

Corporate Assessment Report

February 2008



Comprehensive Performance Assessment

Lancaster City Council

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Introduction

- 1 Comprehensive Performance Assessment (CPA) is the means by which the Audit Commission fulfils its statutory duty under section 99 of the Local Government Act 2003 to make an assessment, and report on the performance, of local authorities. Corporate assessment is one element in the overall assessment that leads to a CPA score and category.
- 2 The purpose of the corporate assessment is to assess how well the Council engages with and leads its communities, delivers community priorities in partnership with others, and ensures continuous improvement across the range of Council activities. It seeks to answer three headline questions which are underpinned by five specific themes.

What is the Council, together with its partners, trying to achieve?

- Ambition.
- Prioritisation.

What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?

- Capacity.
- Performance management.

What has been achieved?

- Achievement and Improvement.

Executive summary

- 3 Lancaster City Council was assessed as a 'fair' council in 2004. It has made progress and is now a 'good' council. Areas for improvement identified in 2004 were around community engagement, prioritisation, people management and performance management. Not all of these areas have been fully addressed. However the Council has made progress in key areas such as prioritisation and performance management and is realising significant achievements in terms of physical, social and economic regeneration.
- 4 The Council has a clear and challenging vision for its communities. This has shaped its ambitions and priorities, ensuring a focus on narrowing the gap between its most deprived communities and areas of affluence. Ambitions and plans to regenerate the district are impressive. However, there is no effective overarching strategy to guide partnership activity as the current community strategy lacks a clear vision.
- 5 The Council has refined its priorities and clearly linked them to resource allocation and investment. It has improved risk management, generic councillor and officer development and scrutiny to further add to its capacity. Weaknesses in workforce planning mean future capacity is not being planned for effectively.
- 6 Political direction has not been clearly communicated by the new all party administration. Portfolios are split between Cabinet members creating confusion amongst councillors and staff as to lines of accountability, and, some new portfolio holders have not received effective support to enable them to embrace their new roles. These issues currently hamper effective political leadership.
- 7 The Council now has a performance management framework which ensures effective corporate arrangements are in place to support service improvement. Action has been taken to successfully address poor performance in a number of key services. The performance management of partnerships is still under developed.
- 8 Equality and diversity has not been prioritised and as a result progress has been slow. Mechanisms and forums to ensure effective community engagement are relatively new and at this stage it is not clear how they will develop and how sustainable they will be.
- 9 The improvements the Council has made in areas such as prioritisation and performance management have enabled it to address poor performance since the last corporate assessment. As a result 75 per cent of comparable national performance indicators have improved over the last three years. Key services have improved significantly such as housing benefits and recycling. The Council has delivered impressive results through its neighbourhood management work and is delivering some notable physical and economic regeneration schemes.

Areas for improvement

- 10 The community strategy does not provide clear direction for framing most local ambitions. The Council should support the LSP in developing a Sustainable Community Strategy which contains a clear vision, fewer high level priorities and is underpinned by outcome focused targets.
- 11 There are a number of issues hampering political leadership and in order to address these the Council should:
 - ensure clarity around political direction is communicated internally and externally; and
 - support portfolio holders in embracing their new roles by responding to identified development needs and reviewing portfolios in order to streamline decision making, aligning portfolios, services and Performance Review Teams.
- 12 Progress in relation to equality and diversity has been slow and there is an inconsistent approach to engaging with local communities. The Council should:
 - provide leadership to the equalities and diversity agenda ensuring it is prioritised; and
 - strengthen mechanisms for community engagement in order to ensure a consistent approach in relation to all the Council's business.
- 13 Performance management arrangements are not effective in relation to all key partnerships. The Council should strengthen these arrangements to ensure progress and the impact of all partnership activity can be performance managed.

Summary of assessment scores

Table 1

| Headline questions | Theme | Score* | Weighted score |
|---|-----------------------------|--------|----------------|
| What is the Council, together with its partners, trying to achieve? | Ambition | 2 | 4 |
| | Prioritisation | 2 | 4 |
| What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve? | Capacity | 2 | 4 |
| | Performance management | 2 | 4 |
| What has been achieved? | Achievement and Improvement | 3 | 21 |
| Weighted score | | | 37 |
| CPA category | | | Good |
| *Key to scores | | | |
| 1 – below minimum requirements – inadequate performance | | | |
| 2 – at only minimum requirements – adequate performance | | | |
| 3 – consistently above minimum requirements – performing well | | | |
| 4 – well above minimum requirements – performing strongly | | | |

****Banding thresholds for determining CPA category**

| Category | Required score |
|-----------|----------------|
| Excellent | 45-60 |
| Good | 36-44 |
| Fair | 28-35 |
| Weak | 21-27 |
| Poor | 20 or less |

Context

The locality

- 14 Lancaster district sits at the northern edge of Lancashire, bordering South Cumbria. It comprises the historic city of Lancaster, the seaside town of Morecambe and Heysham, the market town of Carnforth and villages scattered through the coastal plain and Pennine foothills. Its natural assets include two areas of outstanding natural beauty, Morecambe Bay and the Lune Valley. Lancaster has good transport connections via the M6 and west coast main line. However, access into Lancaster and Morecambe by car is problematic.
- 15 Lancaster is a large district with a population of 143,000. However, due to the geography of the district, the population density is much lower than in other districts of Lancashire. Lancaster has an older age profile than England and Wales and a larger proportion of young people aged 15 to 24 years (as a result of student populations). Population projection estimates indicate that the population will increase by 10 per cent by 2028. The black and minority ethnic (BME) population is 3.8 per cent and an increase in migrant workers means that they now represent approximately one per cent of the population. Lancashire has a similar life expectancy compared to England and Wales (81.1 years). However, the life expectancy for men is just under the national average.
- 16 Lancaster University is one of the country's top ten educational research establishments and a world class centre of excellence in many spheres including IT, business and environmental sciences. The district became the main campus for the new University of Cumbria in 2007. Skill levels are high with more than 32 per cent of the population educated to NVQ level 4 or equivalent.
- 17 It is a district of contrasts, encompassing areas of relative prosperity and pockets of deprivation, with three wards in the 10 per cent most deprived nationally. In 2004, Lancaster was ranked as the 107th most deprived area in the country. The economy of the district has changed massively. Historically, the local economy was based on national and international trade. Now, the economy is home to service-based industry, major exporters and an emerging ICT market. The local economy is growing faster than other parts of the region. Eighty five per cent of jobs are in service industries and only 7 per cent in manufacturing. The percentage of the working age population in employment was 74.5 per cent in 2006, just below the national average. Average gross weekly pay at £425 is slightly higher than the regional average of £421.
- 18 Affordable housing is a key challenge. An estimated 263 new units of affordable housing are required annually within the district to meet local housing needs. Average house prices in the district have risen by 120 per cent over the past five years, compared to the regional average of 96 per cent. Homelessness is also a key issue: during 2006/07, 657 households approached the Council for advice and assistance with their housing situation.

The Council

- 19 The Council has 60 elected members. Following the elections in May 2007 there continues to be no overall political control of the Council. The current political balance is 16 councillors in the Independent Group, 13 Labour, 12 Green, 12 Conservatives, 5 Liberal Democrats and 2 non-aligned independent councillors.
- 20 There is a multiparty Cabinet of ten, based on proportional representation. Following the whole council elections in May 2007 there are seven new Cabinet members. Cabinet members have cross cutting portfolios with delegated decision making on non-key decisions.
- 21 There are two standing committees: the Overview and Scrutiny Committee, which has responsibility for pre-decision scrutiny, policy review and call-in of decisions; and the Budget and Performance Panel which deals specifically with financial and performance issues. A series of task and finish groups are in operation at any one time and provide the mechanism for in-depth review and ongoing challenge of policy direction. There are four regulatory committees, for planning and highways, personnel, audit and licensing, and a standards committee with an independent chair.
- 22 The Chief Executive leads a management team of three corporate directors with responsibilities for community services, regeneration and finance and performance. Service heads responsible for legal, democratic services and human resources report directly to the Chief Executive. Eleven other service heads report to the three corporate directors. The Council employs approximately 920 people and the revenue budget in 2006/07 was £21.7 million (net budget requirements); the capital programme was £33.6 million.
- 23 The local strategic partnership (LSP) was established in 2001. The first 'Life in the Lancaster District' community strategy was published in 2004 and is being refreshed in the latter part of 2007 to become a sustainable community strategy. The LSP is directed by an executive and has seven thematic sub-groups ('building blocks') which co-ordinate activity.

What is the Council, together with its partners, trying to achieve?

Ambition

- 24 The Council is performing adequately in this area. The corporate plan sets out a clear framework for the Council's ambitions to improve the quality of life of its communities. It contains clear and challenging ambitions to regenerate the district and meet the needs of deprived communities. These ambitions are shared by partners but are not clearly articulated within the current community strategy as this lacks clarity and focus. This means there is currently no effective overarching strategy to guide partnership activity.
- 25 The corporate plan sets out a clear vision for what the Council wants to achieve. Six medium term objectives provide a comprehensive and focused medium-term delivery plan that reflects the identified needs and themes of the 2004 community strategy. The objectives are:
- to deliver value for money, customer focused services;
 - to make our district a cleaner and healthier place;
 - to reduce crime and the fear of crime;
 - to lead the regeneration of the district;
 - to support sustainable communities and;
 - to continue to improve the Council.
- 26 Ambitions are focused on the key challenges facing the district and its most disadvantaged communities. Housing ambitions are clear and address local need. They are focused on addressing Morecambe's low demand housing market, improving access to affordable housing and reducing homelessness. A long-term vision to regenerate Morecambe's West End is supported by challenging targets to increase house prices to 75 per cent of the regional average (against a baseline of 68 per cent) and reduce unemployment to the Lancaster average of 3.57 per cent (against a baseline of 11.89 per cent).
- 27 The Council's ambitions for economic regeneration are challenging. The Council, working with the North West Development Agency has established an economic vision board of key local businesses and stakeholders. This has developed an economic vision for the district ('Lancaster and Morecambe Economic Vision') that is being effectively used by the Council to guide regeneration funding to meet agreed, local priorities. This means it is able to successfully engage the private and public sectors in economic regeneration.

- 28 The Council and its partners use quantitative data gathered through a range of different mechanisms to inform their ambitions and priorities. For example, there is a comprehensive understanding of the economic challenges and opportunities facing the district. The economic vision is based on a detailed baseline economic assessment and, the development of the sustainable community strategy is using a 'State of the District Report' containing key local data from a range of sources. Good baseline data enables the Council and partners to develop ambitions that address identified needs.
- 29 There is no current overarching partnership vision for the area. The community strategy provides a long term 2020 framework for the district but this is not underpinned by a clear vision and outcome based targets. The strategy is delivered through ten vision statements which are in turn underpinned by a plethora of actions and a range of short-, medium- and long-term targets. The lack of a clear vision and strategic objectives means that partners, lack a framework to guide partnership working, and the public cannot clearly see what the LSP is seeking to achieve.
- 30 The Council does not have a consistent approach to engaging with local communities. There are some good examples of consultation initiatives. For example, the Council engages well with residents in the Poulton neighbourhood management area and in specific schemes such as 'Winning Back Morecambe's West End'. However, this approach is not applied in all areas. Engagement with minority ethnic communities is not sufficiently developed and arrangements to consult with these communities are relatively new. The absence of a consistent approach to engaging with local people means that the Council's ambitions may not reflect the priorities of all of its communities.
- 31 The Council has worked well with other districts and the county council to champion the needs of the area. For example the Chief Executive plays an active role beyond the district boundary, including representing six other Lancashire districts on the County Economic Partnership and seven districts on the Crime Reduction Board. In the past, councillors have provided leadership to the county and district LSPs and other county wide forums. The new political administration is still finding its feet: it is providing some leadership in developing the sustainable communities' strategy. The new Leader of the Council is a member of the North West Region European partnership as a Lancashire representative, demonstrating the confidence of other districts in Lancaster's approach to economic regeneration.
- 32 The ambitions of the new joint administration have not been effectively communicated. Since the May 2007 elections the Cabinet, which contains seven new members and is made up of all five political parties, has operated on the basis of consensus. The joint administration has not effectively communicated their commitment to the current corporate priorities. This creates uncertainty about strategic direction in some areas.

Prioritisation

- 33 The Council is performing adequately in this area. Medium-term corporate objectives and annual priority outcomes guide a well co-ordinated approach to corporate and business planning and service provision. Weaknesses identified in 2004 have been partly addressed, with fewer priorities now clearly linked to resources. However, priorities are not always supported by outcome focused targets and action plans are not always robust.
- 34 The Council's ambitions are supported by clear priorities. The Council's medium-term objectives each have a small number of annually agreed priority outcomes. These are underpinned by a mix of short and medium term actions and targets. For example, the medium-term objective 'to support sustainable communities' is currently supported by clear priorities and medium-term targets around energy use; affordable homes and homelessness. These clear priorities ensure the Council is able to focus its efforts effectively.
- 35 The Council's medium-term corporate plan and annual business plans provide a delivery framework for most the Council's priorities. A comprehensive set of annual business plans show how each of the 13 services delivers against corporate objectives and priority outcomes. The corporate and business plans are well linked to other key strategies. This strategic planning framework enables services to be clear about their links to wider strategic priorities.
- 36 However, the Council's operational approach to delivering some of its priorities is not clear. For example, the Council has an ambition to roll out neighbourhood management but there is a lack of clarity about how this will be delivered. Funding for current neighbourhood management initiatives in both the West End and Poulton neighbourhoods is time limited. The Council has not formalised its approach to sustaining neighbourhood management beyond these funding arrangements. This lack of a clear strategy for delivery inhibits the Council's ability to make progress in delivering its ambition in this area.
- 37 Not all of the Council's priorities are supported by outcome focused targets. For example, the objective of 'making our district a cleaner and healthier place' is not supported by outcome focused targets in support of being 'healthier'. A lack of outcome targets means the Council is unable to measure the long-term impact of its actions in some areas.
- 38 The Council has a robust financial strategy linked to the delivery of its priorities. The medium-term financial strategy is supported by all-party star chambers which meet throughout the year to consider financial resource allocation and efficiency. This approach has ensured that funding has been targeted effectively to address areas of underperformance, such as the benefits service and to improve priority outcomes such recycling. As a result, resource allocation is in line with the Council's priorities and has resulted in improved performance.

- 39 The Council aligns resources to deliver its priorities. Non priorities are clearly expressed. For example, revenue funding of new tourism attractions is not a priority. The cessation of the environmental wardens' service in favour of funding Police Community Support Officers (PCSOs) and closing cash collection offices as part of the access to services strategy are examples of decisions taken by the Council to re-direct resources. This approach ensures the Council is able to deliver in its priority areas.
- 40 Action plans, in support of the Council's priorities, address the needs of deprived communities. There is a clear plan to support the delivery priorities in Morecambe's West End. The priorities, of crime, environment, housing, support for the business community, health and education, were identified through extensive public consultation. Targets have been set and funding made available to deliver these. The West End master plan and Poulton neighbourhood management delivery plans ensure robust action is taken to improve these communities.
- 41 Plans and strategies are not routinely supported by SMART action plans. Numerous plans and strategies have action plans that are either lacking key information to make them SMART or contain a raft of out-of-date actions, for example the anti-social behaviour strategy and domestic violence strategies do not have a SMART action plan and targets. There is an annual review process in place for 'key' plans which ensures a number of plans and strategies remain current but this process does not cover all plans. This lack of SMART action plans means that it is unclear what the Council is seeking to achieve in some areas.
- 42 The Council involves service users and staff effectively in setting priorities and planning services. Priorities are based on consultation initiatives such as the involvement of young people in reviewing priorities through a 'Pupil Power' event held during Local Democracy Week. The local Polish community is represented on the West End partnership. The annual business planning process involves staff in developing service plans through service based planning events such as those held in leisure and culture services. This effective involvement of staff and local communities in planning encourages greater ownership of priorities.
- 43 The Council communicates effectively internally and with its communities. Externally, the Council communicates well, it has improved its newsletter ('District Matters') and successfully worked with the media to improve its press coverage. Internal communication mechanisms are now effective, and include, staff newsletters, team briefs and the use of the intranet, for example 'speak easy'. Effective communication enables staff and local people to be clear about what the Council is seeking to achieve.

Capacity

- 44 The Council is performing adequately in this area. Strong financial management and effective partnership working have enabled the Council to develop the capacity it needs to deliver its priorities. Risk management arrangements and scrutiny have been strengthened and are now effective. However, the roles and responsibilities of portfolio holders are unclear and the Council has been slow in providing new portfolio holders with the development support they need to carry out their responsibilities. Slow progress on people management and equalities has the potential to hamper future capacity.
- 45 Councillors and officers work well together within an ethical framework and working relationships are effective. Arrangements for monitoring compliance with adopted codes of conduct are in place. Working arrangements and relationships between Councillors and officers are effective and productive. This provides a sound basis for further improvement.
- 46 Cabinet members' roles and responsibilities are not clear. There is, in addition to the number of new cabinet members, a lack of alignment between portfolios, services and performance management arrangements. Some portfolios are split to give councillors a broader role but this is resulting in unnecessary extra work and meetings for members of the Cabinet. Tailored packages of training and development are not yet in place to support all new Cabinet members. This lack of clarity of roles means that cabinet members' responsibilities are sometimes difficult for both councillors and staff to understand.
- 47 Scrutiny arrangements are effective. Overview and scrutiny training has enabled councillors to fulfil their role. Scrutiny task groups are engaging councillors and contributing effectively to service improvement. For example the condition of cemeteries has improved as a direct result of task group involvement. Scrutiny works in an inclusive and non-political way. As a result councillor involvement in scrutiny task groups is supporting service improvement.
- 48 There is effective internal leadership and external political leadership is developing. Strong officer leadership is provided on the vision board. The recent LSP peer review found impressive engagement by Council officers in LSP structures. Councillors are developing relationships with the business and voluntary sectors in the borough, through involvement in a variety of forums. As a result the profile and influence of the Council with key partnerships has been raised.
- 49 Risk management arrangements are effective. Weaknesses, highlighted in 2004 have been strengthened and the Council now has mechanisms in place for considering risk in strategic and operational decision making. However, this is not fully embedded in partnership working. The strategic risk register reflects priorities in the corporate plan and there are operational risk registers for all services. Councillor involvement in risk management is effective. Risks are considered through the performance management framework, portfolio holders examine risks quarterly with services and the Budget and Performance panel also consider risk management issues. Improved risk management is supporting effective monitoring and review of risk by officers and councillors.

- 50 The Council has strengthened its financial capacity. It is well managed financially and maximises funding opportunities, enabling it to secure significant levels of external funding, with programmes worth £54 million currently running. Services are delivering adequate value for money and reserves are sufficient to meet identified commitments. The Council has exceeded its three-year Gershon efficiency target after only two years, and has generated further efficiencies. The Council's improved financial position is supporting the delivery of its priorities.
- 51 The Council is addressing access to services issues effectively through a structured and phased approach. A centralised call centre was introduced in 2005 and two customer service centres opened in October 2007. These have improved access to council services. Consequently customer satisfaction levels have increased with 99.6 per cent of callers being either satisfied or very satisfied. The Council has also improved face to face access to services. Staff can access 'language line' and customers can request publications in other formats. This supports better access to services.
- 52 Effective partnership working is improving the Council's capacity to deliver its priorities. Close working with Lancaster University through the economic vision board has enabled the Council to access resources. For example, the University has made broadband connectivity available to parts of the Lune Valley providing free access to community centres and schools, thereby improving access to services. The co-location with the police through the Multi-Agency Problem Solving team is supporting closer working arrangements, flexibility and improved community safety outcomes. Partnership working with parish councils is also effective.
- 53 There are some examples of partnering but strategic procurement is underdeveloped. Effective procurement and partnering practices are in place and securing some benefits. Partnering on regeneration plans including the development of the Midland Hotel in Morecambe by 'Urban Splash' and shared services on licensing with South Lakeland Council are examples of this. Strategic procurement remains underdeveloped and as a result the Council is not maximising its use of procurement.
- 54 The Council does not provide co-ordinated support to build capacity in the voluntary and community sector. The Council provides ad hoc support which is valued. This includes processing criminal records bureau (CRB) checks and ICT support for community and voluntary sector groups. However, this support is neither co-ordinated nor comprehensive. A compact is in place but this is not being used to guide the relationship between the Council and the voluntary and community sector. As a result the Council is not making best use of the community and voluntary sector to achieve its priorities.

16 Comprehensive Performance Assessment | What is the Council, together with its partners, trying to achieve?

- 55 Progress is slow on developing an integrated approach to equality and diversity. The Council has not prioritised this, resulting in a lack of progress and strategic focus. Externally the Chief Executive contributes to forums such as the county-wide community cohesion group and the local community leaders group. Internally, statutory schemes are in place and equality issues are highlighted in all cabinet reports. However progress has been hampered by capacity issues over a prolonged period of time meaning that targets have been missed in relation to achieving level 2 of the local government equality standard. As a result, the Council remains at level 1 of the equality standard, equality impact assessments are not routinely undertaken and the workforce profile does not reflect the communities it serves. This limits the Council's ability to develop and deliver services which meet the needs of all sections of the community.
- 56 The Council has made slow progress in relation to people management and workforce planning issues. Significant capacity problems, due to recruitment and retention issues, have hindered progress further over recent years. The Council has now restructured its human resources service and filled key posts. Key projects have been prioritised around job evaluation and sickness absence. In both of these areas there has been some success, for example sickness absence levels have improved during 2007/08. Progress in finalising key people management and workforce planning strategies has been slow. The Council has identified future workforce development issues but has no action plans in place to address these. This means that the Council does not have a clear picture of the capacity it has now and that it needs to develop in the future to deliver its ambitions and priorities.
- 57 Training and development for staff is adequate. There is a well received Employee Development and Performance Appraisal (EDPA) system which links individuals and teams to objectives and development needs. Training provision for staff is in place but delivery is often slow in relation to meeting specific development needs. This means that staff may not possess the skills they need to carry out their work.

Performance management

- 58** The Council is performing adequately in this area. Performance management arrangements are now effective within the Council and provide the opportunity for challenge by officers and councillors. The respective roles of councillors and officers are clearly specified and performance management has supported improvements in key Council services. Performance management is not embedded at all levels and the performance management of partnerships remains underdeveloped.
- 59** The Council has a clear performance management framework (PMF). Weaknesses in 2004 around a lack of a corporate framework have been addressed through a strong corporate focus to implement a new approach. The roles of councillors and officers are clearly specified within performance management arrangements. This clarity means that officers and councillors are able to effectively monitor progress against local and national performance indicators.
- 60** Councillor and officer challenge is effective with open debates about progress in meeting corporate and business plan priority outcomes. Clear traffic light reporting to the management team, Cabinet and scrutiny ensures that the Council stays on track. Monitoring reports show that good progress is being made in priority areas.
- 61** There is a consistent and open approach to performance management by officers and councillors. Individual portfolio holders, directors and heads of service have good oversight of performance within their portfolio areas through good use of performance monitoring information. Detailed quarterly Performance Review Teams (PRTs) and ad hoc briefings by executive directors facilitate challenge of performance in relation to local and national performance indicators, risks and resources. An exception report is presented to the Budget and Performance Scrutiny Panel by the Leader of the Council. The approach to performance management provides officers and councillors with good performance information which is used to challenge and drive up performance in priority areas. For example:
- regulatory services have improved significantly from a low base. In particular, performance in relation to processing planning applications has improved from worst quartile in 2005/06 to meeting all three government planning targets in 2006/07; and
 - strong improvement in the benefits service has been achieved resulting in best quartile performance and improved user satisfaction.

18 Comprehensive Performance Assessment | What is the Council, together with its partners, trying to achieve?

- 62 Managers and staff increasingly focus on improving performance. The Innovation Forum provides opportunities for managers to network and enables sharing of good practice. Staff are involved in decisions about how to improve services. For example, focus groups with front line staff in cleansing informed decisions about how to spend extra budget provision and homelessness staff suggestions about how to improve housing advice services were implemented within the strategic housing service. Corporate and business plans are well linked to other key strategies and the EDPA system links individuals and teams to objectives.
- 63 The performance management framework is now underpinned by a good web-based performance management system. This is facilitating the live and systematic monitoring and review of performance information and the management of key programmes of work. For example, the Economic Development Zone (EDZ) programme is monitored through the system in relation to specific projects. The system is being rolled out corporately to all services to underpin the PRT process and provide the framework for the performance management of the revised community strategy. Access to live performance data is supporting the growing culture of performance management within the Council.
- 64 The performance management of partnerships is inconsistent. Performance management arrangements are not embedded within key partnerships such as the LSP and most of its building blocks. There are some examples where arrangements are effective. For example, the CDRP, which had previously been underperforming, has significantly improved its performance over the past year to a point where it is likely to achieve its PSA 1 target. In addition, the performance of joint projects such as 'Smoke Free Lancaster' is managed by the partnership. The Council is using its learning from such initiatives to support the implementation of performance management in its neighbourhood management areas. An inconsistent approach means that the impact of some partnerships is not clear.
- 65 There is a comprehensive complaints policy in place and this is used to improve services. For example, customer feedback has been used to improve performance in benefits service through introducing a number of alterations to facilities and changes to document imaging. Complaints and grievance form part of the performance management framework and are reported to quarterly PRTs. Service standards are in place and as a result customers are aware of the level of service they can expect.
- 66 Service performance and financial monitoring are not integrated. Performance reports contain both financial and performance information but the information is not integrated. This means that the Council is not regularly considering the financial consequences of performance issues.

What has been achieved?

Achievement and improvement

- 67 The Council is performing well in this area. Service performance is improving faster than that of other district councils. The Council is delivering against its ambitions and realising achievements and challenging targets in priority areas. Having established clearer priorities and implemented stronger performance management arrangements the improvement journey of Council services since the last corporate assessment in 2004 is impressive. Over three years the picture of performance improvement is very positive with 75 per cent of national performance indicators improving compared with an average of around 65 per cent for all district councils.

To make our district a cleaner and healthier place

- 68 Challenging local targets are being achieved around the Council's priority of 'making the district cleaner and healthier'. The Council has improved its environmental services with 60 per cent of comparable performance indicators improving in the last three years. Access to street scene services is clear, through a single point of telephone contact. Service standards and information about street cleansing, sustainability and waste management is available to the public.
- 69 Recycling rates have improved from a low base of 15 per cent in 2003/04 to 25 per cent in 2006/07. Performance in 2007/08 (unaudited) shows this to be now over 30 per cent. The Council now provides kerbside collection for 90 per cent of households. In 2006/07 the Council collected one of the lowest levels of waste in the country. Satisfaction with recycling facilities has increased by 5 per cent to just below average and satisfaction with waste collection has remained static. Bulky waste is now collected through a partnership between the Council and Furniture Matters called 'Bulky Matters'. Over 50 per cent of all bulky waste collected is reused or recycled and 100 per cent removed within a locally set standard of seven days. The service has been recognised nationally as an example of best practice through the 'lets recycle.com awards'.

- 70 The district is cleaner, with performance improving in line with the Council's targets. A reorganisation of grounds maintenance and street cleaning services is beginning to have a positive impact with overall cleanliness of the district improving but remaining below average. Targets are being achieved with performance improving from 28 per cent of land with significant deposits of litter to 18 per cent in 2005/06. Recorded incidents of fly tipping have reduced and responses to reported fly tipping have improved with removal within one working day. Levels of graffiti are low and performance was best quartile in 2005/06. The Council launched an anti-litter action plan 'Putting Litter in Its Place' in 2006/07 with a focus on enforcement, education and service delivery. 'Clean Sweeps' are effective at targeting partnership resources to tackle crime and environmental issues within targeted neighbourhoods. Action has resulted in decreases in reported fly tipping in 2006/07 compared to the previous year. Improved performance is reflected in resident satisfaction which has improved significantly in the last year although it is still below average when compared with other councils.
- 71 The Council uses its leisure facilities to address health issues. It has had some success in reducing the body mass index of 9 to 11 year olds following a project based on providing advice and support to encourage exercise and healthy eating delivered to 69 children. The Salt Ayre Sports Centre is a nationally accredited 'Inclusive Fitness Centre'. A piloted initiative with social services has resulted in a referral scheme which is seeing young people with significant disabilities accessing leisure facilities.
- 72 Lancaster is making good use of its 'cycling demonstration town' status to address sustainability and health issues. As one of only six cycling demonstration towns in England (and the only district) the Council has secured £1.5 million from Cycling England to enhance cycling facilities and encourage more local people to use the cycle network. In 2006/07 the Council trebled the provision of cycle parking spaces from 176 to 530 (against a target of 240). Regular monitoring shows that cycling rates are increasing by around 7 per cent per year.

To reduce crime and the fear of crime

- 73 The Council is making a significant contribution to its priority of 'reducing crime and fear of crime'. Levels of crime are now reducing. Crime levels increased between 2004/05 to 2005/06 with the exception of violence against the person which decreased but still remained among the worst in the country. However in the past year the Council and its partners have considerably improved performance. Crime levels have reduced significantly, for example domestic burglary has reduced by 47 per cent and criminal damage has reduced by 21 per cent. Partners are on target to meet their national target for reducing overall crime by 15 per cent by 2008. Fear of crime in the district is low with 87 per cent of residents feeling safe. The Home Office gave the CDRP a 'high performing' assessment in August 2007.

- 74 Strong partnership working is in place to tackle crime and support joint working through the Crime and Disorder Reduction Partnership (CDRP). A multi-agency partnership (MAPS) team is co-located providing a co-ordinated response to tackling district-wide crime, disorder and anti-social behaviour as well as co-ordinating projects and schemes designed to improve the quality of life for local residents. The CDRP is jointly commissioning projects with some successes, for example, 'Easy Tiger' a partnership project that has reduced assaults against students by 31 per cent over a three-month period.
- 75 The Council is working well with partners to reduce domestic abuse. It provides good support through 'Sal's place', which provides advice and support to victims. Repeat offences of domestic violence have reduced by 12 per cent in the past year across the district. The Council also contributes to a number of LAA targets to reduce crime including increasing the number of convictions for people charged with domestic violence related offences.

To lead the regeneration of the district

- 76 The Council has a strong focus on its priority to 'regenerate the district', with significant successes. It has attracted substantial external funding to support its work, with £54 million of external funding programmes running. These programmes are providing infrastructure improvements, office and industrial space and residential improvements.
- 77 The Council is delivering and facilitating a large number of physical regeneration schemes in Lancaster and Morecambe. Physical improvements include flood defence works in Lancaster; promenade improvements and coastal defences in Morecambe; work to improve industrial access to the port of Heysham; redevelopment of an old industrial site to provide an urban village; new managed workspaces in Lancaster city centre and the development of a science park in partnership with Lancaster University.
- 78 The Council has a strong focus on preserving the districts heritage in line with its vision. It is working well with partners to refurbish historic buildings including the Midland hotel in Morecambe and the Storey Institute in Lancaster that is being developed as a centre for creative arts and businesses. The Council's physical regeneration activity supports economic and social regeneration in the more deprived areas of the district. For example the redevelopment of West End Promenade Gardens is a key project in the West End of Morecambe and complements the Council's approach to neighbourhood management, ensuring an integrated approach to the regeneration of the area.

- 79 The Council is working well to secure the infrastructure to support new business start-ups, in line with the economic vision for the district. It has made excellent use of funding streams and its Economic Development Zone (EDZ) status to support economic regeneration. The EDZ has secured £8 million of European funding, to provide new and refurbished commercial space. The emerging Luneside East urban village project will replace contaminated and derelict land with a mixed development of housing, leisure and 80,000 sq ft of modern office space. A £2.7 million high tech office development in the heart of the City, 'CityLab', opened in August 2006. Lancaster's economy is growing and the Council is supporting this growth effectively.
- 80 Work with deprived communities is helping to narrow the gap with the rest of the district. For example there has been a significant decrease in the proportion of local residents in Poulton who are unemployed or claiming Job Seekers Allowance, from 7 per cent in 2003 to 3 per cent in 2006 (compared to 2 per cent claimant rate across the district).
- 81 The Council uses its services well to attract visitors. Williamson and Happy Mount parks have Green Flag status. The Salt Ayre sports centre has hosted numerous tournaments, including international badminton tournaments and national gymnastics competitions. The Council arranges festivals and events including annual jazz, kite and heritage festivals. The value of tourism in the district is estimated at £217 million. While visitor spend has reduced by 1 per cent between 2005 and 2006, against a target of 5 per cent increase, the number of staying visitors increased by 4 per cent between 2005 and 2006 against a target of 3 per cent. The Council receives 80 per cent good or excellent TIC customer satisfaction ratings.

To support sustainable communities

- 82 The Council's achievements are supporting its priority of 'sustainable communities'. Neighbourhood management in Poulton and the West End of Morecambe is giving people a bigger say in shaping their local area. Positive outcomes from the Council's approach are evident; resident satisfaction has increased; unemployment levels have decreased as have crime levels. The proportion of people expressing dissatisfaction with Poulton as a place to live has decreased from 16 per cent in 2003 to 11 per cent in 2006. The Council is working well to deliver an integrated regeneration programme with a focus on ensuring partner service delivery fits the needs of local residents. It is extending its approach to other areas in the district with a rural neighbourhood management pilot underway.

- 83** Housing services perform well and 78 per cent of comparable performance indicators have improved in the last three years which is above the average rate of improvement for districts. All of the Council's housing stock meets the decent homes standard. The Council's performance as a landlord has improved significantly, with good performance for rent collection and above average performance for the time taken to re-let dwellings. The average time taken to undertake non urgent repairs has improved and the average time taken to undertake all repairs is now just 11 days, against a target of 15 days. Tenant satisfaction has increased significantly from 63.5 per cent to 79.6 per cent. 'Drop in' advice services have increased and there has been an overall reduction in the numbers of homeless applications and acceptances. The Council has maintained the level of repeat homelessness cases at '0'.
- 84** Performance is mixed in relation to the Council's strategic housing role. Dealing with Houses in Multiple Occupation (HMOs) remains a key challenge for the Council. A HMO licensing scheme and Housing Renewal programmes in Poulton and the West End of Morecambe are key vehicles for achieving this. For example the exemplar scheme in Morecambe's West End is at the final stages of developer selection. Thirty-eight properties have been acquired and a further seven are near completion to support this redevelopment work. The Council is committed to increasing the amount of affordable housing in the district and is achieving some success. In 2006/07 the Council increased the number of affordable housing units in the district by 43, against a target of 35. The Council is falling short of its own target of 20 per cent of completions to be affordable homes through the use of its planning powers. There are significant challenges still to be tackled to ensure local housing needs are met.

Appendix 1 - Framework for Corporate Assessment

- 1 This corporate assessment was carried out under section 10 of the Local Government Act 1999, under which the Audit Commission has power to inspect local authorities' arrangements for securing continuous improvement. The results of the corporate assessment contribute to the determination of the overall CPA category for an authority, which the Audit Commission is required to assess and report on under section 99 of the Local Government Act 2003.
- 2 The Council's self assessment provided a key resource in focusing the assessment activity which included consideration of:
 - key documentation, including the Council's improvement plan;
 - updated performance indicators and performance data; and
 - interviews and meetings attended.
- 3 The assessment for Lancaster City Council was undertaken by a team from the Audit Commission and took place over the period from 22 October to 30 October 2007.
- 4 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 improvement planning by the Council.