

Meeting:	Overview & Scrutiny Committee
Date:	22 April 2008
Subject:	CPA
Key Decision:	No
Responsible Officer:	Jill Rothwell, Corporate Director, Strategy & Business Support
Portfolio Holder:	Councillor Paul Osborn
Exempt:	No
Enclosures:	None

## Section 1 – Summary and Recommendations

This report informs the Committee of the outcome of CPA 2007 for the Council, the prospects for 2008 and provides an update on the new Comprehensive Area Assessment.

**Recommendations:**

The Committee is requested to note the report.

## Section 2 – Report

### Background

This report summarises the Council's current CPA position, which was published in February 2008. It provides an explanation of the current position and an update on the Council's performance as of Q3 2007/08.

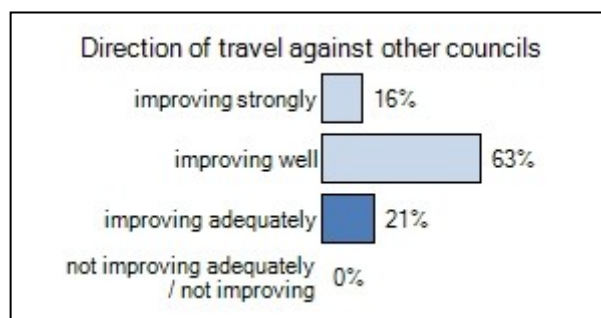
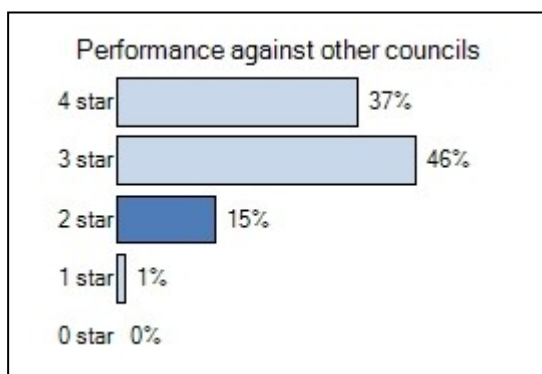
### Current Situation

#### 2007 result

The council's CPA result for 2007, published in February 2008, was two stars, with a Direction of Travel of "improving adequately" – the same result as for 2006.

The Council has been overall 2 stars since 2003 having previously been a 1 star or 'weak' Council. The Council has never had a score above 2 stars.

Relative to other English authorities, the Council's position was as below:



The star rating is made up of the following (maximum score 4 in each case):

<b>Corporate Assessment</b>	2006	2007
How the council is run (including work with partners)	2	2

<b>Use of Resources</b>	2006	2007
How well the council manages its finances and provides value for money	2	2

The Use of Resources judgement is made up of five elements, within which Harrow scored a 1 out of 4 for Financial Standing, for the second year running. This was driven by the level of Council reserves being both low and outside of the Council's stated reserves policy. This has resulted from overspends in 2005/06 and 2006/07. It is expected that this year the Council will comply with its reserves policy and so the Financial Standing score is expected to improve.

<b>Service Block Assessments</b>	<b>2006</b>	<b>2007</b>
Social care (adults)	2	<b>2</b>
Children & Young People	2	<b>3</b>
Benefits	4	<b>4</b>
Culture	2	<b>2</b>
Environment	2	<b>2</b>
Housing	3	<b>2</b>

The Direction of Travel judgement is based on the proportion of selected performance indicators that have improved over the last one and three years. The council's figures were slightly below the single-tier averages:

- 58% compared with an average range of 60.8-63.2% over one year
- 59% against an average range of 61.9-64.1% over three years

The judgement which was published in February 2008 is the key regulatory judgement on the Council's performance. It is however dated picture of how the Council is performing, in the following respects:

- The performance indicators (with a small number of exceptions) represent the Council's performance as of 31<sup>st</sup> March 2007. Of these a number of indicators represent the average performance over the year April 2006 – March 2007.
- A number of indicators arose from the BVPI General Satisfaction Survey that was conducted in the summer of 2006. This is a 3 yearly survey and as such performance is frozen for 3 years.

There are detailed rules for aggregating block scores into an overall score. Given that the Council's Corporate Assessment score is fixed, in order to achieve 3 stars, the Social care (adults) score and the Use of Resources score would both need to rise to 3 out of 4 and none of the other scores fall below 2 out of 4.

An examination of the detail behind the judgements leads to the following conclusions:

- The Use of Resources judgement and in particular the Council's financial standing has been of critical importance in the Audit Commission's judgement on the Council. An improvement in Use of Resources or Direction of Travel is unlikely without this being resolved.
- Performance in Adults Services has been '1 star uncertain prospects' for six number of years. This must improve if the overall scores and perceptions are to change.
- The scores of individual service blocks result from performance in inspections and on specific performance indicators. The Council needs to be more strategic in specifically managing performance of these indicators.
- In summary, the Council will need to improve its financial standing and comply with its reserves policy; improve critical indicators in Adults services and improve specific indicators in other service blocks to be a 3 star Council. Improving these indicators does not necessarily require

service transformation, rather tactical investment and a number of 'fixes'.

## Prospects for 2008

Using the latest available data at quarter 3, 2007/08, it is projected that the council's position for 2008 will be as follows:

	2007	2008 projected
<b>Corporate Assessment (fixed 3 years)</b>	2	2
<b>Use of Resources</b>	2	3
<b>Service Block Assessments:</b>		
Social care (adults)	2	2
Children & Young People	3	3
Benefits	4	4
Culture	2	2
Environment	2	2
Housing	2	2 or 3

This provides an overall score of two stars.

The following tables summarise the quarter 3 position. This table shows the key indicators which are under performing, a proportion of which need to improve above lower thresholds.

In understanding the table, it is important to note that for Housing, Environment and Culture services, service block scores result from performance in inspections and performance against a basket of indicators, and whether these indicators are above or below national upper and lower thresholds.

In short, to achieve scores of 3 out of 4 the Housing, Environment and Culture blocks need to show more than 25% of indicators above upper national thresholds and less than 15% of indicators below lower national thresholds. There is a score of 1 out of 4 if a block shows more than 35% of indicators below lower national thresholds. Overall, this requires improvement in a small number of key indicators, although in Culture this cannot be achieved as the satisfaction indicators are frozen until 2009.

For Childrens and Adults there is no such clear calculus, instead a balanced judgement is taken on performance against indicators and an overall view of the service.

	Reds	Amber	Yellow	Light Green	Dark Green
Adults'	0	5	6	6	5
	<u>The amber indicators are:</u> <ul style="list-style-type: none"> <li>• B12 Unit cost of intensive social care</li> <li>• C51 Direct Payments</li> <li>• C29 Adults with physical disabilities helped to live at home</li> <li>• C30 Adults with learning disabilities helped to live at</li> </ul>				

	Reds	Amber	Yellow	Light Green	Dark Green
	home				
	<ul style="list-style-type: none"> <li>• C32 Older people helped to live at home</li> </ul>				
Children's	0	3	7	5	4
	<u>The amber indicators are:</u> <ul style="list-style-type: none"> <li>• D78 Improved stability of children looked after</li> <li>• A2 Educational qualifications of children looked after</li> <li>• B8 Cost of services for children looked after</li> </ul>				

	Level 1	Level 2	Level 3	Level 4
Benefits	-	-	-	12
	All measures are at maximum.			

	Lower threshold	Between thresholds	Upper threshold
Housing: Managing Council Homes Housing the Community	40% 14%	50% 57%	10% 29%
	<u>The measures below Lower Threshold are:</u> <ul style="list-style-type: none"> <li>• BV66a Rent collection</li> <li>• BV74i Tenant satisfaction overall</li> <li>• BV75i Satisfaction with participation (BV74 and 75 from 3-yearly survey)</li> <li>• BV183a Average stay in B&amp;B</li> </ul>		
Environment	29.5%	18.5%	51.8%
	<u>The measures below Lower Threshold are:</u> <ul style="list-style-type: none"> <li>• BV199a Cleanliness of streets etc</li> <li>• BV63 SAP ratings – council dwellings</li> <li>• BV84 Kg waste collected per head</li> <li>• BV91b Kerbside recycling collection</li> <li>• BV204 Planning appeals allowed</li> <li>• BV90a Satisfaction – waste collection</li> <li>• BV90b Satisfaction – recycling</li> <li>• BV111 Satisfaction – planning service (BV90a/b, 111 from 3-yearly survey)</li> </ul>		
Culture	23.5%	23.5%	53%
	<u>The measures below Lower Threshold are:</u> <ul style="list-style-type: none"> <li>• C19 % population within 20 mins of 3 specified sports facilities</li> <li>• C17 Adults participating in sport</li> <li>• BV119c Satisfaction – museums &amp; galleries</li> <li>• BV119d Satisfaction – theatres &amp; concert halls</li> <li>• (BV119c/d from 3-yearly survey)</li> </ul>		

### Becoming an 'Excellent' Council

For the Council to genuinely become an excellent Council (as opposed to solely focusing on its star ratings), the Chief Executive has put in place a nine step improvement plan. This covers the following areas:

- Vision and priorities
- Organisational structures
- Finance
- Investment in people
- Work life balance
- Performance management
- Organisational culture
- Communications
- First impressions of the organisation

The most recent overall assessment of the Council's current performance was provided by the IDeA Peer Review, conducted in December 2007.

This was conducted by a set of highly credible and senior industry peer officers and members. In their draft report they recognise the considerable progress the Council has made over the past year. In summary they point to a 'range of high performing, high quality and innovative services, activities and initiatives that improve the quality of people's lives in Harrow are being delivered'. They also noted that 'there is a clear sense of momentum in the organisation and much greater stability than before, with strong political leadership having been instrumental in achieving this'.

They fully endorsed the Council's improvement plan by reporting that 'a clear improvement plan has been established by the new chief executive, through which the authority is focusing on the correct changes and improvements to deliver better outcomes for local people'.

### **Performance Management**

The Council has been monitoring performance against critical CPA indicators throughout 2007/08 and it is our performance as of March 31<sup>st</sup> 2008 which will influence the next and final CPA judgement in March 2009.

Improvement Boards are held on a quarterly basis for Childrens, Adults, Community & Environment and Corporate Health to review a broad agenda including:

- Council Improvement Programme projects (including Flagship Actions)
- Performance indicators and the forecast CPA position
- Budgets
- Workforce data
- Customer data
- Complaints
- Internal Audit reports
- Health and Safety

A quarterly summary of these reports is discussed at CSB meeting, dedicated to performance issues.

The Strategic Performance Report contains all the critical CPA indicators and is reported to Cabinet quarterly.

The template for Cabinet reports has also been updated such that all proposals to Cabinet contain an analysis of the impact on performance

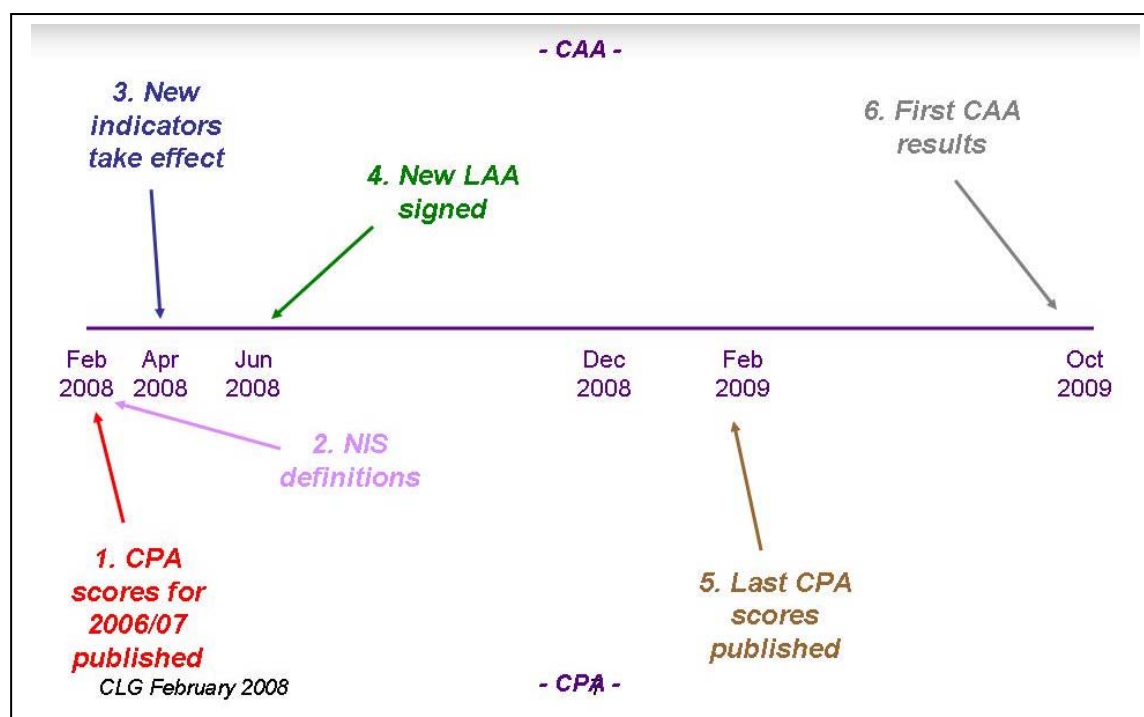
indicators and are signed off by the Divisional Director of Strategy and Improvement.

### Comprehensive Area Assessment (CAA)

2008 will be the last year of CPA. From 2009, CAA will focus on geographical areas rather than councils and provide annually:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• a joint inspectorate <b>Risk Assessment</b> for each area</li> <li>• a <b>Use of Resources</b> judgement for each council (and separately for some partners)</li> <li>• a <b>Direction of Travel</b> judgement for each council</li> <li>• an assessment of the area's performance against the new <b>National Indicator Set</b></li> </ul> | <p>A forward-looking assessment of the likelihood of local and national priority outcomes being achieved</p> <p>An expanded version of the Use of Resources block within CPA</p> <p>Similar to current practice under CPA</p> <p>In effect from 1 April 2008, this indicator set is intended to replace BVPIs and PAF indicators</p> |
|--|--|

There will be no overall score for the CAA and no overall star ratings for councils. The timeline for its implementation is illustrated below:



The Council is already working on its preparations for CAA. Detailed plans are in place for measuring the new national indicator set from 1<sup>st</sup> April 2008.

A working group has been set up to address the new Key Lines of Enquiry that will form the new Use of Resources judgement.

### Recommendation:

Overview and Scrutiny are asked to note the report.

### **Legal Implications**

None

### **Financial Implications**

None

### **Performance Implications**

None

## **Section 3 - Statutory Officer Clearance**

Name: ...Sheela Thakrar.....	<input checked="" type="checkbox"/>	on behalf of the* Chief Financial Officer
Date: 8 <sup>th</sup> April 2008		
Name: Helen White	<input checked="" type="checkbox"/>	on behalf of the* Monitoring Officer
Date: 7 <sup>th</sup> April 2008		

## **Section 4 - Contact Details and Background Papers**

Background Papers: Annual Audit and Inspection Letter

Contact: Tom Whiting, Divisional Director (Strategy & Improvement),  
Tel. 020 8420 9484