

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No.

meeting date: 24th March 2009
 title: Comprehensive Area Assessment Framework
 submitted by: Chief Executive
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1 PURPOSE

1.1 This report is to provide members with information regarding the new Comprehensive Area Assessment Framework.

2 RELEVANCE TO THE COUNCIL'S AMBITIONS AND PRIORITIES:

- Council Ambitions: The area assessment looks at locally agreed priorities in the Lancashire LAA and Ambition Lancashire and assesses what partners are doing to achieve the required outcomes. The
- Community Objectives: assessment will also look at local priorities, in the context of wider national themes. The contribution of each organisation in Lancashire to improving outcomes in the area will be directly reflected in the organisational assessment.
- Corporate Priorities:
- Other Considerations:

3 BACKGROUND

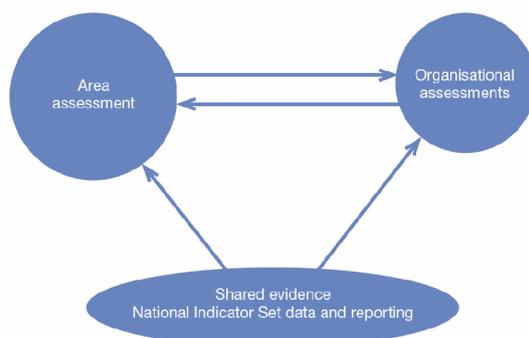
3.1 CAA has been 'designed' because the Audit Commission and other inspectorate bodies feel that people deserve clear and impartial information about how well they are being served by their local public services, how that compares with elsewhere, and what the prospects are for the improvement of quality of life in their area. This information will help people to hold elected representatives and those providing local public services to account for their performance and use of public money. It will help people make informed choices and influence local decisions.

3.2 From April 2009 CAA aims to provide:

- a catalyst for improvement: better local outcomes, more effective partnership working,
- more responsive services and better value for money;
- independent assurance for citizens, service users and taxpayers;
- an independent evidence base for central government on progress with national priorities and improving local services; and
- a means of focusing, rationalising and coordinating inspection.

4 AREA ASSESSMENT

Figure 1
The CAA framework



4.1

- 4.2 The area assessment will start with the locally agreed priorities in the Lancashire LAA and the sustainable community strategy (Ambition Lancashire). Inspectors will look at local priorities, in the context of wider national themes. In some cases, the assessment may identify important local issues that are not reflected in these agreed priorities. For example, poor performance in an important service area that has not been targeted for improvement may be identified. Similarly, they may identify situations where priorities have not been reviewed to reflect significant changes in circumstances, such as the economic downturn. As such, inspectors view CAA as being helpful to the LAA review process in considering whether the priorities within it remain the most appropriate as well as providing an assessment on the prospects of achieving current targets and improvement priorities. Similarly, CAA can help local partnerships review and update their sustainable community strategies.
- 4.3 The assessment will be looking at the prospects for future improvement in those outcomes that are most important, including over the longer term. Inspectors will take into account how well the local partners understand their local communities and reflect this in their priorities, as well as how well served local people are currently.

5 THE THREE KEY AREA ASSESSMENT QUESTIONS

- 5.1 The assessment will focus on the third of the following questions. The first two questions will provide underlying evidence and understanding to support judgements on the third question.

5.2 How well do local priorities express community needs and aspirations?

- 5.3 Understanding how well local partners understand their communities and listen and respond to local people, including children, is central to the first question in the area assessment. Equally important is how well this understanding has been used to inform local priorities and therefore influence future prospects for improvement. Information from the Place Survey and the National Survey of Third Sector Organisations, will contribute to evidence on meeting the duty to involve.

- 5.4 In reviewing the evidence, inspectors will be looking at how effective engagement is, by understanding:

- how well councils and their partners know and engage with their communities, including children, and understand the needs of vulnerable and marginalised groups;
- the extent to which the priority outcomes for the area have been defined with the involvement of communities;
- how well communities have been involved in assessing whether priority outcomes have been delivered; and
- the effectiveness of local partners in coordinating community engagement and communicating the impact on their decisions.

- 5.5 They may also consider the quality of engagement through visits, for example to neighbourhood forums and citizen panels, and from evidence from third sector partners on the local strategic partnership including Local Involvement Networks (LINKs) and third sector groups and organisations.

5.6 How well are outcomes and improvements needed being delivered?

5.7 What are the prospects for future improvement?

- 5.8 This question draws on the conclusions from the previous two questions and reflects the main purpose of the area assessment. Reporting and judgements will focus mainly on the prospects for future improvement. Effective partnership working is vital to improving outcomes. As well as the local strategic partnership, this also includes, for example, children's trusts, crime and disorder reduction partnerships and multi-area agreements. We will look at evidence of the capacity and capability of partners to identify where weaknesses in partnership working represent a barrier to improved outcomes, or where innovative or excellent partnership working is delivering results.

6 UNDERPINNING THEMES

- 6.1 Underpinning these three questions are themes that thread through the area assessment. These are:
- sustainability;

- inequality; - effective local public services target effort where improvement is most needed to tackle inequalities within and between communities.
- people whose circumstances make them vulnerable; and
- value for money - the use of resources elements of organisational assessments place a significant focus on value for money and CAA will present an opportunity for them to take a broader view across organisations.

7 THE REPORT

7.1 The area assessment will be reported as a narrative and will not receive a numerical score or other overall rating. Inspectors will however use flags. They are likely to report a red flag where one or more of the following applies and where not enough is being done to tackle the concern:

- performance is poor, slipping or not improving;
- service or outcome standards are unacceptable;
- improvement is not on track to achieve a target;
- locally agreed priorities do not reflect evident and pressing need;
- insufficient account is being taken of inequality; and
- insufficient account is being taken of people whose circumstances make them vulnerable or who are at risk of avoidable harm.

7.2 Because a red flag reflects significant concerns about the prospects for improvement, not current performance, before awarding one they will consider whether:

- the local partnership is aware of the concern;
- plans to improve the areas of weakness are robust and if there is evidence of improvement; and
- significant weaknesses or failings, such as poor governance, are likely to prevent sustained improvement.

7.3 Where exceptional performance or improvement has been highlighted, or promising prospects for improvement through innovation are evident, this may be highlighted as a source of learning for others using a green flag.

7.4 Red and green flags are not the opposite of each other. They each have their own distinct purpose and criteria. The Inspectorates are developing a formal procedure to allow challenge to the reporting of red flags. However, they do not intend that the non-award of green flags will be subject to challenge. They will publish the formal approach to challenges by 31 March 2009.

7.5 Inspectors will raise issues within the area assessment about particular districts, partnerships, neighbourhoods or wider regions where appropriate.

7.6 CAA will build a fuller picture of each area over time and they will not cover everything each year. Red and green flags will be kept under review and will be removed from the reports when they are no longer relevant, normally when they publicly report again. To ensure a proportionate approach is maintained, they will not seek to carry out a complete reassessment of areas of concern (either red flagged or potentially so), but will use the following approach to review change:

Initial red flag assessment	Future years:
What is the issue?	What is new or has changed?
What is the scale of the impact?	Has it got better?
How serious is it?	Will it get better in the future?
Is it getting better?	
Will it get better in the future?	
What will help it get better?	

Initial green flag assessment	Future years
What is the issue?	Is the improvement of performance as noteworthy as the previous year?
What is the scale of the impact?	Is there anything new for others to learn from?
How helpful will the learning be to others?	

8 ORGANISATIONAL ASSESSMENT OF COUNCILS

- 8.1 The contribution of each organisation to improving outcomes in the area will be directly reflected in its organisational assessment so that efforts are directed at improving outcomes, rather than organisational scores. This will work in two ways: if a flag in the area assessment highlights concerns or exceptional performance or improvement regarding the contributions of a specific partner, this will be reported in more depth in the relevant organisational assessment, and is likely to impact on the organisational assessment scores. Similarly, any concerns or positive indicators arising from the organisational assessment, which impact significantly on outcomes for the wider area or region will be reported in the area assessment and may result in a flag.
- 8.2 Assessing the effectiveness of councils is an integral part of CAA, because of its focus on the outcomes delivered through councils working alone or with partners.
- 8.3 The organisational assessments will:
- support and complement the area assessment's focus on priority outcomes;
 - ensure accountability at an organisational level, including contributions to delivering LAAs and wider sub-regional or regional strategies, including multi-area agreements;
 - bring together contributions from inspectors and auditors to provide a rounded assessment of organisational effectiveness;
 - inform and focus improvement planning, including inspection programming; and
 - help the public hold their local public bodies to account.
- 8.4 For councils, the organisational assessment will combine use of resources and managing performance themes into a combined assessment of organisational effectiveness scored on a scale from 1 (lowest) to 4 (highest).
- 8.5 Inspectors will assess the effectiveness of each council through an assessment of how well each organisation delivers value for money in the use of resources and how well it manages its performance. They will publish a single short report that includes an overall score for each organisation alongside the area assessment. The published guidance for Audit Commission staff will contain more information about how the key lines of enquiry will be applied.
- 8.6 In assessing the managing performance theme and key lines of enquiry, inspectors 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 LAAs or multi-area agreements;
 - tackling inequality and improving outcomes for people whose circumstances make them vulnerable; and
 - providing the leadership, capacity and capability it needs to deliver future improvements.
- 8.7 Each council organisational assessment will contain an explicit statement on the performance of key council services.

9 SCORING THE ORGANISATIONAL ASSESSMENT

- 9.1 The organisational assessment scores for managing performance and value for money in the use of resources will be combined into a single score using the table below.
- 9.2 Where the managing performance theme score and the use of resources score are the same, the grade will simply be carried forward to become the overall organisational assessment score. A score of 1 in either the managing performance or the use of resources theme will lead to an overall organisational assessment score of 1. Beyond this, where the managing performance theme score and the use of resources score are different, they will use their professional judgement to decide the overall organisational assessment score between the options in the following table. This allows for more professional discretion in weighing up evidence and taking account of the local context in determining which themes should carry more weight. The overall score is shown in blue in the table.

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

Overall [organisation x] performs poorly/adequately/well/excellently

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

10 HOW CAA WILL TAKE ACCOUNT OF DIFFERENT TYPES OF LOCAL GOVERNMENT

- 10.1 In areas with county and district councils, partnership arrangements are more complex than in areas with a single council. Most county and district councils each have separate local strategic partnerships and separate sustainable community strategies. For many services, the area on which the responsibility is based is different under county and district areas than those with only a single council. In these situations, effective partnership working within and across districts and between districts and the county council as well as with partners from other sectors is all the more important. Inspectors will take account of these additional complexities and inter-relationships and how effective they are will affect their conclusions about the prospects for improving outcomes and about individual organisations.

11 TYPES OF EVIDENCE

- 11.1 Inspectors will consider a wide range of evidence in forming their judgements, likely to include, but not limited to, the following:
- 11.2 LAAs, sustainable community strategies and any other locally agreed targets;**
- 11.3 **The National Indicator Set** - Performance data for 2008/09 will be available from spring 2009 for the new national indicators and will be an important source of evidence for both the area and organisational assessments. The national indicators will provide information about progress towards LAA and statutory targets and broader improvement and performance, including how far inequalities in outcomes are being reduced.
- 11.4 For each indicator, inspectors will compare and report local performance against the national figure, established comparator groups of statistical neighbours and geographical neighbours. Particular attention will be paid to those indicators adopted as LAA targets and statutory targets in each place and compare performance between areas where the same indicators have been selected as priorities.
- 11.5 **Evidence from inspection and regulation** - They may use as evidence for area assessments and organisational assessments relevant findings from any inspection. This includes triggered inspections, and rolling programmes.

- 11.6 **Local performance information and self-assessment** - Rigorous and regular self-assessment is seen to be a feature of effective organisations and partnerships. Good organisations and partnerships should use it as part of their performance management to identify how well they know their communities, if outcomes are being improved, how effectively resources are used, and what needs to be done to sustain and further improve good performance. Inspectors will use the information that partnerships and organisations use to evaluate and manage their own performance wherever possible to help gauge how well performance is being managed in organisations and across areas.
- 11.7 Councils also have an important role in scrutinising local services and contributing to improving outcomes. There is a two-way relationship between scrutiny and CAA. Scrutiny reviews carried out locally will provide valuable evidence that can feed in to CAA and may help inspectorates understand issues without having to carry out additional work. The findings from CAA will also be helpful to overview and scrutiny committees in identifying where they may wish to focus their attention and in providing them with helpful insights when conducting reviews.
- 11.8 Inspectorates do not require a new separate self-assessment for CAA. However, they support the approach being taken by the IDeA and the LGA and others that encourages consistent partnership self-evaluation. The more robust the self-assessment, the more reliance can be placed on it.
- 11.9 **Views of people who use services, residents, businesses, community groups and other third sector organizations** - The views and experiences of local people are key sources of evidence for CAA. They will draw on the findings of the new biennial Place Survey, the National Survey of Third Sector Organisations and the annual Business Survey. In addition, they will take account of the area's own evidence about users' views of local services. They expect this to include information about the views of: children and young people; those who may experience disadvantage in accessing public services; groups and individuals whose views are seldom heard; people whose circumstances make them vulnerable and the third sector.
- 11.10 They will also consider evidence provided by local citizens and service user groups, LINKs, Citizen's Advice Bureaux, the Equalities and Human Rights Commission, MPs, the views of the local business community, and the Local Government Ombudsman and the Standards Board for England.
- 11.11 **Other agencies** - They will consider evidence and briefings from other agencies, for example using evidence from the Homes and Communities Agency about progress in improving housing and regeneration. Government offices in the regions, strategic health authorities and regional improvement and efficiency partnerships will provide information through regular contact with the Audit Commission CAA Lead and other inspectorates.

12 USE OF EVIDENCE

- 12.1 Inspectors will take account of the latest available evidence, as far as possible. They will collate and review evidence through a joint assessment system that will enable the inspectorates to share evidence and support the development of shared judgements. As far as is practical inspectors will share this information with the local partners, this will support transparency around the evidence they use and how they have arrived at judgements from it.
- 12.2 As far as possible, they will plan their work to minimise the administrative impact it has on the local service partners. The degree of accuracy and reliability of the information used locally will also be important in the extent to which they are able to rely on it and will therefore affect how much additional work they need to do (Data Quality).
- 12.3 Using the themes below, inspectors will jointly assess evidence against national and local priorities, such as themes in sustainable community strategies, and report in the area assessment on those that matter most in each area:
- How safe is the area?
 - How healthy and well supported are people?
 - How well is adult social care meeting people's needs and choices? |
 - How well kept is the area?
 - How environmentally sustainable is the area?
 - How strong is the local economy?

- How strong and cohesive are local communities?
- How well is housing need met?
- How well are families supported?
- How good is the well-being of children and young people?

12.4 In January, March and June each year they will update the view of how well local areas and organisations are meeting the needs of local people, whether outcomes are improving and whether priorities are on target to be achieved. They will do this by looking at new or changed evidence of progress towards meeting local and, where applicable, national targets.

12.5 They will not publish a written report in January, March or June but will feed back the views to the local partnership as a routine part of engagement. Where there are concerns, they will raise them at an early stage. In September/October, inspectorates will jointly draft assessments and share them with the local partners. They will agree and report findings publicly in November. Through this process, it is intended that CAA will help drive improvement throughout the year rather than only through annual public reporting. They will share regular feedback with the government offices in the regions.

12.6 Annually, they will consider the administrative impact of inspection across each area and organisation. They will also agree and publish on the CAA website an inspection plan for the coming year indicating the lead inspectorate and when the inspection is due to take place, subject to quarterly updates during the year.

13 TARGETED AND TRIGGERED INSPECTION

13.1 Inspectors will consider carrying out a triggered inspection in the following circumstances, balancing urgency and significance of service failure or performance on individuals and groups, and particularly those in most vulnerable circumstances:

- where performance or improvement levels are unsatisfactory, declining or not improving sufficiently quickly;
- where a service, outcome or one or more service user groups has been identified as being subject to significant risk;
- where underperformance can best be addressed by inspection, bearing in mind the other means available, such as local improvement activity, peer challenge or review, sector-led improvement support, directive action through the Secretary of State, improvement notices or intervention;
- where ministers have given directions for an inspection to take place;
- (in exceptional cases) where performance levels are currently satisfactory but are declining substantially and rapidly; or
- where there is indication of unsatisfactory performance, for example through a serious case review, but insufficient evidence available to make a robust judgement.

14 RISK ASSESSMENT

- Resources: None
- Technical, Environmental and Legal: None
- Political: None
- Reputation: None.

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For further information please ask for Michelle Haworth, extension 4421