

## Harrow Strategic Partnership Board

7th August 2008

### CAA and the Area Assessment

#### Purpose of Report

Risk Management is at the heart of the new Comprehensive Area Assessment (CAA), both from a Use of Resources rating perspective and in relation to the implementation of the area assessment. A key requirement of the assessment is around risk management in partnerships.

Communication with the council's risk management team has commenced and a work programme has been developed. This report details the risk management approach to CAA and the Board are asked to approve the approach.

#### The HSP Board is requested to review and agree the following items:

- A. Note the recommended approach for the area assessment to the Comprehensive Area Assessment (CAA)
- B. Agree to nominate a partnership manager from each management group who will be responsible for co-ordinating and updating the risk registers

#### Background

*"Before risk there was fate" - Bernstein LP 1996.*

In 2009 the Comprehensive Area Assessment (CAA) will take over from the existing performance assessment of local government (CPA). Changes to the regime will present significant challenges for Harrow Strategic Partnership. The purpose of this report is to provide an overview of the risk management aspects of the new performance framework and outline some of the implications for the partnership.

Detailed methodology is due to be released by Audit Commission at the end of July, however at the time of writing this report the methodology had not yet been published.

Based on the initial CAA guidance the current key areas to be considered will be:

- Our focus on quality of life
- That we provide cross-cutting solutions to big challenges
- What we deliver is relevant to local people
- That we provide value for money
- We are area-based, outcome focused
- Our ability to work in partnership
- That we are forward looking

The new CAA framework will have two components, the Area Assessment and Organisational Assessment. Both of this will draw on a joint inspectorate shared evidence base and partnership involvement.

Integral factors in the CAA will include citizen and user engagement; addressing inequalities, promoting equality and diversity; sustainability (in the environmental sense and more broadly); value for money.

## **1. What is the area assessment?**

The final paper on CAA, due at the end of July, could change the approach re area assessment. However based on recent publications from the Audit Commission they have stated that the area assessment will be a way to consider what could go wrong, how likely it is to go wrong, what the consequences would be if it did go wrong and what we can do to prevent or reduce the chance of it going wrong.

The area assessment will therefore be defined as the likelihood of priorities being met and not a detailed analysis of the whole partnership process.

The area assessment will look at the outcomes of all public services delivered in a locality at all levels – from the region/sub region to the neighbourhood level. It is proposed that the Area Assessment starts with the LAA and assesses progress against the priorities and ambitions set out in the sustainable community plan. It would centre around three key questions:

- How well do local priorities express local need
- How well are the outcomes/improvements being delivered
- What are the prospects for future improvement

The area assessment could also consider how well the duty to involve is being implemented, how councils and their partners engage with local citizens and how activity is improving equalities or tackling disadvantage in the area.

It is intended that the Area Assessment evolves over time. The intention is for the first year's assessment (in November 2009) to set a baseline. Subsequent years will then focus on the changes to that baseline and the reasons behind that.

### **The area assessment process will require all strategic partners to engage and own the development and outcomes of the assessment.**

We will also be able to use the process as a vehicle to identify risks to delivery of outcomes and where particular communities are at special risk.

## **Governance**

The primary focus is on area-based outcomes and quality of life, not process. Evidence about capacity to deliver will be taken into account and will be important in assessing risks. Governance and accountability for delivery in partnership remains important and assessment of organisational use of resources is a key element of this process.

## **CAA - key dates**

- July 2008: second joint consultation document setting out inspectorates' detailed approach to the CAA framework and the methodologies underpinning it
- September 2008: new 'Places Survey' undertaken locally
- End 2008 / early 2009: last round of CPA annual performance assessments published
- End 2008: first annual review of LAA completed
- Early 2009: final CAA methodology to be published
- April 2009: CAA launched
- Spring 2009: first set of results from new Places Survey released

- October 2009: first set of CAA results to be published.

## **Recommended approach for Harrow**

In order to prepare for the eventual rollout of the new CAA, the Risk Management Team and Policy and Partnership Team have met with other Local Strategic Partnership leads to ascertain a best practice approach, ahead of final document publication, a move to demonstrate innovation in itself. The below recommendations outline the suggested approach for Harrow following these meetings and subsequent discussions.

1 – Defining ‘significant’ partners – We have taken this to mean those partners within the Harrow Strategic Partnership, who coordinate, commission or deliver activities, at a borough wide or local level, that substantially contribute towards our Sustainable Community Plan and Local Area Agreement outcomes.

Some partnerships have their own partnership families e.g. the delivery groups, which sit under the management groups. In this case it is recommended that only the parent partnership is regarded as a significant partnership. The only exception to this is the Harrow Strategic Partnership and the family of management groups that sit directly under it.

For the purpose of developing a group of partnership risk registers we have identified five partnerships:

- Sustainable Development and Enterprise Management Group
- Safer Harrow Management Group
- Community Cohesion Management Group
- Adult Health and Social Care Management Group
- Children and Young People Strategic Partnership

2 – Partnership Managers – It is recommended that we nominate partnership managers for each management group. The partnership managers will co-ordinate the development of the registers and the ongoing monitoring and updating of the registers through out the year. The partnership managers will be provided with training.

3 – Risk Assessments – In order to address the questions “How well are the outcomes/improvements being delivered; and what are the prospects for future improvement?” The registers will also need to look at risks associated with the implementation of the duty to involve and engagement with local citizens and tackling disadvantages. We will need to undertake and develop risk registers for each of the five key partnerships. The registers will consist of outcome based risks and partnership risks. The assessments will focus on the Sustainable Community Plan and the LAA and be presented to the HSP Board.

4 – Monitoring and Review – registers to be reviewed quarterly at partnership meetings and the Partnership Manager will prepare an update report for the Chair to present at the Board meetings.

5 – Area Assessment – On publication of the final guidance (due at the end of July), a determined course of action will be developed to undertake the area assessment through further work with partners. The risk registers will feed into the area assessment.

**A more detailed action plan to meet the current CAA risk management requirements are as follows:**

<b>Item</b>	<b>Issue</b>	<b>Action</b>	<b>Owner</b>	<b>Timeframe</b>
1	Defining significant partnerships	<ul style="list-style-type: none"> <li>- Paper to the council Corporate Strategy Board outlining agreed approach to use HSP as the significant partnership with the five partnership management groups defined.</li> </ul> <p><i>Note: justification is benchmarking, skill, judgement, demonstrating leadership.</i></p>	CSB, Performance Team (PT), Risk Team (RT)	July 08
2	Communication	Develop first draft of communication strategy. Should include: <ul style="list-style-type: none"> <li>- August report to HSP Board (taken from July's CSB report) – include partnership manager nomination.</li> <li>- Sept Cabinet report</li> <li>- Workshops for Members/Management Teams etc.</li> </ul>	Policy and Partnership and Corporate Performance	Ongoing
3	Developing a shared framework	<ul style="list-style-type: none"> <li>- Network with other partner Risk Manager's and propose the use of Harrow Council's process with input from others</li> </ul>	Risk Team	June/July 08
4	Sustainability process	<ul style="list-style-type: none"> <li>- Mike Howes to raise and discuss the issue of sustainability at management group level. This is to be considered in the Area Risk Assessment Process</li> </ul>	Policy and Partnership	July 08
5	Partnership Managers	<ul style="list-style-type: none"> <li>- To be nominated at August HSP Board.</li> <li>- Training to be given to Partnership Managers prior to workshops to advise on how to carry out review of risk registers and to include risk update as part of usual report.</li> </ul>	Policy and Partnership and Council Risk Team	Sept/Oct
6	Finding out what the significant risks are at a partnership level	<ul style="list-style-type: none"> <li>- Commission a facilitator for the six workshops</li> <li>- Set up and hold six workshops with the significant partners – five, 1 for each management group and an extra workshop to ensure registers are aligned and nothing is missed (including anything that may be outside LAA or SCP)</li> <li>- Membership of 6<sup>th</sup> workshop to be agreed.</li> </ul>	Partnership Managers, Risk Team, Policy and Partnership	Oct/Nov 08

		- Split risks into outcome based and partnership risk.		
7	Ensuring that the process is geared to outcomes and community needs/aspirations	- Link risk registers to objectives of the sustainable community plan, LAA and 5 partnership themes groups.	Partnership Managers (PM)	Oct/Nov 08
8	Register approval	- Registers from all workshops compiled and presented to Board.	PM and Policy and Partnership	Nov/Dec 08
9	Feeding back to the HSP quarterly	- Each nominated Partnership Manager to review registers with team each quarter and compile report for Chair to bring to Board.	PM	Q4 08/09
10	Developing an area assessment	- Use the joint register from workshops to inform the development of an area assessment– Awaiting methodology to progress this.	Policy and Partnership, Risk Team	TBC
11	Consider applying PM toolkit	- As a minimum create a risk register and add a risk that parts of the organisation will not capture data for the indicator set.	Risk Team, Policy and Partnership	Ongoing

## Notes

- The shift towards desk based risk assessment will mean a greater emphasis on and scrutiny of data quality. This will be a challenge for all areas.
- Partnerships to review and improve their community leadership role and partnership arrangements.
- CAA will feature the voluntary and community sector. This is an area of influence, not control and it will be challenging to ensure working and delivery arrangements are reflected in the best way. There may be capacity issues that will need to be assessed to allow innovation to grow.
- The quality of the relationship between local authorities, the Local Strategic Partnership and the Audit Commission will be critical as assessment shifts towards inclusion of more subjective judgments, creating the potential for more debate and disagreement.
- The increasing focus on improving outcomes will require greater clarity by the Council and LSPs over what those outcomes are, and a consistent definition for 'outcome', which is applied throughout our LAA framework, linked to corporate plans and delivery plans for partnerships and Harrow Council Directorates.
- LAAs will become the focal point of the new performance framework.