

| Title of Report | Council Strategic Plan 2022-2026 | |
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| Key Decision No | CED S129 | |
| For Consideration By | Cabinet | |
| Meeting Date | 21 November 2022 | |
| Cabinet Member | Mayor Philip Glanville Deputy Mayor Guy Nicholson, Cabinet Member for Delivery, Inclusive Economy and Regeneration | |
| Classification | Open | |
| Ward(s) Affected | All | |
| Key Decision & Reason | Yes | Significant in terms of its effects on communities living or working in an area comprising two or more wards |
| Implementation Date if Not Called In | 1 December 2022 | |
| Group Director | Mark Carroll, Chief Executive | |

1. Cabinet Member's introduction

- 1.1. This Strategic Plan, 'Working Together for a Better Hackney', sets out the ambitions for the Council for the next four years, as well as the challenges we face, and describes how we need to change as an organisation to meet those challenges.
- 1.2. The Strategic Plan is framed by the new Mayoral priorities for my second full term as elected Mayor of Hackney for 2022-2026 and will deliver the 2022 Manifesto commitments of the newly elected Labour administration. It is further underpinned by the Council's corporate values, which were developed by our staff in the last administration, and the priorities for change set out below. Hackney remains a proudly democratic, campaigning and member led council, that seeks to be outward facing and deliver our priorities working together with our partners, residents, diverse communities and businesses.
- 1.3. We are in one of the most difficult times in post war memory; the Covid-19 pandemic has exposed and exacerbated the deep inequalities in society,

and in our borough. In the Council, we have been victim to a severe criminal cyberattack which threatened many of our services, as well as after over a decade of austerity and the current cost of living crisis and challenging financial position.

- 1.4. Staff responded to those challenges with creativity and resilience but they, like so much of the public sector, were stretched to their limits. They continue to deserve our collective thanks for all that they do to serve our borough. Working with them we have accelerated our efforts to work towards becoming not just more inclusive, but a proudly anti-racist organisation, as well as stepping up our response to inequality and the climate emergency.
- 1.5. Sound financial management has been the bedrock of the Council's approach for many years, and as the UK faces the most severe cost-of-living crisis in 40 years, financial stability remains key. Without it, we would be unable to invest in the modernisation of the borough's infrastructure - such as projects already delivered like the multi-award winning new Britannia Leisure Centre and Shoreditch Academy, nor our equally ambitious plans to start work on 1000 new Council homes. But the more our residents struggle with rising prices, the greater the demand for council services and support, whilst the same rising prices driven by inflation and higher interest rates, make those services more expensive and harder to deliver.
- 1.6. The new Strategic Plan responds to these unrelenting pressures and sets out a vision for the next four years. It captures my Mayoral priorities and focuses on the strengths of the Council to support and serve our community
- 1.7. Working together with our communities, and our partners, combining our resources and strengths we can tackle the unprecedented challenges that we face. To do this we will make transformational change within the Council, we will co-produce and co-design solutions to the challenges with residents, we will campaign for a better deal for Hackney; we will deliver outstanding public services; we will drive a fairer economic recovery; and we will make a better Hackney for everyone who lives and works here.
- 1.8. I have set three thematic Mayoral priorities and the Strategic Plan is structured to follow these:
 - For A Fairer, Safer Hackney
 - For A Greener, Healthier Hackney
 - For Every Child In Hackney
- 1.9. These priorities are stretching and ambitious and are focused on changing the Council for the better to achieve the best outcomes for residents and local businesses, changing the way we deliver services, collaborating with partners and other organisations and changing our relationship with residents. We will need to work hand in hand with residents, local businesses and communities, always putting them first, and shaping all our plans through effective engagement, co-design and co-production. We will continue to value our voluntary and community sector, we will build on

Hackney's long tradition of creating coops and social enterprise led businesses to unlock more innovation in our local economy, challenge market failure and build a thriving and inclusive local economy.

- 1.10. This will mean that the Council needs a staff leadership and workforce that is ambitious, and pioneering, ready to learn new skills, new ways of working, tackle the climate emergency and accelerate our use of data, technology, and forge new partnerships.
- 1.11. We have a role to play in driving local economic recovery in a way that builds community wealth and continues to make the borough greener and fairer as we work to tackle the Climate Emergency and make a just transition to a net zero Hackney. As a leading public institution in Hackney we can use the Council's assets, job opportunities and its buying power to benefit residents, the local community and local businesses, and this plan encourages others to join us. By working together we can maximise the benefit of the Councils capacity and build a more inclusive and circular local economy.
- 1.12. Hackney has changed beyond measure over the past 20 years, and as the new Census data shows us, our borough continues to evolve. No one is certain what the long term future is for London,, what it might look like in a post pandemic world, and whether the trends we are seeing and experiencing now will continue. But we know that however Hackney changes, it will still be the heart of London; diverse, vibrant, creative, exciting, enterprising, resilient and adaptable. I want to ensure that we are ready to make the most of the changes to come, to remain focused on our ambition for the borough and for our residents, no matter what we may have to face, we face it together.
- 1.13. I would like to thank all my Cabinet colleagues for their work on this plan and all the officers from across the Council that have worked to shape and test the plan internally. I would like to thank our external partners for their contributions and reflections. While we all recognise it will and must remain a fluid plan open to changing circumstances and emerging challenges, I welcome that we will return to it on an annual basis when both Full Council and residents can hold the administration to account on our progress.
- 1.14. I commend this report to Cabinet.

2. Group Director's introduction

- 2.1. Hackney adopted a corporate plan in 2018 which set out borough and corporate challenges. This was refreshed in the light of the pandemic with a direction of travel for the plan agreed in 2020. Challenges were identified over the short, medium and long term and the nine priorities adopted in 2018 were consolidated into seven. The plan identified the direction of travel for new ways of working, learning from work that had been accelerated during the pandemic.

- 2.2. With new corporate leadership and a new political administration elected in May 2022, a new Strategic Plan has been developed and the full draft is provided as an appendix to this report. The move to describe this as a “Strategic Plan” rather than a “Corporate Plan” is reflective of the outward facing nature of the plan, which considers the role of the Council within a wider partnership.
- 2.3. The Strategic Plan:
- considers the Council's role within the wider operating and external context;
 - sets out the key political and corporate commitment for the next four years, which we will report on annually, so that residents and stakeholders can hold us to account;
 - outlines the values, the way we will work in partnership, the priorities for change and for the workforce.
- 2.4. The Strategic Plan is high level by design. The main commitments and agenda for change are outlined, against an analysis of the current context and challenges. This recognises that we are operating in a time that continues to be difficult to predict and a time of global and national crisis. At the time of writing, prospects for the economy are deteriorating and demand on services is becoming even greater and more acute. We need to be prepared to adapt our plan to an even more challenging context. The more our residents struggle, the greater the demand for council services and support, whilst the pressures of inflation make those services more expensive to deliver.
- 2.5. Like many other authorities our finances have been stretched by 12 years of austerity, the impact of Covid-19, increases on demand on our statutory services and the current unfunded inflationary pressures. Uniquely we also continue to absorb the financial impact of the cyber attack. Each year we refresh our medium term financial plan which takes account of both cost pressures and funding expectations. With the absence of multi-year funding settlements from Government, for a large proportion of the Council's income there is a great deal of uncertainty and assumptions have to be made based on past experience and policy analysis. There is an estimated budget gap for each of the years covered by this plan. The leadership team will aim to close these gaps through budget proposals which are either cost reducing or income generating. This means that the new commitments in this plan will have to be delivered by prioritising what is within existing service budgets.
- 2.6. In response, it is clear that we need to fundamentally change as a Council. I have set interrelating priorities for the way the Council operates that reflect these challenges. We need to be financially sustainable, put residents first and transform both our services and the way we work to become a modern,

flexible, collaborative Council, skilled to meet future challenges. The Strategic Plan describes what this means in greater detail, covering:

- The way we use data and digital technology
- Build our capability to change
- Create the right governance and decision making
- Measure and evaluate our work
- Putting residents first and shaping all our plans through effective engagement, co-design and co-production.

3. **Recommendations**

- 3.1. **To recommend to Full Council that the Strategic Plan be adopted.**
- 3.2. **To agree to an annual cycle of progress updates to Full Council in May of each year, linked to the Annual Meeting (AM).**

4. **Reason(s) for decision**

- 4.1. There is no statutory requirement for the Council to adopt a Strategic Plan. The Corporate Leadership Team considered the reasons for adopting one in April 2022.
- 4.2. They agreed the following benefits:

Planning

- To help understand external and internal needs, insights, strengths, trends and drivers (local, regional, national), in the context of our long term vision as set out in the community strategy;
- To appraise the Council's and partners' position in response to this, and against an understanding of what would make an impact;
- To prioritise the outcomes we want to achieve in the medium term (next four years) having appraised our position and the opportunities we want to harness;
- To identify the specific workforce strategy priorities, that are linked to the outcomes we want to achieve - plus equality objectives;
- To set out the ways we need to work and the change needed, through culture, ways of working and cross cutting change and transformation;

- To ensure that prioritised outcomes are tied to a balanced budget and medium term financial plan.

Delivery and risk management

- To establish the “golden thread” between long term vision, cross cutting transformational programmes, service plans, ways of working and workforce strategy;
- To support the way we communicate our ambitions internally and externally;
- To set out the outcomes framework or theories of change for what we want to achieve, identifying long term impacts, outcomes and the intermediate measurable outcomes;
- To set out the role for partners - either formally or a call to action;
- To avoid mission drift away from the outcomes we want to achieve in an environment that continues to be challenging, unpredictable and complex.

Review and evaluation

- To review the impact of what is delivered against outcomes on periodic basis;
- To help reset direction, strategy and tactics as needed.

5. **Details of alternative options considered and rejected**

- 5.1. The Corporate Leadership Team considered a number of alternatives with the Mayor and Cabinet Members. This was informed by a review of plans adopted by comparable authorities in recent years. Option 3 was recommended because of the need to consider Council actions in the wider operating and external context. This recognises that we have to be even more outward facing and collaborative than ever. We have to work with partners towards shared outcomes and co-produce and co-design solutions with residents.

Option 1 - adopt a Council plan - delivery focused

- 5.2. A plan that sets out the focus and priorities, over a medium term time frame and the high level commitments under each focus. The plan could also set out the key implications for the Council’s internal strategy - workforce, digital, financial. Is more focused on the role of the Council.
- 5.3. Advantages: A plan like this is easy to communicate, internally and externally and shows clear accountability for what the Council needs to achieve. It is high level and delivery can be adapted to respond to external changes.

- 5.4. Disadvantages: The focus is more on what will be delivered, not on what success looks like. By limiting the scope to what the Council can directly influence, the Council is not recognising it has a key enabling role that could help leverage partners to work together to achieve a collective impact.

Option 2: Performance focused plan- success measure focused

- 5.5. A plan that sets out priorities and then a more detailed performance indicator framework, with measures of success, based on what the Council can deliver and control. The performance indicators include the outcomes at a community level and also organisational impact indicators, for workforce and transformation. It is more focused on the role of the Council.

- 5.6. Advantages: A plan like this can help focus and engage the whole organisation on the contribution that each team needs to make to the overall priorities. The internal and external communication of the plan can focus on these indicators, showing clear accountability.

- 5.7. Disadvantages: If each team becomes too focused on the impact indicators set, it can be more difficult to be adaptive to new challenges. If indicators aren't linked to some overarching goals, the organisation can lose sight of the big picture. The integral role of partners in achieving success is not fully considered.

- 5.8. **Option 3 (recommended) Strategic plan - focused on overall strategy and tactics**

- 5.9. A plan that is a high level articulation of challenges and commitments, along with values and partnership working and transformation programmes. A plan like this focuses on the Council's role within the wider operating and external context. It considers commitments, but gives greater consideration to ways of working and partnerships needed. By understanding this context, the Council can be more focused on the conditions and enablers needed to have an impact.

- 5.10. Advantages: This can help the Council be more adaptive, as the plan can change, if the conditions change.

- 5.11. Disadvantages: A plan like this can be more difficult to communicate and be held to account for.

6. **Background**

Policy Context

- 6.1. In 2018, Hackney adopted a long term vision for the borough, [the Community Strategy](#), that has informed our plans and strategies including the [Local Plan 2033](#):

- 6.1.1. A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth
 - 6.1.2. A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life
 - 6.1.3. A greener and environmentally sustainable community which is prepared for the future
 - 6.1.4. An open, cohesive, safer and supportive community
 - 6.1.5. A borough with healthy, active and independent resident
- 6.2. This vision recognised that, over the last twenty years, Hackney had become a vibrant place that has enjoyed a new wave of small businesses, makers, technology firms, designers and hospitality industries, attracted by the cultural diversity and vibrancy that creates a unique sense of place. The Council has helped shape this dynamic economy and the opportunities that have been created for residents. The Community Strategy recognised that not all residents had benefited from the prosperity, nor did they feel that existing economic opportunities were available to them. The broad strategic aims set at that time, and strengthened in our Inclusive Economy Strategy were for the Council to focus on aspects of the economy we could influence to enable better access and a share of good economic growth and prosperity.
- 6.3. The cost of living crisis makes this far more challenging. Having this long term strategic vision, however, ensures that we stay focused on our long term goals which still focus on harnessing the opportunities that come from shaping a vibrant inclusive local economy.
- 6.4. Even when this vision was adopted four years ago, there was a recognition that we were operating in an increasingly constrained and difficult context. Having this long term strategic vision helped ensure that the actions taken as part of the pandemic response were designed to still help us achieve our longer term goals. We also continued to progress work to understand what life is like for younger and older people and what action is needed to improve this. This is reflected in the Young Futures report and Ageing Well Strategy which are both being progressed.
- 6.5. Hackney also adopted a corporate plan in 2018 which set out borough and corporate challenges. This was refreshed in the light of the pandemic with a direction of travel for the plan agreed in July 2020. Updates on progress against the last Corporate Plan were provided to Cabinet in July 2021 and February 2022 and have been published on the Council website here: <https://hackney.gov.uk/corporate-plan>
- 6.6. The new Strategic Plan for 2022-2026 has been developed through an iterative process. It is grounded in a rich analysis of the current context, as well as the updates on progress made against the Corporate Plan adopted in

2020 which was reported to Cabinet in July 2021 and February 2022. This work also supported a refresh of the corporate risk register and, in turn, the key strategic risks are reflected in this plan.

- 6.7. The biggest risk to our long term vision is the way that the pandemic and now the cost of living crisis has led to even greater inequality and poverty, impacting those who were already disadvantaged the most. This has also exposed even more greatly the deep rooted structural and systemic racism in Hackney and in wider society. Poverty is entrenching and more people are falling into difficulty. A cost of living crisis disproportionately impacts lower income groups, as more of their income goes on essential costs. Nationally, there is no coherent policy relating to poverty or the cost living crisis. We are also now concerned about an even greater range of impacts on households, regardless of their income, including those with children or with high mortgages, people running businesses and freelancers.
- 6.8. There has already been a strong focus on tackling underlying causes, developing earlier help services and developing the skills of frontline staff to support residents. This becomes more difficult, however, in the face of the growing demands, costs and reduced resources. Daily life is becoming so much more of a struggle for individuals. This places a greater strain on communities and affects economic opportunity, health and wellbeing, how well children thrive, and educational outcomes. As a consequence, we are seeing a growing complexity of need across all frontline services, health inequalities have got worse and we have seen a sharp increase in mental health needs.
- 6.9. This plan sets the vision and priorities for the Council for the next four years. It is ambitious in what it sets out to achieve, but it is recognised that this needs to be delivered in the midst of economic uncertainty and within shrinking resources, which is set out in the Chief Executive's introduction.
- 6.10. [National trends show](#) that trust and confidence in the state is on the decline. Locally, residents still have a relatively high level of trust in the Council, although this is much lower for Black and Global majority residents and social housing tenants. This indicates a polarisation of views and we cannot just focus on the headline. This needs attention and a much more segmented and targeted approach if we are to get actions right to become a fairer borough. This can make it more difficult to reach and engage with residents and start to tackle inequality and meet complex needs. We have worked hard to respond to the Cyber attack in 2020 and the review into the treatment of Child Q in 2022 as these presented key risks to trust and confidence.
- 6.11. A key part of maintaining the current levels of trust and confidence and building trust where it is low, will be improving services, where needed, and this also recognises that those most reliant on Council services will be most greatly impacted by poor services.

- 6.12. The progress that has been made towards a Council that becoming more inclusive and anti-racist and working with cultural humility, including future planned work such as implementing the Social Care Workforce Race Equality Standards, is also going to be critical to us rebuilding trust and confidence. The work done during the pandemic to develop more collaboration with the voluntary and community sector, and grassroots and hyper-local networks, who have the reach and trust of residents, is integral to the way we can reach and engage residents. This includes through the eight local Neighbourhoods focused on preventing ill health, by joining up the work of Council, NHS and community partners.
- 6.13. Another risk to all our ambitions relates to the uncertainty surrounding our population and growth, in the wake of Brexit and the pandemic. In the longer term growth is still forecast and we estimate that, at the time of writing, Hackney's population is likely to be higher than at the time of the 2021 census, when growth was slower than expected. This makes it more difficult to plan services and places for the future. This is in the context of a housing market which remains buoyant and makes buying a house out of reach for most Londoners.
- 6.14. When we adopted our long term vision, increasing local prosperity by harnessing the benefits of local growth seemed far more feasible than it does now. Nationally, nearly three quarters of businesses are concerned about their future. The high employment rates we see nationally and locally, mask growing inequality in the labour market, as demonstrated by the [Deaton Review](#) - with wages stagnating and less secure work. In Hackney one in six people of working age are self-employed but this is much more likely to be an indication of labour market inequality than a positive choice. Whilst Hackney's out of work claimant count has come down since the height of the pandemic in March 2021, it is still much higher than pre pandemic.
- 6.15. We have focused on attracting businesses and employers that can help us shape growth that benefits residents. We have also secured good quality local jobs and increased the number of London Living Wage employers, alongside a proactive response to poverty, but this is not enough.
- 6.16. Hackney continues to build affordable homes and improve the private rented sector, including through licensing schemes and improving temporary accommodation. The high cost of housing and the greater complexity of need in communities, is, however, making meeting housing needs and finding temporary accommodation for homeless people virtually impossible. The Strategic Plan sets out what we will need to prioritise in this very difficult context.
- 6.17. Across London, we are also seeing increased numbers of asylum seekers, refugees and migrants because of a number of global crises. The hostile immigration environment means that there is a great deal of vulnerability in these migrant communities. This is placing an additional pressure on already stretched services and housing. Taken together, this is seriously

undermining our first aspiration that everyone can enjoy a good quality of life and that Hackney can be a safe supportive community. Taken together, this is seriously undermining our first aspiration that everyone can enjoy a good quality of life and that Hackney can be a safe supportive community.

- 6.18. Hackney's aspirations to be a greener, more sustainable community have really galvanised in recent years in response to the global climate, pollution, and biodiversity emergencies. Extreme weather events like flooding and overheating are starting to have an impact locally. The UK has committed to net zero by 2050. In 2019, Hackney declared a climate emergency, recognising that if we act now we can impact on this crisis before it is too late, and mitigate impacts. The Council is committed to a 45% reduction in greenhouse gas emissions by 2030 and net zero greenhouse gas emissions by 2040. At the time of writing we are consulting on a Climate Action Plan which sets out how we might reach net zero by 2030. We are, however, limited in what we can do on our own, at a local level without national policy, funding and intervention. We are, however, limited in what we can do on our own, at a local level without national policy, funding and intervention.
- 6.19. Taking action to tackle climate change is also helping transform the public realm to make it easier to be physically active through improving parks and open spaces, greening our streets and bringing a 'child friendly' planning and design approach to road closures. The pandemic has impacted on residents health and wellbeing but also accelerated efforts to tackle health inequalities and encourage healthy active lifestyles and integrate health and social care.
- 6.20. The work of a Council is very different now from a decade ago, or even 2018, when we set a new vision. Responding to unexpected crisis events is likely to be the "new normal" for many years. National policy is also working against local aspirations - across education, housing, planning and economic development.
- 6.21. We will need to work more effectively with partners on shared outcomes and maximise use of the resources we have for community benefit - procurement, jobs, physical assets as anchor institutions.
- 6.22. We need to support our workforce to keep responding to the needs of a community that is struggling. We need to ask more of our leadership and staff, as we need workforce that both understands what being inclusive and anti-racist means, that is trauma informed and aware of the impact of poverty and that reflects the diversity of Hackney, at all levels. Our workforce is also, however, struggling with burnout after so many crises, and now the cost of living is pushing Hackney's lower paid staff into poverty. Some areas of our workforce are also ageing and we need to respond to their changing needs and plan for the future workforce in these areas. We have to respond to their material needs as well as thinking about how we retain staff who may well be considering alternative less pressurised roles. It is already difficult to recruit to some roles, particularly after Brexit. This will become more

widespread. We will need a new workforce strategy with creative solutions that can respond to these challenges.

Mayoral Vision and priorities for the next four years

- 6.23. Working together with our communities, and our partners to tackle the unprecedented challenges that we face, we will make transformational change, we will co-produce and co-design solutions with residents, we will campaign for a better deal for Hackney; we will deliver outstanding public services; we will drive a fairer economic recovery; and we will make a better Hackney for everyone who lives and works here.

FOR A FAIRER, SAFER HACKNEY

- 6.24. We will tackle inequality through poverty reduction, and anti-racism, providing more Council homes as we improve standards of our existing homes, and creating pathways into decent jobs. We will improve our customer services. We will create safe, vibrant, and successful town centres and neighbourhoods and foster strong, cohesive communities and a more inclusive economy.

FOR A GREENER, HEALTHIER HACKNEY

- 6.25. We will continue to lead the way in the fight against climate change, working towards a net zero Hackney, with cleaner air, less motor traffic, and more liveable neighbourhoods. We will transform adult and children's social care, tackle physical and mental health inequalities and continue to support, value, and give voice to our older and disabled residents.

FOR EVERY CHILD IN HACKNEY

- 6.26. We will work to ensure every child and young person in Hackney has the best start in life; shaping a more inclusive and high performing education system, maintaining our early years and youth services, keeping children safe and investing in their mental health and well being, providing access to outstanding play, culture, and sport, and opportunities; tackling child poverty, and supporting those families who need us most.

Equality impact assessment

- 6.27. Tackling inequality and promoting community wellbeing and cohesion is at the heart of the challenges we face and the response set out in the strategic plan. This has been informed by a detailed [Community Impact Assessment](#) which was first undertaken in March 2020. This assessed likely direct and indirect impacts of the pandemic in the short, medium and long term and was informed by national, regional and local intelligence, both quantitative and qualitative.
- 6.28. The Community Impact Assessment was refreshed in 2021 as this new Strategic Plan was being developed to consider the ways residents' lives were being impacted by multiple challenges. The Impact Assessment

considers issues by groups protected under the Equality Act, by groups who are socio-economically disadvantaged and disadvantaged in other ways. It considers the intersectional issues that might mean one group is multiply disadvantaged or discriminated against, for example because of both age and gender. The Impact Assessment also considers the main risks and concerns from a cohesion perspective and actions needed to mitigate these. In addition, a detailed analysis of equality considerations was undertaken during the drafting of the Strategic Plan, to ensure that any gaps are addressed in our final draft.

- 6.29. This has all informed these draft equality objectives that explicitly set out how we respond to these issues throughout the Strategic Plan.
- 6.30. The Council's approach to tackling inequality is explicitly identified under the following new draft equality objectives:
- 6.30.1. Taking action to tackle structural and systemic discrimination - embedding an anti-racist approach and ensuring accountability
 - 6.30.2. Protective, preventative and positive action, that tackles underlying issues, recognising there is proven bias in the system
 - 6.30.3. Promote prosperity and wellbeing with targeted, positive action when needed
 - 6.30.4. Building strong, cohesive communities that are part of the solution
 - 6.30.5. Developing a workforce that is inclusive and anti-racist and reflects the diversity of Hackney, at all levels
- 6.31. The Equality Objectives in this Strategic Plan are still in draft format. Once the Strategic Plan is adopted, work will begin on developing a more detailed Equality Plan that will identify the proactive actions that will be undertaken under each equality objective. Under the Public Sector Equality Duty, the Council is required to consult on the Equality Objectives. This is planned for early in 2023, with the aim of adopting new objectives by summer 2023.

Sustainability and climate change

- 6.32. Hackney's aspirations to be a greener, more sustainable community have really galvanised in recent years in response to the global climate, pollution, and biodiversity emergencies. Extreme weather events like flooding and overheating are starting to have an impact locally. The UK has committed to net zero by 2050. In 2019, Hackney declared a climate emergency, recognising that if we act now we can impact on this crisis before it is too late, and mitigate impacts. The Council is committed to a 45% reduction in greenhouse gas emissions by 2030 and net zero greenhouse gas emissions by 2040. At the time of writing we are consulting on a Climate Action Plan which sets out how we might reach net zero by 2030. We are ambitious, however, constrained in what we can do on our own, at a local level without

national policy, funding and powers to fully deliver. The Strategic Plan identifies the main commitments that are in the consultation draft of the Climate Action Plan for the borough that was agreed by Cabinet in October 2022.

Consultations

- 6.33. The new Strategic for 2022-2026 Plan has been developed through an iterative process outlined in the Policy Context under 6.1. A refresh of the Council's 2018 Corporate Plan was undertaken in July 2020. This means that the new plan is grounded in rich analysis of national, regional and local intelligence, both quantitative and qualitative and including resident views. Hackney's most recent Resident Survey undertaken earlier in 2022 has also been closely reviewed as part of this. The Strategic Plan is also informed by the political commitments made by the directly elected Mayor and Labour Party administration.

Risk assessment

- 6.34. The main risk of adopting a Strategic Plan is that it will only become more difficult to meet the commitments in the plan because the operating context becomes even more challenging with a worsening economy and increased demand on services. There is a specific related financial risk of being unable to deliver the commitments set out.
- 6.35. The main way that this risk is being managed is to be upfront in this plan about these challenges and how we need to respond. The second way that risk is managed is in the type of plan we are choosing, which is deliberately an adaptive plan that can help us stay focused on our long term vision and key commitments without being too prescriptive. The Strategic Plan is also grounded in an understanding of the conditions that need to be in place for the plan to be successful, and the ways that the Council will need to work differently to achieve this.
- 6.36. The Plan makes it clear that there is nothing in reserve for new commitments in this plan. They will have to be prioritised within existing service budgets.
- 6.37. This is described in detail in section 4 and 5.
- 6.38. On balance, there are more strategic risks from not adopting a Strategic Plan. These risks are about "mission drift" away from the outcomes we want to achieve to a more reactive response, as the operating context continues to be challenging, unpredictable and complex. This may result in more reactive ways of working without a careful strategic response.

7. Comments of the Group Director of Finance and Corporate Resources.

- 7.1. This plan sets the vision and priorities for the Council for the next four years. It is ambitious in what it sets out to achieve, but it is recognised that this

needs to be delivered in the midst of economic uncertainty and within shrinking resources.

- 7.2. The fiscal and economic context in which the Strategic Plan is prepared is very bleak. Recent data suggests the Government is not only dealing with an economy which according to the Bank of England is in recession (September 2022) but also a deteriorating labour market and persistent elevated price pressures. In particular, the manufacturing decline is gathering pace to a worrying degree.
- 7.3. The cost of living crisis shows no sign of easing with inflation at 10.1% in September 2022. The high level of inflation has led to real wages (wages adjusted to take account of inflation) falling. Excluding bonuses, real wages have fallen by 3.0% since this time last year, a record fall.
- 7.4. So the deteriorating prospects for the economy are clear. The Bank of England expects a downturn towards the end of the year, with a contraction of almost 1 per cent between October and December. For the following year, GDP is forecast to remain below 2022 levels throughout the whole of 2023 with growth expected to average at zero across the twelve months.
- 7.5. The wide repercussions of much of this permeates this plan as it impacts directly on the lives of our residents and therefore on our priorities. It also impacts on the resources we have to deliver against those priorities.
- 7.6. Like many other authorities our finances have been stretched by 12 years of austerity, the impact of Covid-19, increases on demand on our statutory services and the current unfunded inflationary pressures. Uniquely we also continue to absorb the financial impact of the cyber attack.
- 7.7. Each year we refresh our medium term financial plan which takes account of both cost pressures and funding expectations. With the absence of multi-year funding settlements from Government, for a large proportion of the Council's income there is a great deal of uncertainty and assumptions are made based on experience and policy analysis. Inevitably, we are estimating a budget gap for each of the years covered by the Strategic Plan. Through budget development work the leadership team will aim to close these gaps through budget proposals which are either cost reducing or income generating. Although this is an annual process, we will look to plan ahead and identify proposals for both the next and subsequent financial years. This also means that new commitments in this plan will have to be delivered within existing service budgets through prioritisation processes.

8. **Comments of the Director of Legal, Democratic and Electoral Services**

- 8.1. Under section 1 of the Localism Act (Local authority's general power of competence) a local authority has power to do anything that individuals generally may do. In addition, under section 111 of the Local Government Act 1972 (Subsidiary powers of local authorities) a local authority shall have

power to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

- 8.2. In accordance with the Council's Constitution, the Strategic Plan is one of the discretionary documents forming part of the Council's Budget and Policy Framework. Therefore the adoption of the Strategic Plan is a matter for Full Council and the recommendations are reflective of this.

Appendices

[The Full Strategic Plan](#)

Background documents

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