

Report for Information

Report to	Council 26 January 2010	Item
Report of	Chief Executive	8
Subject	City Council priorities for the 2010-2012 period	

Purpose

To consider possible aims and priorities for the City Council during the 2010-2012 period.

Recommendations

Council is asked to:-

- (1) consider the aims and priorities for the City Council over the 2010-2012 period;
- (2) agree that the current 5 aims for the City Council should be retained for the 2010-2012 period;
- (3) agree the proposed priority themes for the 2010-2012 period as set out in Annex B to the report;
- (4) note that the aims and priorities will be published in a revised corporate plan in March 2010.

Financial Consequences

There are no financial consequences arising directly from this report.

However, due to the recession and continuing economic uncertainty, the City Council is facing the need to make significant cost reductions and savings for 2010/11, and subsequent years. It is therefore vitally important that the Council continuously monitors its revenue and capital spending, and ensures that budgets are fully aligned with its aims and priorities, so that its limited resources are spent on the highest areas of priority and need.

For this reason it is proposed to develop and agree the Council's priorities for the next few years in parallel with agreeing the medium term financial strategy and the capital strategy.

Strategic Priority and Outcome/Service Priorities

The report helps to meet the strategic priority "Aiming for excellence – ensuring the Council is efficient in its use of resources, is effective in delivering its plans, is a

good employer and communicates effectively with its customers, staff and partners”.

Contact Officers

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Background Documents

None

Report

Overall financial and policy context

1. Members will be well aware of the need for the City Council to achieve significant savings over the next few years. The need for the City Council to significantly reduce its spending as a result of the recession provides both an opportunity and a challenge. The opportunity is to target the focus of our spending onto priorities that meet the needs of local people, and to bring council services closer to local people. The challenge is to protect front-line services by improving efficiency and reducing spend on overheads.
2. On 16 December 2009, following a significant period of diagnosis and consultation, the City Council's Executive agreed a range of efficiency and savings proposals in order to meet an estimated £8m+ gap in the council's revenue budget strategy. These changes will have a dramatic impact on the future shape and nature of City Council services, and it is possible that the prospect of even tighter financial settlements in future will necessitate further changes in due course. This means that the council will need to review its aims and priorities to ensure that they are deliverable within reduced budgets.
3. At Executive on 16 September 2009, the Leader of the Council made a statement setting out an overall vision for the future of the council, and where the Executive saw its priority areas for the next few years. A copy of the Leader's statement is set out as Annex A to this report. Together with our earlier work on unitary status, this statement provides initial guidance for how the council can use this opportunity to develop a new council and new approach for the future. The statement envisages that the key drivers for the future will be:
 - bringing the services the council provides closer to residents
 - giving people a greater say over what happens in their areas
 - changing the way the council works to make it more cost effective
 - keeping the streets clean
 - making people feel safe in their houses and on their streets
 - helping people during the recession
 - targeting our resources on those most in need.
4. The need for savings also provides the council with an opportunity to take a fresh look at its organisational shape and style. In future the city council will need to live within reduced resources, but continue to be responsive and adaptable to change. It therefore may need to be :

- Smaller (in terms of staffing and finances)
- More flexible and adaptable to change
- More responsive to customer needs
- More efficient and streamlined
- “One Council” focussed
- Higher performing
- Working to agreed standards and delivering
- A learning organisation, continuously improving.

City Council aims and priorities for the 2010-2012 period

5. If the Council needs to change its organisational shape and style, it will also need to ensure that its aims and priorities fit with local people’s needs over the next few years, and are deliverable within reduced resources.
6. The Council’s current Corporate Plan includes the following 5 strategic aims:
 - A strong and prosperous city
 - Safe and healthy neighbourhoods
 - Opportunities for all
 - Aiming for excellence
 - Unitary status
7. The Executive has asked officers to review these overarching aims. In the current recession it is tempting to lower the council’s ambitions, and to simply focus on day to day issues. However, it is vital that the City Council takes a leadership role for the city overall, and has a positive outlook, and plans ahead for recovery and the post-recession period. There are already some positive signs of this, so the council is determined to lead the way.
8. On 16 December 2009 the Executive agreed to retain these 5 aims as the City Council’s overarching ambitions for the city of Norwich during the 2010-2012 period. Council is asked to confirm this.
9. However, whilst it is proposed that the council’s overall aims will remain unchanged, the council will need to review that what it actually does on the ground over the next 2 years. This will particularly need to focus on the impact of the recession, and what the council can do to:
 - help local people cope with the recession
 - support the growth and development of the city, and
 - accelerate the pace of the recovery.
10. On 16 December 2009 the Executive therefore also reviewed the range of

priorities that the council will focus on during the 2010-2012 period, and agreed a draft set of revised priorities which will set out the key service areas that the City Council will focus on.

11. A copy of the current strategic aims (which are proposed for retention), and the proposed revised priority themes is attached as Annex B. Council is asked to consider these in advance of agreeing the Council budget for 2010/11 in February.
12. Once the aims and priorities are agreed they will be incorporated into a new Corporate Plan 2010-2012, which will be published in March 2010. The Council's Medium Term Financial Strategy will also be reviewed at this time to ensure that it reflects the prevailing economic situation. This cycle will be repeated in future years, so that the council is always agreeing its priorities, and what resources it will allocate to deliver them, at the same time.

STATEMENT BY LEADER OF THE COUNCIL TO EXECUTIVE (16 SEPTEMBER 2009)

As the city knows, we have long harboured ambitions to bring services the council provides closer to residents so they can have a greater say over what happens in their areas. We expected this to become a key part of the creation of a new unitary council. As things have turned out, the affect on the council finances of the recession mean it makes sense to bring forward our plans to radically change the way the council works.

Greater savings could be achieved through creating a new council, but faced with a gap of £8m it makes sense to change the way the council works to make it more cost effective and save money now. It will also give us the shape to develop in what seems to be an uncertain world for council finances for some time to come and still with the hope of a unitary council becoming a reality in 2011. Because we started in a good financial position last year and with the consent of the people of the city we have used our reserves to make the time to plan changes properly, we are better placed than most council's to make changes and we are most certainly ahead of most in our plans.

A new council structure based around locality or neighbourhoods will bring influence and services closer to those who need them. Of itself it doesn't save much money, but what it does is enable the rest of the council – the bits you often don't get to see, to be restructured and reduced. Together with renegotiation of our contracts and seeking money from other sources, this closes the gap in our funding. However there is still likely to be a shortfall as the £8m is just too big a figure to deal with.

If we are successful in persuading the government to change the formula for the immensely popular bus pass funding this could make up to £2m a year difference to the council and would reduce the problem to much more manageable proportions... Not only don't we dare rely on this, we don't know what the inevitable squeeze on public spending to come will mean to council funding so it is prudent to make savings and then find we have more money than we thought rather than assume good news and be left with even worse problems for the future.

We have been working against a set of clear principles I want to share with the city

1. There will be no extension of privatisation of services although we will be looking at opportunities to work with other public sector bodies to share services and potentially work in partnership on projects with public and private sector partners
2. Whilst there are likely to be significant job losses in the council we will do everything we can to minimise people being made redundant. The cost in financial and loss of expertise terms is too high. Natural wastage, redeployment and other ways of reducing staff costs makes more sense.
3. We will avoid front line service reductions in the services you value most – we will prioritise keeping the streets clean, making people feel safe in their

homes and on their streets and helping people during the recession. Where there is no option other than to reduce services the reductions will be done in ways that seek to protect those areas most in need of support. We will talk to residents about the differing needs of different areas of the city.

4. Whilst there will be formal consultation where necessary, we intend to develop a dialogue with residents about how their council will operate in the future. So while we may set dates by which we want to hear views on specific topics there is no restriction on when and how people can have their say. The development of locality and neighbourhood services will enhance people's ability to influence what goes on in their area and their city. As that evolves we want to encourage residents to talk with the council in ways that suit them best.

Inevitably making these changes against such a financial backdrop is not what we would choose, and equally we would prefer to see them made in a way and at a time when things were on the up. However that just is not where the world is and we have a choice of responding to the problem in a creative and forward looking way or, as is perhaps traditional, making swingeing cuts and hoping and waiting for better times.

Making the change is both radical as a response and will have radical consequences. Before the recession Norwich was on the cusp of realising the opportunities we had earned as a city to bring investment, prosperity and quality of life to our growing population. We now have the chance to lead the recovery and be at the forefront of a prosperous, sustainable and proud city. The city council is facing up to our responsibilities to you and asking you to play your part in making the changes and help us make decisions on priorities by letting us have your views and accepting that sometimes things just can't be as we might ideally want.

The next year will be challenging in both good and less good ways. With your help and support the city and the city council can emerge stronger, more confident and better able to deliver for the people and the city.

Steve Morpew
16 September 2009

PROPOSED STRATEGIC AIMS AND PRIORITY THEMES FOR THE 2010-2012 PERIOD

Our 5 strategic aims

These are our medium term goals for the city overall. They are deliberately ambitious and aspirational – we believe it is vital to have high ambitions for the future of the city, and to provide clear and strong leadership.

But we also know we cannot do everything in isolation, and we will work closely with our partners such as the Police, Health, local business and the third sector.

Our 12 priority themes

These are the key priority themes that we will focus on during the 2010-2012 period. Whilst we would like to be able to do more, we recognise that resources are tightening, and so we are being very clear about which policy and service areas we will focus on and give priority to.

We believe that these are the areas that are most important to local people, and which will ensure a positive future for the city. These priorities represent the key areas of focus for each of the five strategic aims. Choices have to be made about what can and cannot be achieved within tightened financial resources.

5 City Council Aims	12 proposed priority themes for 2010-2012 “This aim means we will focus on delivering.....”
STRONG AND PROSPEROUS CITY	<ol style="list-style-type: none"> 1. A dynamic local economy 2. A strong cultural offer 3. Sustainable growth for the city
SAFE AND HEALTHY NEIGHBOURHOODS	<ol style="list-style-type: none"> 1. Access to green spaces and leisure 2. Active and engaged communities and neighbourhoods 3. A safe and clean city
OPPORTUNITY FOR ALL	<ol style="list-style-type: none"> 1. Support to people during the recession 2. Pride in our city
AIMING FOR EXCELLENCE	<ol style="list-style-type: none"> 1. Effective management of our resources 2. Continuous improvement of our services 3. A stronger focus on our customers
UNITARY STATUS	<ol style="list-style-type: none"> 1. The best deal for the city