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Mannheim Questions:

1. Bilbao won the “Smart Public Service Delivery in a Cold Economic Climate” category of the EPSA 2011 awards. What do you think were the success factors behind the city of Bilbao receiving this award?

It has been a real honour and privilege for the City of Bilbao to have been awarded the EPSA 2011 prize, which recognises the municipal endeavour during recent years.

The City of Bilbao's commitment to the citizens is to achieve the maximum social rate of return on the use of public resources, embodied in benefitting from quality services aimed at the real needs of the citizens. This entails efficiently providing the basic services entrusted to a municipality and dealing with the numerous needs of the different collectives and neighbourhoods of the city. And this all has to be done without neglecting the investments needed for the future development of the city, investments that have accounted for over 1,000 million euros of municipal funding over the last 8 years.

Yet the principle of responsibility to the city and people must go hand in hand with corporate responsibility. That means that apart from those objectives in public policies, it cannot be at the cost of the administration itself. Investment is also needed in the administration, in its material resources, in humans, management has to be modernised and it is important to ensure that the decisions laden down the future of the city, for example, with heavy public indebtedness.

The project in question is a basically municipal project. In any event, we always must stress that institutional collaboration, with the involvement of all levels of the administration, has

been one of the keys to success in the Bilbao transformation process. Experiences such as Bilbao Ría 2000 – a company set up to oversee the recovery and transformation of rundown areas of the Bilbao metropolitan area – have shown that great things can be achieved if we pool all our strategies and resources. And we cannot overlook the public-private collaboration, as we must not forget that the main goal of everything driven by the public sector must be improving the quality of life of the citizens.

The key to our project is based on “planning”, “competency-based management”, monitoring and control, but without forgetting transparency and participation, which are two focal points of our government action and which has been recognised by the citizens of Bilbao and internationally. This has all meant that 60% of the citizens rate the management of Bilbao City Council quite positively, while only 6% rate it negatively.

2. Bilbao is using a development system of the city based on strategy. When did that process begin and what was the situation at the start of the process?

It has been a process planned for the long-term where we have managed to lower the debt over 12 years and it is now the only large municipality that is debt free in Spain.

I believe that the main point was the political decision by the Mayor of Bilbao, Iñaki Azkuna, and the whole government team to design citizen services to meet the real needs and which are economically sustainable. But this did not involve stopping the investments that are necessary for the quality of life and the competitiveness of Bilbao, as we must continue to progress and continue improving Bilbao in other areas apart from urban development, by shaping a city capable of generating and attracting more economic activity and more talent.

3. You were able to listen to and discuss the Mannheim “Change2” approach for the strategic development of the city, fiscal management and administrative modernisation.

- What are the parallel approaches and what are the differences from your point of view?

I believe that one of the great similarities of both projects is that they are based on strategic management of public resources.

In the case of Bilbao, there have been two basic tools. The first is the Government Plan, which involves transferring the political objectives to specific plans of actions, with their respective monitoring indicators. And the second is the Strategic Budgets, which transfer the legislative objectives into budgetary commitments. But there are others, such as the scorecard with indicators, that enables us to perform ongoing monitoring and control of the evolution of the city and of the government action, and the Austerity and Efficiency Commission of Bilbao City Council, which has enabled the preparation, coordination and monitoring of a specifically prepared municipal program to adapt to this situation where maximum budgetary rigour is required.

- Is there any public management topic that you would like to discuss with the Mannheim management team?

In my opinion, one of the main challenges that the administration is facing is to foster the culture of "mainstreaming" and "management by projects" in institutions whose staff structure is hierarchical.

I believe that the fundamental key is the empowerment of the technical teams, who must play a key role in municipal management. This all goes hand-in-hand with the implementation of state-of-the-art management which must include mandatorily continuous training, internal communication and team work and the permanent assessment as pillars of this new management style.