

CPA Progress Assessment

23 June 2005



Progress Assessment Report

Weymouth and Portland Borough Council

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Progress assessments

In 2002, Comprehensive Performance Assessment (CPA) was introduced at single-tier and county councils (ST&CCs), and at district councils in 2003/04, as a way of supporting councils to deliver improvements in services to local people.

CPA brought together existing information on service performance in councils with a corporate assessment of each council's ability to improve. This was used to reach an overall conclusion about whether a council was 'excellent', 'good', 'fair', 'weak' or 'poor'.

Those councils classified as 'poorly performing'¹, were the subject of formal engagement by the Office of the Deputy Prime Minister (ODPM), and were required to produce a recovery/improvement plan following their CPA. Through its network of relationship managers, the Commission worked closely with the lead officials assigned by the ODPM in developing an appropriate monitoring programme for the recovery/improvement plan.

The progress assessment will measure the impact and sustainability of the Council's improvement activity. Where necessary, it will report on regress. The progress assessment is tailored to local circumstances, provides appropriate public assurance and contributes to improvement reporting. It will report an evidence based judgement on progress against the original corporate assessment criteria, but it will not give a score.

The progress assessment is part of the Commission's commitment to helping councils ensure continuous improvement to services for local people. It does this in the context of its strategic regulation principles, which look to minimise the burden of regulation at the same time as maximising its impact. We are committed to working in partnership with other regulators and the ODPM in this aim.

¹ 'Poorly performing' is defined as councils that were classified as 'poor' or 'weak' with a corporate assessment score of 1.

Introduction

- 1 In June 2004, the Audit Commission published a Comprehensive Performance Assessment (CPA) of Weymouth and Portland Borough Council. This assessment categorised the Council as '*weak*'. The key strengths and weaknesses from this assessment are set out in Appendix 1.
- 2 This report presents an analysis of the Council's progress to date based on the Council's implementation of its improvement and recovery plan and comparison with the baseline position of the Comprehensive Performance Assessment.

Summary

- 3 The Council is progressing well on addressing the weaknesses identified in the previous CPA report.
- 4 The CPA report criticised the Council for not delivering services of a consistently high level in relation to its corporate priorities. However, provisional figures indicate that the Council has now improved performance in the majority of areas, with particular achievements being secured in relation to strengthening the local economy. There remain areas where improvements are needed, particularly around recycling levels and the provision of affordable housing, but the Council is aware of these, has taken action and is developing plans to improve performance in these areas.
- 5 The Council has started to address the original CPA criticism relating to its ability to remain focused on issues of local importance. There is evidence of an increasing willingness to take difficult decisions in order to improve service delivery or to increase council capacity, and the Council has introduced new brief-holder roles in order to assist councillors to focus on areas of corporate priority.
- 6 Weaknesses identified in the previous assessment in relation to performance management largely still remain. Progress has been made on reviewing performance information in line with corporate priorities but the performance management system is still not driven by a clear statement of what the Council wants to achieve in the medium to long-term. Although some outcome-focused targets exist, the Council still has work to do to ensure that all corporate ambitions are supported with clear objectives.
- 7 Political and managerial leadership have continued to improve in the last year. Staff have a clear understanding of corporate ambitions and recognise improvements in practices within the Council since the previous assessment. The original CPA report criticised the extent to which the Council's corporate priorities and ambitions were embedded within the organisation and the Council has started to address this. Unit plans and appraisals now clearly link with Council priorities.
- 8 Capacity within the Council remains stretched. The Council is now seeking to manage this more effectively, through continuing to improve financial management arrangements and exploring alternative approaches to service delivery and other means of joint provision. However, financial capacity remains under considerable pressure.
- 9 The Council has a number of plans in place to deliver improvement, but the extent to which the Council has the capacity to deliver against its ambitious plans for improvement, remains uncertain.

Recommendations

- 10 It is recommended that the Council:
- actively and promptly shares the findings of this progress assessment with staff;
 - takes it to an appropriate public committee meeting; and
 - uses the key findings as the basis for revising the improvement plan in conjunction with any direction from the Improvement Board currently being established.

Context

The locality

- 11 The local area has been the focus of significant economic changes in the last year. While two major employers are closing or relocating, taking with them around 700 jobs, the National Sailing Academy building is now complete providing an Olympic training facility as well as providing an important international venue for sporting events.

The Council

- 12 Since the original CPA the Council has held all out elections. Almost half of the councillors elected in June 2004 were new to their duties. The election created a council with 14 Liberal Democrat councillors, 9 Labour, 8 Conservative and 5 Independent.
- 13 There have been changes to the officer structure at a senior level. A director has been seconded into the Council bringing in new skills and expertise. A corporate development unit has been created to assist in driving improvement. To complement this, the Council has successfully bid for capacity building funding from government to increase capacity in change management and improvement.
- 14 The Council agreed an improvement plan in February 2005. The Council is establishing an Improvement Board, which is intended to play a lead role in overseeing and monitoring implementation of the Council's challenging agenda for corporate improvement.

What is the Council trying to achieve?

- 15 The Council has long-term ambitions and priorities in place but it is still difficult to determine the outcomes it is aiming to deliver through these priorities. The Council has recently agreed an improvement plan, which is helping to develop a clearer picture of what the Council intends to achieve.
- 16 The Council continues to ensure that its ambitions and priorities are based on consultation and an evaluation of the community's needs. It has sought to increase the evidence base for its ambitions and carries out 'mini-reviews' of priorities to ensure that they remain relevant. There are also clear links between the community plan and corporate plan. In this way, the Council is working to address identified local needs.
- 17 Both political and managerial leadership have continued to improve over the last year and the Council continues to demonstrate strong community leadership. There is clear understanding and ownership of the recently agreed improvement plan and staff are now aware of the areas that are being addressed as part of this process. There is now a general awareness amongst staff of the corporate ambitions and priorities through improved communications and staff feel able to influence service delivery. The Council continues to support the local strategic partnership and has recently allocated more resources to fund administrative support as well as an independent chair. It is proactive in addressing issues of local concern, for example in seeking to minimise the effect of closure and relocation of major employers. Whilst there is a need for clearer active prioritisation in some areas, senior managers and councillors are still providing clear direction on a project by project and a strategic basis.
- 18 The extent to which the Council effectively focuses on priority areas is mixed. It is focusing work on priority areas such as the economy and on homelessness and has worked successfully to develop internal communication. In other areas there is some evidence that the Council has not effectively focused on improvement, for example in relation to social inclusion and diversity, another corporate priority. It has improved some structures to assist focus, for example through developing brief holder roles related to the corporate priorities but is also missing some opportunities to ensure that processes are in place to sustain focus, for example in relation to structuring meetings around corporate priorities.
- 19 Since the previous assessment the Council has demonstrated its increasing willingness to make difficult decisions in order to deliver improvement or widen capacity. As examples, the Council has increased harbour charges in line with market values to increase revenue available to spend in priority areas and has also decided to externalise management of the local swimming pool.

- 20 The Council has still to clearly communicate specific ambitions, which set out what it wants to achieve in the medium to longer-term. The ambitions and priorities are supported by individual strategies, for example the economic development and tourism strategy and this is where there is more clarity on what the Council is seeking to achieve. However, because these objectives are not highlighted in the corporate objectives, it is difficult for the community and partners to determine exactly what the Council wants to achieve. Also some of the strategies lack outcome-focused targets and are unclear as to what will be achieved by pursuing these activities. As a result, the ambitions and priorities outlined are weakened as they appear aspirational.
- 21 Areas of lower priority are still not well established. The Council has not systematically identified clear areas of lower priority and diverted resources away from these accordingly. The impact of prioritisation is not clear to staff within services, who perceive that the breadth and extent of service delivery remains unchanged, despite the identified priority areas. Although the Council identifies decisions relating to alternative means of delivering service as an indication of areas of lower priorities, these decisions could equally apply to higher priorities where externalising the service could deliver a higher quality service with less resources needed for the Council. This lack of clarity means that the Council risks disinvesting in areas of corporate priority.

How has the Council set about delivering its priorities?

- 22 The Council has successfully found ways to increase capacity but performance management remains an area of weakness.
- 23 The Council has motivated and skilled officers, and councillors who are committed to improvement. New councillors and staff are supported through effective induction programmes and the newly agreed human resources strategy and action plan. The Council is introducing a management development programme and already signs of improvement are evident. The recent staff survey highlighted an improved level of confidence from staff in their managers. It also provided evidence of improved communications.
- 24 The Council has worked hard to increase capacity through the use of alternative service delivery and reviewing internal structures. It has externalised management of some of its services, for example sports grounds, and is investigating the joint provision of revenues and benefits services with another local council. The Council has also created additional posts to identify new ways of working to support corporate improvement, for example within the new corporate development unit. This is already beginning to increase capacity, for example through the development of the management competency framework. Sickness levels are also reducing. A range of means are therefore being used to seek to increase capacity to facilitate effective service delivery.
- 25 Capacity in relation to political leadership has increased. The Council now has cross-party representation on the management committee, which has strengthened decision-making. In addition, the Council has created a brief holder role to look at performance issues, which provides a councillor-led overview, which supplements the role of individual service area scrutiny committees.
- 26 Financial management has improved since the last CPA, although the Council continues to face substantial budget pressures in future years. Managers receive regular information on finances, which is used to ensure resources are allocated to areas of poor performance or which represent a priority for the Council. Budgetary control has improved and there is now greater understanding amongst managers of the financial implications of operational decisions. The Council has now developed a procurement strategy and this is delivering savings, for example the Council has saved £50,000 on stationery purchasing in the last year. This work provides a sound basis for future decision-making.

12 Progress Assessment Report | How has the Council set about delivering its priorities?

- 27 The Council has developed some elements of a stronger framework for performance management but significant weaknesses remain. The Council has developed a clearer system of reporting performance information and unit plans link their activities to corporate priorities in service planning. Councillors have considered the key performance information that they will need to monitor and performance reports are intended to reflect this in the forthcoming year. Staff are involved in service planning and there are examples at a service level of determining if arrangements provide value for money. These examples provide some elements of a framework that would facilitate performance management.
- 28 The Council's performance management system is not currently driven by a clear statement of what the Council wants to achieve. As a result, performance reports do not provide councillors, staff or the community with a clear picture of progress against delivery of these overarching objectives. Project management is inconsistently applied and benchmarking activities are not routinely used to understand performance and deliver improvement. A sound approach to managing risks is being developed but currently, the lead role rests with Internal Audit and the Council as a whole needs to take ownership of the issue. The inconsistencies in these systems weaken the Council's ability to track progress, manage projects and risk and correct poor performance at an early stage.
- 29 The Council's overall capacity remains stretched. The Council has plans in place to secure the £1.3 million efficiency savings needed this year but will continue to face similar pressures in each of the next few years. Delivery of some improvement plans has had to be delayed due to a lack of resources, for example targets in the human resources action plan have been put back due to a lack of staff time. While scrutiny is delivering some examples of effective work, it is not yet consistently delivering improvement. These areas all affect the Council's ability to deliver improvement.

What has the Council achieved/not achieved to date?

- 30 Audited performance indicators for 2003/04 show a mixed picture of performance. However, un-audited figures for 2004/05 show a strong picture of improvement and the Council has worked hard to understand and address areas of weakness and this is beginning to provide the basis for improvement.
- 31 Key audited performance indicators for 2003/04 show a mixed picture of achievement. Forty-four per cent of indicators, ignoring those that relate to satisfaction, are above average when compared to other councils, with 56 per cent below average. There is also a mixed picture with regard to improvement in performance from audited figures; 46 per cent improved between 2002/03 and 2003/04 and 54 per cent did not.
- 32 In contrast, un-audited figures for 2004/05 indicate that the Council is achieving improvement in key areas. From the outturn figures available relating to key performance indicators, 78 per cent show an improved level of performance, and this includes Council priority areas such as recycling, unfit dwellings made fit, and in relation to payment of housing benefit.
- 33 In terms of overall customer satisfaction, the Council is amongst the lowest performing councils in the country. Other satisfaction indicators show largely below average levels of satisfaction, with the exception of complaint-handling, which is very highly regarded, and recycling facilities and satisfaction with the clarity of forms relating to housing benefit, which have above average levels of satisfaction.
- 34 The Council has secured achievements in priority areas. For example, the work of the Council has contributed towards securing flood defences locally and a reduction in unemployment rates in the area. The Council has helped facilitate establishment of the national sailing academy to provide world class sailing facilities. It has achieved 'elite beach' status for Weymouth and reduced both the time taken to process, and the number, of homelessness applications. Kerbside recycling coverage has helped achieve an increase in recycling rates from around 15 per cent in 2003/04 to an estimated level of around 20 per cent in 2004/05. It has upgraded play areas and provided three more play areas and skateparks. The Council has undertaken publicity campaigns resulting in a 9 per cent increase in take-up of benefits.
- 35 There remain areas of corporate priority where the Council has not delivered improvement as planned. For example, the Council accepts that more could have been done to deliver affordable housing through the implementation of an empty homes strategy, provision of mediation to support existing tenancies and through development of properties. In relation to the environment, recycling targets have not been met and the Council has been unsuccessful in its attempts to protect some existing employment land and secure additional sites.

14 Progress Assessment Report | What has the Council achieved/not achieved to date?

- 36 Significant progress has been or is being made by the Council in addressing previous areas of weakness, and this has helped establish the foundations on which future improvement can be achieved. For example, the Council has invested in service and corporate areas through risk management training, improving financial management and initiating a management development programme. It is widening opportunities for staff to contribute towards service planning and improvement through the establishment of the staff panel and the developing approach to service planning. It is also beginning to address some weaknesses in performance management, for example through the identification of key performance indicators linked to corporate priorities for monitoring through 2005/06. The Council has also used external consultants to work with councillors and senior managers on corporate prioritisation, although the outcomes of this work have yet to be implemented.
- 37 The Council continues to seek or secure external funding to increase capacity and invest in improvement. For example, the Council is receiving capacity building fund monies to support the new corporate unit, it has received Townscape Heritage Initiative Funding and is seeking Private Finance Initiative (PFI) funding for housing delivery. External funding helps increase the Council's ability to deliver against its priorities.

In the light of what the Council has learned to date, what does it plan to do next?

- 38 The Council has a sound improvement plan in place but further work is needed to fully identify the resources needed to deliver it and to strengthen monitoring arrangements.
- 39 The Council proactively seeks to learn from the experience of other councils. It uses the information gained to refine and improve its approach to service delivery. Recent examples include learning from other councils experience on use of the Private Finance Initiative for housing and in relation to economic development. This strengthens the Council's understanding and approach to delivery.
- 40 The Council is successfully developing new ways to ensure learning is shared around the various parts of the Council. It has introduced a staff panel consisting of staff at all levels in the organisation, which is intended to be a forum for sharing experiences and providing upward feedback. Meetings are also held between chairs and vice-chairs of committees so that experience can be shared. Currently, learning is not shared consistently but these mechanisms are relatively new and so the Council has yet to realise their full potential.
- 41 The improvement plan is beginning to provide the key vehicle for driving improvement within the Council. It addresses all significant areas identified as weaknesses in the previous CPA. There is already a clear understanding and ownership of the plan at senior levels within the organisation and staff are aware of the changes that are planned or underway. Additional resources have been identified to help ensure that it can be delivered, including capacity building funds and a budget within the Council that can be used for specific improvement related projects. Other strategies and plans have been developed to address identified gaps, for example in relation to communications, human resources and procurement.
- 42 The Council is now managing resources more effectively. Revenue expenditure for this year is predicted to be in line with budget. This represents a significant achievement in view of previous difficulties in this area.
- 43 The Council's financial position remains difficult. The Council will continue to face significant pressure in future years budgets with an estimated budget gap of around £800,000 a year. Whilst the improved financial management arrangements will assist in providing a clear picture of where pressures lie, this deficit will continue to present a challenge to the Council.

16 Progress Assessment Report | In the light of what the Council has learned to date, what does it plan to do next?

- 44** Some key plans are out-of-date or need reviewing, for example the asset management plan and housing strategy. The Council has clear plans to update these strategies and work is already underway to deliver new plans. In the case of the housing strategy, the new strategy will benefit from a more comprehensive evidence base, for example in relation to stock condition. Similarly, the Council is working with partners to review the community strategy and community priorities.
- 45** There is inconsistent use of outcome-focused, measurable targets within strategies and monitoring arrangements are limited. As a result, it will be difficult to track progress or understand non-delivery of corporate priorities. The resources needed to deliver some strategies have not been fully identified, for example although funding is available the improvement plan does not quantify what is actually needed to deliver the activities outlined. The Council has also made limited progress in some areas, for example in relation to social exclusion, which lacks an overarching strategic approach to direct the valuable work being carried out in community development and race equalities, where a plan exists but there is limited evidence of actions being taken. The lack of a clear means of monitoring and reviewing plans and strategies will weaken the Council's ability to learn from experience and correct poor performance at an early stage.

Appendix 1 – Summary of theme scores and strengths/weaknesses as reported in the Comprehensive Performance Assessment in 2004

Theme	Grade	Strengths	Weaknesses
Ambition	3	<ul style="list-style-type: none"> • Long-term vision established with partners set out in the community plan. • Council's ambitions are clearly laid down in the corporate plan. • Track record of the Council giving and being seen to give, clear leadership. 	<ul style="list-style-type: none"> • Ambitions are not yet robust – resources and milestones are not always identified. • Ambitions are not fully embedded – councillor and staff buy-in, links to LSP community strategy.
Prioritisation	3	<ul style="list-style-type: none"> • Consulted stakeholders on priorities. • Balancing the national priorities of homelessness, community safety and recycling with the local agenda. • Shifted resources around priorities. 	<ul style="list-style-type: none"> • Council is not explicit about areas of low priority. • Some councillors, staff and local partners are not clear about the Council's priorities. • Not balancing the national priority for affordable housing.
Focus	2	<ul style="list-style-type: none"> • Track record of sustained focus on previous priorities of economic regeneration, tourism and community safety. 	<ul style="list-style-type: none"> • Has yet to align its structures, roles and responsibilities and resources to ensure a sustained focus on its priorities. • Policy and scrutiny has not consistently offered effective scrutiny.

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Theme	Grade	Strengths	Weaknesses
Capacity	2	<ul style="list-style-type: none"> • Effective management committee. • Some examples of the alternative methods of service delivery. • Effectively used partnerships to enhance capacity and to draw in external funding. 	<ul style="list-style-type: none"> • Capacity is stretched and fragile. It has reached its limit. • Councillors and officers are not all clear about their roles and responsibilities. • Decision-making processes have been slow. • HR practice is not yet effective at maximising capacity. • Under developed approach to equalities.
Performance management	1	<ul style="list-style-type: none"> • Developed performance management mechanisms but not yet operational. • Developing risk management framework but not yet operational. 	<ul style="list-style-type: none"> • Performance indicators have not been reviewed in light of new priorities. • New priorities have not consistently fed through to work-plan targets to alter what individuals do. • Service standards and complaints are not being used systematically to improve performance. • Appraisals not led to improvements.
Achievement	2	<ul style="list-style-type: none"> • High level of quality in some priority areas, including: economic development and tourism. • High standard of environmental quality; and community safety initiatives. 	<ul style="list-style-type: none"> • Low level of quality in some priority areas, including: <ul style="list-style-type: none"> - affordable housing provision; - 'fair' property service; - poor planning performance; and - satisfaction with the Council is low and deteriorating.

Progress Assessment Report | Appendix 1 – Summary of theme scores and strengths/weaknesses as reported in the Comprehensive Performance Assessment in 2004 19

Theme	Grade	Strengths	Weaknesses
Achievement of improvement	2	<ul style="list-style-type: none"> • Improvements in some priority areas, including: <ul style="list-style-type: none"> - economy and tourism (English Tourism Council 'most improved resort' silver award 2003); - healthy living centres; - homelessness levels are falling; and - fear of crime is falling. 	<ul style="list-style-type: none"> • Failing to improve in some priority areas, including: <ul style="list-style-type: none"> - levels of waste collected; - recycling performance; - condition of private sector housing; - violent crime levels; and - missing 36 per cent of best value performance plan targets.
Investment	3	<ul style="list-style-type: none"> • Progress on some building blocks including risk, financial management systems and IT. • Secures significant levels of external funds. • Alternative methods of service delivery. • BVRs leading to improvements. 	<ul style="list-style-type: none"> • Not yet ensured effective human resource practice or resources to manage risk to delivery of housing services. • Some investments at an early stage – communications, consultation and procurement.

20 Progress Assessment Report | Appendix 1 – Summary of theme scores and strengths/weaknesses as reported in the Comprehensive Performance Assessment in 2004

Theme	Grade	Strengths	Weaknesses
Learning	3	<ul style="list-style-type: none"> Increasing self-awareness. Used reviews and external challenge to identify areas of weakness. Learnt from experience and has made changes as a result of learning. Uses leadership and management styles appropriate to the stage of organisational development. Sought out learning from partners and other councils. 	<ul style="list-style-type: none"> Self-awareness is still developing in key areas of governance. Yet to foster a culture that encourages staff to test out ideas and develop solutions. Learning could be shared more widely.
Future plans	3	<ul style="list-style-type: none"> A number of realistic plans in place. Responded to failures around finance, risk and internal control and has built these into future plans. Involving stakeholders in developing key future plans. 	<ul style="list-style-type: none"> Some key strategies are not yet in place. Not linked key future plans to an assessment of what staff capacity is needed to implement them.

Scoring key

1 – Weak

2 – Weaknesses outweigh strengths

3 – Strengths outweigh weaknesses

4 – Strong

Appendix 2 – Progress monitoring against the findings of the Comprehensive Performance Assessment

- 46** The original comprehensive performance assessment was carried out under the Local Government Act 1999 and published in 2003/4.
- 47** Under section 3 of the Local Government Act 1999 ('the Act'), best value authorities have a duty to make arrangements to secure continuous improvement in the exercise of their functions, having regard to the principles of economy, efficiency and effectiveness. By virtue of sections 10 and 13 of the Act, the Audit Commission may carry out inspection activity to ensure that a best value authority is complying with this duty, and may issue a report as to its findings. This progress monitoring activity and reporting to assess improvement falls within sections 3, 10 and 13.
- 48** The main elements of this progress monitoring report were collation and analysis of evidence from:
- self-assessments of progress made, completed by the Council ;
 - appointed auditor evidence from performance and financial audit activity;
 - audited performance indicators, inspection reports and plan assessments;
 - reviews of key corporate documents including performance reports, committee papers and management reports; and
 - observations, interviews and focus groups with managers, staff, customers and partner organisations.
- 49** This progress monitoring report for Weymouth and Portland Borough Council was collated by the Audit Commission and reflects evidence gathered over the period from February 2004 to April 2005.
- 50** This report has been discussed with the Council, which has been given the opportunity to examine the Audit Commission's assessment. This report will be used as the basis for reporting progress to any Monitoring Board and updating and improving any Improvement/Recovery Plan as appropriate.