

		Executive – 10 th June, 2009	Agenda Item No.
Title		Comprehensive Area Assessment	
For further information about this report please contact		Andy Jones, Acting Deputy Chief Executive	
Service Area		Deputy Chief Executive	
Wards of the District directly affected		All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006		No	
Date and meeting when issue was last considered and relevant minute number		N/A	
Background Papers			

Contrary to the policy framework:	Yes/No
Contrary to the budgetary framework:	Yes/No
Key Decision?	Yes/No
Included within the Forward Plan? (If yes include reference number)	Yes/No

Officer/Councillor Approval		
With regard to officer approval all reports <u>must</u> be approved by the report author's relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Relevant Director	20/05/09	Andrew Jones
Chief Executive	20/05/09	Chris Elliott
CMT	20/05/09	All
Section 151 Officer	20/05/09	Mike Snow
Legal	19/05/09	Peter Oliver
Finance	20/05/09	Mike Snow
Portfolio Holder(s)	20/05/09	Michael Doody
Consultation Undertaken		
Please insert details of any consultation undertaken with regard to this report.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 The report explains the Comprehensive Area Assessment (CAA) Framework and its impact on Warwick District Council (WDC) as an organisation. Although CAA is not an inspection regime in the way of Comprehensive Performance Assessment (CPA), it is imperative that the Council engages with the process to ensure that the Audit Commission's assessment of the authority is fair and accurate.

2. RECOMMENDATION (S)

- 2.1 Members note the requirements of CAA and how the Council will be scored under the new Framework.
- 2.2 Members endorse the approach being taken by the authority to engage with the Audit Commission and thereby ensure that the Commission's assessment of the Council is fair and accurate.
- 2.3 Members note that the work officers are undertaking as part of the Lean Systems projects aligns itself with CAA as it puts the customer at the heart of service delivery design.

3. REASONS FOR THE RECOMMENDATION (S)

- 3.1 The Local Government and Public Involvement in Health Act 2007 replaced CPA with CAA with effect from 1st, April 2009. Unlike CPA, CAA focuses on a locality, a locality being that area covered by a Local Area Agreement (LAA) – in WDC's case, Warwickshire.
- 3.2 The work will be undertaken by the Audit Commission who will provide an assessment of the whole LAA area (the Area Assessment) and of each Organisation within the area (the Organisation Assessment). The Organisation Assessment of WDC will comprise two elements: Its score in the Use of Resources and how well it Manages Performance.
- 3.3 The Council will receive a score from 1 to 4 where:
1. = Performs poorly
 2. = Performs adequately
 3. = Performs well
 4. = Performs excellently
- 3.4 In contrast to CPA the assessment of WDC will not involve requests for numerous documents and supporting evidence. Neither will it involve the Audit Commission spending many days "on site" interviewing officers and attending meetings. The assessment will largely be based on information and evidence the Council already provides to Central Government and Government bodies i.e. National Indicator results, Use of Resources score, HMI Constabulary and Tenant Services Authority reports, as well as an analysis of how the Council contributes to improving community outcomes through its Corporate and Sustainable Community Strategies (including through the LAA) by working with partners.
- 3.5 Members will therefore appreciate that this year's Organisation Assessment will largely reflect the authority's performance during 2008/2009. In supporting the Audit Commission's work, officers will seek to give context to the performance explaining

choices the authority has made and describing the strategic approach the Council is taking.

- 3.6 Members will be aware that the Council has commenced a programme of projects to review service delivery from a customer perspective: This programme is based on Lean Systems Thinking. The concept of this approach is to eliminate unnecessary and wasteful processes from service delivery and ensure that the service is considered from the customer's perspective. Officers consider that this approach to the review of service delivery is entirely in the spirit of CAA as it concentrates on the outcomes for the customer.

4. ALTERNATIVE OPTION CONSIDERED

- 4.1 CAA is a statutory process and WDC will receive an Organisation Assessment. Therefore members need to understand how the process operates and how the Audit Commission arrives at its score. The approach the authority proposes to take in reviewing its services is entirely consistent with CAA and so no alternative option was considered.

5. BUDGETARY FRAMEWORK

- 5.1 There are no extra costs as a consequence of this report. All work in connection with the assessment will be met from within current budgets.

6. POLICY FRAMEWORK

- 6.1 The council has a corporate strategy objective of "managing its resources effectively" to ensure, "its services are of a high quality." Lean Systems Thinking puts customers at the heart of service design and ensures that service delivery is as efficient as possible.

7. BACKGROUND

- 7.1 In 2004, Warwick District Council was assessed as being Excellent under the CPA Framework. This assessment was very much about WDC and reflected its performance and service delivery as a single organisation.
- 7.2 In contrast, CAA will make an Area Assessment (how all the County's organisations work together) and an Organisation Assessment (how Warwick District Council is performing). However, the primary focus of CAA is on the Area Assessment. The challenge for the Audit Commission is to make this relevant to a particular locality i.e. Warwick District, as the Area Assessment covers the whole of Warwickshire.
- 7.3 The Area Assessment will consider three key overarching questions:
- How well do local priorities express community needs and aspirations?
 - How well are outcomes and improvements that are needed being delivered?
 - What are the prospects for future improvement?
- 7.4 When making a judgement on these questions the Audit Commission will consider, Community needs and aspirations; Health, wellbeing and older people; Children and younger people; Community safety; Equality, diversity, community cohesion, culture and benefits; and sustainable communities.

- 7.5 Warwick District Council's Sustainable Community Strategy (which is being considered as a separate item on the agenda) addresses these issues and officers are in the process of undertaking a "gap analysis" to see if there are areas where further improvement is required. However, officers will ensure that any area for development addresses the priority needs of Warwick District residents.
- 7.6 Where an organisation is seen as making a significant contribution to a local area the Audit Commission will "award" it a green flag and this is likely to have a positive impact on the Organisation Assessment. However, where there are concerns about a particular area, a red flag will be awarded and this will negatively impact the Organisation Assessment.
- 7.7 The second element of CAA is the Organisation Assessment. Each organisation will receive scores for **Managing Performance** and Value for Money in the **Use of Resources** that will be combined into a single score in accordance with the table below:

Managing Performance					
Use of resources	Scores	1	2	3	4
	1	1	1	1	1
	2	1	2	2 or 3	2 or 3
	3	1	2 or 3	3	3 or 4
	4	1	2 or 3	3 or 4	4

- 7.8 The scores 1 to 4 above (not in bold) represent the following descriptors of performance:

Overall performance		
1	An organisation that does not meet minimum requirements	Performs poorly
2	An organisation that meets only minimum requirements	Performs adequately
3	An organisation that exceeds minimum requirements	Performs well
4	An organisation that significantly exceeds minimum requirements	Performs excellently

- 7.9 The Use of Resources assessment is undertaken by the Council's external auditor and members will be aware that for the financial year 2007/08 the Council scored a 2 due to reconciliation issues on its fixed asset register. Progress to rectify this matter has been good and the latest feedback from the external auditor is that they are pleased with the efforts the Council has put into resolving this matter. It is therefore to be hoped that this issue does not unduly impact on the Use of Resources score for 2008/09 which in turn could be detrimental to the Organisation Assessment score for CAA.
- 7.10 The Use of Resources assessment for 2008/09 will be based on three themes:
- Managing finances;
 - Governing the business; and
 - Managing resources.
- 7.11 Officers have completed their own assessment against these themes and this will be considered by the Audit Commission over the next couple of months.

- 7.12 With regard to the Managing Performance score the Audit Commission will focus on how effective the organisation is at:
- Identifying and delivering priority services, outcomes and improvements;
 - Improving the services and outcomes for which it is responsible;
 - Contributing to improving wider community outcomes, including those set out in formal agreements such as the LAA;
 - Tackling inequality and improving outcomes for people whose circumstances make them vulnerable; and
 - Proving the leadership, capacity and capability it needs to deliver future improvements.
- 7.13 The overarching theme the Managing Performance assessment will be seeking to establish is how well the organisation manages and improves its services and contributes to wider community outcomes. Officers consider that the work being undertaken in the Systems Thinking projects along with the customer insight work and the approach to service planning, explicitly embraces the principles of CAA.
- 7.14 Following the assessment work and consultation on findings with the Council, the Audit Commission will publish a single short report that will include a score for each organisation in an Area alongside the Area Assessment. Members should note that the overall Area Assessment is not scored. The Audit Commission will be publishing its report in November.
- 7.15 WDC's Organisation Assessment for 2008/09 is largely based on its performance during the course of that year and the Audit Commission will be reaching its conclusion based on the results the Council is both required and wishes to publish to inform Central Government and local residents as to the progress it is making and where it needs to improve.
- 7.16 There is not the opportunity to make a submission to the Audit Commission as under CPA. Therefore officers input into the process will be to give context to performance and also ensure any particular successes or improvements are taken fully into account.
- 7.17 As this is the first year of CAA there will be the opportunity to reflect on the process in preparation for the 2009/10 assessment and make any changes of approach as necessary.