



PORTFOLIO AREA: Policy and Performance Management

Date of Meeting: Monday 29th July

Public ☒

Key Decision: No

Recorded in Forward Plan: No

Inside/Outside Policy Framework

Title: **AN INTRODUCTION TO COMPREHENSIVE PERFORMANCE ASSESSMENTS**

Report of: **Town Clerk & Chief Executive**

Report reference: **TC.136/02**

Summary:

In a development of Best Value policy, the Government, supported by the Audit Commission have introduced a new inspection regime, entitled Comprehensive Performance Assessments (CPA). The aim of CPA is to remove a perceived weakness of best value, where inspections were at a service level, and introduce a corporate governance aspect to the inspections, where political and managerial effectiveness are measured also. This report is an introduction to the Comprehensive Performance Assessment and describes its intentions and methodology as well as recommending practical actions which will help the organisation prepare for its inspection.

Recommendations:

It is recommended that Members: -

1. Note the contents of the report; and
2. Consider the list of 11 initial recommendations under 8.1 'Preparing for CPA' and instruct Officers to take forward those recommendations which Members support.

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. Introduction

1.1 One of the key planks of the recent local government White Paper, *Strong Local Government - Quality Public Services*, is the introduction of comprehensive performance assessments (CPA) for local authorities. The Government's intention is that CPA will build on existing audit, inspections and assessments and *"form the cornerstone of the government's performance framework for local government."* The methodology is derived from both best value and the IDeA peer review process.

1.2 The Audit Commission must form a judgement of every English single-tier and county authority's performance and proven capacity by the late autumn of 2002. They have been asked to deliver a similar judgement for district councils by late 2003.

1.3 Once a judgement has been formed, the Commission will make that judgement available to the public. Although the judgement terms have not yet been finalised, they are likely to consist of five categories:- excellent; good; fair; weak; poor. This categorisation will make 'league-table' type comparisons very easy.

1.4 The judgement will be derived from the assessment team's opinion on: -

- the quality of local services
- the Council's **proven** capacity to improve local services (anticipated or planned improvements do not count)
- the Council's corporate and managerial effectiveness

2. CPA in District Councils

2.1 CPA for District Councils will begin in the early autumn with pathfinder testing of the approach, moving to the first mainstream District Councils by the end of the calendar year. It is not yet known exactly when the CPA team will arrive at Carlisle City Council. The results of CPA assessments carried out in a particular year are all issued at the same time – December, so no matter when the Council is subject to an assessment, we will not be notified of our final result until the end of 2003.

3. What Happens in a CPA?

3.1 A CPA inspection consists of three parts:-

- **self-assessment** by the authority, which is the starting point for the process. This will include several elements, such as a review of each key service area (at the moment these are considered to be housing, environment, revenues and benefits and leisure/culture) and the corporate management of the council. (more detail on self-assessment below);
- **corporate assessment** of the authority, which will look at corporate governance issues such as the political and managerial effectiveness of the council. This will be done initially by the Council's self-assessment, establishing an internal view of the performance of services and the capacity to improve. The Comprehensive Assessment Team (CAT) will then undertake a corporate inspection to look at political and managerial structures and at their capacity to promote improvement; and
- **audit and inspection** work around specific services to build on the CAT's knowledge about the services provided to local people. As there have been best value reviews and inspections in Carlisle in the areas of Leisure and Environment, it is possible that there will be inspections in the areas of Housing and Revenues and Benefits to support the CPA process.

3.2 A key issue for district councils is their role in **developing partnerships** with other districts, parishes and town councils, with county councils and with other local organisations to drive quality of life improvement for local people. CPA for Districts will look at how effective each Council is in fulfilling this role. At the same time, the Commission will also consider how effectively all Districts work together across their County area. The County/District relationship will also be assessed and recommendations for improvement will be made. Carlisle City Council's partnership development and operational work should be set out fully in the self-assessment document.

4. CPA Process

4.1 The process that Districts will go through in their CPA inspections has not yet been confirmed, however, it is not expected to significantly diverge from the Unitary and County process, set out below: -

- Authority prepares self-assessment
- CAT review self-assessment and supporting information (1 week)
- CAT decides on additional areas to inspect and audit
- Detailed on-site investigations by CAT (2 weeks)
- Wrap-up and report (1 week)
- Council action planning phase

4.2 Comprehensive Assessment Teams (CATs) comprise of: -

- Comprehensive Assessment Team leader
- Audit Commission Best Value inspector
- Auditor
- Elective inspector (eg. Housing, Benefit Fraud Inspectorate)
- Peer Members (Chief Officers and Members from other authorities)
- Administrative support

5. What is Measured?

5.1 There is one judgement, which relates to the Council's **proven capacity to improve**. In forming this judgement, the CAT will address 4 'Top Level' questions, 9 themes and 31 key questions in forming its judgement. The top level questions are: -

- What is the Council trying to achieve?
- How has the Council set about delivering its priorities?
- What has the Council achieved/not achieved?
- What has the Council learned and what does it plan to do next?

5.2 The answers will be informed by a number of factors, drawn from evidence from the corporate and service assessments, such as: -

- Track record
- Evidenced improvement in performance
- Current skills and capacity
- Future skills and capacity
- Self-awareness
- Future plans and ambition

6. What will happen as a result of CPA?

6.1 The judgement will provide the basis for: -

- The development of an action plan, focused on improving services
- More freedoms and flexibilities for top performing councils
- More consistent action in authorities that are deemed to be poor or failing

6.2 It is likely that only those Councils which achieve an 'excellent' rating in their CPA will achieve significant freedom and flexibility in the short-term.

7. Authority Self-Assessment

7.1 The Self-assessment approach seeks to:

- Encourage councils to identify areas where they perform well and those in need of improvement if they are to make a real difference to their communities and deliver service improvement. This needs to be based on robust and objective evidence.
- Give an authority the opportunity to demonstrate self-awareness, an ability to assess strengths and weaknesses successfully and prioritise areas for improvement.
- Provide the opportunity for an honest, evidence based appraisal of actual progress in improving services and the Council's recent track record.
- Use evidence jointly provided by authorities, auditors and inspectors to inform discussion with the Audit Commission. This will enable both sides to identify areas where the Commission and other agencies' views vary from those of the authority. Resources can then be directed to areas requiring further evidence to reach agreement.

7.2 The Self-assessment is in two parts. These are:

- Setting the scene - giving authorities the opportunity to explain background issues
- Corporate Assessment- giving authorities the opportunity to describe progress at the authority in delivering key objectives and improving services for users.

8. Preparing for CPA

8.1 There are things that the Council can do now to prepare for the CPA process. Initial recommendations are described below but this is not an exhaustive list. Further recommendations will arise as the process develops:-

1. Appoint a lead Member and lead Officer for CPA. They will both be responsible for driving the CPA process in the Council, for informing Councillors and staff about the process and getting them involved in the preparation for it.
2. Draw together a project team to work on CPA. It is a relatively onerous process in terms of administration, organisation and data collection and analysis. Pathfinders have recommended that a dedicated team should be appointed well in advance as a high level of preparation is required to ensure a smooth inspection process.
3. Learn from Best Practice. Two officers from the Council have offered to act as critical friends for Allerdale Borough Council's CPA self-assessment. Allerdale are a District Pathfinder and will be undertaking their CPA. There are also regular meetings scheduled with Allerdale's CPA officer to learn about developments in CPA for Districts.
4. Develop practical partnership links, particularly with the County Council.
5. Cascade information to Members and Officers.
6. Begin early consideration of the self-assessment questions and consultation on such. Do not wait until we are formally required to undertake it. This will enable us to identify areas where the Council is not delivering and develop plans to improve this. It is important to remember that the process measures proven ability to change and improve, not the potential for such (see 'Getting Started' below).
7. Ensure that all service plans are up to date and link clearly to City Vision and Corporate Plan priorities.
8. Develop the assignment of resources to priorities in the budgeting process.
9. Ensure that all Best Value action plans are drafted in the corporate format (not currently the case), have resources and timescales applied to them, are

updated with any inspectors' recommendations and are reflected in appropriate service plans.

10. Ensure all current best value reviews have up-to-date project plans and have undertaken consultation with a wide range of stakeholders and those stakeholder views have been incorporated into the review findings.
11. Ensure that performance indicators have set challenging targets for improvement and are achieving those targets. Ensure that those indicators which do not currently have any improvement targets have set such in advance of the CPA process where reasonable.

8.2 Getting Started on the Self Assessment

- 8.2.1 A skeleton approach, setting out key points under the four questions should be used by senior officers and members to start off the self-assessment process. Alongside this, a SWOT analysis, setting out the key Strengths, Weaknesses, Opportunities and Threats for the organisation would minimise the likelihood of important issues being missed.
- 8.2.2 It would be advisable to consult widely when preparing the self-assessment, with members, officers, auditors, inspectors and key partners. It will be important to be scrupulously honest about the organisation's strengths and weaknesses, as 'self-awareness' is a key measurement in the process.
- 8.2.3 All statements made in the self-assessment should be evidence-based – the picture painted of the authority should be one that others will recognise and identify with.

9. Recommendations:

It is recommended that Members: -

- 9.1. Note the contents of the report; and
- 9.2 Consider the list of 11 initial recommendations under 8.1 'Preparing for CPA' and instruct Officers to take forward those recommendations which Members support.

Contact Officer: Karen Hook

Ext: 7015

APPENDIX

1. BACKGROUND INFORMATION AND OPTIONS

As described above.

2. CONSULTATION

2.1 Consultation to Date. None

2.2 Consultation proposed. Consultation on key strengths and weaknesses proposed with members, officers, auditors, inspectors and key partners to inform self-assessment.

3. STAFFING/RESOURCES COMMENTS

A dedicated team, drawn from other parts of the organisation, on a pre-determined part-time basis, should be formed to deal with CPA preparation.

4. CITY TREASURER'S COMMENTS

N/A

5. LEGAL COMMENTS

N/A

6. CORPORATE COMMENTS

N/A

7. RISK MANAGEMENT ASSESSMENT

N/A

8. EQUALITY ISSUES

N/A

9. ENVIRONMENTAL IMPLICATIONS

N/A

10. CRIME AND DISORDER IMPLICATIONS

N/A

12. REASONS FOR RECOMMENDATIONS

To enable the City Council to begin preparations for CPA