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Dear Michael

I wanted to write to you to outline a number of observations and some matters of fundamental principle I have in relation to the proposals for Comprehensive Area Assessment (CAA).

Even though my authority, one of the largest in the country, has just received a positive Corporate Assessment report which makes us only the second county to retain 4/4 under 'the harder test', I strongly believe that because of the serious flaws I have experienced at first-hand in the CPA process, CAA may not be fit for purpose in the context of 21st Century local government.

Organisational Assessment

I have grave concerns about the existing framework for judging 'Capacity' and how that mindset may infect key elements of CAA which relate to organisational performance. Retaining the Use of Resources framework is a welcome step, but the additional elements of the Organisational Assessment are still not fully developed and may risk repeating the flaws of the CPA Corporate Assessment.

I would summarise my criticisms of the current framework as follows -

- Misunderstanding of the nature of transformational leadership
- Valuing consensus above delivery (politically and in partnerships)
- The lack of balance between evidence and anecdote – especially in the role of focus groups
- The potentially prejudicial influence of key inspectors, lacking recent experience at a senior level in operational local government



Even in the complex and inter-dependent world in which we all now operate, the fundamental building-block of any horizontal network or partnership must be the organisational strength of the individual parts of that network, since in most cases partnerships are groups of independent sovereign bodies collaborating for a purpose, not organisations in their own right.

So what characterises 'Capacity' in a 21st Century organisation? Recent global research by IBM into the characteristics of an 'Enterprise of the Future' can easily be adapted to the local government sphere in terms of -

- Strategic vision
- Stability and continuity of leadership
- Identifiable value base, well-communicated
- Pro-active financial management
- Relentless focus on customer needs
- Innovative beyond customer expectations
- Resilient in the present and for the future
- Integrated delivery approaches
- Restless in pursuit of improvement

The existing CPA framework does not fully recognise the capacity and capability of the organisation under scrutiny for what it truly is, and cannot therefore be left unchallenged as this would risk the same value judgements affecting the Organisational Assessment element of CAA.

Compared to the absolute facts, grounded in evidence, which show how my own organisation uses its resources, deploys its physical and ICT assets, manages and develops its staff, uses smart procurement and applies all of the above in pursuit of its priorities, then the perceived lack of 'an inclusive style' – a point made by a handful of the hundreds spoken to - is insignificant in a judgement about Capacity.

We are rightly credited with strengths in the ambitions that we set with and on behalf of the people of Kent. We translate those into priorities set out and delivered in PSA and LAA processes and have a demonstrable record of innovation, achievement and "notable practice" reflected in our CA report.

There is an overwhelming weight of evidence that KCC and its partners have achieved radical change in partnership working and in improving outcomes for the people of Kent. Throughout our report the evidence of the strength of local partnership working (including with District Councils) supports the conclusion that we work well with our partners in respect of both delivery partnerships and strategic engagement in PSA1, LAA1 & LAA2.



The question I am left with is how could we be so strong in these areas and not have outstanding organisational capacity allied to the ability and willingness to work 'inclusively' with partners to deliver real change? It was only the strong desire to move away from the 'energy sink' that external inspection has become that I did not pursue a formal appeal against the score for Capacity for this authority. I want to focus instead on making sure the same misjudgement is not inflicted on authorities under CAA.

Perception and subjectivity

Criticisms of my authority's decision-making structures were not based on evidence of detrimental impact; they were based solely on the unchallenged view of the inspectors that having a different approach would be better. They clearly had a model in mind where slow, consensual decision-making would always be better than a swift and accountable process. Will similar presumptions be repeated in CAA, based on this mistaken decision-making model?

If the basis for any inspection is the 'so what' test of how do our actions impact on outcomes for service users then our track record speaks for itself.

To criticise this authority on the basis of anecdotal comments from opposition politicians and 'Post-It note' feedback from a single focus group makes a mockery of the so-called triangulation of evidence. It too cannot withstand the 'so what' test in that there is ample evidence that these issues of perceived style have not stood in the way of improving outcomes.

On this basis we are criticised not for lack of effective action, not for lack of impact but for insubstantial issues of style. I am the first to admit that 'perception is reality', but if hard evidence has to be triangulated by inspectors in order to be considered valid, so does perception.

I am particularly concerned by the reliance on single sources of perception in both the framework of National Indicators and in the proposed CAA methodology. Surely the test our effectiveness and that of our partners should be grounded in improved outcomes and in the actual experience of users of our services and of local residents, not merely in public and partners perceptions of our services?

Creative Tension

Transformational leadership inevitably challenges people's comfort zones and is never content to proceed at the pace of the slowest. This is true when applied within an organisation and even more so when change is needed across a multi-agency network. Does any part of the CAA framework acknowledge this?

If relationships between partners becomes tense, this is likely to be as a result of the need to drive transformation which will inevitably challenge the status quo and some may feel threatened by this – that is the nature of any change process. Partnerships should acknowledge and accommodate this, but not to the point of allowing progress to stall.



Surely this is a sign of healthy, creative tensions and our relationships with partners should best be judged by their impact on outcomes, not viewed negatively because some people are made to feel uncomfortable. If change and transformation don't make some people feel uncomfortable, they aren't working!

A significant factor in Kent and in all areas with separate independent tiers of government is that each of those tiers are inherently competitive with each other (even without a national unitary debate raging) and this is ignored by the CAA framework in favour of notions about consensus. In the increasing profile given to community leadership and place-shaping, areas like Kent have three levels of elected leadership for the same locality – Town or Parish, District and County. Add to that the potential overlap of responsibilities in areas such as economic development and public protection, it's a minor miracle that we achieve as much as we do.

For a County Council the partnerships with the NHS and Police are arguably more significant in delivering outcomes than partnerships with other tiers of local government. In relationships with District and Parish Councils the role of elected Members as 'Community Leaders' clearly overlap if not conflict. Again CAA offers no recognition of this complexity in its framework or in its understanding of conflicting political mandates within the same geographic area.

Inspectors

The extent of the achievements of this authority is acknowledged by inspectors and is grounded in empirical data and in the views of staff and partners right across the spectrum, yet our inspectors allowed unchallenged feedback from a single focus group to undermine the weight of these achievements in determining the overall score for Capacity.

I have tried hard to give due credit to inspectors for working hard within a flawed system, but I fear the problem is deeper than that. It is my reluctant conclusion that inspectors fall into one of two categories; those motivated by a personal agenda and those simply lacking the relevant experience and expertise to be able to assess complex organisations operating in a multi-agency world. If this continues to be the case in the future, then CAA will have no credibility. There must never again be a situation where an inspector sits down to interview a senior professional and begins the interview with "well I don't really know much about this subject..." - this happen to us in relation to the business-critical issue of ICT.

How many inspectors could I as Chief Executive put my hand on my heart and say I'd employ in a senior position? Why then do we in local government allow their judgement of us to carry so much weight? Why are we complicit in a process so much at the whim of a lead inspector who can bring their own preconceptions into the process and pre-determine the outcome of an assessment to the extent of writing the report to fit the pre-determined score? If we do not challenge this mindset and demand the right levels of competence, then CAA will be a disaster for local government and for local people.

Proposals

What I would like to propose is the following set of principles to act as the test against which the usefulness of external inspection has to be judged, now and for the future.



- Does the learning the organisation gains from external inspection merit the time, money and distraction that the inspection causes?
- Is this relentlessly focused on evidence of improved outcomes, not on the processes that lead to improvement?
- Is the input of service users and residents based on their actual experience of services not merely survey-based perceptions?
- Is the assessment of the authority and its partners based on delivery of the policy choices they have made, rather than the choices the Inspectors would like them to have made?
- Are the inspectors competent practitioners in the appropriate professional field?

In addition to this note, KCC's formal response to the CAA Consultation Document will follow under separate cover.

Yours sincerely

Chief Executive

