

Part A

Report to: Cabinet
Date of meeting: 6 June 2016
Report of: Managing Director
Title: Revised corporate planning framework and draft corporate plan 2016-2020

1.0 **Summary**

- 1.1 Over the last year, Watford BC has undertaken a review of its corporate vision, priorities and values as part of its annual review of the council's corporate planning framework.
- 1.2 A report to Cabinet on 7 March 2016 set out the overall direction for the new vision, priorities and values and approval was given to take this work forward with a further report to be presented to Cabinet covering: the final recommendations on the new corporate planning framework and the council's draft corporate plan for 2016 -2020.

These are, therefore, set out in this report for consideration and approval.

2.0 **Recommendations**

- 2.1 To approve the final recommendations for the council's new vision, values and priorities and to note that these form the basis for the council's corporate planning framework including the corporate plan, service plans and individual work objectives.
- 2.2 To note the draft corporate plan 2016-20, propose any amendments and recommend it to Council (Appendix I).
- 2.3 To note that the new corporate planning framework will be supported by communications and engagement with staff to ensure ownership and understanding.

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Report approved by:

Manny Lewis, Managing Director

3.0 **Detailed Proposal**

The council's framework for corporate and service planning and setting individual work objectives for staff through the performance development review process is underpinned by its vision, priorities and values. Through these, the council sets out its direction and purpose in order to:

- Address new challenges and opportunities
- Maintain focus on delivery and outcomes
- Establish priority areas of work
- Highlight areas for improvement or transformation
- Improve employee performance and motivation

The last review undertaken of the vision, priorities and values was in 2012 and led to a new corporate framework for the council. Four years on, the drivers that informed this review have changed considerably. The organisation itself is in a very different place, and operating in a very different environment, in terms of both national and local challenges and opportunities. It has also successfully delivered on a number of priority areas identified at this time and, through this, is in a position to refine the areas of work that will help deliver the council's ambitions for Watford and the organisation itself.

In view of this, work has been undertaken to establish a revised corporate planning framework that would then be used to develop the corporate plan 2016-2020, service plans as well as individual work objectives.

This work has been tested with portfolio holders, staff through workshops and discussions and initial progress shared with Cabinet in March 2016. This collective approach has helped refine all three main elements of the framework (the vision, priorities and values) and ensured they reflect a shared view of both the council and town in terms of its ambitions and the type of place and organisation we want to be.

3.1 **The new corporate planning framework: vision, priorities and values**

3.1.1 **Council vision**

A vision is a statement of aspiration and the high level goals we are hoping to achieve. It should be clear, straight forward, concise and reflect the council's own identity so that it is not generic (i.e. could belong to any area) and not bureaucratic. The vision also needed to be about what the organisation is aiming to achieve – not 'the how' but 'the what'.

3.1.2 In reviewing the vision and developing one to reflect our future goals for the council and the town a number of key themes emerged. These themes reflected the strengths

of Watford – its vibrancy, prosperity, a place where residents and businesses can thrive - and the council’s role in making this happen. These include ‘championing’ the town and being forward looking , innovative, bold and progressive

3.1.3 From these themes, the following vision was agreed and is recommended for approval:

To create a bold and progressive future for Watford

A vision cannot tell the whole story and, just as important, will be the narratives developed to expand on the vision and what it means in terms of delivery. For example, what might ‘bold’ mean for our business community or our community groups and, equally, what might ‘progressive’ mean to our residents and partners.

Certainly a bold Authority is one that has ambition, takes measured risks, empowers its staff and the community, uses its leverage, takes responsibility and delivers directly as well as through partnerships. A progressive authority is welcoming, invests in community cohesion and equalities, is inventive and plans continuously for the future.

These themes will inform the corporate framework going forward in terms of our key competencies for staff and ‘how we work’.

3.1.4 **Council priorities**

The new priorities have been developed to support the council deliver its vision. Priorities by their very nature signal what is important to an organisation and what areas require focus and attention. This does not mean that other areas are not valued or do not make a significant contribution to the council’s success. Priorities are where challenges and opportunities have been identified and where focused effort is required to bring about the outcomes and results that match the council’s ambitions.

3.1.5 The five new priorities are set out below:

- Identify ways to manage the borough’s housing needs
- Champion smart growth and economic prosperity
- Provide for our vulnerable and disadvantaged communities
- Deliver a digital Watford to empower our community
- Secure our own financial future

- 3.1.6 Housing has been identified as a priority because of the huge pressure the town faces in this area and the significant amount of work that is being, and needs to continue to be, done to address the issues that have arisen from high demand and the high cost of housing in the borough both within the rental sector and in terms of house prices. The costs of, and increase in demand for temporary accommodation combined with a serious shortfall in affordable homes are big issues for the Council. In addition we need to provide a mix of high quality housing particularly in our own major projects and tackle inappropriate development.
- 3.1.7 A priority that emphasises the importance of well-planned and managed growth and the town's economic prosperity has been retained because these are vitally important to Watford's future. Our plans for growth are critical for ensuring the town has a strong economic base but we want to achieve this so the town retains its distinctiveness and appeal for all our communities.

Smart growth is a better way to build and maintain our towns and cities. Smart growth means building urban, suburban and rural communities with housing and transportation choices near jobs, shops and schools. This approach supports local economies and protects the environment. It is exactly our strategy through the developments along the route of the MLX from west Watford through to Watford Junction.

We must ensure that, where possible, growth benefits all and that those who are most vulnerable are given the support they need – this is reflected in our third priority, to provide for our vulnerable and disadvantaged communities.

Census 2011 shows the town's changing demography with 38% black & ethnic minority community and a significant increase in the 'white non-British' community particularly Polish and other eastern European. Good community cohesion continues to be a measure of the town's success. And the pressures in terms of homelessness are significant with over 200 households in temporary accommodation at the start of the year (a 29% increase on previous year) and a 35% increase in homeless applications. It is also likely that there will be pressure in future for local authorities to take more refugees. As our equality landscape changes we need to ensure that:

- The good work led by the Community Safety Partnership on protecting vulnerable groups is continued
- We have a good understanding of the changes needed to ensure services across the town are responsive to the different needs
- We are engaging effectively with new communities and providing them with the opportunity to succeed and achieve economic independence
- Our third sector and relevant community groups are well placed to provide

support.

- 3.1.8 The final two new priorities do signpost the step change we want to deliver as an organisation. The council has not yet had the opportunity to fully address and make the most of the benefits the digital world can offer the organisation, our residents and customers. The digital agenda is transformational and brings together so much more than IT and new technologies. Our challenge is understanding what this means for the council and the town and providing the leadership needed to take this forward. We have already started work on this and so have built the initial understanding of the important areas of work and projects that will deliver this priority but there is a lot more to do.

We need to:

- rapidly develop the Council's IT infrastructure, and this is taking place through the modernisation investment
- transform our corporate customer services by introducing a more responsive 24/7 self- service online capability
- devise and invest in a long term digital strategy
- streamline the customer journey through customer accounts to reduce the amount of duplication and double entry
- reengineer our back office services to share single databases and improve workflow
- build on the functionality of the new website
- optimise the use and development of the town centre wi-fi

- 3.1.9 Finally, the challenges faced by the change to local government finances cannot be underestimated and will require the organisation to look at its finances in new and innovative ways. This brings a number of opportunities that will need to be considered and pursued if the council wants to achieve its priority of securing its own financial future.

Government revenue support grant disappears completely for the Council in 2019/20 reducing from a level of £1.3m in 2016/17. The Council faces in £3m gap by the end of this medium term and the strategy to address the gap is centred on driving income upwards, particularly commercial income through the Property Investment Board, business rate growth, returns on investment from our major projects and selling services. Further efficiencies will also be necessary.

- 3.1.10 Whilst these five priority areas are recommended for approval, the council understands that there are other important themes that underpin the corporate work programme and should be reflected in all that we do. These themes are:

- Effective two-way engagement and communication
 - to ensure effective resident and stakeholder engagement
 - to proactively make the case for investment in growth and the

- town's economy
 - to win hearts and minds on the need for increased, high quality housing whilst protecting the character of the town
- Sound management and high performance
 - to ensure services requiring improvement are rapidly addressed
 - to set and achieve upper quartile performance targets
 - to benchmark our performance against the best councils
- Improving the Town's environment
 - to continue to tackle pockets of neighbourhood degradation
 - to improve private sector rental accommodation standards
 - to enhance areas of the town centre that need further investment

3.1.11 Council values

Values are an integral part of the corporate framework and the right values will support the vision, shape the culture and clearly set out the council's principles and expectations in terms of behaviours.

3.1.12 The new vision challenges staff to be bold and progressive – both behaviours that will help deliver the transformation and innovation that the council will require over the next four years. In view of this, it is recommended that clarity of the proposed new vision should be carried through, and reinforced by, the council's values. The previous values of integrity, fairness and inclusiveness are still key features of the organisation's expectations of staff but are well-embedded within our behaviours and our approach.

3.1.13 The new set of values, therefore, are:

BOLD: We work as a team and we make things happen

PROGRESSIVE: We are ambitious, we are innovative and we are welcoming

3.2 Delivery and monitoring

3.2.1 To support the delivery of the corporate plan 2016-20 a detailed delivery plan is being developed. This delivery plan 'sits beneath' the corporate plan and sets out how the projects and development areas within the plan will be delivered in the short-term (2016/17). It contains quarterly milestones, identifies the key staff resources that will be required to ensure effective project delivery and outlines how the organisation will measure success at the end of 2016/17. This delivery plan informs service planning and quarterly reviews and is, therefore, adaptable across a number of the council's business planning processes.

3.3 Communications and engagement with staff

3.3.1 The new corporate planning framework is a significant departure from the council's previous vision, priorities and values and clearly signals the need for change and new

ways of thinking and working.

3.3.2 It is important for staff to understand why the change has taken place and the thinking that underpins the new framework. In view of this a comprehensive communications and engagement programme is planned so that all staff understand their role in delivering the council's ambitions and programme of work.

3.4 **Organisational and management changes to drive delivery of the corporate plan priorities**

3.4.1 A number of strategic and leadership changes are necessary to achieve the challenging requirements of the new corporate plan. In summary these are to:

- ensure our financing disciplines are strong, with clear integration of revenue, capital and project finance, robust cost analysis and accurate forecasting
- enhance the senior capacity to drive the leadership of priority areas and integrate our service delivery more effectively
- provide for the leadership of Digital Watford and technology innovation
- reinforce the move from strategy development to strategy delivery through increased project management support

3.4.2 These organisational and management changes required are set out in a separate report on the Cabinet agenda.

4.0 **Implications**

4.1 **Financial**

4.1.1 **Finance**

4.1.2 The importance of securing the council's financial future is recommended as a new priority and work to achieve this is outlined within the draft corporate plan 2016-2020. The council has developed a Medium Term Financial Plan, which supports the synergy between its financial and corporate planning and identifies how the council will make sure it links its financial decisions to the delivery of the corporate plan. .

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 The Head of Democracy and Governance comments that the corporate plan is one of the policy framework documents listed in the constitution that has to be approved by Council. The current draft document will be updated for approval at Council in July 2016.

4.3 **Equalities**

4.3.1 The Corporate Plan is informed by the Watford context, including an understanding of the demographic make-up of the borough's community and feedback from local people on the issues that are important to them. The council has identified developing

a profile of our communities as an area of work within the corporate plan to support the delivery of Corporate Priority 3: 'Provide for our vulnerable and disadvantaged communities. Impact analyses are undertaken on specific projects/programmes where relevant. An overall equality impact analysis has been undertaken on the corporate plan.

4.4 Potential Risks

Potential Risk	Likelihood	Impact	Overall score
The council's corporate plan and its Medium Term Financial Strategy work together to achieve outcomes identified within the plan. Failure to link the two effectively might result in insufficient financial resourcing for areas of work identified or failure to meet financial targets.	1	4	4
The council has acknowledged the importance of the organisation taking ownership of its corporate planning framework to ensure there is commitment to delivery and that targets are achieved. Failure to achieve this 'buy-in' could delay projects and programmes and impact on overall deliver. A full communications plan is being developed to engage and communicate with staff.	2	4	8
The Corporate Plan represents a significant programme of work. The organisation needs to understand the interdependencies of the areas of work identified and their call on time / resources. Failure to do so effectively would risk delivery.	2	4	8
The Corporate Plan represents a significant programme of work. There is potential for slippage and failure to meet milestones without robust project and programme management.	2	4	8

4.5 Staffing

4.5.1 The corporate plan is a key document for staff and provides an important part of the council's performance framework that supports services to develop their own delivery plans, which in turn inform individual staff objectives and outcomes. The corporate values provide staff with clear expectations on the way we work and the behaviours we expect.