

Progress Assessment Report

March 2006



# Progress Assessment

**Tunbridge Wells 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'.

Councils have prepared improvement plans following CPA and those councils classified as 'underperforming' have received annual progress assessments by the Audit Commission. Those cases giving most cause for concern have also been the subject of formal engagement by the Office of the Deputy Prime Minister (ODPM). Through its network of relationship managers, the Commission worked closely with lead officials assigned by the ODPM in developing an appropriate monitoring programme.

Audit Commission progress assessment work has sought to measure the impact and sustainability of improvement activity. The progress assessment work has been tailored to local circumstances to provide appropriate public assurance and to contribute to improvement reporting. It involved an evidence-based judgement on progress against the original corporate assessment criteria, but without producing 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.

## Introduction

- 1 In July 2004, the Audit Commission published a CPA category for Tunbridge Wells Borough Council. This assessment categorised the Council as 'weak'. The key strengths and weaknesses from the corporate 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 Tunbridge Wells Borough Council is making only limited progress in tackling the weaknesses found in the 2004 CPA report, but the recent drive to improve by the leadership is encouraging. The Council is driving a demanding agenda to deal with increasing capacity and improving service standards. There is strong leadership to improve amongst some councillors, the recently appointed chief executive, and a large body of middle managers. However, intentions continue to outweigh achievements. Much activity represents work in progress; the Council still has some way to go and a major reorganisation of staffing is increasing the risk that managerial oversight of services will become distracted.
- 4 Strategic capacity is improving, bolstered by a new chief executive and an established Leader giving clarity and drive. Key weaknesses at a structural level are being resolved through an organisational change programme, with fewer posts, sharper lines of responsibility and new strategic posts being created. Key partners are beginning to recognise some signs of changes in culture and a more inclusive approach. The Council is showing a strong commitment to engaging the community through its work with the West Kent Strategic Partnership on the current revision of the community plan and council stakeholder conferences. Work is underway on a new medium-term financial plan, aligned to the corporate priorities with clearer understanding of what are and are not priorities. The Council is working with an external company on improving the approach to risk management.
- 5 The picture of progress is not consistent. The required cultural change remains not fully embedded. The strategic approach of some members remains underdeveloped and scrutiny is not playing its part in policy development. Procurement practice remains underdeveloped. Performance management is not fully embedded despite much work on improving systems and training.
- 6 Services have improved overall since 2002/03. In 2004/05, 64 per cent of key performance indicators improved, up by 18 per cent from the previous year. But some services, like planning, remain in the worst quartile. Also, the Council's workforce does not fully represent its community as, for example, the percentage of women and people from black and minority ethnic populations who are in the top 5 per cent of earners is in the worst quartile.
- 7 The Council is self-aware and this is underpinned through listening to its residents and shows clear intentions to improve. Its own residents' satisfaction survey is showing encouraging signs and is setting the agenda for improvement, underpinned by increased participation of stakeholders in the change process.

## Recommendations

- 8 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 recovery plan.

## Context

### The locality

- 9 The borough of Tunbridge Wells is on the western side of the county of Kent bordering East Sussex. The borough covers approximately 331 square kilometres, much of this is green belt and 74 per cent is designated an area of outstanding natural beauty. The population is 104,030 people living in 40,500 homes, almost half of which live in the town of Tunbridge Wells. The population has grown by 2.6 per cent in the last ten years to 2001 and this is predicted to continue with an increased rate of growth of 5.6 per cent up to 2011. Just under 19 per cent of the population are of pensionable age slightly above the regional and national averages.
- 10 Tunbridge Wells is an affluent borough and unemployment is very low at 1.1 per cent. Average weekly wages are just above the regional and national averages. Most people are employed in the service sector, the largest proportion in banking and finance. Deprivation is low and the borough is ranked 284 out of 354 English councils with 354 being the least deprived council area. However, pockets of deprivation do exist, most notably in the Sherwood ward which is just outside the 25 per cent most deprived wards in England.
- 11 Key local pressures relate to the availability of affordable housing, road congestion in the town centre and on and around the A21, as well as broadening the viability of Tunbridge Wells beyond being a regional shopping centre and tourist attraction.

### The Council

- 12 The Council adopted the leader and cabinet system of governance in 2002. This is supported by six committees; scrutiny, overview, licensing, standards and two for planning. There are 48 councillors, 36 representing the Conservatives, 10 the Liberal Democrats, 1 is Labour and 1 is an Independent. Eight councillors, all Conservative, sit on the cabinet.
- 13 The Council's management structure is being reviewed and currently comprises the chief executive, two directors and 18 heads of services. The two directorates are operational services and finance. The line management for housing, planning and IT recently transferred to the chief executive.
- 14 The net budget for 2005/06 is £12.7 million and the capital programme is £9.7 million. The projected revenue reserves for 2005/06 are £41 million and its council tax for band D is £143.25, one of the lowest in Kent. Interest income of £2.1 million is being used to reduce net expenditure in 2005/06.

## What is the Council trying to achieve?

- 15 The Council is making some progress though its intentions are not yet matched by its performance. The CPA report highlighted the absence of community involvement and influence on the Council's direction and weaknesses in strategic leadership. The Council is addressing its deficiencies, but impact to date has been limited. Progress on developing clear aims has been slow and the cabinet has only recently agreed these. The aims are backed by detailed actions plans on the priorities of Promoting and maintaining a thriving and diverse local economy; Caring for our environment; Having housing suitable for local people; and Developing safer and stronger communities. These four priorities have been refined from the community strategy priorities which last year were economy, housing, health, transport, environment, law and order, leisure, local community development, and services for local people. The delivery of the Council's ambitions and priorities through the West Kent Strategic Partnership is, however, unclear. Work is in progress to ensure that future priority-setting and planning has the full involvement and contribution from the local community and key stakeholders. Work is also under way on a new medium-term financial plan, aligned to the corporate priorities with clearer understanding of what are and are not priorities. However, the slow pace of producing a longer-term vision and the lack of a clear articulation of relative need for the area means that the current medium-term financial plan does not drive an agenda for longer-term improvement.
- 16 The Council is better at linking budget allocation to priority activities. These include substantial resources being directed to planning, housing, economic development and community planning. Additional capacity has also been built into the corporate management team. Equalities have been strengthened by the appointment of an equalities officer (joint with Sevenoaks District Council) to carry out an impact assessment and work with officers through the Council over the coming year to raise the profile of equalities and diversity issues. The Council is therefore tackling the right things to ensure that resources are matched to need.
- 17 The improvement agenda has full political support and the appointment of the new chief executive has given the Council the opportunity to secure new momentum. There is consensus at a senior level of what needs to be tackled in order to improve services for citizens. The Council has recently adopted a more systematic approach when focusing on corporate and strategic matters though weaknesses remain. Meetings are now better structured around the Council's improvement agenda but the speed of the Council's decision-making processes continues to be slow. A revised Constitution was put in place in the summer of 2005 its operation is being reviewed by the Standards Committee, with a view to strengthening it further. Decision-making is therefore not fully strategic but the Council is taking steps to improve.
- 18 Scrutiny processes are not effective or well understood. The relationship between the main scrutiny committee and its three sub-groups on allocating business is unclear. It has no provision for time limited task and finish groups and is making little impact on policy development for the Council.

## How has the Council set about delivering its priorities?

- 19 The Council is taking steps to strengthen strategic capacity and manage performance better. Capacity at the strategic level has been weak, but the Council has been building additional capacity in the organisation and has introduced new performance management system. The recent use of resources assessment scored the Council as adequate in all summary themes.
- 20 The new organisational structure is creating additional capacity at management level. This additional resource addresses those areas identified as needing further development and improvement, namely planning, economic development, community planning and housing. The Council is also working with the IDeA on capacity building and strengthening the skills of councillors. Middle managers are enthusiastic and committed and have a genuine desire to see the Council do well. The IIP reassessment found that staff believe that the Council is committed to training and development and they spoke highly of the opportunities they had received. Good employee relations exist within the Council. The Council knows what needs to improve but there is a risk that organisational restructuring, with the deletion of a number of senior posts, will weaken strategic capacity in the short term.
- 21 There are good examples of partnership working and there are signs that the Council is becoming more inclusive. This includes partnership in procurement, working with Sevenoaks DC and Tonbridge and Malling BC in the implementation of a CRM system and examining the scope for joint delivery on building services with Sevenoaks DC and Tonbridge and Malling BC; and for collaborative working on back office and transactional services with these Councils.
- 22 Performance management remains weak but with improvements in progress. The corporate management team has agreed to put in place a performance management group with the Chief Executive as chair, tackling Best Value Performance indicators, and aiming for top quartile achievement in the future. A further group of high level officers has been convened which will provide mentoring and support to areas where performance is weak. Work is also underway with portfolio holders on strengthening the use of local performance indicators. The Council has used performance information to manage and improve services. Examples include use of bed and breakfast accommodation for homeless people where monitoring of poor performance led to a change to high quality leased accommodation and improved performance. However, the reporting on and challenging of performance at councillor level remains limited.
- 23 The Council has the financial capacity to deliver its key priorities. The Council has high levels of reserves and the capital programme matches available resources. Budget management and control is adequate.

## What has the Council achieved/not achieved to date?

- 24 The Council has made steady progress in the quality of a number of services, with several being in the best quartile with some public satisfaction ratings increasing; though some services continue to be poor performers.
- 25 The Council's recently refined priorities are promoting and maintaining a thriving and diverse local economy, caring for our environment, having housing suitable for local people and developing safer and stronger communities.
- 26 The Council is achieving well in some service areas. For performance in 2004/05, 64 per cent of key performance indicators improved since 2003/04, up by 18 per cent from the previous year. Particular improvements include dealing with homeless people, where the average stay in temporary accommodation last year was just under six weeks, a below average performance but now is a top performer. Waste recycling remains a top quartile performer and the percentage of waste recycled has moved from 25 per cent to 32 per cent. Also, the costs of waste collection are in the lowest quartile and public satisfaction is in the best quartile. In planning, the time taken to determine major applications has moved in the last year from the second worst to the best quartile. The recent inspection of affordable housing found a range of activities that are having a positive impact on the prevention of homelessness, including an accessible housing advice service, a rent deposit and guarantee scheme and effective multi-agency working. Violence against the person is the lowest quartile. The amount of staff sickness absence remains in the best quartile.
- 27 The Council is not achieving well in all services. Poorly performing services include planning, with the speed of determining minor applications being in the worst quartile, as is the quality of planning service checklist. The collection on non-domestic rates is also in the worst quartile, as is the recovery of benefit overpayments. Burglaries and motor related theft are in the lower quartile. The recent inspection of affordable housing found that, despite recent improvements, the delivery of affordable homes in the past four years has fallen well below both the Council's own targets and the level of local needs. There is also a basket of equalities measures that show weaknesses. Worst quartile performance is in the score against a checklist of progress for promoting race equality and within the Council, the percentage of women and people from black and minority ethnic populations who are in the top 5 per cent of earners is in the worst quartile.
- 28 The council invested in a residents' survey in 2005. A majority of users indicate that they are satisfied with the overall provision. Positive results included on council tax and housing benefit (72 per cent), the removal of fly-tipping (72 per cent), and the removal of abandoned cars (71 per cent). Satisfaction levels compare favourably with the 2004 survey, particularly with regards to the removal of graffiti, and the organisation of elections. However, satisfaction with refuse collection has declined. The council is therefore maintaining its performance in some though not all key service areas.

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

- 29 The Council is making limited progress in the development of plans to secure and sustain service improvements. In its revision with its partners of the community plan, and the corporate plan, the Council is developing a clear overall framework within which to develop its future plans. It is also moving away from an over reliance on external promptings.
- 30 The Council's plans for restructuring and better processes are well designed though some risk remains. The reworking of the medium-term financial plan to fit better to corporate priorities is an essential development. The organisational restructuring by the Council is planned to reduce costs and improve strategic capacity, reducing the number of heads of service posts from 18 to 10, with those appointed to the new posts being able to perform at a higher strategic as well as operational level. A new directorate of change and business support is designed to drive the improvement of organisational culture and professional business services and is appropriate. There is, however, a short-term reduction in managerial capacity being caused by the impending reorganisation with attention and motivation suffering. The Council understands this and is making the changes quickly to minimise disruption but the Council cannot be confident that all the risks of an organisation in transition are being mitigated.
- 31 The council is working with external partners better to solve problems. Some achievements and increased awareness learn from best practice elsewhere, for instance performance management systems in other Kent authorities. Within the Council, there are some emerging examples of revised behaviour which demonstrate a more mature and considered practice. This includes having shared learning as an agenda item at corporate management team and the Chief Executive chairing a corporate performance management group.
- 32 The Council doing the right things to address needed improvements but progress is again very recent and not embedded. The effectiveness and focus of planning is being reviewed and a report has identified a very large agenda of 128 recommendations for improvement, which have still to be enacted. The revision of the community and corporate plan and supporting processes are critical to the future focus and success of the Council; the corporate plan was not strong but now has clarity about what are and are not priorities. The revised corporate priorities and the new medium-term plan are designed to show a clear link to the prioritisation of resources though it is too early to judge the success of linking ambitions to priorities. The Council is tackling the key weaknesses that are the barrier to improving services to Tunbridge Wells residents.

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

Table 1

Theme	Grade	Strengths	Weaknesses
Ambition	2	<p>Community plan sets clear aims and outcomes.</p> <p>Corporate aims are well known within the Council but not 'owned'.</p>	<p>Inadequate community leadership.</p> <p>Weak relationships with key stakeholders with little support for community and corporate.</p> <p>Incomplete understanding of the community's needs.</p> <p>Corporate aims lack clear outcomes or targets.</p> <p>Resources to deliver aims have not been assessed.</p>
Capacity	3	<p>Financial capacity.</p> <p>Quality of staff and managers.</p> <p>Human resources management.</p> <p>ICT improvements.</p> <p>E-enabled services.</p> <p>Key partnerships with other statutory bodies.</p>	<p>Decision-making meetings not effective.</p> <p>Focus on operational issues.</p> <p>Lack of delegation to portfolio holders and lack of financial delegation to officers.</p> <p>Cabinet and officer tensions.</p> <p>Poor range and take-up of councillor training.</p> <p>Few partnerships outside of statutory agencies.</p> <p>Limited review of procurement and alternative methods of service delivery.</p>

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

<b>Theme</b>	<b>Grade</b>	<b>Strengths</b>	<b>Weaknesses</b>
Performance management	2	<p>Sound financial management.</p> <p>Service-based range of performance information used to manage performance.</p> <p>Risk management developing.</p>	<p>Performance culture and practice not effective in all services and corporately.</p> <p>Lack of corporate performance management framework.</p> <p>Limited capacity of the corporate performance indicator database.</p> <p>Inconsistent use of the appraisal system.</p> <p>Lack of system to continually monitor value for money.</p> <p>Few service level agreements.</p>
Achievement of improvement	2	<p>60 per cent of performance indicators improved including access to buildings, electronic transactions and planning.</p> <p>Public satisfactions with some services improved.</p> <p>Recycling increased and amount of waste collected has reduced.</p> <p>Crime has reduced by 7 per cent.</p>	<p>Some worst quartile services have not improved: housing, recovery of benefit overpayments and land searches.</p> <p>Limited action to achieve improvements to rural and urban economy.</p> <p>No improvements in housing performance – affordable homes and HMOs.</p> <p>Few actions and no significant improvement to health, transport and voter turnout.</p>

Progress Assessment | Appendix 1 – Summary of theme scores and strengths/weaknesses as reported in the Comprehensive Performance Assessment in 2004 **15**

<b>Theme</b>	<b>Grade</b>	<b>Strengths</b>	<b>Weaknesses</b>
Investment	2	<p>Investment in some building blocks - HR and ICT.</p> <p>Increased action on community engagement and communication.</p> <p>Investment in community projects.</p> <p>Additional resources secured.</p> <p>Positive response to external and internal challenge.</p>	<p>Insufficient investment in:</p> <ul style="list-style-type: none"> <li>• procurement;</li> <li>• corporate performance management;</li> <li>• service performance management;</li> <li>• councillor development;</li> <li>• decision-making structures;</li> <li>• economic development; and</li> <li>• corporate risk management.</li> </ul> <p>MTFP insufficiently developed.</p>
Learning	2	<p>Examples of learning from experience – brown bins and customer service standards.</p> <p>Open and proactive to learning from others.</p>	<p>Not self-aware of critical weaknesses.</p> <p>Not effective at sharing learning across the Council.</p> <p>Ineffective use of mechanisms for sharing learning.</p>

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

<b>Theme</b>	<b>Grade</b>	<b>Strengths</b>	<b>Weaknesses</b>
Future plans	2	<p>Strong new local plan. Some robust plans and strategies. Asset management plan assessed as good by GOSE. Housing strategy indicated as 'fit for purpose'. Examples of good consultation. Capacity assessed to deliver established plans.</p>	<p>Poor corporate plan. Weak high level improvement plan. Poor BVPP. Many plans incomplete or underdevelopment. Lack of plans in priority areas. No mechanism to deliver the community plan. Limited engagement in the development of plans and strategies.</p>

**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

- 1 The original comprehensive performance assessment was carried out under the Local Government Act 1999 and published in 2003/04.
- 2 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.
- 3 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
  - interviews with councillors, managers and staff.
- 4 This progress monitoring report for Tunbridge Wells Borough Council was collated by the Audit Commission and reflects evidence gathered over the period from May 2005 to February 2006.
- 5 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.