

Report of Director of People and Improvement

**Setting out the long-term direction for the Council:
Corporate Strategy 2007-2011**

Summary

1. This report sets out proposals for a refreshed corporate strategy which sets out the long-term direction for the council.
2. The refreshed strategy, which has been developed via an extensive consultation process, builds on the excellent foundations established through the council's existing corporate strategy. The refreshed strategy is however enhanced significantly by the addition of a series of long-term (10 year) "direction statements" which give our improvement priorities essential strategic context. These focus on areas which are fundamental to how the council needs to operate in future and what role it takes in the city.
3. The refreshed corporate strategy will provide clarity over the council's improvement priorities and set out a 4-year programme of work for the council in the period 2007-2011. This report also proposes an overall corporate planning framework. If members agree to the headline issues proposed here, then further work will be carried out to work up the detail and produce an updated corporate strategy document and a summary by the end of October. This can then be published widely within the organisation, with residents and with our partners.

Background

4. The council undertook a comprehensive corporate planning process in early 2006, which led to the existing Corporate Strategy 2006-2009. We also have a Community Strategy for 2004-2024 and a recently published Local Area Agreement (LAA) covering the period 2007-2010. It is important to refresh and further develop the existing corporate strategy to act as a strategic driver for the Council.
5. Our existing corporate strategy sets out 13 issues (9 service related, 4 organisational development issues) that emerged from the corporate planning process as priorities for improvement.
6. The proposals here build on these. They take into account the clearly agreed political priorities set out in the policy prospectus, resident views as recorded through our customer research and through the ward priorities, key corporate risks, and the views of stakeholders as set out in the Community Strategy and LAA.

7. The key development in the refreshed corporate strategy is the addition of “direction statements” which set a longer-term direction for the Council. These will have a significant impact on what we do and shape organisational approaches in fundamental areas – such as partnership, inclusion and whether we provide or commission services.

Consultation

8. The process of refreshing the corporate strategy over the last few months has had significant level of involvement from all chief officers, and input from the Executive and political Group Leaders. The Corporate Management Team have taken the lead in developing the strategy with input throughout from the Corporate Leadership Group and priority champions.
9. As described above, the strategy has also been heavily influenced by the agreed political priorities set out in the policy prospectus, resident views as recorded through our customer research and through the ward priorities, risks, and the views of stakeholders as set out in the Community Strategy and LAA.

Options

10. The Council existing corporate strategy was approved by the Executive in May 2006. The strategy sets out the council’s improvement priorities and is a key corporate document which defines our strategic direction. This report sets out a refreshed corporate strategy which has been updated to (a) reflect changes in local and national priorities and (b) provide a longer-term direction setting context. The option exists to continue with the existing strategy, or vary parts of the refreshed strategy outlined in this report. This will however mean that the corporate strategy is less meaningful in reflecting up-to-date priorities and more significantly will not provide the longer-term direction which is needed to underpin the success and sustainability of the council in the future.

Proposed Corporate Strategy 2007-2011

11. Figure 1 overleaf shows the outline for the refreshed corporate strategy. It:
 - set outs a long-term vision for the council
 - focused around organisational values; and
 - a series of direction statements to show how the council will develop
 - states the council’s improvement priorities.
 - identifies a small number of issues of critical and financial significanceand will:
 - set out clear short and medium term actions to deliver the actions and priorities.
 - set out a small number of key measures to report progress.
 - signpost to other plans that provide more detail for key work areas.
12. Once agreed the refreshed corporate strategy and the priorities will be driven forward as the main focus for the council. Communications, performance management, planning and financial management will be built around the contents of the corporate strategy.

Figure 1 Corporate Planning Framework



Corporate Vision

13. The first key element of the corporate strategy is a long term comprehensive corporate vision. It embraces **values** - the way this council will work – and **direction statements** – which set-out the type of authority we want to become. These are both long-term issues. Annex A sets out the proposed vision in detail.

Direction Statements

14. The direction statements significantly enhance the council's existing corporate strategy, giving a longer-term strategic context which has been identified by both by CMT and inspectors as a material weaknesses with our current strategy. These direction statements will have a significant impact and set-out the long-term direction for the council. They will help the council to respond effectively to the overall modernisation agenda for local government (as set out in the *Strong and Prosperous Communities* white paper) and focus on areas which the Corporate Management Team (CMT) and the Corporate Leadership Group have identified as fundamental in shaping how the council needs to operate in future and what role it takes in the context of the city. They should be the backdrop against which decisions are taken. They cover:

- services not necessarily being provided by the council – instead being provided by whoever can best meet customer needs

- having clarity about what we will deliver, and to what standard, based on affordability – also what we won't do
 - community leadership with a strong focus on partnerships
 - ensuring that people have a greater say in deciding local priorities
 - environmental sustainability
 - an outward looking approach – working outside our council boundaries - regionally, nationally, internationally
 - promoting cohesive and inclusive communities
15. Their purpose will to guide and shape our strategic thinking, decision making, actions and our overall organisational approach. CMT, Executive and Group Leaders will have key roles to play in embedding these direction statements. The impact of these direction statements in influencing “what we do” will be measured (via annual “Direction of Travel” assessments) and form part of the overall performance management arrangements for the corporate strategy.

Values

16. The values have a key and complementary role alongside the direction statements. Focussing on Leadership, Customers, People (i.e. our staff) and Improvement, these values will determine the way we work in future, shape attitudes and behaviours, and crucially improve our organisational culture.
17. These values (taken directly from the council's existing vision statement) are intended to replace the 4 internal improvement priorities within our existing corporate strategy (Leadership, Customer Focus, Improvement and Partnerships). Three overlap, the fourth, partnerships will be replaced by the people priority. Working effectively in partnership is however seen as fundamental to our organisational success so is now reflected as one of the long-term direction statements described above.
18. The Organisational Effectiveness Programme (OEP) will itself be refreshed and act as a delivery mechanism for the 4 internal values. The rest of the corporate strategy will become core business in our decision making processes. Each of the values will be championed by a chief officer, who will set out a small number of key actions with timescales, and a small number of key measures to judge success. The refreshed OEP will be presented for approved by members in late November. Many of the year 1 actions within the OEP will be drawn from the improvements identified by the concurrent CPA self-assessment process.

Corporate Priorities for Improvement

19. The service related priorities for improvement are 10 key areas that have been identified as areas that the council needs to make considerable progress in over the next 4 years. They are identical to the 9 service priorities in our existing corporate strategy with a couple of key exceptions.
20. The previous priority around Science City York has been widened to respond to the recommendations contained in the Future York Group report; and, a new priority for improvement around climate change is added – on the basis of the importance placed on this aspect in the political prospectus.

Refocused Science City priority

- Improve the economic prosperity of the people of York with a focus on minimising income differentials

(previously: Improve the contribution that Science City York makes to economic prosperity)

Added climate change priority

- Reduce the environmental impact of council activities and encourage, empower and promote others to do the same

21. As with the existing corporate strategy, each of these priorities will be linked in the corporate strategy document to a small number of key high level actions with associated timescales, and a small number of key measures. We would then monitor progress against both actions and measures via corporate and directorate performance management systems.
22. Each of the priorities for improvement will have a chief officer champion who will be responsible for agreeing the key actions and measures. The champion role, which has recently been endorsed as part of the Audit Commission's recent study on prioritisation, is a key leadership, coordinating and driving role across the range of services that contribute to the priority area. In most cases the championing arrangements will remain as before, but in some areas new champions will be appointed.

Corporate Imperatives

23. The corporate strategy document must recognise a small number of major 'must do' or 'cannot fail' issues, projects, and programmes. Annex C sets out the issues proposed by CMT as recommended corporate imperatives.
24. As with the priorities for improvement, the corporate strategy document will detail short term actions and milestones associated with these issues. Key milestones in relation to each corporate imperative will form part of the corporate performance management arrangements. Each of the Imperatives will have one or more named Chief Officers as the key contacts. They will normally be the project sponsor on these major corporate projects.

Embedding

25. If members agree the high level content set out in Annexes A-C, then we would aim to develop the actions and measures through the 2007/08 Service Planning and budget process which is now commencing. For the following round of service planning in 2008/09 we will seek to embed the corporate vision and priorities further into a more closely aligned budget and service planning process.
26. The action and measures associated with the vision and priorities in the new corporate strategy will be at the heart of corporate performance management and corporate performance monitoring. The main focus of the joint Executive/CMT Monitor sessions will be considering how well we are delivering the corporate strategy. The priorities will also be monitored through Chief Officer appraisals, and service plan and strategic/directorate plan monitoring through EMAPs. The aim is to ensure that the main focus of the Council's key decision makers is on delivering the corporate strategy.

27. The core content of the corporate strategy will be launched to senior managers in early October, and an updated Corporate Strategy summary (similar to the existing booklet) will be produced by the end of October. This will be followed by a series of internal and external communication initiatives and events. The report writing protocol will be updated so that all formal decisions are considered in the context of their contribution to the delivery of the corporate strategy.

Links to the Community Strategy

28. The corporate strategy priorities have been influenced to a significant extent by the existing Community Strategy. They have also been informed by the outcomes of the work of the Future York Group.
29. There is therefore a strong alignment between the priorities for the city as expressed in the Community Strategy and the LAA, and the priorities for the Council contained in the refreshed Corporate Strategy. This is reinforced by the fact that one of the long-term direction statements in the refreshed corporate strategy is about *the Council providing strong leadership for the city using partnerships to shape and deliver the Community Strategy for the City*.
30. The Community Strategy is being reviewed and a new "Sustainable Communities Strategy" will be developed by April 2008. At this point in time, it is proposed to review the corporate strategy in the light of the Sustainable Communities Strategy to ensure that there remains complete alignment between the two. It is anticipated that there will be a strong alignment, so the need for further updating of the strategic components of our corporate strategy is expected to be minimal.

Corporate Priorities

31. The council's corporate priorities are at the heart of the refreshed Corporate Strategy. The embedding proposals outlined above describe how the overall corporate strategy, as well as the corporate priorities within it, will be delivered.

Implications

32. Delivery of the corporate strategy will have a significant implication on the way that the Council works and is organised in the future. It sets-out our long-term term strategic direction, our medium-term service improvement priorities and our response to a number of short-term corporate issues. The strategy also sets out the context for our organisational improvement agenda. The strategy will have positive benefits in terms of staff, customers and other stakeholders in the city.
33. Financial - There are no specific financial implications arising from this report but there may be implications within each of the elements within the strategy. These will be identified on an individual basis and considered at the appropriate time.
34. Human Resources - There are potentially significant HR implications arising from the corporate strategy. These will include the reprioritisation of resources and the realignment of the HR Strategy in order to underpin the corporate strategy generally and the "People" value specifically. The specific implications of each of the priorities will be identified in turn and considered at the appropriate time.

35. Equalities – The “inclusion” direction statement will provide further focus on, and weight and impetus to, the equalities agenda. Similarly the refocused economic prosperity priority will be a key lever in promoting equality within the city.
36. Legal, Crime and Disorder, Information Technology, property and other There are no specific implications arising from this report in these areas but there may be implications within each of the priorities. These will be identified on an individual basis and considered at the appropriate time.

Next Steps

37. If Executive agree the proposed outline corporate strategy and the proposed high level content in Annexes A-C, then CMT, together with priority champions and relevant Project Boards will aim to develop key actions and measures for each of the values, priorities for improvement, and imperatives during October – in tandem with the service planning process. This will be brought back to Executive in late October /early November.

Risk Management

38. The refreshed corporate strategy is a key strategic document for the council. It provides a basis for long-term planning and improved services for the people of York. An embedded corporate strategy which sets out clear priorities and long-term direction is also identified as the most vital component within the CPA Corporate Assessment framework. Over the longer-term, successful embedding the corporate strategy is likely to underpin the future and long-term success and sustainability of the council. In the short-term, the more progress we can make in embedding the refreshed strategy, the better placed we are likely to be in realising our aspiration to remain a 3 star council in CPA terms.

Recommendations

39. Executive is asked to:
 - a) Agree the proposed outline Corporate Strategy (Figure 1)
 - b) Agree the values, direction statements, improvement priorities and imperatives set out in Annex A-C
 - c) Agree to the embedding proposals and next steps outlined in paragraphs 25 to 27, and 37

Reason: In order that the council has an agreed corporate strategy which sets out long-term strategic direction and improvement priorities – which in turn underpins improved services for the people of York.

Contact Details

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Report Approved



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Wards Affected: *List wards or tick box to indicate all*

All



Background Papers

Corporate Strategy 2006-9
Organisational Effectiveness Programme
Community Strategy 2004-24

Annexes

Annex A: Proposed corporate vision
Annex B: Proposed priorities for improvement
Annex C: Proposed corporate imperatives