

District Council CPA Consultation

Resources Committee, item 5

Committee: Resources Committee

Agenda Item

Date: 17 November 2005

5

Title: DISTRICT COUNCIL CPA CONSULTATION

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Item for
decision

Summary

The document summarises the Audit Commission's consultation exercise on District Council CPA and recommends a UDC response.

Recommendations

It is recommended that the Council respond to the consultation document expressing a preference for Group B options, and Option 4 (that includes service assessments) in particular.

Background Papers

The framework for Comprehensive Performance Assessment of district councils from 2006, Audit Commission Consultation Document

Impact

Communication/Consultation	There is a need for ongoing communication/consultation with residents, businesses, partners and staff in relation to CPA
Community Safety	Community Safety issues will be likely to continue to figure in the corporate assessment
Equalities	Equalities has a higher focus in the corporate assessment
Finance	The various options will have a differing financial impact. Group B options will be less resource and finance intensive
Human Rights	Human rights has a higher focus in the corporate assessment
Legal implications	CPA assessment is a statutory requirement for all principal authorities
Ward-specific impacts	All
Workforce/Workplace	The various options will have a differing workforce/workplace impact. Group B options will be less resource intensive

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Situation

- 1 The Audit Commission consulted in December 2004 on a possible framework for CPA from 2005 that included some preliminary thoughts for district councils. As a result the Commission has decided to carry out further consultation on CPA for districts from 2006-2009.
- 2 Responses must be made to the consultation exercise by 30 November 2005.
- 3 Before the new framework is implemented in April 2006, interim activity in district councils will comprise:
 - Use of resources assessment
 - Direction of travel statement

These will be reported in the Annual Audit and Inspection letter for each council by 31 March 2006. For 2005/06 for district councils the direction of travel statement will not be scored.

Guiding principles of the consultation

- 4 The guiding principles of the consultation document are:
 - Strategic regulation – CPA for districts should focus on improvement, be seen from the perspective of service users, provide value for money for taxpayers, be targeted and risk based and delivered in partnership with others
 - Build on investment from first round of CPA – less intensive
 - Enable comparison across the tiers where desirable in terms of similar services
 - Affordability/minimal impact on council capacity
 - Capable of delivery by March 2009
 - Include appropriate involvement of other organisations supporting improvement

Key elements of CPA

- 5 The key elements of CPA that can be adapted for use in a district methodology are:
 - Use of resources assessments – based on work of auditors under Code of Audit Practice, includes self assessment of achievement of value for money
 - Direction of travel statements – annual progress of improvement
 - Service assessments – performance information and inspection activity (could be service assessment for benefits, housing, environment and culture, or alternatively a basket of indicators)

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- Corporate assessment – in depth focus on corporate arrangements, periodic not annual (achievement could be measured for districts in relation to local and national shared priorities or in relation to service delivery or cross cutting political objectives).

Consultation options

- 6 A variety of approaches are suggested in the Audit Commission document to bring together component tools/generic features. Key elements are:
 - Need to achieve balance between consistency and comparability across the tiers and reducing burden of inspection
 - Need to ensure adopted framework capable of providing step towards area based assessments of public services (in longer term)
 - Pilots will be sought for component parts and longer term area based pilot work
- 7 The District Council CPA consultation options fall into two categories:

Group A: options 1, 2 & 3 that allow the Commission to re-categorise all councils through a programme to be delivered over a number of years;

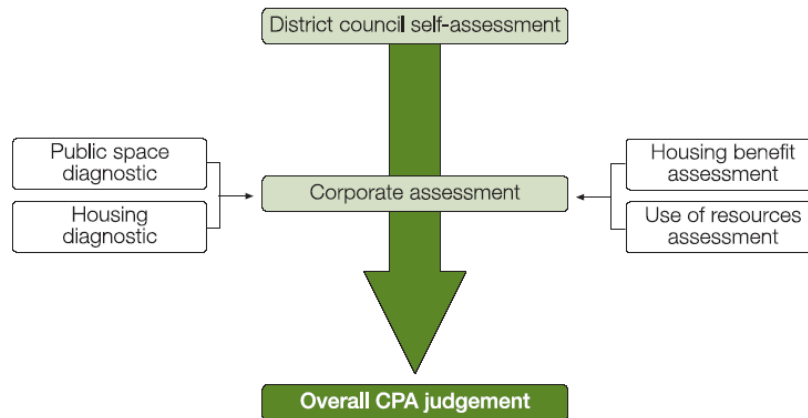
and,

Group B: options 4 & 5 that allow the Commission to identify that a council may be ready to be considered for re-categorisation (or where service or corporate failure indicates a potential need for re-categorisation) before activity to confirm whether re-categorisation should take place.
- 8 All options need to allow for the possibility that re-categorisation can be either upwards or downwards depending on performance.

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Group A

Consultation Option 1



9 The framework in this option includes:

- Service delivery diagnostics (for example, public space and housing as in the first round)
- Benefits assessment
- Use of resources assessment
- A periodic corporate assessment, and
- It could include regular statements of direction of travel that sit alongside CPA categorisation

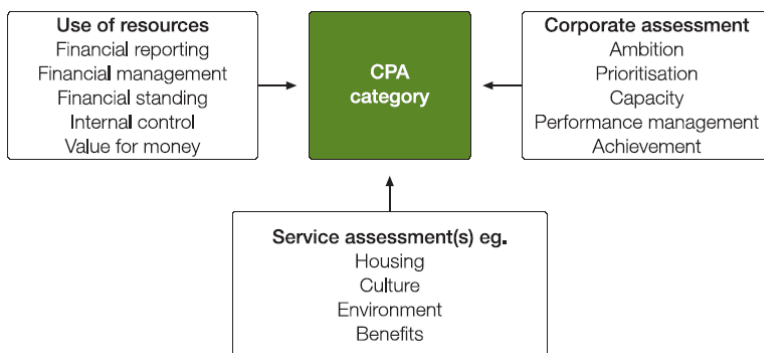
10 It does NOT include separate regular service inspections.

11 Corporate assessment would be in-depth for ALL councils in a phased programme over the period 2006-09. This would require a high level of resource to the Commission and high cost to district councils.

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Consultation Option 2



12 This framework would include:

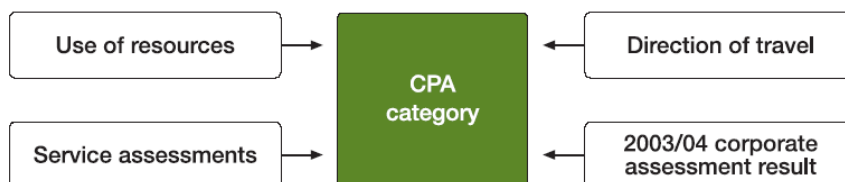
- Use of resources assessment
- Service assessments
- Periodic corporate assessment; and
- Possibly direction of travel scored judgements published annually when CPA categories were updated.

13 A rules set would bring together scores from each component part to produce an overall CPA category.

14 Corporate assessment activity would be periodic on a rolling programme covering ALL councils in the period 2006-09.

15 This option is likely to require the highest resource commitment both financial cost and resource requirements in district councils in preparing for the various elements of the framework.

Consultation Option 3



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16 The framework for this option brings together the following components:

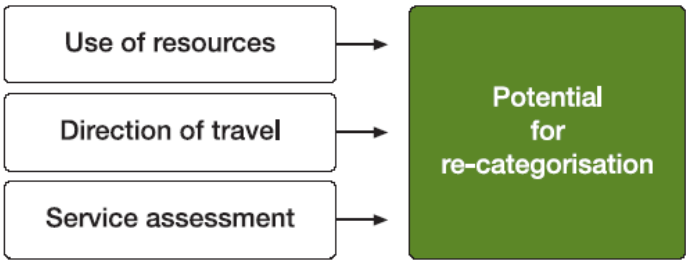
- Use of resources assessment
- Service assessment
- Direction of travel statement; and
- 2003/04 Corporate Assessment result

17 A rules set would be devised to produce a CPA category. Without a new corporate assessment the direction of travel and/or use of resources assessments would need to be enhanced to cover key aspects of corporate performance.

18 The least resource intensive option of Group A, but would involve the use of a corporate assessment score which could be up to six years old by 2009. It would also not allow the elements comprising the corporate assessment to be refreshed, ie user focus, diversity and human rights.

Group B

Consultation Option 4



19 This framework would bring together annual:

- Use of resources assessments
- Service assessments; and
- Direction of travel statements

to provide a basis for the Commission to decide whether to carry out further assessment activity and an opportunity for re-categorisation.

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20 A new corporate assessment would only be carried out at those councils where there was evidence of:

- Sustained performance that was significantly better than the original corporate assessment, and the council wished to be considered for re-categorisation; or
- Significant weakening of performance.

21 Excellent councils would only feature if they showed signs of weakening performance.

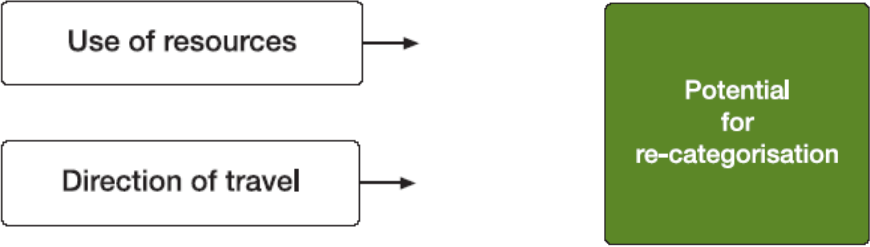
22 Corporate assessment activity would be able to probe areas highlighted by the use of resources, service and direction of travel assessments.

23 On the basis of risk they could also consider:

- Ambition and prioritisation
- Capacity and performance management; and
- Achievement. This could focus on what the council is achieving across the range of its activities against local priorities or against a set of cross cutting themes.

24 Different options for corporate assessment would be piloted.

Consultation Option 5



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25 Option 5 is similar to 4, but without the service assessments.

26 Options 4 & 5 are the least cost options and would only involve councils wishing to be considered for re-categorisation, or that showed signs of significant weakening performance.

District Council Reference Group

27 The District Council Reference Group met at the start of October. During discussions on the consultation exercise the majority of participants preferred Option 4. With regard to the specific questions arising from the consultation, views were as follows:

We have outlined some guiding principles in Section 3. Are there any others you think we should be following?

- Comparison with single tier not important
- More importance should be given to continuous improvement
- More clarity or emphasis on service user perspective

Do you think that peers should play a part in our assessment activity and if so what do you think is the best way of using them?

- Peers should have an important role and this element should be emphasised more.

How do you think that the key elements of CPA should be used in relation to DC CPA? Please indicate the relative weighting or priority each element should have

- Preference for service diagnostics rather than service assessments
- Corporate assessment was key
- Risk of duplication between some components

Additional alternative models

28 There is an additional performance management model being championed by the Kettering Borough Council Chief Executive, David Cook. This proposes a

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proportionate inspection based around whether the Authority has accurate and reliable performance management arrangements in place.

Assessment of Benefits

29 Options in Group A will be highly resource intensive. The capacity and resources of UDC, together with ambition for improvement lend themselves to options in Group B. It should be noted however, that Group B options in themselves only act as a trigger for corporate assessment, the details of which is not yet specified. Including service assessment into the trigger mechanism, as in option 4, would seem to allow for a wide and broad view of performance and improvement across the range of the council's activities, though there is potential scope for duplication if performance indicators or previous inspection activities are used.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
That the Audit Commission adopts an option from Group A	Low	High	The majority of responses to the consultation exercise are likely to be for the lower resource requirements of Group B options
That the Council is insufficiently prepared for assessment in Group B options	Low	High	The Council has already prepared a self assessed use of resources statement and is to be assessed on its direction of travel during November. Ongoing work on the corporate planning and performance management frameworks is being carried out to strengthen scores in any future corporate assessment.