

CABINET

13 January 2010

PRINCIPAL SCRUTINY COMMITTEE

18 January 2010

COMPREHENSIVE AREA ASSESSMENT 2009 – ORGANISATIONAL  
ASSESSMENT

REPORT OF THE CHIEF EXECUTIVE

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RECENT REFERENCES:

[PS 395: Annual Audit Letter, 16 November 2009](#)

[PS 397: Annual Governance Statement – Issues and Risks. Update on progress, 16 November 2009](#)

EXECUTIVE SUMMARY:

As of 2009, public sector organisations are subject to a new inspection regime called Comprehensive Area Assessment. This assessment is split into two elements: an Area Assessment which looks at what public services across the board are achieving in Hampshire as a whole and an Organisational Assessment (OA) which looks at what the Council individually is achieving for its communities and how the organisation manages its business. This report sets out the Council's response with regard to its external Organisational Assessment.

The City Council was judged to be performing well overall in its Organisational Assessment. It scored 3 out of 4 for the Managing Performance aspect of the OA, and 2 out of 4 in the harder test Use of Resources. External auditors have recognised that the Council has improved since last year's Use of Resources score. Actions to improve the Council's Organisational Assessment are contained in existing business plans, the draft Corporate Business Plan 2010/11 and the Annual Governance Statement.

**RECOMMENDATION TO CABINET:**

That Cabinet note the Council's Organisational Assessment report and the actions to be taken into account in the Council's business planning process, as outlined in paragraph 3 of the report.

**RECOMMENDATION TO PRINCIPAL SCRUTINY COMMITTEE**

That Principal Scrutiny Committee provide comments to Cabinet on the Organisational Assessment report.

## CABINET

13 January 2010

## PRINCIPAL SCRUTINY COMMITTEE

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## COMPREHENSIVE AREA ASSESSMENT 2009 – ORGANISATIONAL ASSESSMENT

### REPORT OF THE CHIEF EXECUTIVE

#### 1 Introduction

- 1.1 In 2009, a new inspection regime was introduced for public sector organisations called Comprehensive Area Assessment (CAA). This replaces the previous Comprehensive Performance Assessment judgement, which the City Council received in 2004.
- 1.2 This new inspection regime is one of a variety of ways in which the Council's performance is judged.
- 1.3 CAA is an outcomes based assessment which looks at how well local public services, working together, are meeting the needs of the people they serve. It is a joint assessment made by all inspectorates about the performance of local public services, and how likely they are to meet local priorities. It focuses on what a council and its partners organisations (like NHS Hampshire, Fire and Rescue Service and the Police) want to achieve for their area.
- 1.4 CAA has two elements: Area Assessment and Organisational Assessment. The area assessment looks at what all public services are achieving in Hampshire as a whole. The Organisational Assessment makes a judgement on how well the Council is run and whether it is delivering good services for its residents.
- 1.5 The Organisational Assessment is split into two elements; Use of Resources and Managing Performance:
  - The **managing performance** assessment looks at how well the organisation is delivering the outcomes and services that are important to local people. It looks at how well the organisation is working with other partners and how well it is improving.
  - The **use of resources** assessment looks at how well the organisation is using its resources (such as money, staff, land and buildings) to

meet the needs of local people in a way that provides value for money. This assessment is split into three aspects, each of which are scored: managing finances, governing the business, and managing resources.

- 1.6 Elements of CAA (specifically the Use of Resources element) have been acknowledged by the Audit Commission as being a 'harder test' than previous inspections.

## 2 Organisational Assessment Score 2009

- 2.1 The Council was judged to be performing well overall, and the City Council is either meeting or exceeding the standards expected of a Council.
- 2.2 The Council's overall judgement can be broken down into the following scores:

**Managing Performance**                      **3 out of 4**

**Use of Resources**                              **2 out of 4 (overall)**

- Managing finances                      2 out of 4
- Governing the business              2 out of 4
- Managing resources                      2 out of 4 (the focus of 2009 was workforce planning)

Description of scores:

- |   |   |
|---|---|
| 1 | An organisation that does not meet minimum requirements, Performs Poorly              |
| 2 | An organisation that meets only minimum requirements, Performs Adequately             |
| 3 | An organisation that exceeds minimum requirements, Performs Well                      |
| 4 | An organisation that significantly exceeds minimum requirements, Performs Excellently |

- 2.3 The Full OA report can be found at appendix 1.
- 2.4 The Managing Performance assessment is a new element for 2009, however the Use of Resources inspection is ongoing from the previous regime with a slight change to the key lines of inquiry. Last year the Council scored 2 out of 4 for its Use of Resources assessment, and it is acknowledged that the new assessment for 2009 is a harder test.
- 2.5 Although it is difficult to make a direct comparison with the 2004 CPA judgement of 'fair', this latest assessment has judged the Council as performing well overall. In the Council's Annual Audit Letter for 2008/09

where the Council's Use of Resources judgement was made, the auditor stated that there is clear evidence of the Council's improvement in this assessment and has provided an unqualified value for money conclusion (In the previous year, 2007/08, this conclusion was "qualified" in relation to the need for condition surveys for non-housing property.) His presentation to Principal Scrutiny reinforced the message about progress being made, notwithstanding the similar grading awarded.

### 3 Areas for development

- 3.1 Although the current score of 2 out of 4 for Use of Resources under the harder test was the result of an acknowledged improvement by the Council, the Council is aware of areas which need attention, and action to address these are in hand within Divisional business plans.
- 3.2 The Annual Governance Statement (AGS) includes key actions the Council is undertaking which will help ensure improvement against the Use of Resources key lines of enquiry. Progress against the AGS is monitored and scrutinised by Principal Scrutiny Committee. A report was sent to this Committee on 16 November 2009 setting out the latest progress. The AGS is monitored by the Governance Group and chaired by the Corporate Director (Governance).
- 3.3 The following key actions were identified by auditors as part of the Council's Use of Resources assessment. The Corporate Governance Group has reviewed these recommendations and work to address them is contained in the proposed Corporate Business Plan 2010/11, existing business plans and the AGS.
  - Sustain the improvements in financial reporting and ensure that the finance team has capacity to address key financial challenges during 2009/10
  - Determine the Council's financial priorities, the level of service provision and potential savings in order to achieve financial balance over the period of its medium term financial strategy
  - Embed the Council's new treasury management arrangements
  - Continue to develop the role of the Governance and Risk Management Groups
  - Continue to develop and update the Council's People Strategy and Workforce Development Plan

In addition work is continuing on developing the Council's asset management arrangements for the General Fund (non-housing) property portfolio.

- 3.4 The Managing Performance assessed progress in delivering the outcomes our Community Strategy identifies. Whilst progress is good, the challenge is continuous improvement. The Council's Corporate Business Plan, and the wider planning process we are building will help maintain that improvement in

key areas. The Chief Executive's recently announced proposals for organisational development also enhance a focus on delivering outcomes.

#### 4 Area Assessment

- 4.1 The Area Assessment is a judgement of how well all public sector organisations are working together to produce good outcomes for Hampshire. This assessment is not scored like the Area Assessment, instead a narrative is given about the area and green or red flags are raised to highlight areas of good practise or areas for concern. Hampshire did not receive any flags in its report.
- 4.2 Hampshire's Area Assessment can be found at [www.direct.gov.uk/oneplace](http://www.direct.gov.uk/oneplace). The report sets out the public sector's performance against the priorities in the Hampshire Community Strategy.

#### OTHER CONSIDERATIONS:

#### 5 SUSTAINABLE COMMUNITY STRATEGY AND CORPORATE BUSINESS PLAN (RELEVANCE TO):

- 5.1 The Organisational Assessment inspection is one way in which the Council is assessed as to how successful it is in delivering the Sustainable Community Strategy and Corporate Business Plan.

#### 6 RESOURCE IMPLICATIONS:

- 6.1 There are no resources implications arising directly from this report, however there may be implications for any actions undertaken to address issues raised by the Organisational Assessment. This will either impact upon decisions to be taken in the annual budget process or setting priorities in the corporate planning process within the resources that are available.

#### 7 RISK MANAGEMENT ISSUES

- 7.1 None

#### BACKGROUND DOCUMENTS:

Organisational Assessment reports for all Hampshire authorities can be found at [www.direct.gov.uk/oneplace](http://www.direct.gov.uk/oneplace) .

#### APPENDICES:

- |            |   |
|------------|---|
| Appendix 1 | Winchester City Council Organisational Assessment (full report) |
|------------|---|

# Winchester City Council

## Organisational Assessment

Dated 9 December 2009



for an independent overview  
of local public services

# Winchester City Council

## Overall, Winchester City Council performs well

Managing performance	3 out of 4
Use of resources	2 out of 4
Managing finances	2 out of 4
Governing the business	2 out of 4
Managing resources	2 out of 4

Description of scores:

1. An organisation that does not meet minimum requirements, Performs Poorly
2. An organisation that meets only minimum requirements, Performs Adequately
3. An organisation that exceeds minimum requirements, Performs Well
4. An organisation that significantly exceeds minimum requirements, Performs Excellently

## Summary

Winchester City Council is performing well overall. It is managing performance well and is managing its use of resources adequately.

The Council's aims and priorities match the concerns of local people and the Council is delivering well in relation to them. Many of its services are above average and it has shown that it can improve its performance when needed. It works well with partners and this is showing results, for example in tackling crime. This is why we have decided to score the Council as performing well overall.

The Council is supporting people and businesses in the recession. It is also enhancing the attractiveness of the area through street improvement schemes and the provision of park and ride facilities. It is continuing to promote tourism.

The Council is working effectively with partners to deliver a number of schemes to promote energy efficiency and reduce greenhouse gas emissions. Local development plans include business and retail opportunities along with schemes to build new homes in line with the Government's targets. The Council is working with other organisations to deliver these schemes. Targets for planning applications have been achieved. Recycling targets have not been achieved although levels are improving. The cost of waste collection remains high, but the Council is working with partners to improve these costs and services in future.

Crime levels in the area are low and among the best in Hampshire. Almost a third of residents agree that the police and other services are addressing issues of anti-social behaviour and crime. The Council has a number of schemes to improve services for residents including sport services and



information days for older people.

The new letting scheme for council homes is working well. This has enabled 17 families to move out of temporary accommodation. There are fewer empty council homes and homes are relet faster than last year. The Council built 82 affordable homes last year. However, it has not achieved its target for building affordable homes last year.

The Council has opened a number of information centres across the area which helps residents to pay bills and find out about services in an office near to them. The Council is delivering a programme for improving value for money. And the Council is carrying out a series of service reviews to identify further efficiencies and improvements to services.

The Council has good leadership, capacity and capability to deliver future improvements. The Council works well with other organisations to deliver its vision. It has good relationships with other councils, town and parish councils and forums, the Police and NHS Hampshire. It supports county wide organisations and the Local Area Agreement. The Council is above average in its performance against most national and local indicators.

The use of resources assessment concluded that the Council is managing finances to deliver value for money and has an understanding of costs. Governance arrangements are adequate with appropriate data and risk management arrangements. The Council has a workforce plan and needs to identify the outcomes from this.

## About Winchester City Council

Winchester City is a large and predominantly rural area covering 648 square kilometres, an hour south-west of London. A large proportion of land is designated as an area of outstanding beauty; Winchester itself is the ancient capital of England and major tourist centre with an estimated four million visitors every year.

The number of people who live in the area is 112,700. The black and minority ethnic population of the area is 2.2 per cent with diverse backgrounds dispersed throughout the district. The age profile is similar to the regional average but with a slightly lower proportion of young people and a higher proportion of older people.

Unemployment is relatively low and weekly wages are high - the second highest in the county. People's health is generally better than the England average. Over half the residents live in areas classified as the least deprived in England and life expectancy for both men and women is high. However, there are health inequalities within Winchester; life expectancy for men living in the less deprived areas is almost six years longer than for those living in the more deprived areas.

The Council is led by the Conservatives who hold 29 out of the 57 seats. The remainder are held by 24 Liberal Democrats, three Independent and one Labour.

## Organisational assessment

### How well is the organisation delivering its priority services, outcomes and improvements that are important to local people?

The City Council's aims and priorities match the concerns of local people and the Council is delivering well in relation to them. The Council has four priority areas:

- Economic Prosperity
- High Quality Environment
- Safe and Strong Communities
- An Efficient and Effective Council.

### Economic Prosperity

The Council is supporting its people and businesses well in the current recession. Although the Council expects fewer people and businesses to be affected than in other areas, £400,000 has been set aside to support projects. Some of this has been spent. The Council has introduced back to work training workshops, grants to local businesses and community organisations, and business rate relief. It has reduced the time it takes to pay businesses and improved the level of support to Citizen Advice Bureaux.

The Council website also includes pages on recession planning. The Council has enhanced the attractiveness of the area. It has worked in partnership in Alresford to make the town centre more 'pedestrian friendly', and improved the image of shopping areas in Winchester.

The area is a key tourist centre. The Council has continued to promote tourism. Leaflet guides to market towns such as Wickham and Alresford have been produced and places of interest are included on the Council's website pages. Work to develop new attractions such as the English Project is on-going.

### High Quality Environment

The Council has a high quality environment with good quality green spaces and parks. The Council is working effectively with local businesses and other organisations to reduce greenhouse gas emissions within the area. The Council has implemented a Climate Change Action Plan. The Council works with partners to promote energy efficiency projects. An example is the HeatSeekers scheme which identifies homes in the area suffering from unnecessary heat loss. Energy Advisors work with householders to find a way to better insulate their homes, saving money on energy bills and reducing the amount of carbon emitted.

The Council is studying how traffic moves around Winchester. This study includes looking at the environment, park and ride sites, car parking and public transport. The study will inform the Winchester Access Plan which is currently being developed.

The local development plans received a lot of input from residents when the Council consulted on them in 2007/08. The Council is currently consulting on the revised framework. The revised framework includes the development of business and retail opportunities along with schemes to build new homes in line with the Government's targets. The Council has worked with neighbouring councils to develop these schemes. It ensures that the natural environment is considered and protected in all developments.

Although the Council meets its targets for considering planning applications from people who apply for extensions and new developments, the Council takes longer to do this than other councils. However, satisfaction levels of residents for this service are good.

The Council has not met its target for recycling. The amount of waste recycled has improved slightly but is low compared to other Hampshire districts. The cost of waste collection remains higher than for similar councils. The Council is working with East Hampshire District Council to contract a cheaper and more efficient waste collection service from 2010/11 onwards.

## Safe and Strong Communities

The Council works well with partners to keep crime low. The actual levels of crime within the area are fourth lowest in Hampshire districts. Less than 10 per cent of the community think anti-social behaviour is a problem. This is the best in Hampshire especially given the concerns which could be raised around the high student population. In addition, almost a third of people in the area agree that the police and other local public services are successfully dealing with anti-social behaviour and crime. This is above the national average.

The Council has supported sporting events such as the Sports Festival and Cultural Olympiad Open Weekend to promote regular physical activity for local residents. In addition, cultural events, such as Fiesta Fridays in Winchester city centre, have been promoted. More events are planned.

The Council is working with organisations in the area to promote activities for the community. Funding of £200,000 has been secured from the Big Lottery Play programme to deliver the 'It's OK to Play' project. This scheme works with the Forestry Commission to create four play schemes for children and young people in the area. The Council is also working with the Older People's Partnership and providing schemes such as gardening and information days.

The Council, together with East Hampshire District and Havant Borough Councils, has established a sub regional Choice Based Lettings Scheme in 2009/10. The Scheme advertises vacancies across the three districts and home seekers bid for the properties they are interested in. This has a positive effect on letting properties more speedily. The Council continues its good practice of not using bed and breakfast accommodation for homeless families. Since the scheme started 17 homeless families living in temporary accommodation have moved into permanent accommodation. The Council is

on target to achieve the Government's target of reducing the number of homeless households in temporary accommodation by 2010.

The Council has not met its targets for the length of time taken to re-let its houses. However, homes are being re-let faster than in previous years. The proportion of council homes empty in March 2009 has reduced.

Nearly all of the Council's housing stock is to a good standard. The Council is likely to meet the government target. The Council has given a number of grants for home adaptations and improvements for those people who need to make changes to their homes.

The Council did not meet its target of building 100 affordable houses last year. The Council built 82 affordable homes. The Council is working on various projects to ensure that schemes can go ahead, such as providing discounted Council owned land for affordable homes and negotiating affordable housing numbers with developers which are above levels set out in the local plan. The target for this year is likely to be achieved. In some instances the Council has supplied the land or negotiated the infrastructure to be provided alongside the homes. The Council has also agreed to sell a limited number of council homes. The receipts are to be used to fund new developments through social landlords.

## An Efficient and Effective Council

Access to Council services is good. The Council has opened information centres across the area allowing people to pay bills and find out about services in an office near to them. The time taken to process new benefits claims last year was 15.3 days which is an improvement on the previous year. This is particularly good given the increase of six per cent in the total number of benefits claimants that the Council now has.

The Council has effective arrangements in place for the use of its buildings. However, the sale of buildings identified as being surplus to requirement has been delayed due to current market conditions. The impact is that the Council's property portfolio is not as efficient as planned.

Progress around equality is slow compared to other councils. Equality impact assessments are in progress and are on target to be completed for all services by 2010. Improvements identified for services, where an assessment has already been completed, are on-going. However, it is possible that some services are not being delivered in a fair and equitable way. The Council is working with other organisations to ensure that the diversity of the area is understood and any inequalities addressed.

The Council has undertaken a flexible working project which has considered how staff work. This has led to the redesign of a number of services and reduced costs and improved outcomes for residents in areas such as building control. Staff are used flexibly within services. For example within Revenues and Benefits and are also moved between services, such as planning applications, to ensure resources are matched to demand. The 2008/09 Staff Satisfaction Survey shows that 77 per cent of staff welcomed the adoption of flexible working and the opportunities it offers. The flexible working programme has also contributed to improved levels of sickness absence.

The Council exceeded its value for money savings target of £250,000. It made a further £264,000 in efficiency savings. An additional £158,000 was saved by working more efficiently.

## **Does the organisation have the leadership, capacity and capability it needs to deliver future improvements?**

The Council has good leadership, capacity and capability to deliver future improvements. The Corporate Strategy provides clear ambitions. The Council works well with other organisations to deliver its vision. It has good relationships with other councils, town and parish councils and forums, the Police and NHS Hampshire. It is good in its support to county wide organisations and the Hampshire wide priorities. The Council is above average in its performance against most national and local indicators.

The local partnership of organisations is effective and has made a difference for the residents of the area. Examples of outcomes delivered include a seminar for local businesses on climate change, “buy one get one free” swim, evening football, and securing £3.5m for a Winchester Sports Stadium.

The Council provides good leadership. Senior management has been restructured and there is an on-going restructure within services to ensure effective and efficient services. The Council is open to further improvements and in April 2009 invited the IDeA to undertake a Corporate Peer Review.

A new South Downs National Park Authority (NPA) is being set up in shadow form in 2010 with an official launch in April 2011. Forty per cent of the area will be in the new National Park. The NPA area will cover 15 different councils. Plans to work with the new NPA are at the earliest stages. This is a key change and it is important that the Council and the emerging NPA work and plan together to serve local people, businesses and visitors.

The Council has good capacity to deliver its priorities and for further improvement. It is undertaking comprehensive service reviews across all service areas. These reviews are robust and challenging with service leads justifying the resources and performance of their service to a group of officers and councillors. In addition, service leads consider any risks to the continued provision of the service and opportunities for better provision. The primary objective is to define the level of service to be provided and then to identify any cost savings. Service leads also consider service improvements which could lead to better customer outcomes. Results of the service reviews are still being analysed.

The Council has established a Project Office to co-ordinate project management and allow scarce resources to be targeted at priority work such as the waste management contract.

The Council has adequate financial capacity and skills and performs well in delivering priorities and improvements within budget. The Council's financial strategy is linked to its key strategic objectives. The Council approved the budget following consultation with a range of local organisations. Cabinet and

the Corporate Management Team meet monthly to monitor financial performance and agree corrective action. The Council has a track record of operating within its budget and maintaining good service performance. Looking to the future, finance remains a key concern as grants and income from parking fees etc reduce. The Council is reviewing services to identify savings and improvements.

The Council's Community Strategy sets out the vision of intended outcomes. There is a good level of engagement with local communities in identifying priorities for local improvement.

The Council has good performance management arrangements. Performance is monitored monthly by both officers and councillors and areas of underperformance are closely reviewed. Performance is reported to scrutiny panels on a quarterly basis. The data performance system is being improved this year to evidence more outcomes for services. There is also a programme of work in place which will allow both staff and councillors better access to performance data.

The Council has good workforce arrangements. The Council has a workforce development plan in place which ensures that staff have the appropriate skills to undertake their jobs. The Council also has a Talent Management scheme and is seeking to develop staff with general, as opposed to specialist, skills.

The Council is working effectively with other councils and organisations to provide efficient and effective services for its residents. Services provided in this way include internal audit, purchasing and a Head of Revenues and Benefits shared with another local council.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>

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