

## **Report to the Audit & Governance Committee**



**Report reference:** **AGC-018-2009/10**  
**Date of meeting:** **8 February 2010**

**Epping Forest  
District Council**

**Portfolio:** Performance Management

**Subject:** Comprehensive Area Assessment 2009/10 – Organisational Assessment

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### **Recommendations/Decisions Required:**

**That the Committee consider the report of the Council's Organisational Assessment for 2009/10.**

### **Executive Summary:**

Comprehensive Area Assessment (CAA) is the new framework for the independent assessment of local public services in England. This report presents the results of the Council's CAA Organisational Assessment for 2009/10.

The inspectorates responsible for delivering CAA are the Audit Commission, the Care Quality Commission, Her Majesty's Inspectorates of Constabulary, Prisons and Probation, and Ofsted. These inspectorates were jointly commissioned to work together to develop and implement a methodology for CAA, and to make other necessary changes to existing assessment and inspection arrangements to implement the ambitions and commitments of the Local Government White Paper 'Strong and Prosperous Communities', which set out proposals for the new performance framework for local services. CAA is an important part of assessing and reporting on how well public money is spent, and making sure that local authorities and public bodies are accountable to the public for their service quality and impact. As well as providing information for local people, CAA gives the government an overall picture of how well councils and their partners are delivering key national and local priorities. The process is also intended to provide constructive challenge and feedback to local service providers to support improvement.

The framework for the introduction of CAA was published by the joint inspectorates in February 2009. A copy of the final framework document has been placed on deposit in the Members' Room.

### **Reasons for Proposed Decision:**

CAA replaced the former Comprehensive Performance Assessment (CPA) from 1 April 2009. The new annual assessment process provides an independent assessment of how well people are being served by local public services, and focuses on how well these services, working together, are achieving improvement and progressing towards long-term goals. It is important that relevant performance management processes are in place to review and monitor performance against the Council's key objectives, targets and actions, to ensure the continued achievability and relevance of priorities, and to identify proposals for appropriate

corrective action in areas where improvement is required.

### **Other Options for Action:**

None. CAA assesses outcomes delivered by the Council working alone or in partnership, such as health and wellbeing, community safety and young and older peoples services. Failure to participate fully in the process might mean that opportunities for improvement were lost and might adversely affect the reputation of the authority. Failure to monitor and review performance against key priorities, objectives, targets and actions and to take corrective action where necessary, could have negative implications for judgements made about the authority in CAA and similar corporate assessment processes.

### **Report:**

1. The introduction of CAA represented a fundamental change in the overall approach to public service inspection, reflecting changes in local public services in recent years. Since the establishment of the former CPA process in 2002, the performance of local public bodies has improved and organisations are increasingly working together to deliver further improvements. It is recognised that independent assessments have been a catalyst for, as well as providing objective evidence of, this improvement. Local services have also developed stronger performance management arrangements, more effective sharing of good practice and practical support for services in difficulty.

2. CAA has changed the way inspectorates engage locally, moving from rolling programmes of on-site inspection to an on-going relationship with local areas. CAA is intended to help drive improvement throughout the year, rather than only through annual public reporting or by intensive 'on-site' assessment as has been the case with previous performance assessment processes. A main feature of CAA is that inspection activity is more risk-based and tailored to local circumstances, so that inspection has greater impact where it is needed most. For those public services provided directly by councils, or jointly in partnership with others, future inspections will be targeted and triggered by single or joint inspectorate concerns arising out of the CAA assessment process at any stage in the year.

3. In undertaking the CAA for 2009/10, the inspectorates have used evidence from inspection work and drawn on other national and locally available information to prepare assessments, including the National Indicator set and evidence from other inspection or regulation processes. The inspectorates have used the information that partnerships and organisations use to evaluate and manage their own performance wherever possible. The views and experiences of local people are key sources of evidence for CAA, and the inspectorates drew on the findings of survey exercises such as the biennial Place Survey. In addition, CAA takes account of the area's own evidence about users' views of local services.

4. Unlike CPA, CAA focuses on outcomes rather than organisations, and looks at the prospects for sustainable improvement, rather than simply on past performance. CAA involves a forward looking assessment of the prospects for the future achievement of shared priorities by councils and other local partners, and comprises two separate assessments:

(i) An *Area Assessment* for first-tier local authorities and local strategic partnerships, of the prospects for improvement, focussing primarily on the Local Area Agreement (LAA) and the Sustainable Community Strategy (SCS); and

(ii) A scored *Organisational Assessment* for all councils, fire and rescue service authorities and other partners.

## Area Assessment

5. The Area Assessment is based on the area covered by the LAA and is reported at the county level. The starting point for the Area Assessment is the locally agreed priorities in the LAA and the SCS, plus statutory LAA educational attainment targets. The Area Assessment is reported as a narrative and not a score, and the focus of reporting is on the prospects for improvement. Where the inspectorates have significant concerns about outcomes and future prospects for outcomes which are not being tackled adequately, these are reported as a red 'flag'. Green flags represent exceptional performance or outstanding improvement resulting in proven sustainable delivery of better outcomes that others could learn from.

## Organisational Assessment

6. Assessing the effectiveness of councils is an integral part of CAA, because of its focus on outcomes delivered through local authority's working alone or with partners. The Organisational Assessment comprises the new Use Of Resources assessment methodology for 2009 (Managing Finances, Governing the Business and Managing Resources), alongside a new Managing Performance assessment to replace the former Direction of Travel statement. The Audit Commission undertook the overall assessment for district councils and each council organisational assessment contains an explicit statement on the performance of key services. The results of these processes have been combined into a single numerical score on a scale from 1 (lowest) to 4 (highest) alongside a narrative report.

7. Public reporting of the first round of CAA results took place in December 2009. The Audit Commission shared its draft Organisational Assessment with the Council in September/October 2009, and this was subject to dialogue with the Commission at this time. The published version of the Council's CAA Organisational Assessment for 2009/10 is attached as Appendix 1 to this report, and the publication of CAA results each December is intended to inform priority and budget setting exercises for the following year.

8. CAA will build a fuller picture of each area over time and will not cover everything each year. The joint inspectorates will ensure that the links between the Area and Organisational Assessments are managed so that they support partnership and individual accountabilities.

9. The Committee is requested to consider the Council's CAA Organisational Assessment report for 2009/10. This report was also considered by the Finance and Performance Management Scrutiny Panel and Cabinet Committee during the January 2010 cycle of meetings.

10. In view of its focus on the Local Area Agreement and the Sustainable Community Strategy for the county, the CAA Area Assessment report for Essex for 2009/10 will be considered by the Board of the Epping Forest Local Strategic Partnership in the first instance.

### **Resource Implications:**

The budget and human resource implications of the CAA process for 2009/10 were met from within existing resources.

### **Legal and Governance Implications:**

CAA is a statutory assessment process, which replaced the former CPA from 1 April 2009.

### **Safer, Cleaner and Greener Implications:**

There are no direct implications arising from the introduction of CAA for the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district. However, the success of these initiatives will be measured by the CAA process.

### **Consultation Undertaken:**

The final framework methodology for CAA was subject to full consultation between the joint inspectorates and public service stakeholders, and was considered by the Corporate Executive Forum and the Finance and Performance Management Cabinet Committee. The Council's draft CAA Organisational Assessment report for 2009/10 was subject to dialogue with the Audit Commission prior to publication.

### **Background Papers:**

Comprehensive Area Assessment Framework Document (Audit Commission, Care Quality Commission, Her Majesty's Inspectorates of Constabulary, Prisons and Probation, Ofsted) (February 2009). This document has been placed on deposit in the Members' Room.

### **Impact Assessments:**

#### Risk Management

In terms of risk, failure to participate fully in the CAA process might have meant that opportunities for improvement were lost, and may have adversely affect the reputation of the Council.

#### Equality and Diversity:

*Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?* No

The content of this report has no specific equality implications. However, the equality implications arising from proposals for corrective action in respect of areas for improvement highlighted in the Council's CAA Organisational Assessment report for 2009/10 will need to be considered.

*Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?* N/A

*What equality implications were identified through the Equality Impact Assessment process?* N/A.

*How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?* N/A.