

COMPREHENSIVE PERFORMANCE ASSESSMENT FOR DISTRICT COUNCILS

1. INTRODUCTION

- 1.1 Performance improvement within Local Government is currently a key issue and Comprehensive Performance Assessment (CPA) is a key driver to facilitate this process. It is a part of the Government's Performance Management framework for local government and is intended to lead to co-ordinated planning processes and increased freedoms and flexibilities. It also asks: -
- What is your council trying to achieve?
 - How has your council set about delivering priorities?
 - What has your Council achieved to date?
 - In light of what your council has learned, what does it plan to do next?
- 1.2 This approach of driving local government service improvement was outlined in the Local Government White Paper 'Strong Local Leadership – Quality Public Services'. The White Paper encourages greater focus on improved services for local people by freeing 'good councils' from central government controls and restrictions and providing 'poorer' councils with more support to facilitate service improvement.
- 1.3 Members will be aware that the process commenced with single tier and county councils. In the current financial year and the results of those assessments will be announced shortly.
- 1.4 The Government have recently issued a consultation paper 'Delivering Comprehensive Performance Assessment for District Councils. This paper is consulting local authorities on the proposed methodology to be used for district councils not on other issues such as whether there should be a CPA process or the 'freedoms' that will be awarded for high performing councils.
- 1.5 Although the deadline for submissions is the end of November the Audit Commission will accept any comments within a reasonable timeframe after the stated closure deadline. The full consultation document is available in the Members Room but the Executive Summary is an Appendix to this report.
- 1.6 The outcome of CPA will also be the basis for central Government to increase the number and range of freedoms and flexibilities to councils who have demonstrated a capacity to deliver high quality services, to work with councils in developing capacity support or, where necessary, directly intervening to ensure that local people receive the services they need.

2. THE NEW FOREST APPROACH

- 2.1 It is important that the Council gives due consideration to the issues raised in the CPA framework. Many of the factors that have are highlighted above have already been highlighted as issues that the Council needs to address through previous external comments raised by the LGIP, District Auditor, and IIP Assessors.
- 2.2 Although the Council is seeking to make the performance management framework, and planning processes within the Council more robust it is doing so because it will assist the Councils corporate objectives in a more focused and strategic way. Therefore the Council should continue to adopt an approach to the CPA that gives the process due regard but ensures that it uses the framework in a way that benefits the organisation.

3. METHODOLOGY FOR DISTRICT COUNCILS

- 3.1 The Audit Commission's proposal for CPA for district councils differs significantly from that for single tier and county councils. Self-assessment takes on a more prominent role with councils being asked to score themselves and to seek a peer challenge of their self-assessment as part of the CPA process.
- 3.2 The IDEa is planning to offer a revised version of the Local Government Improvement Programme, as one of the peer challenge options councils will have.
- 3.3 Thematic inspections, focusing on 'Balancing Housing Markets and Cleaner, Greener, Safer public space', will be carried out and also contribute to the judgement of corporate capacity to improve. Audit, inspection and benefit fraud inspection judgements, performance indicators and plan assessments for other local services will also contribute to the corporate capacity and current performance assessments.
- 3.4 The proposed elements of the CPA for district councils are:

3.4.1 Self-Assessment

The Audit Commission will ask district councils to consider their priorities and how these help to drive service improvement for local people.

3.4.2 Peer Challenge

District councils will be asked to include a peer challenge to their self-assessment.

3.4.3 Cross Cutting Inspections

The Audit Commission will undertake two cross cutting inspections covering 'balancing housing markets' and 'clean, green and safe public space' to assess local service performance and corporate capacity.

3.4.4 Corporate Assessment

This element of the process will take information from the self-assessment and the cross cutting inspections to provide evidence about the Council's corporate capacity.

3.4.5 Making a Judgement

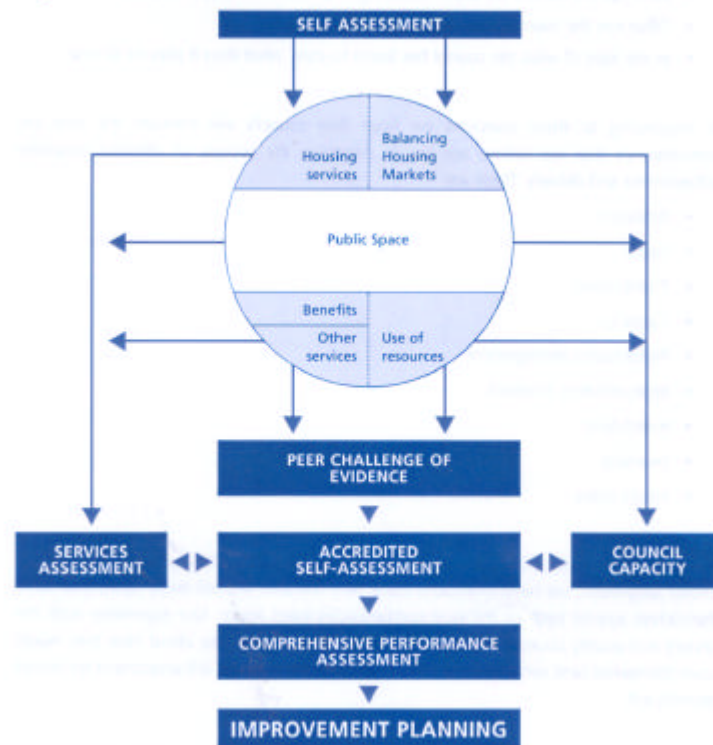
The cross cutting inspections and corporate capacity evidence will combine with performance indicators, auditor judgements and benefits assessments to provide one overall score for each council.

3.4.6 Improvement Planning

The Audit Commission will then work with councils to agree an improvement plan based on local priorities and a package of audit, inspection and improvement work.

This can demonstrated as follows: -

Diagram 1 CPA for DCs - Preferred model



4. CROSS CUTTING REVIEWS

4.1 Balancing Housing Markets

This cross cutting element of the inspection process demonstrates the importance that district councils have in managing local housing markets irrespective of whether the council has retained ownership of its housing stock. The process will be looking to assess how councils have coordinated their planning and housing arrangements to deal with the particular housing issues affecting that particular council. The assessment will also attempt to evaluate how innovative councils have been including working with the private sector landlords and partnership working with other local authorities.

4.2 The inspection will measure the achievement of the Council in delivering its key objectives, as set out in its housing strategy and local plan over a three-year period. The inspection will specifically test:

- How the Council had developed and agreed its strategy and local plan with local people and stakeholders;
- How well the Council has delivered against its agreed priorities; and
- The extent to which it has adapted its approach in the current housing strategy and plan to learn from its experience and changing local circumstances.

4.3 Provision of Clean, Green and Safe Public Spaces

This area of the CPA will review the performance of local authorities in shaping the quality, cleanliness and safety of the local environment for their communities. The consultation paper states that although local authorities have minimum statutory responsibilities in this area but they will need to set more strategic priorities for the local environment and direct resources to these priorities.

4.4 The inspection will evaluate how good the Council is at identifying the priorities for its public space and the impact the Council has in terms of service outcomes and experiences for local people. The inspection will focus on four areas: -

- Management of the physical environment

This will include design and maintenance of buildings, streets, and parks and play areas together with noise and pollution control.

- Keeping the locality clean

This area will focus on the Councils approach to waste management.

- Working with partners to improve community safety

How does the Council work with the police, county council and other agencies to reduce crime and anti social behaviour, and to tackle drug abuse?

- Promoting an active life

The focus will be how the Council works with others to encourage and enable community activities to improve the use of public space. The inspection will review how the Council

- Ensures accessibility to all
- Manages quality services
- Responds to local needs
- Ensures effective partnership working
- Achieves efficiency and effectiveness via performance management

5. RESPONSE TO THE CONSULTATION PAPER

5.1 There is nothing in the CPA process that the Council should be unduly concerned about. Although there are a number of developments that the Council needs to make in order to strengthen its planning and performance management processes and to the corporate planning process these are already in hand.

5.2 Members may wish to make a response to the consultation paper and outlined below are some issues upon which Members may wish to consider making comment:-

5.2.1 The major concern of any central performance system is that will the process give due regard and flexibility to the needs and issues of local communities. The Government have clearly stated that although they appreciate the needs of local communities they do expect local authorities to deliver on national priorities. There is no evidence in the consultation paper that due regard will be made of the diversity and needs of individual district councils. This is an essential part of the process if it is not to fall rapidly into disrepute.

5.2.2 The lack of flexibility that was demonstrated in the process for county and single tier authorities cannot be duplicated for district councils. The range of priorities for district councils make them a completely different challenge and this Council would urge the Audit Commission to consider this issue when building the assessment framework.

5.2.3 This Council remains to be convinced that the thematic service inspections will give the appropriate reflection of a council's performance given the issues outlined above and the very different way in which these services are provided from council to council.

5.2.4 This Council generally supports the concept of a peer challenge process, having already undertaken an LGIP review. That experience however did leave the Council questioning the ability of

the Team to adequately understand and value the issues for the local community in the time that they had available. It also questions the ability to obtain appropriate evidence for the same reason.

5.2.5 Following the experience of single tier authorities and county councils this Council is extremely concerned over the resources that will be required to facilitate the on-site inspections and the peer challenge. This Council would therefore urge the Audit Commission to ensure that the processes are streamlined or consolidated to ensure scarce resources are not redirected away from front line service delivery to deal with this process.

5.2.6 This Council is concerned that the evidence from the thematic service reviews will be used to inform the judgement on whether the council has the capacity to improve. This is to an extent limiting the evidence and if a judgement is to be made the Audit Commission will need to ensure that this judgement can be substantiated. This has been a concern in the best value process and this Council would not like to see this replicated in the CPA process.

5.2.7 Whilst accepting the benefits of a peer challenge the Council would wish to ensure that this process adds value by identifying the development needs of the council. It is however unclear from the consultation document how the peer challenge fits into the methodology and what added value this will bring. This Council believes that the Audit Commission must give greater clarification to this issue.

5.2.8 Three peer review options are mentioned in the consultation document yet there is no mention of the cost of each option and how these would be funded. Most district councils have difficulty in funding existing demands and therefore it would be very difficult to justify any additional costs to the taxpayer for this activity. The Audit Commission is urged to clarify this situation as a matter of urgency.

6. RECOMMENDATIONS

6.1 It is recommended that;

- a) The contents of this report be noted and;
- b) The Cabinet indicate whether they wish to consider making a response to the CPA consultation paper along the lines outlined in paragraph 5.2 of the report.

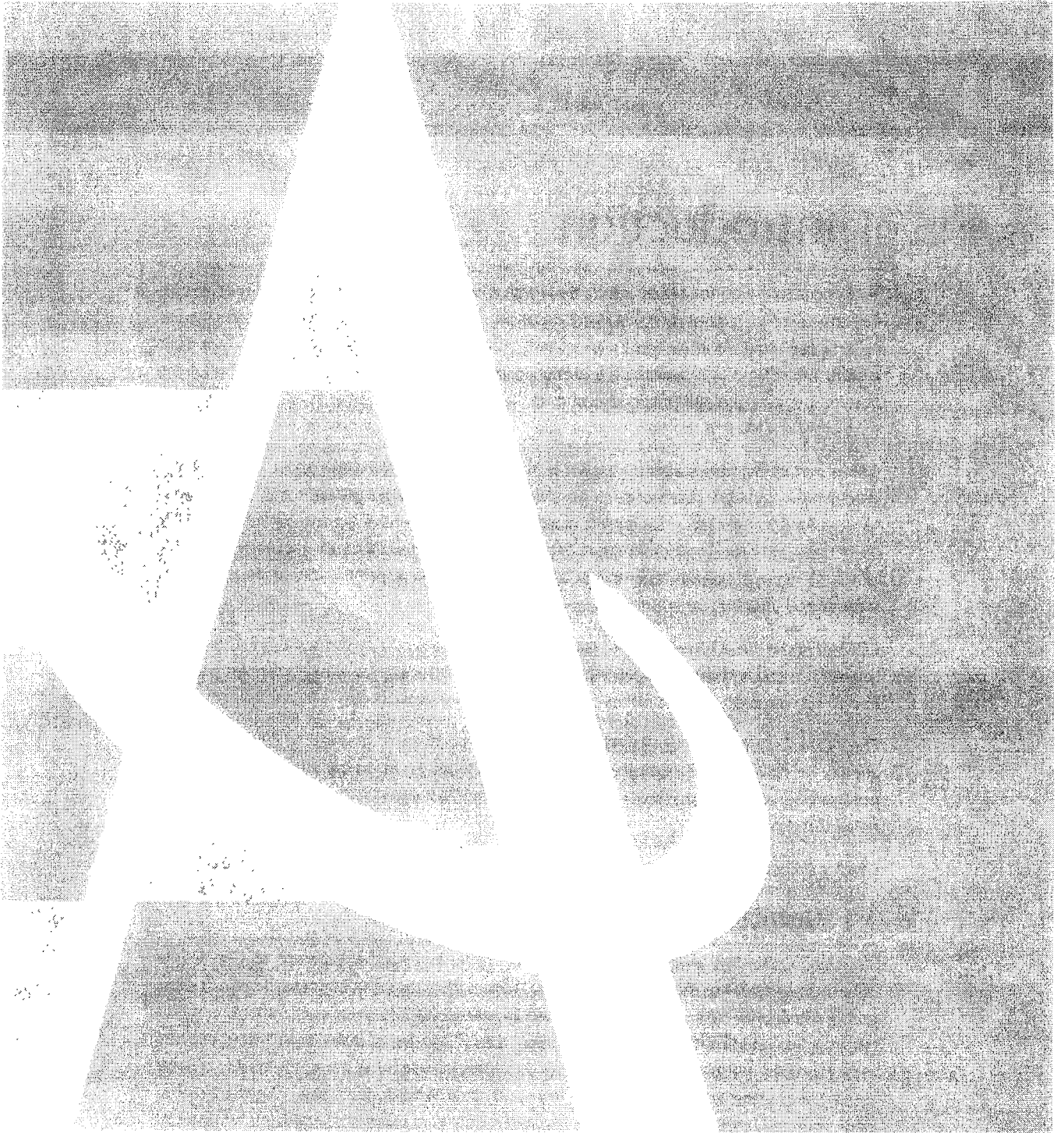
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Background papers:

Delivering Comprehensive
Performance Assessment for
District Councils



Executive Summary

1 Introduction

This document asks for views about the Audit Commission's approach to Comprehensive Performance Assessment (CPA) for district councils. Our approach aims to combine the best of existing performance assessment regimes with new information gathered through two cross cutting inspections and existing performance information. These will focus on balancing housing markets and authority approaches to cleaner, greener and safer public space. This will then provide a view of the performance and capacity of district councils to improve services.

CPA is part of the wider agenda set out in the local government white paper: 'Strong Local Leadership – Quality Public Services'. The White Paper encourages greater focus on improved services for local people – by freeing good councils from central government controls and restrictions and providing poorer councils with more support to kick start improvement. 'The aim is to free up councils to innovate and deliver tangible improvements in the quality of services and effective community leadership.'¹

CPA will allow these benefits to be realised by providing a secure basis for judging how good services are and authorities' proven corporate capacity.² Our work will highlight best practice in well run councils, so that others can learn from their experiences.

The Audit Commission has placed consultation at the heart of developing CPA. We have already set up a reference group of district councils to advise us on our initial approach. We are working with ten pathfinder authorities who will test each element of CPA, before it is rolled out more widely.

CPA for district councils will start in autumn 2002, with all results available by December 2004.

1.1 District Councils - a tailored approach

The Commission has always stated its intention of developing the approach to CPA as the project progressed - to move towards a more cross cutting approach and away from a specific service framework. This reflects local people's experience of service delivery through complex cross cutting initiatives that have "people" and "place" as a focus, rather than institutions and their structures and processes. For example, local people have views about the quality of local street scenes rather than of street lights, litter and crime as separate entities. We also want to learn from and use the successes of the first round of CPA to inform the approach for districts. Self-assessment and inclusion of peer members and officers in corporate assessment were especially useful in single tier and county councils and so are central to CPA for districts.

We are conscious of the need to develop an approach to CPA that complements the policy framework set by central and local government in the shared priorities³ commitment, while recognising other important national and local issues that shape service outcomes for local people.

¹ Strong local leadership – Quality Public Services, DTLR, December 2001

² Proven corporate capacity refers to a council's ability to engage and lead its community, provide corporate leadership and deliver improvement in cross cutting and direct services

³ The government and the Local Government Association have agreed a joint statement of shared local public service delivery priorities, which identifies issues where central government, local councils and other organisations must work together to improve the quality of people's lives

1.2 Principles which underpin CPA for districts

Three key principles underpin our approach to CPA for district councils:

- Early consultation with district council representatives showed the need to measure proven corporate capacity in the delivery of key initiatives and projects, whilst recognising that district councils often rely on partnerships with county councils, parish councils, neighbouring authorities and others to deliver.
- Many districts have limited capacity at a corporate level to support an intensive period of corporate assessment. So, to make robust judgements any framework needs to collect and analyse evidence in a consistent and fair way at both corporate and service level, while minimising the demand on councils' resources.
- There is less performance information and inspection evidence about districts to support the assessment framework. The performance assessments in social services and education have been key strands in the county and unitary methodology. There is no similar long-standing evidence we can use for district councils. There are fewer national performance indicators for districts and authorities have had less service inspections.

1.3 Learning from pathfinders

The approach to CPA is being tested in 10 district council pathfinder authorities so that the Audit Commission can amend the process before we apply it to all districts. Those authorities are:

- Allerdale
- Ashford
- Cambridge City
- Canterbury
- East Staffordshire
- Easington
- South Staffordshire
- St. Edmundsbury
- Ipswich
- Wychavon.

The Commission would like to thank these authorities for participating in the pathfinder process.

The pathfinder process started by issuing a self-assessment to participating authorities. This can be found at www.audit-commission.gov.uk. The pathfinders will work with the Audit Commission over the next few months to try out approaches before CPA is rolled out to other councils. The principle is that the pathfinders are always "one step ahead" of other councils, so that we can develop and amend the process, ensuring it is truly geared to district council needs.

The government and the Local Government Association have agreed a joint statement of shared local public service delivery priorities, which identifies issues where central government, local councils and other organisations must work together to improve the quality of people's lives.

1.4 Improvement Planning

For top performing councils, CPA will lead to a significant reduction in the level of audit, inspection and regulation and provide access to greater freedoms and flexibilities. For councils where performance is weaker, CPA will lead to more proportionate and co-ordinated inspection and regulation with focus on lifting achievement and delivering better quality services for local people. A combination of audit, inspection and other improvement work will be commissioned as an outcome of CPA. This will aim to reduce the burden of inspection and audit for excellent authorities and allow access to freedoms and flexibilities. By working with authorities, improvement planning will help councils develop effective improvement plans and tackle failing or poorly performing local services. Support for capacity building will be available for those authorities that need it.

Improvement planning will begin as part of self-assessment and carry on throughout the CPA process. Councils will be asked to include information about their improvement activity in the self-assessment. This activity will then remain in focus throughout the CPA process. It is important to remember that CPA is only the means to an end – improved local services. Authorities should use strengths and weaknesses identified through the CPA process, peer challenge, and self-assessment to shape future improvement of local services.

1.5 Key Issues for further comment

We are interested in receiving your comments on the approach set out in this document. Please e-mail any comments to "cpa@audit-commission.gov.uk" by 22nd November 2002.

We are particularly interested in receiving your comments on the following issues:

Key questions for comment:

- Does the approach as described sufficiently reflect the needs of district councils?
- Do you think the approach to self-assessment will help your authority provide a balanced view of its corporate performance?
- Do you think our peer involvement strategy is sufficient and challenging?
- We have developed two new cross cutting inspections in housing and public space – how can we best understand your key priorities in these areas?
- What is the best way for us to understand and measure your success in other cross cutting initiatives?
- How should we bring together all this performance information, as well as other service judgements, to form an overall view about your council?
- We have envisaged a two year delivery programme – how should we report our findings? On a rolling programme? On an annual basis?