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To: Corporate Policy Overview Committee 26th September 2008

Subject: CPA Corporate Assessment response and draft performance improvement plan

1. Summary:

In response to the CPA Corporate Assessment report, published on June 3rd 2008, a draft Performance Improvement Plan relating to the comments and conclusions of the CA report is attached as Appendix 1 to this report. Appendix 2 is the Corporate Assessment report itself.

Despite the CPA Corporate Assessment framework having been made a 'harder test' by the Audit Commission, Kent County Council emerged with an overall score of 4 out of 4 – one of only two County Councils to have done so in both rounds of Corporate Assessment – Hampshire being the other. The Lead Inspector from the Audit Commission stated that a 4 in 2002 was worth only a 2 under the 'harder test', so the 2008 score is a reflection of continued improvement over the last 6 years.

The Executive Summary of the report begins with –

Kent County Council (KCC) is performing strongly. It has, with its partners, been early and active in developing clear and appropriate ambitions and priorities to meet the strategic challenges facing the county. The Council often leads beyond the norm for local government and is an outstandingly effective advocate for Kent at all levels including internationally. Well-established partnership work is bringing real improvements to quality of life for local people. Ground-breaking recent pilot projects embrace new technology and aim to personalise services. The Council has for ten years been seeking excellence and its organisation is impressive, high-quality, responsive and gives good value-for-money.

Throughout every section of the report there are comments and conclusions on the strengths of KCC, of the vision, drive, ambition and delivery, not just of KCC but of its work with partners. Nevertheless there are always ways in which KCC can improve what it does, as was acknowledged in KCC's self assessment and in the evidence shared with inspectors.

2. Improvement Plan: Building on Success

The attached Improvement Plan sets out in summarised form the inspectors comments and the proposed response, including the means of monitoring

future progress. In the majority of cases, the proposed actions and monitoring relate to existing commitments and processes so as to avoid additional bureaucracy solely for the purpose of responding to the report.

Many of the inspectors' comments reflect issues which KCC identified as requiring improvement and the PIP simply provides a means of tracking progress. Detailed implementation will be set out in the relevant service unit business plan or strategy, with overall impact and progress monitored via the headline Improvement Plan attached.

KCC continues to disagree with a small number of the comments of the inspectors which are not considered to require further additional action at this stage and do not feature as detailed actions in the PIP. The following paragraphs set this out in more detail.

3. Areas of difference:

3.1 Overview and Scrutiny (paragraphs 56 and 68 of the report)

The report summarises the contents of the above paragraphs in the section on Areas for Improvement as follows –

In the Council's membership, better-supported and earlier engagement of opposition and backbench councillors in decision-making and performance monitoring is needed, to build trust and openness and to ensure the views of all communities are fully heard before decisions are made.

This conclusion and the detailed comments in the body of the report are based on a fundamental difference of view between the Audit Commission and the KCC Director of Law and Governance over where responsibility lies for the effectiveness of Overview and Scrutiny.

The KCC view is as follows –

The rights of all Members, including those from the Opposition and backbenches and especially those members of Overview and Scrutiny committees, to access any information held by the Council, is well-established and enshrined not only in law (Part 5A of the Local Government Act 1972 as amended and the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000) but also in the Council's own Constitution and Convention on Member: Officer Relations.

Members' rights of access to information are unfettered, except for very specific restrictions in relation to child protection. Officer support to Members, especially the Opposition Groups allows ample opportunity to obtain any data they wish and is being reviewed by the IMG on Member Information, whose recommendations need to be considered. There are already plans to give strengthened officer support and additional resources for Scrutiny and Overview, underlining the fact that officers serve the whole authority and not the Executive alone. Moreover, Executive Members view Scrutiny and

Overview as a valuable policy development resource and a basis for identifying the key priorities of the Council, as well as a way to engage with the local community. This is likely to link directly to the report and recommendations from the Accessing Democracy Select Committee, so proposed actions should be based on this report and its conclusions.

The Constitution lays down detailed and extensive provisions that provide opportunity to all Members - Executive, Opposition, Backbench/Local - to be fully engaged in the decision-making process, policy formulation, and scrutiny and overview functions of the Council. These range from formal routes, such as through Council, Cabinet and committees, to the more informal channels, such as Officer Briefings, Cabinet Member briefings, IMGs and personal research and report writing.

With regard to access to information, the legal and constitutional provisions are extremely broad, and permit any Member of the council to inspect any document that is in the possession or under the control of the council, which contains material relating to any business to be transacted at any meeting of the council or a committee or sub-committee of the council. This subject has been the topic of an Informal Member Group and its report and recommendations need to be fully considered before action is agreed.

It is important to note that members are under a common law duty to keep themselves informed of council business that relates to their role as elected representatives. As such, they have a right to inspect documents which are addressed to the council and which they have 'a need to know'. This is universally respected by officers across the whole of the Council's business areas. In particular, officers appreciate that they are required to support both the Executive and Overview and Scrutiny equally and impartially, by providing information, confidential briefings, advice and support on request to all 84 Members.

The role of agenda-setting meetings for Policy Overview Committees is a critical one in formalising the means whereby Opposition and backbench members identify and place onto meeting agenda issues of interest and concern. Efforts to reinforce and support the independence of agenda-setting and to encourage identification of issues by non-Executive Members will continue.

However, it is equally important to note that not all Opposition and backbench Members avail themselves of the legal and constitutional opportunities open to them, including the advice, information, briefings, support and training that is readily accessible.

Whilst the necessary training and support is available to deal with these issues, there has been unwillingness or a lack of interest shown by many Members in the take-up. All Members newly elected in 2005 went through an induction process, details of which were provided to the inspectors during the fieldwork fortnight, which explained Member roles and responsibilities and the opportunities to get involved. We need to use the Member Development

Charter as an active means to support Members' wider roles on an ongoing basis not just rely on one-off induction.

Any proposed action will follow full consideration of the reports and recommendations of the Select Committee on Accessing Democracy, the Informal Member Group on Member Information and further consideration of actions needed following the adoption of the Member Development Charter

2.1 Relationships with Regulators (paragraph 67 of the report)

The CA report comments –

In its relationships with regulators the Council is unexpectedly defensive for an organisation of such high repute. This discourages early advice and means that stronger messages about areas for improvement are not always heard clearly and acted upon quickly, because the immediate response is often to expend much energy, unproductively, on rebuttal.

The KCC view is as follows –

No evidence was presented to KCC to substantiate this conclusion, it was simply stated that this view was expressed to the Inspectors by our regulators.

This is not a view that any of these regulatory bodies have previously shared with KCC and we know that Price Waterhouse Coopers, who were our external auditors for the period under review, were not invited to attend the 'round table' of regulators, nor contacted separately in any other part of the process

There is continuous constructive dialogue with our external auditors, with CSCI in the ARM process, and OfSted through APA. There is also the example of the adoption by CSCI of the Kent-piloted CRILL framework for quality in residential care and joint working with regulators for example in our support to Swindon, where we and CSCI worked alongside each other in a close and productive relationship.

None of the regulators who spoke to the inspectors about this had raised these issues directly with us. There should always be a degree of mutuality in the relationship between KCC and its regulators, and KCC has always sought to act in accordance with that. We accept (and expect) that regulators will question and challenge us as part of a healthy dialogue and of course we will do the same.

As well as the examples above, we can point to changes in national policy, in legislation and in the practices of regulators themselves that have changed as a result of this dialogue, just as we can point to improvements within KCC on the basis of past inspections and ongoing relationships. The response to the recent 'Supporting People' inspection typifies the positive way KCC as a whole works with regulators.

What is described in the report as 'rebuttal' is just KCC seeking to understand the evidence basis on which regulators are making their judgements and how can we plan for improvement if we don't fully understand the issue?

We regard this approach as a strength not an area requiring improvement, but will seek to encourage regulators to give us feedback on their view of the working relationship

3.3 Relationships between KCC and District & Borough Council Chief Executives (paragraph 57 of the report)

The report is full of positive comments about KCC's partnership working, including in this statement at the start of para. 57 - *KCC's relationships with partners are generally good and improving.*

Despite the fact that the assessment is focused on outcomes, these comments about relationships appear to be based on opinion not evidence and there remains a fundamental disagreement with the inspectors over these comments. The report states –

*However relationships between KCC and District and Borough Council Chief Executives, which should be a key resource in shaping joint priorities and smoothing the path to implementation, are not as effective as they might be. But places the onus for action only on KCC –
The Council needs to manage these relationships more strategically so as to promote a higher level of trust...*

The KCC view is as follows –

There is an overwhelming weight of evidence in the report that KCC and its partners have achieved radical change to improve outcomes for Kent as evidenced in both PSA1 and LAA1 as well as in ongoing service delivery across Kent. These achievements are commented on repeatedly throughout the report. This therefore calls into question the comment about *relationships not being as effective as they might be*, since the inspectors' own conclusions about what partnership working has delivered contradict this conclusion.

This is particularly serious in that this judgement appears to have adversely affected the overall assessment of the section on 'Capacity' and ignores completely the difference between poor relationships which damage or prevent delivery and the necessary 'creative tension' which underlies all forms of transformational working.

The second part of their conclusion is expressed somewhat confusingly. Given how many different interactions there are between Members and senior officers of KCC and District & Borough Chief Executives, it's difficult to see how these could be 'managed strategically' – what is most important is that the right results and outcomes are being delivered and the evidence in the assessment report is that in vast majority of cases this is the case.

The development of trust within working relationships is of course a mutual responsibility not something that KCC can deliver on by itself, but something all partners must continue to strive for.

On this basis no further action is proposed in response to the inspectors' comments, since all partners (inc KCC and the Districts/Borough Councils) need to continue to strive together for improved outcomes, just as we have all done in the past.

4. Conclusions

The Corporate Assessment process has been an extensive exercise, with a high impact on the reputation of the council and on the morale of its staff. It is important that the overwhelmingly positive comments and conclusions in this report are not overlooked in the understandable desire to act on the areas where improvement is still needed.

It is also important to ensure that the framework for Comprehensive Area Assessment (CAA) learns from the flaws in the corporate assessment and CPA framework and does not repeat them. Local Government needs to have confidence in the process, in its evidence base and in its focus on outcomes to ensure that its judgements are reflective of actual achievements, not subjective assessments of organisational 'style'.

5. Recommendations

Members are asked to comment on and agree the draft Performance Improvement Plan attached as Appendix 1 to this report.