£22,763**

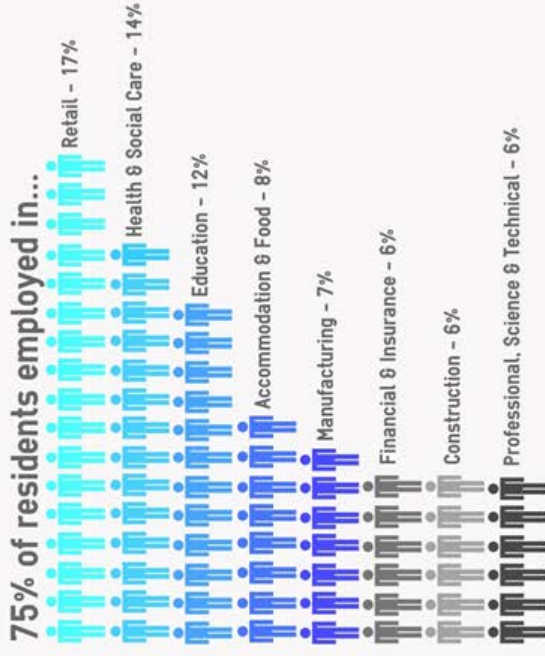
Median Household Income

Lowest Ward £18,690



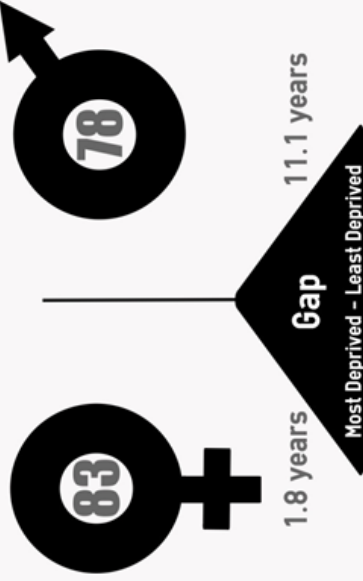
Economic Activity (ages 16-64)

## NORWICHEconomy





## Life Expectancy



## Excess Winter Deaths



Self-harm 342  
Alcohol-related harm 834



Hospital Stays / 100,000 population

## NORWICH wellbeing



	Norwich	Norfolk	England
KS2 - level 4+ Reading	80.1%	83.7%	86%
KS2 - level 4+ Writing	74.3%	80.3%	83%
KS2 - level 4+ Maths	81.3%	81.4%	85%
5+ GCSEs A*-C inc English & Maths	45%	54.4%	61%

## Crime & ASB

ASB Incidents - 8,168

All crimes - 12,009  
(88.4/1000 pop n -  
twice Norfolk rate)

Hate Crimes - 161  
Hate Incidents - 282  
2013-14

## Race/ethnicity

Largest cause of hate incidents & crimes

# Data Sources

All data marked as 'Norwich' relate to Norwich City Council area and resident population unless indicated otherwise, and for the most recent year for which robust data is available. Some totals may not be exactly 100% owing to rounding.

## People

Population & Age Bands: [2013 mid-year estimates, ONS](#)

Median Age: [Ageing in the UK: 1992-2037, ONS](#)

Child Poverty: [IDACI \(iD 2010\)/ LG Inform Plus](#)

Pensioner Poverty: [IDAOPI \(iD 2010\)/ LG Inform Plus](#)

Ethnicity: [Census 2011](#)

## Place

Housing by tenure: [Census 2011](#)

Average House prices: [Mean house prices based on land registry data 2010-2013, DCLG](#)

Monthly Rents: [home.co.uk live data on mean market rents, extracted Jan 2015](#)

Ratio of house price to income: 2013 data, [DCLG](#)

New homes 2013-14 data, [DCLG](#)

CO2 Emissions: 2012 data, [DECC](#)

NO2 Emissions: [Norwich monitoring sites - micrograms NO2 per m3, 2013, Norwich City Council](#)

Fuel Poverty: 2012 [DECC](#) using Low Income High Cost Indicator, under which a household is considered fuel poor if they have above average required fuel costs and were they to spend that amount, would be below the official poverty line.

Car ownership: [Census 2011](#)

KSI: Total numbers of casualties killed or seriously on roads, 2013, [Norfolk Insight](#)

## Economy

JSA Claimant count: [Economic Barometer March 2015, Norwich City Council](#)

Household Income data: [Paycheck data, 2014, CACI \(not publicly available\)](#)

Economic Activity: Aged 16-64 based on data for interviews conducted between Oct 2013 and Oct 14 - the economic activity rate is the number of people who are economically active as a % of the total population (including some unemployed who are still considered active in the labour market), [Nomis](#). 'Other Inactive' includes people looking after family or retired before pension age

Business Start-up & Closure: Number of business "Births/deaths" per 1,000 active enterprises at the end of previous year. [ONS data 2003-13](#)

Employment by sector: All usual residents aged 16 to 74 in employment, [Census 2011](#)

## Wellbeing

Life Expectancy: [Norwich Health Profile 2014, Public Health England](#)

Excess Winter Deaths: [Norwich Health Profile 2014, Public Health England](#)

Hospital stays: [Norwich Health Profile 2014, Public Health England](#)

Low Birth Weight: [Norwich Health Profile 2014, Public Health England](#)

Child weight: % school children in reception and year 6 2013/14 deemed 'overweight' or 'obese', [Public Health England Fingertips data](#)

Adult weight: [Norwich Health Profile 2014, Public Health England](#)

Good level of development at the age of 5: 2012/13, [Norfolk Insights/ Neighbourhood Statistics \(ONS\)](#)

Key Stage 2: Year 6 (age 10-11) pupils achieving level 4 and above 2013, [Norfolk County Council/ Norfolk Insight](#)

GCSE: Key Stage 4 (year 11, age 15-16), 2013, [Norfolk County Council/ Norfolk Insight](#)

ASB: April 2013 – March 2014, [Norfolk Insight](#)

Crime: April 2013 – March 2014, [Norfolk Insight](#)

Hate Crime: Numbers of reported hate crimes and incidents, July 2013 – June 2014, [Norwich City Council Equality Information Report 2015](#)