

Comprehensive Area Assessment – update on latest developments

Summary

This report updates members on the latest developments on CAA – including the positive response from the Audit Commission, on behalf of the Inspectorates, to the LGA's proposals for member and member peer involvement in CAA; consultation on proposals to request a formal review of flags and scores and CLG consultation on the future of the freedoms and flexibilities regime.

Gareth Davies, Managing Director, Audit Commission will be attending the meeting to talk about member peer involvement in CAA.

Recommendations

- Lead members be authorised to approve the LGA's response to the joint inspectorate consultation on the CAA review process and on the CLG consultation on Freedoms and Flexibilities.

Action

- Officers to work with the Inspectorates to develop the practical arrangements to support member peer involvement in CAA in the light of members' views
- Officers to prepare responses, for lead member approval, on the CAA review process and the CLG proposals for the Freedoms and Flexibilities regime.

Contact Officer:

Nick Easton LGA,

Phone No: 0207 664 3278,

Email: nick.easton@lga.gov.uk

Comprehensive Area Assessment – update on latest developments

1. **CAA Guidance:** The CAA guidance to local Inspectorate teams was published at the end of March. As a result of discussions with councils and the Audit Commission it reflects sector views in a number of places, particularly around member involvement, transparency of the evidence, greater clarity around CAA in shire areas, confirmation that reporting will be against local priorities and not the ten themes, and peer involvement. The Guidance is available on the Commission's website. It will be reviewed in the light of experience for year 2.

2. **Member and peer involvement in CAA:** At the last meeting members approved a submission to the Inspectorates proposing member peer involvement in supporting the CAA lead in the assessment process - as well as in consistency and quality assurance at the "back end" of the process. Michael O'Higgins has replied, on behalf of the Inspectorates, agreeing with the LGA's proposals (copy **attached** at Appendix 1). Official level discussions with the Commission have identified a number of practical issues to be worked through:
 - Role – defining the peer role in supporting the CAAL, including days per year?
 - Person specification – high level, equivalent to new consultant peers?
 - Period of tenure – more than one assessment round?
 - Process for allocating peers to areas/CAA Leads
 - Funding peer involvement in the context of diminished resources.

3. **Early feedback from councils on CAA.** Feedback from Cllr Margaret Eaton's letter to council leaders and from advisers is as follows:
 - CAA implementation is still at a very early stage but it is already clear it will take time to develop the new behaviours envisaged, and that councils have a role in pressing for/leading change locally;
 - for example some councils feel there is an implied expectation they should undertake a self assessment for the managing performance assessment even though this is not formally required;
 - the inspectorates' "Background Notes" drawing together information about individual areas appears in some cases to be out of date and of questionable value. Whilst recognising that the notes are a starting point for discussions councils are concerned they will have to spend time updating the material;
 - Councils' relationships with CAA leads are still developing and appear to be positive. More of an issue is the apparent disconnect and difference of approach between appointed auditors and the work undertaken by the CAAL;
 - Similarly there is little evidence yet that performance frameworks for children and young people and health and social care are being aligned with CAA in a way that makes the whole assessment process feel more joined up locally;
 - Some district councils are seeking assurances that the Organisational Assessment will be proportionate to their scale and resources;
 - Some councils appear to have been told they can expect to see a significant drop in their organisational assessment scores because the Use of Resources

23 4

assessment has become a tougher test, focusing on outcomes not processes. If there is a decline in scores across the sector in November this will present a difficult set of messages to manage as a General Election gets closer;

- There appears to be a continuing issue about the lack of member involvement in CAA reinforcing the need for practical tools and support - which we are addressing. Some unwillingness to engage appears to be based on the view that CAA would not survive a change of Government.
4. **Update on support to the sector.**
 - Each of the current Leadership Academy programmes have been invited to receive a facilitated session on CAA and this voluntary session has now been taken up by five programmes of members. The sessions are facilitated by IDeA but led by a member peer, alongside staff from the Audit Commission.
 - Working with the Centre for Public Scrutiny IDeA have produced a Guide for Overview and Scrutiny members on locality self evaluation within CAA.
 - We are working with the Audit Commission to produce further explanatory material for members on CAA.
 5. **Consultation on CAA review process:** The Inspectorates have published proposals on the process for LSPS to request a review of red flags and for councils to request a review of organisational assessment scores. A copy is available on the Audit Commission website www.audit-commission.gov.uk The “no surprises” approach inherent in CAA means that there is an onus on the council and partners to raise concerns during the process and it is therefore proposed there should be a relatively short period within which to formally request a review.
 6. **Consultation on Freedoms and Flexibilities:** CLG has issued a consultation paper on the future of the freedoms and flexibilities regime in the light of the introduction of CAA. LGA originally welcomed the regime but has consistently argued that the freedoms and flexibilities on offer should be extended to all councils as a tool for improvement not a reward for good performance. In summary the consultation paper effectively proposes to bring the scheme to an end, extend freedoms and flexibilities to all councils wherever possible and makes some specific proposals about certain statutory plan requirements, including removing the exemption in some cases. A copy is available on the CLG website www.communities.gov.uk/corporate

Financial Implications

7. There are no additional financial implications arising from this report.

Implications for Wales

8. There is a different approach to performance management in Wales.

Contact Officer: Nick Easton LGA, 0207 664 3278, nick.easton@lga.gov.uk