

LAHTI

# STRATEGY 2025

CITY OF LAHTI



'Lahti is a vital, attractive, and environment-focused city'

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# Introduction

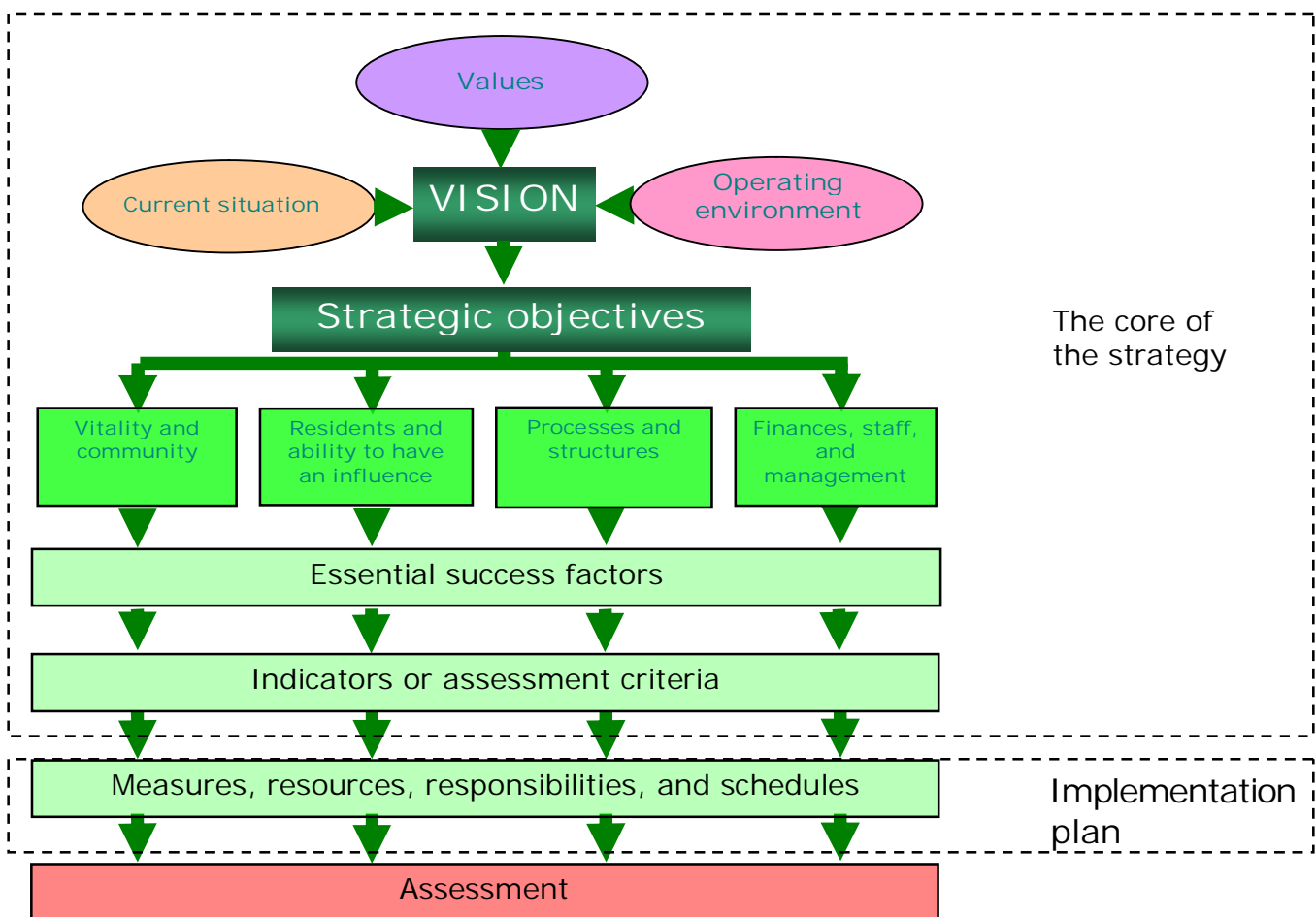
The Lahti strategy is an essential leadership instrument for the city council. As a mutual expression of intent concerning the future, changes to be made, renewal, and development, the strategy ties individual decisions and measures in with parts of a long-term action plan.

The Lahti strategy defines the city's operating principles, its vision to the year 2025, and the strategic objectives and success factors that create a path to the vision. The guidelines defined in the strategy are applied in all operations and development of the city.

## Creation of the strategy

The process for creating the new strategy started in January 2009. This process involved several council seminars and work carried out in the management group, the strategy team, and the various service departments. Also, the latest research results and statistical information were utilised as background material.

During the process, strategic values and operating principles were defined and the current situation of the city, the change in its external operating environment, and emerging strategic possibilities and challenges were assessed. The new vision of the City of Lahti, the related strategic goals and success factors, and the indicators or assessment criteria related to each of the success factors form the fundamental element of the strategy.



The core of the strategy was initially discussed at a meeting on 1 June 2009, and the strategy work continues. A complementary implementation plan that presents the essential

strategic measures, responsibilities, and the long-term target levels for indicators / assessment criteria will be prepared. Simultaneously the plan will be complemented with the addition of any missing indicators / assessment criteria, and, if necessary, projects will be launched to develop these. The implementation programme is detailed in Appendix 1.

The implementation of the strategy will be evaluated in mid-term (in 2010) and more extensively at the end of the council term, in 2012. The indicators / assessment criteria related to the success factors and their target levels form an essential evaluation metric.

During the mid-term evaluation of the strategy, the council will review the city's current situation and operating environment analyses and will decide whether the strategy or its objectives should be updated. The more extensive assessment to be carried out at the end of the council term will be complemented by a wellbeing, environment, and inspection report; assessment of the fulfilment of Aalborg commitments; and other necessary reports.

## The values and operating principles of the City of Lahti

The city's values and operating principles represent the mutual ideas of what is valuable and important to us. They guide municipal decision-making and the activities of the entire organisation. The City of Lahti applies the following operating principles in its activities and decision-making:

**Desire for development:** The city actively develops the vitality and competitiveness of the region. The city will remain creatively oriented and seek new solutions and methods of operation without prejudice.

**Sustainable development:** The city grows and develops in an ecologically, socially, culturally, and economically sustainable manner.

Lahti will be a healthy, safe, and pleasant place to live for people of different ages and backgrounds, and for their communities.

The city will improve the energy- and material-efficiency of its operations, and encourage and guide its residents and other operators to act in an environmentally friendly manner.

**Communality:** The City of Lahti is a community that cares for its residents and employees. The city creates conditions for the solid operation of many types of communities and organisations and co-operates with them to promote the wellbeing of its residents.

Decision-making is open. The approach of the City of Lahti is resident-oriented, and the residents have an opportunity to participate in the development of their living environment and the services of the city.

**Responsibility:** The City of Lahti promotes equality and social justice. The city encourages its residents to assume greater responsibility for their wellbeing and that of those close to them, within the limits of their resources and situation in life.

## The basis in creation of the strategy

The strategy creation work was based on the analyses of the City of Lahti's current situation and change in the operating environment, as well as a more detailed classification of strengths, weaknesses, opportunities, and threats (SWOT analysis). The strengths and weaknesses are internal features or elements in which the city has at least some influence. The opportunities and threats describe the changes and phenomena in the city's external operating environment that the city cannot influence at all or can influence only partly.

## City of Lahti

### Strengths

- The location of Lahti as a part of the metropolitan area and good traffic connections
- A high-quality natural environment and waterways, as well as good recreation and leisure facilities
- Extensive training and cultural offerings
- A position as the centre of an economic and commuting area for approx. 200,000 people
- An extensive range of private services
- A dense, well-functioning urban structure
- Versatile residential areas and an affordable cost of housing
- Strong clusters in growth industries (in particular, environmental business and design)
- A location within the interaction region of the growing city of St Petersburg
- A spirit of entrepreneurship, with a strong industrial heritage and a large number of small and family enterprises
- Good regional co-operation and service production, with unprejudiced application of new modes of operation

### Weaknesses

- Low education and income levels, and low tax revenue
- Low quality of the city centre
- A weak and unattractive image
- The large proportion of endangered jobs
- High structural unemployment
- Slow population growth
- The high average age of the people
- Public transport arrangements
- The competition of labour and companies with those of the metropolitan area, and unfavourable location in terms of regional policy
- Low research, development, and innovation **costs and** investment
- Lack of international spearhead companies
- High average age of staff
- The small number of state jobs
- The residents' low trust in political decision-making (compared to that in other large cities)

## Operating environment

### Opportunities

- Climate change and increased energy prices
  - Companies seeking logistically favourable locations
  - People wanting to live near their workplace or in places with good public transport connections
  - Large growth possibilities in the environment and energy sector
- Concentration of young and working-age people and immigrants in large urban areas
- The cost of living restricting the concentration of people and directing them toward the edges of their area
- Concentration and emergence of knowledge-intensive companies in large urban areas – especially the metropolitan area
- St Petersburg's growing significance as one of the centres of the Baltic Sea area
- The service needs and wishes of the residents becoming different, with an extensive service offering yielding competitive advantage

### Threats

- Climate change and increasing energy prices
  - Increasing political control with regard to land use and the goal of decreasing greenhouse gas emissions
  - Investment and emission control pressure on Lahti Energia Oy
- Traditional industrial production moving out of Finland
- The quality and safety of the living and urban environment being emphasised when people are choosing a place to live
- The number of working-age people decreasing, resulting in increasing competition for skilled labour
- The dependency ratio declining rapidly in Lahti
- The increasing need for services for the elderly
- The size of municipalities growing all over Finland, which is changing the competitive situation between urban areas
- The global economic recession stopping Finland's economic growth, with the crisis followed by a long period of slow growth
- Income gaps growing and the number of poor people increasing

## Conclusions

The results of the SWOT analysis were further analysed by cross-tabulating the strengths, weaknesses, opportunities, and threats to assess the strategic latitude and options of the City of Lahti. It was on the basis of these assessments that the council and city officials constructed the vision, strategic objectives, and critical success factors.

<b>Internal</b>	<b>Strengths</b>	<b>Weaknesses</b>
<b>External</b>		
<b>Opportunities</b>	<b>Strategic competitive advantages</b>	<b>Build new strengths to utilise the opportunities.</b>
<b>Threats</b>	<b>Use the strengths to avoid threats.</b>	<b>Great challenges</b>

**Strengths + opportunities:** When the internal strengths and the opportunities offered by the environment meet, the city has the greatest latitude and strategic competitive advantage.

- The dense urban structure and strong environmental cluster, combined with climate change, growing business opportunities in environmental technology, and the global trend of corporate concentration, offer the possibility to develop Lahti into a leading 'city of the environment'.
- The population is becoming increasingly concentrated in large urban areas, particularly the Helsinki metropolitan area. The development of the metropolitan area is limited by a high cost of living. Lahti's location as part of the metropolitan area, good traffic connections, high-quality natural environment, and leisure activities, as well as the favourable price–quality ratio of housing, offer the possibility to develop Lahti as a growth centre based on good living and housing. As a large city, Lahti can also respond to the various service needs and wishes of the residents better than many of its competitors do. Lahti's weakness is the low quality and attractiveness of the city centre.

**Weaknesses + opportunities:** The city does not always have sufficient strength to grasp the opportunities offered by the operating environment. In such a situation, it is possible to strengthen Lahti's position and build new competitive factors through investment and development. The strategy cannot involve very many such new initiatives.

- The concentration and emergence of knowledge-intensive companies in the metropolitan area gives Lahti an opportunity to attract companies and renew its economic structure, and thus to create new jobs in the area. The low level of education and high average age of the residents, as well as slow growth of the population, which lead to insufficient availability of skilled labour, constitute a weakness. In addition, research, development, and innovation

investments are rather small, and there are no international spearhead companies in the area.

- The trend toward young and working-age people becoming concentrated in large urban areas combines with Lahti's location as part of the large job market of the metropolitan area and its good training opportunities to give Lahti the possibility of attracting young, well-trained labour and immigrants. The low quality and attractiveness of the city centre and the city's unattractive image are weaknesses.

Strengths + threats: When external threats are combined with considerable strengths, the most important task is to ensure that the threat is not greater than expected. Another approach is to try to transform the threat into an opportunity and thus create new competitive advantages.

- Lahti has a good starting point for development, as it is a notable Finnish urban area and a part of the Helsinki metropolitan area, has a good position as the centre of an economic and commuting area for approximately 200,000 people, and enjoys good regional co-operation. However, municipal consolidation, particularly in large Finnish urban areas, changes the competitive landscape between them.
- Lahti's situation in relation to the challenges caused by climate change is fairly good, because of the dense, well-functioning urban structure and good rail connections. Emissions from energy production and traffic pose a fundamental challenge, as does pressure at both national and EU level to limit emissions.

Weaknesses + threats: Major challenges from the city's perspective are created when external challenges are combined with internal weaknesses. In such cases, the city must try to minimise weaknesses and search for ways to respond to the emerging challenges.

- The population of Lahti is growing slowly, which, like the high average age and increasing competition for labour, is a risk to availability of labour in Lahti. The challenge is to be able to attract working-age people and thus ensure sufficient availability of labour and a satisfactory dependency ratio in the region.
- In addition to the fair number of endangered industrial jobs in Lahti, the city simultaneously lacks major international spearhead companies to attract new enterprises or investments to the area. Also, the availability of trained labour is low. In many fields, industrial production is leaving Finland while, by contrast, competition even is increasing in many knowledge-intensive fields. The challenge is to create an attractive business environment, support the renewal of the economic structure, and thus create new jobs in the area.
- Combined with the decreasing number of working-age people, declining dependency ratio, increasing need for services for the elderly, and economic recession, the operation and service provision of the City of Lahti face challenges from factors such as low tax revenue, high structural unemployment, and the high average age of the population and staff. The question is how to respond to the residents' needs for service when there is less labour available and as the economic situation grows tighter.
- The large proportion of endangered jobs and high structural unemployment combine with widening income gaps and economic recession to lead to growth in the number of poor people and in concentration of underprivilegedness.

# CITY OF LAHTI STRATEGY 2025

## *Vision*

The vision expresses a state of determination concerning the future development of the city. The vision has to be ambitious, challenging, and desirable. Its pursuit will require hard work and choices. The vision should focus on only a few main ideas that bring clear change when compared to the current situation.

'Lahti is a vital, attractive, and environment-focused city'

## *Perspectives in the City of Lahti's strategy*

The purpose of strategic perspectives is to balance the strategy and prevent any individual theme from receiving undue focus, and to ensure that different challenges have been considered sufficiently. The strategy has been viewed from four different angles (represented by orange boxes in the strategy map).

**Vitality and community:** What are the means that enable long-term development of the city's vitality and ensure sufficient economic and other resources?

**Residents and possibility for influence:** How do the residents and communities perceive the city, and how does it meet their needs and expectations?

**Processes and structures:** Which of the processes, functions, or structures necessarily require improvement or development of performance?

**Economy, staff, and leadership:** How can we utilise the economic resources in a productive and efficient manner? How can we ensure the renewal and work ability of the city staff and work communities, as well as sufficient staff and skills resources?

## *Strategic objectives and success factors*

The strategic objectives are long-term objectives derived from the vision. They express the meaning of the vision, what should be changed, and the desired direction of development. Lahti's strategy has six strategic objectives (shown in green boxes in the strategy map).

One or more critical success factors are listed below each strategic goal (in yellow boxes in the strategy map). Successful performance of these tasks is necessary to fulfil the city's vision and strategic objectives. They also have a decisive, long-term influence on the overall success of the city. The city directs resources, plans measures, and assesses the implementation of the strategy via the success factors.

## Lahti is a vital and attractive environmental city

Vitality and community:	
A) Lahti is a growing, vital city	
	<p>A central municipality with at least 150,000 inhabitants that supports the vitality of the province and sustainable land use and has a clear service structure by 2013.</p> <p>An attractive city centre and pleasant living environments</p>
	<p>A rapidly growing area that attracts companies and young working-age people in particular, with the objective of attaining annual population growth of one per cent.</p> <p>An internationally renowned environmentally focused city and a strong centre of environmental expertise and business</p>
	<p>A good reputation as a lively city of culture and events with a concentration of creative industries based on design and cultural expertise</p> <p>High-class training and solid research and development activities.</p>

Residents and possibility for influence	
B) The city secures the conditions for the wellbeing of its residents by concentrating on core tasks	
	<p>In service provision, the residents' responsibility and initiative are strengthened.. The city will concentrate on the core tasks in service provision</p> <p>The residents' wellbeing is promoted by improving the quality and effectiveness of services</p> <p>The city prevents social exclusion and accumulation of underprivilegedness.</p> <p>An extensive service market complements the services offered by the city.</p>
C) Lahti has an unprejudiced multicultural urban community with a good sense of solidarity,	
	<p>The residents can participate in the decision-making concerning their life and living environment.</p> <p>The city supports communality and the activities of communities</p>

Processes and structures:	
D) Lahti is a pioneer in sustainable development	
	<p>Lahti's greenhouse gas emissions are halved from the 1990 level (Kyoto protocol) by 2025.</p> <p>A dense, sustainable community structure and excellent bicycle and pedestrian traffic and public transportation system are in place</p> <p>The operations of the city are developed well, and investments and procurements are made according to the principles of sustainable development.</p> <p>The city encourages and guides residents and other actors to act in an environmentally friendly manner.</p>

Finances, personnel and management	
E) The finances of the city are balanced in the long term	
	<p>The productivity of the city's activities is improved throughout the entire organisation</p> <p>The city invests in a controlled manner.</p> <p>The capital and assets are used effectively.</p>
F) The city is a popular employer with skilled, professional personnel who have willingness to develop.	
	<p>The corporate group is well managed and has an affluent staff and work communities</p> <p>The city systematically develops the expertise and professional skills of its employees.</p>

## A) Lahti is a vital, growing city

Renewing the economic structure, creating new jobs, ensuring the availability of sufficient labour, and improving the image and competitiveness of Lahti relative to other large urban areas pose essential challenges in pursuing this objective.

To meet the objective, Lahti will profile itself as a leading 'city of the environment' – where the sustainable development of the entire city is combined with strong environmental expertise and a position as a centre of environmental business.

Environmental business and creative industries based on design and cultural expertise are the main industries of focus in the development of the city's economic structure. As an environmental city Lahti offers an attractive development environment for Finnish and international companies alike.

Persistent work to develop the main industries should create many new jobs in the city. The global market for environmental and energy technology has grown particularly strongly, and, according to some estimates, it could grow to up to 1,000 milliard US dollars by 2030 (Morgan & Stanley 2007). The selected top industries are the same as the industries emphasised in the regional business strategy.

Successful cities can be distinguished from declining ones by their ability to attract the working-age population. A migration surplus is the only way to ensure the availability of the labour force required by businesses and the public sector, and thus develop vitality in the long run. Lahti's location as part of the metropolitan area offers an excellent possibility for growth, but it requires investment in the attractiveness, external appearance, and image of the city.

Lahti will strive for annual population growth of above one per cent. Lahti's main competitive assets are an inviting and developing city centre that will become more attractive, the pleasant and healthy milieu of an environmentally focused city, cultural offerings, a broad range of events, and the good opportunities for study in the area.

The central city of 150,000 inhabitants that will be created through changes in the municipal structure will enable pooling resources to improve the competitive position of the entire area, enhance the productivity of services, and apply sustainable development in land use and public transport systems.

## B) The conditions for residents' wellbeing are met through concentration on core tasks

Ageing of the population is leading to increased need for certain types of services, a decline in the dependency ratio, and a decreased labour force, all of which pose a key challenge. For these reasons, it will not be possible to continue producing all services in their current extent or with current methods.

To attain the objective, the city will focus on the core tasks identified by the service departments in its service provision and utilise new methods of producing services and improving their effectiveness. Resources are to be directed to areas such as preventive measures, development of outpatient services, and rehabilitative work.

The risk borne by residents, families, and communities will increase alongside the need for more independent action. Residents will be required to assume more responsibility for

maintaining their wellbeing and that of those close to them and to invest more in financing the services they need.

In Lahti, an extensive service market will ensure a wide and diversified selection of services. In addition to the City of Lahti, the service suppliers will include private companies and various other organisations.

In an economic recession, the risk of social exclusion and accumulation of underprivilegedness increases. The city will direct its services and operations so as to pay particular attention to those people and groups whose opportunities to ensure their own wellbeing are less than the average.

C) Lahti has an unprejudiced multicultural urban community with a good sense of solidarity

Multicultural Lahti is an open, unprejudiced, and encouraging living environment for immigrants and various youth and other cultures.

Traditional regional communities such as neighbourhoods have lost a great deal of their significance, and communities are increasingly formed on the basis of lifestyle choices and hobbies. Still, local communities and the services and social networks they offer are very important to, for instance, elderly people, children, and families with children.

By supporting local communities and independent resident activities, the city will create the conditions for a safe and pleasant living environment. By supporting communities, the city also strengthens its residents' independent initiative in promoting their own wellbeing.

Representative democracy is complemented by diverse opportunities to have an influence that are available to residents and service users, as well as by the good communication practices of the city. The feedback from the residents is utilised in the development and evaluation of the city and its services.

D) Lahti is a pioneer in sustainable development

Lahti strives to become a leading environmentally focused city by promoting sustainable development in all of its operations.

The City of Lahti will:

- Develop the urban structure and traffic system so as to promote bicycle and pedestrian traffic and public transportation, in an aim to decrease passenger car traffic ◀◀
- Develop an environment that promotes the wellbeing, health, and satisfaction of its residents
- Save natural resources and the environment and protect the surface water and groundwater systems
- Observe energy- and material-efficiency in all operations
- Decrease the greenhouse gas emissions in the area
- Develop the annual environmental report into a tool for monitoring and evaluation

Finland has committed itself to the EU-level objective of unilaterally decreasing greenhouse gas emissions by 20% from their 1990 level by the year 2020, and by 30% if enough other countries commit themselves to reaching this objective. By committing to halve greenhouse gas emissions from the 1990 level by 2025, Lahti takes a position at the forefront among cities striving for sustainable development.

Sustainable development also requires changes in the lifestyle of the residents and modes of operation of local companies. The city will provide guidance to the residents and other operators in the area about environmentally friendly modes of operation.

E) The finances of the city are balanced in the long run

The weak economic growth in the coming years, the risks related to income accrued from the city's business activities, increased need of services, and the decline of the dependency ratio related to the ageing of the population, as well as the structural change in economic life, endanger the balanced development of the city's finances.

The city's finances are balanced when cash-flow financing covers net investments, where cash-flow financing refers to the internal financing that the city can use to cover its investment and financing costs. The amount of net investments can be calculated by deducting from the city's investment costs the portion received from the state and other external financiers for investments.

The essential methods used for balancing the finances are strengthening of the income base by developing the vitality of the area, efficient use of the City of Lahti's capital and assets, and increased productivity of service activities.

The necessary repair and replacement investments, as well as those bringing about growth and vitality, are considered primary.

Balance in the city's economy and the prerequisites for provision and development of services are ensured by increasing the productivity of operations.

The productivity and effectiveness of the services are improved by developing new service innovations and modes of operation in co-operation with companies and other municipalities, and by increasing the proportion of electronic and remote services.

The service network will be developed on the basis of population developments and the need for services. The service network will be scaled back, or resources increased according to the actual service needs.

Information technology will be utilised efficiently in the city's internal service processes and in enhancement of operations. The appropriate process flow, design, and evaluation systems will be introduced to this end.

F) The city is a popular employer with skilled, professional personnel who have willingness to develop

The success and effectiveness of the city's operations and services depend on good, skilled, and motivated staff. Retirement and increasing competition for labour are expected to be challenges in the near future.

The city ensures the availability of labour and loyalty of existing staff by further developing the payroll and incentive systems, work conditions and solid work communities, and the professional skills and working ability of its employees.

Enhancing and renewing the operations and service production require new types of expertise, good staff and process management, and appropriate management and assessment systems.

Work and management culture will be developed, with consideration to the diverse wishes and needs of young people and immigrants entering the job market, thus creating a solid basis for meeting the future labour needs of the city.

The development of service processes and improvement of productivity simultaneously aid in preparation for a future in which the changing age structure leaves less labour available.

The availability of labour also increasingly depends on how the city is perceived as an employer. The City of Lahti monitors and develops its image as an employer and actively markets itself as a good employer.

## Scorecards

Strategic goals, critical success factors, and indicators / assessment criteria have been combined into scorecards.

The indicators / assessment criteria are used to express in more detail how great a change is pursued with the success factor in question and to evaluate the realisation of the strategy. The indicators / assessment criteria are generally qualitative or quantitative, but they can also assess the realisation of a measure or project related to the success factor if necessary.

In connection with creation of the implementation plan, the scorecards will be complemented with the target level for the relevant assessment criterion, measures related to the success factor, and the responsible party.

Scorecard A: Lahti is a vital, growing city	
Success factor	Indicators or assessment criteria
1. A central municipality with at least 150,000 inhabitants that supports the vitality of the province and sustainable land use and has a clear service structure by 2013	<ul style="list-style-type: none"> <li>Change in the municipal structure</li> </ul>
2. An attractive city centre and pleasant living environments	<ul style="list-style-type: none"> <li>Residents' satisfaction with their living environment               <ul style="list-style-type: none"> <li>Resident questionnaire</li> <li>Efeko questionnaire</li> </ul> </li> <li>Attractiveness of the city centre               <ul style="list-style-type: none"> <li>Creation and implementation of the city centre development plan (more detailed assessment criteria are to be chosen in connection with the development plan)</li> </ul> </li> </ul>
3. A rapidly growing area that attracts companies and young working-age people in particular, with the objective of attaining annual population growth of one per cent	<ul style="list-style-type: none"> <li>Net change in population</li> <li>Net change in working-age population</li> </ul>
4. An internationally renowned environmentally focused city and a strong centre of environmental expertise and business	<ul style="list-style-type: none"> <li>Annual assessment of fulfilment of Aalborg commitments</li> <li>Turnover and increase in jobs in the environmental cluster</li> </ul>
5. A good reputation as a lively city of culture and events with a concentration of creative industries based on design and cultural expertise	<ul style="list-style-type: none"> <li>Turnover and increase in jobs in design, culture, and other creative industries</li> <li>Users / number of visitors for cultural services and events</li> </ul>

6. High-class environmental, design, and cultural training and solid research and development activities	<ul style="list-style-type: none"> <li>• Number of degrees/year at universities and applied sciences institutions in environmental, design, and cultural programmes</li> <li>• Number of research, development, and innovation investments and new patents</li> </ul>
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Scorecard B: The conditions for residents' wellbeing are met through concentration on core tasks

Success factor	Indicators or assessment criteria
1. In service provision, the residents' responsibility and initiative are strengthened. The city will concentrate on the core tasks in service provision.	<ul style="list-style-type: none"> <li>• The core tasks have been specified and prioritised in the service departments, as have those tasks in relation to which the residents' responsibility could be increased</li> </ul>
2. The residents' wellbeing is promoted by improving the quality and effectiveness of services.	<ul style="list-style-type: none"> <li>• Customer satisfaction <ul style="list-style-type: none"> <li>• Analyses by the service departments</li> <li>• Efeko questionnaire</li> </ul> </li> <li>• Effect: Assessment criteria and indicators created</li> </ul>
3. The city prevents social exclusion and accumulation of underprivilegedness.	<ul style="list-style-type: none"> <li>• Placement in working life and further education after basic education</li> <li>• The level of youth and long-term unemployment (in comparison to that of the 10 largest cities)</li> </ul>
4. An extensive service market complements the services offered by the city.	<ul style="list-style-type: none"> <li>• The relationship between outsourced services and staff costs</li> <li>• Increase of jobs in private wellbeing and health services</li> </ul>

Scorecard C) Lahti has an unprejudiced multicultural urban community with a good sense of solidarity

Success factor	Indicators or assessment criteria
1. The residents can participate in the decision-making concerning their life and living environment.	<ul style="list-style-type: none"> <li>• Possibilities of the residents to have an influence <ul style="list-style-type: none"> <li>• Efeko questionnaire</li> </ul> </li> </ul>
2. The city supports communality and the activities of communities.	<ul style="list-style-type: none"> <li>• Assessment criteria and indicators created</li> </ul>

Scorecard D: Lahti is a pioneer in sustainable development

Success factor	Indicators or assessment criteria
1. Lahti's greenhouse gas emissions are halved from the 1990 level (Kyoto protocol) by 2025.	<ul style="list-style-type: none"> <li>• Lahti's greenhouse gas emissions</li> <li>• The use of renewable energy sources as a proportion of overall energy production</li> </ul>
2. A dense, sustainable urban structure and excellent bicycle and pedestrian traffic and public transportation system are in place. The urban structure will be developed and consolidated to promote bicycle and pedestrian traffic and public transportation.	<ul style="list-style-type: none"> <li>• The extent of passenger car traffic <ul style="list-style-type: none"> <li>• The relative change index for passenger car traffic</li> </ul> </li> <li>• Traffic conditions from the point of view of pedestrians and cyclists (Efeko questionnaire)</li> <li>• The number of users of public transportation</li> </ul>

3. The operations of the city are developed well, and investments and procurements are made according to the principles of sustainable development. For instance, energy- and material-efficiency and environmental impact are used as criteria.	<ul style="list-style-type: none"> <li>• Attention to environmental issues in invitations for tenders</li> <li>• The heating energy and power consumption of the city's public buildings</li> <li>• The amount of landfill waste produced by city offices and institutions</li> </ul>
4. The city encourages and guides residents and other actors to more environmentally friendly behaviour and activities.	<ul style="list-style-type: none"> <li>• Consumption of power and heating energy</li> <li>• Amount and reuse of municipal waste</li> </ul>

Scorecard E: The finances of the city are balanced in the long term	
Success factor	Indicators or assessment criteria
1. The productivity of the city's activities is improved in all service departments and balance sheet units.	<ul style="list-style-type: none"> <li>• Creation and implementation of a productivity programme, with assessment criteria and indicators selected in connection with the productivity programme</li> </ul>
2. The city invests in a controlled manner.	<ul style="list-style-type: none"> <li>• See above</li> </ul>
3. The capital and assets are used effectively.	<ul style="list-style-type: none"> <li>• See above</li> </ul>

Scorecard F: The city is a popular employer with skilled, professional personnel who have willingness to develop	
Success factor	Indicators or assessment criteria
1. The corporate group is well managed and has an affluent staff and work communities.	<ul style="list-style-type: none"> <li>• Job satisfaction questionnaire</li> </ul>
2. The city systematically develops the expertise and professional skills of its employees.	<ul style="list-style-type: none"> <li>• Job satisfaction questionnaire</li> <li>• Creation and implementation of a staff skills development plan</li> </ul>

## Appendix 1: Implementation plan

Following the discussion of the basic part of the strategy on 1 June 2009, the work continues in creation of an implementation programme.

The programme development work will begin in June 2009 in connection with the preparation of the economic framework and the service departments' action plans.

The implementation programme shall propose:

- Certain target levels for indicators and assessment criteria – completed by September 2009
- Essential strategic measures – completed by October 2009
- The parties responsible for the success factors and measures – completed by October 2009

The strategy will be complemented with the missing indicators and assessment criteria, or projects will be launched to develop them when the implementation programme is created.

- Attractiveness of the city centre (A2)
- Image as a city of culture and events (A5)
- Communality (C2)
- For energy- and material-efficiency, the possibility of future use of the environmental efficiency indicator analysis being prepared at the Lahti University of Applied Sciences (D3 and D4)

When it comes to balancing the city's finances and productivity of operations (B2, E1, E2, and E3), the preliminary definition of the implementation plan and assessment criteria will be done in connection with the productivity programme.

More detailed productivity indicators and assessment criteria will be developed in co-operation with the largest cities, the state, and Kuntaliitto (the Association of Finnish Local and Regional Authorities). (In Finland, the 20 largest cities are obliged to create a productivity programme, the implementation of which is monitored in co-operation between the municipalities and the state.)