

COMPREHENSIVE PERFORMANCE ASSESSMENT FROM 2005: RESPONSE TO CONSULTATION DOCUMENT

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

27TH JANUARY, 2005

Wards Affected

None

Purpose

To agree the terms of the Council's response to the Audit Commission's consultation document, "Proposals for Comprehensive Performance Assessment from 2005".

Key Decision

This is not a Key Decision.

Recommendation

THAT the Chief Executive should reply on behalf of the Council in the terms of the draft letter at Appendix 1.

Reasons

Like all local authorities, the Council will be subject to the proposed new framework for Comprehensive Performance Assessment (CPA). Particular issues arise because the Council is provisionally scheduled to be included in the first round of assessments under the new framework this autumn. It is important that the Council should respond.

Considerations

1. Cabinet considered the proposed new framework at its meeting on 13th January, 2005. It agreed that the Council should respond to the consultation document.

Financial Implications

None

Alternative Options

Alternative Option 1

None. The Council has already decided that it is in the Council's interests to respond.

Further information on the subject of this report is available from
N.M. Pringle, Chief Executive on 01432 260044

Risk Management

There are inherent risks to all local authorities in the CPA process. These would increase under the proposed new process because the nature, extent and standards of the assessment would be more demanding. By responding to the consultation, the Council can seek to influence the framework.

Consultees

None

Background Papers

None

DRAFT LETTER

Dear Sirs,

PROPOSALS FOR COMPREHENSIVE PERFORMANCE ASSESSMENT FROM 2005

Herefordshire Council welcomes the opportunity to comment on the Commission's proposals for the new CPA framework. The Council has previously responded to consultation indicating its support for the principle that there is value in the system of Comprehensive Performance Assessment which enables the performance of individual local authorities and their constituent services to be measured. The Council recognises that there is an inherent tension between representations that any such system of evaluation should be intellectually robust and transparent; that the system should be capable of being easily understood by both the authority and the public who it serves who need to be able to interpret them; and that it should recognise the existing burden of inspection and seek to relieve authorities from that burden rather than add to it. Within that context, the Council has felt it inappropriate to submit a detailed critique of every aspect of the proposed framework but has sought instead to set out what it sees as the strengths of the revised framework whilst drawing attention to areas of potential concern.

Against that background, the Council welcomes particularly:-

- the concentration on outcomes for local people and on value for money, clearly against the background that the basis for such judgements are demonstrably fair and balanced and are based on the most up to date information available.
- the greater emphasis that is to be placed on the context of service delivery. This is not the place to rehearse the characteristics of individual authorities but the point is illustrated by reference to Herefordshire. Herefordshire is not a typical Unitary Authority. It has a population of 176,500 and covers a geographical area of 217,000 hectares, an area more typical of rural County Councils. It is the most sparsely populated Unitary Authority and despite appearances nor is it economically prosperous. The average gross weekly earnings in Herefordshire are the lowest in the West Midlands and stand at 78% of the national average. Those points are made not in a domestic context, simply in the context of registering the importance of taking into account the local context.
- reduction in the burden of inspection by making better use of other available information about the performance of services.
- the move to a model that does not rely simply on the assessments of plans or inspection scores but that pays particular attention to appropriate performance indicators whilst taking into account other available supporting information provided to the Commission. Where that information informs judgements on service performance, it is important that both the nature and source of the information and the weight it is given is explicit in the judgement.
- the alignment of the substance and timing of the Corporate Performance Assessment and the Joint Review of Children's Services despite recognising the significant burden of inspection that will be placed upon authorities over the relatively short period of the two inspections.
- the greater emphasis placed on pre-inspection activity and self-assessment which should help in establishing the local context previously referred to. Again, it is important that there should be clarity about the sources of information being utilised and the weight being placed upon them as part of that activity.

- the principle of using rules rather than scores to determine the overall CPA categorisation.
- the extension of the existing approach to Direction of Travel with the publication of explicit Direction of Travel statements. It is felt that particular weight should be given to both past and future Direction of Travel statements in the application of the rules for producing overall CPA categorisations. (This point is developed in the concerns which are outlined below.)

Within the context of the Council's broad support for the revised framework, the Council would like the Commission to take account of the following points:-

- The Council has offered support for greater weight being given to the local context within which an authority operates and has illustrated that very briefly by reference to the particular local characteristics of Herefordshire. There are, however, some potential tensions between those statements and the indication that amongst the main changes proposed are greater emphasis on assessing how well the Council contributes to the achievement of shared priorities between local and central government while understanding and meeting the needs of its local communities.

It is important not to exaggerate the tension because the priorities for central government will often have a close alignment with the needs of local communities but the Council would have welcomed clear statements on the approach within inspection to circumstances where there was a clearer and well-reasoned explanation of a local political choice which was less well aligned with such priorities. Some of the key lines of enquiry would appear potentially to unnecessarily fetter the discretion of inspection teams.

- The Council is also anxious that the rule based approach should not operate in a way that inhibits innovation. It is accepted that this is not the intention of the framework and examination of the rules based approach and the key lines of enquiry do illustrate how that could arise. There is a tension between the desire to create a system which creates a national consistency whilst at the same time recognising the value of innovation within the context of local service provision. It is hoped there is some way in which inspection teams can be encouraged to give weight to that issue within the rule based framework.
- The Council does have concern about the parallel running of the existing system of CPA alongside CPA 2005 for the period 2005 - 2008. Clearly, at least in part, the Council's concerns are based on the fact that it is provisionally listed for inspection in the period September - December 2005 and will therefore have to handle the dual announcements in each year of the whole of the three year period. The Council recognises that if change, which is broadly supported, is to be made then that period of double running is unavoidable but does want to reinforce the need for the Commission to give prominence to that issue alongside the making of the national annual announcements. The Council has no strong views about the decrease in number of overall classifications and will be inclined to support the reduction of number of categories that might assist the drawing of a distinction between the two systems in the period 2005 - 2008.
- Finally, the Council believes that it will be appropriate to give significant weight to the Direction of Travel statements to avoid the situation where year on year there were changes to the overall categorisation as a result of the changes in the rule based scores. It is felt that there is an opportunity for the consistency of Direction of Travel to be more fully reflected in reaching those conclusions.

In summary therefore the Council is broadly supportive of the revised framework. It is hoped that the concerns which it has expressed will be considered. For the most part, those

concerns are probably insufficiently significant to require consideration of changes to the framework itself at this stage but could probably best be considered as part of the practical roll out of the framework and as part of the learning process from the pilot and first round inspections.

Yours faithfully