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Comprehensive Performance Assessment

North Dorset District Council

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Contents

Introduction	4
Executive summary	5
Areas for improvement	5
Summary of assessment scores	8
Context	9
The locality	9
The Council	10
What is the Council, together with its partners, trying to achieve?	12
Ambition	12
Prioritisation	14
What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?	17
Capacity	17
Performance management	20
What has been achieved?	23
Achievement and Improvement	23
Appendix 1 - Framework for Corporate Assessment	29

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 North Dorset District Council is now a 'good' council that is performing well in meeting its priorities and has made good progress since its last CA when it was assessed as weak. It faces a challenging financial future but improvements made since 2004 have helped the Council sharpen its focus, prioritise well and plan positively and innovatively to deal with its funding shortfall.
- 4 The Council, uniquely in Dorset, does not have its own district-wide community strategy or strategic partnership but has developed a well-regarded community planning model centred on its four market towns. This bottom-up approach to community engagement has meant that local community needs are clear and have been translated into meaningful ambitions for North Dorset. It has also enabled community partnerships to contribute to the development of the Dorset-wide Community Strategy. This comprehensive understanding of local needs has helped the Council identify three clear priorities – its 'ABC' priorities of access and affordable housing, building corporate capacity, and active and inclusive communities. It is making good progress against these priorities. Residents recognise improvements in most areas. For example, overall satisfaction with the Council is high and improving compared to councils nationally.
- 5 The lack of affordable housing is a key challenge for the whole of Dorset and the Council has enthusiastically led the county in tackling the issue. It has overseen the completion of a high number of affordable homes in its own district, but has also successfully driven the efforts county-wide to secure funding to support the delivery of affordable homes across Dorset. When a major housing development in Shaftesbury was questioned by government, the Council gained support from the Dorset Strategic Partnership to make a successful case at a Public Inquiry to allow the development. This safeguarded the provision of affordable housing in an area of rapid population growth.
- 6 The Council has an impressive track record of securing substantial funding from external sources, which it applies effectively to meet community priorities. A notable example is the multi-use community facility, The Exchange, in Sturminster Newton that has breathed life back into a derelict site in the town centre. The Exchange was designed by local people to meet their needs as a social centre but also one that supported business and trade. It is being managed by the community. Other improvements include extensions to village halls to provide childcare services, enhancement of country trails and open spaces, and improved play parks. These initiatives are helping sustain rural communities in remote rural areas.

- 7 The Council is successfully improving priority services. It has invested in new information and communication technology that is starting to modernise the way services are delivered. This has allowed much wider choice for local residents about how to access services, such as introducing electronic services and payment facilities, and has made services like benefits and building control more efficient and responsive to customers. These improvements have reduced the need for people to travel long distances to use Council services.
- 8 Performance management is established across the Council and is starting to develop with strategic partnerships. Focus on under-performing services is resulting in improvements in services such as development control, but some gaps in information exist. Outcome-focused target setting to support the Council's priorities and ambitions is under-developed. Performance management is closely linked to resource planning, but the focus on value for money is recent and developing.
- 9 In order to tackle its funding shortfall the Council has established a Tough Choices Programme with the aim to 'do less but do what we do well'. The Council's innovative plans have been prepared in consultation with and communicated clearly to partners and the public, who understand the functions it needs to withdraw funding from over the next five years. Its 'Local Delivery' project involves withdrawing funding from most discretionary services and transferring these to other providers, principally town and parish councils. The Council has made good early progress in implementing this programme, with some services already transferred to community management. It has also secured £235,000 of additional precepts from the town councils and the majority of the parishes as a contribution to help maintain local discretionary services in 2007/08, while negotiations on the future funding and delivery of these take place. Plans are in place to make further savings through more efficient procurement, shared services, reductions in management and support services, and business redesign. However, improved efficiencies through working with other providers are still in their early stages.
- 10 The Council has addressed capacity weaknesses identified in the previous corporate assessment, particularly in terms of developing its governance arrangements. It has invested considerable effort in training and development, leading to improved understanding by councillors and officers of their respective roles and responsibilities. This is evident in clear structures and good working relationships throughout the Council. Partnership working is well-developed and adds substantially to capacity. The Council is developing more strategic approaches to risk management and human resources although these are yet to be fully embedded. Customer focus is developing well and staff feel empowered and supported in dealing with the public, but staff shortages due to budgetary constraints and under-developed workforce planning have held back improvements in services, such as for telephone callers to the Council.

Areas for improvement

- 11 Despite the Council's good track record of achieving savings and winning external funding, its approach to managing value for money is under-developed. It is important for the Council to maximise the value it gets from services given its challenging financial position. In particular the Council is not maximising opportunities for strategic procurement of services and the joint provision of services to provide efficiencies and improved performance. The Council should develop more robust approaches to evaluating relative cost and performance such as benchmarking and market testing. The Dorset Pathfinder for enhanced two-tier working will be a good opportunity to improve value for money through strengthened partnership working with other districts and the County Council.
- 12 Some of the Council's strategies and plans for delivering service improvements, particularly for lower priority aims, do not contain outcome-focused targets and action plans. The emphasis is on delivering inputs. This makes it difficult for partners and other stakeholders to assess what the strategy or plan is seeking to achieve. The Council should ensure that all strategies set out measures and targets that focus on what it wants to achieve for its communities, such as improved quality of life or more vibrant town centres.
- 13 Access to services is a stated priority of the Council, but access to Council services via the telephone can be difficult with a high proportion of callers hanging up before their call is answered. This has been hindered by a shortage of staff to deal with peak demand. The Council should make effective use of its new work force planning approach to address the resourcing issue in this and other priority areas. It should also ensure that its recent plans for improving customer contact are implemented in a timely manner, and establish clear and resourced targets to improve this priority service.
- 14 Performance information used by the Council is not comprehensive. In particular the Council is not using information relating to different sections of the community to identify and address any inequalities of service provision or satisfaction. Robust and complete information is important in order to support decision-making, monitor achievement against priorities and improve services for the whole community. The Council should develop mechanisms to ensure it collects and uses a comprehensive range of information to allow it to manage its performance effectively.

Summary of assessment scores

Headline questions	Theme	Score*	Weighted score
What is the Council, together with its partners, trying to achieve?	Ambition	3	6
	Prioritisation	3	6
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			41
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

- 15 North Dorset is a largely rural area of 609 square kilometres. It has a high quality natural and built environment and much of the district is protected by environmental designations, including two Areas of Outstanding Natural Beauty. Nearly half the population live in the four market towns of Blandford Forum, Gillingham, Shaftesbury, and Sturminster Newton, which also provide a focus for employment, shopping and leisure for the surrounding villages. Population density is very low at 1.07 per hectare - well below regional and national averages.
- 16 North Dorset's population of 66,700 (mid 2005) has grown by 15 per cent over the last decade, one of the highest rates of growth in the South West. Only 1.5 per cent of the population come from ethnic groups other than 'white British' (2001 census), although small numbers of refugees and migrant workers have come to live in the district in recent years and there is a relatively large community of gypsies and travellers. The district has a high proportion of people aged over 65 (20 per cent against 16 per cent nationally) and this group is expected to grow rapidly. Only 16 per cent of the population are aged 15-29 years, against 19 per cent nationally.
- 17 There is an acute shortage of affordable housing in the district. The ratio of house prices to incomes has risen to the extent that North Dorset is among the areas in the UK where housing is least affordable. The high cost of housing and the shortage of affordable housing are driving generational and social imbalances in the district, as younger and less affluent families move away while older commuters and retired people move in.
- 18 North Dorset faces economic challenges. The economy is dominated by the service sector - largely in public administration, education and health, distribution and hotels and restaurants. Although employment rates are high, average weekly earnings are 20 per cent below the national average. Productivity, as measured by Gross Value Added (GVA) per head of population, is £11,000 per annum, compared with £16,500 nationally. Most businesses in the district are small. Recent job losses in different sectors and uncertainty about the future of Blandford Camp (home to the Royal Signals) have added to concerns about the local economy and employment opportunities. Commuting to jobs outside the district continues to increase.
- 19 The rural nature of the district, limited public transport and road congestion make access to services difficult for many residents. About half of North Dorset's residents have to travel significant distances to access education, health care, shops and leisure facilities. Bus services are limited and there is only one railway station - at Gillingham, in the north of the district. There is a high level of car ownership, but the district has no motorway and its few major roads are slow.

- 20 The general quality of life in North Dorset is good. The district ranks 271 out of 354 councils nationally in government indices of multiple deprivation issued in 2004 (where 1 is the most and 354 the least deprived). However, about half the district's parishes are among the most deprived 20 per cent nationally for 'barriers to housing and services'. Life expectancy and levels of good health are above national averages. Crime rates and fear of crime are well below national averages.
- 21 North Dorset has a large number of parishes. There are five town councils and 69 parishes and parish meetings.

The Council

- 22 The Council comprises 33 councillors, who are elected every four years to represent 28 wards. The Conservatives gained overall control of the Council in the election in May 2007, having previously formed a minority administration. There are 17 Conservative, 13 Liberal Democrat and 3 independent councillors. Political direction is provided by the Cabinet, which comprises the Leader and four portfolio holders. Three scrutiny committees are responsible for scrutiny, review and the formulation of policy proposals. The Council also has regulatory committees for development control and licensing, a standards committee, and an accounts and audit committee.
- 23 The Council employs 262 staff who are led by a Senior Management Team (SMT) made up of the Chief Executive, three General Managers, Financial Services Manager and Solicitor to the Council. The Council's budgeted net revenue expenditure 2007/08 is £8.8 million and planned capital expenditure for the year is £2.9 million. Band D council tax for 2007/08 is £92.40. This is the sixth lowest of all English district councils and compares with the national average of £155. The Council is debt free.
- 24 The Council transferred its housing stock to a registered social landlord in 1994. Its information technology service is managed through an external contract. It has not externalised any other major service.
- 25 The Council was rated as 'weak' under the Audit Commission's Comprehensive Performance Assessment (CPA) in June 2004. In response, the Council developed an improvement plan to address the weaknesses identified by CPA, and formed the Team North Dorset Programme Board to monitor progress, which includes representatives of local community partnerships and external agencies, including the Audit Commission. Most of the projects in the original improvement plan have now been completed and signed off by the Board.

- 26 In its progress assessment published in December 2005, the Audit Commission judged the Council to be 'progressing well in addressing the issues arising from the CPA in 2004'. In its Annual Audit and Inspection Letter published in March 2007, the Commission concluded that the Council had 'secured notable improvements against its priorities for 2006-2009'.
- 27 Commission inspections in 2005 and 2006 have assessed both the Council's approach to Customer Focus and its Planning Service as fair with promising prospects for improvement.

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

Ambition

- 28 The Council is performing well in this area, consistently above minimum requirements. It has a very good understanding of the challenges facing the district as a result of active and well-established community engagement based around its four market towns. This understanding has resulted in challenging ambitions that are clear to both county and community partners. The Council is successfully championing the needs of the area both locally and across the county, and has secured significant external funds to support community activity to meet ambitions.
- 29 The Council and its partners have a well-understood and shared vision for the district derived from the Dorset Community Strategy. The Council's vision is:
- 'where thriving and balanced communities in our market towns and surrounding villages build economic prosperity while safeguarding our unique and diverse environment.'

Its corporate plan 2006-2009 sets out a well-structured agenda for achieving sustainable communities in North Dorset. The plan replicates the six ambitions of the Dorset Community Strategy: improved access to services and affordable housing, supporting active and inclusive communities, encouraging and supporting a prosperous and productive local economy, improving environmental quality, and improving health, community safety and well being. To this the Council has added its own internal ambition of building corporate capacity. These ambitions are realistic, and are supported by clear business plan objectives set out in the corporate plan and by a suite of improvement projects such as customer focus and performance management. A well-understood and shared agenda enables both partners and the Council to contribute to meeting the wider ambitions of the area.

- 30 The Council's highest priorities are supported by SMART (specific, measurable, achievable, realistic and time bound) objectives and challenging targets. For example, the objective for affordable housing is to deliver the targets in Dorset's Local Area Agreement for increasing the supply of affordable housing and reducing the use of temporary accommodation. These targets have been set using robust information, including an up to date housing needs survey. Robust target setting helps to clarify what is expected from staff, councillors and partners in delivering the Council's ambitions.

- 31 The Council's lower priority ambitions lack clarity. Strategies are in place to support many of the business objectives in the corporate plan, including those for lower priorities. However, themes such as 'local economy' do not have SMART objectives and challenging, robust outcome-focused targets, with the result that it is not always clear what the Council is seeking to achieve in these areas in the longer term.
- 32 Ambitions are based on a comprehensive understanding of need. The Council engages well with local people and partners and uses resulting intelligence to influence county-wide ambitions and priorities. The Council has developed a well-regarded community planning model centred on its market towns. Well-established and inclusive community partnerships for each of the four towns and their surrounding villages are facilitated by community development workers funded by the Council and its partners. These partnerships have each developed a community plan and feed directly into the Dorset Strategic Partnership via a Bridging Group. The Council recognises that local communities are best placed to identify ways to improve their local areas and so has not adopted a district wide community strategy or strategic partnership. The community plans have helped shape Dorset's Community Strategy, and the Council's business plans. This bottom-up approach to community engagement, together with analysis of demographic and other data from partners such as the County Council, has meant that local community needs are clear and have been translated into meaningful ambitions for North Dorset.
- 33 The Council engages well with minority groups to ensure that it understands and responds to their needs. Examples include focus groups with disabled people and black and minority ethnic communities. Community workers who support the market town partnerships also consult with minority communities, such as migrant workers in Gillingham and a small Muslim community in Sturminster Newton. The Council has worked successfully with the County Council and Dorset Police to establish a temporary site for gypsies and travellers during the annual Great Dorset Steam Fair, despite initial objections from local residents, resulting in improved community cohesion in the area during the event.
- 34 Partners and local communities proactively share information to help shape ambitions and priorities. In addition to the direct involvement of community partnerships with the Dorset Strategic Partnership, twice-yearly meetings invite county partners, such as the Police, health providers and the Environment Agency, to discuss issues directly with community partnerships and update them on service developments. In this way partners are more aware of community issues and the district's influence in the county is enhanced.

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

- 35 The Council is providing effective community leadership. It is very influential sub-regionally and committed to working for the wider Dorset community. It actively champions the need for more affordable housing in the county. The Council was instrumental in achieving a Local Public Service Agreement target for affordable housing, resulting in a grant of more than £560,000 to help Dorset councils to deliver more affordable homes. It is also leading for the county on the delivery of the affordable housing theme in the Local Area Agreement (LAA). It has notably contributed to the development of the new Sustainable Development Strategy by collating feedback from community partnerships across Dorset. It has worked well with the county and district councils to develop a Pathfinder bid to Government, and it has successfully secured partners' support to address potential problems arising from the closure of Blandford Defence College - a Ministry of Defence training centre. As a result, partners view the council as a credible partner and effective community leader.
- 36 The Council works well in partnership to address community ambitions. For example, working with community partnerships it has delivered a range of projects to improve access to services and facilities for local communities. Community plans have helped secure considerable external funds such as £3.7 million from the government's Liveability Fund. This money has been used to improve local facilities and enhance town centres. The Council has also established a regeneration trust to help local partnerships make use of external expertise and attract funding - in particular, from sources not normally available to local authorities. The trust has attracted support from the County Council and the Regional Development Agency, with the result that its remit now covers the whole of Dorset. The Council has worked with local businesses to improve access to services such as enabling council tax payments via local shops and through supporting demand responsive transport. These activities help to sustain local communities in isolated rural areas.
- 37 The Council is taking difficult decisions and responding innovatively to meet significant budgetary pressures. Within the next five years, its operating annual net budget of £8.8 million needs to reduce by about £2 million. It has established a Tough Choices Programme with the aim to 'do less but do what we do well'. The Council's plans have been communicated clearly to partners and the public, who understand and accept its plans to withdraw funding from some services over the next five years. Two tourist information centres and an outdoor pool in Shaftesbury have successfully been transferred to community management. In addition precepts totalling £235,000 for 2007/08 have been raised from the town councils and most parish councils, as a contribution to the continued operation of the discretionary services that the Council plans eventually to transfer to local bodies under its 'Local Delivery' project. This extra funding has given the Council time to discuss the future of these services with the town and parish councils and other bodies. This approach demonstrates clear understanding from partners of the tough choices the Council is having to make, and determination from the Council to explore ways to keep local services going.

Prioritisation

- 38 The Council is performing well in this area, consistently above minimum requirements. It has explicit corporate priorities based on a good understanding of local needs. It engages effectively with different communities in North Dorset, who understand what are, and are not, the Council's priorities. It has a sound planning framework with resources successfully targeted at priorities, and effective action planning.
- 39 The Council has clear corporate priorities. The Corporate Plan for Improvement sets out six aims for 2006-2009. The Council has identified three of these aims as its key 'ABC' priorities. It has concluded that affordable housing and access to services (A), and active and inclusive communities (C) are key requirements for building sustainable communities in North Dorset. These aims are in line with national and regional priorities for sustainable communities and underpin the Council's vision for the district. The Council has also concluded that it must build corporate capacity (B) to deliver these requirements. The 'ABC' priorities are explicitly stated in the plan, making it very clear which of the Council's aims and supporting objectives are priorities and which have lesser priority. This provides a sound basis for strategic and business planning, and resource allocation.
- 40 The Council engages effectively with different communities in North Dorset to shape its priorities. Feedback from extensive consultation and analysis of data has informed the development of the Dorset Community Strategy, the corporate plan, the budget and the 'Tough Choices' programme. For example, responses from the Council's citizens panel helped identify which services were most important to local people. The community partnerships also engage a wide range of stakeholders to identify local priorities. The Council has also identified race, disability and gender issues thorough consultation undertaken as part of its Diversity and Race Equality Scheme 2006-2008, and is implementing action plans to address issues raised. Effective engagement with different communities is helping the Council to provide services and facilities that meet their needs.
- 41 The Council has a sound planning framework in place for delivering its aims and priorities. The well-structured corporate plan links clearly to the aims of the Dorset Community Strategy and to actions in local community plans and parish plans. Priorities set out outcomes that the Council aims to achieve supported by annual milestones and business objectives. These objectives are delivered through business plans and supported by a suite of improvement plan projects that often support cross-cutting themes such as community leadership or young people. Project and action plans generally set out clear responsibilities and timescales, identify risks, address equality issues and show additional funding requirements, as appropriate. Most action plans include performance targets but relatively few of these are outcome based. For example, plans for customer contact, a priority service, lack clear targets and do not include the resources needed for their implementation. The Council's strategic plans, improvement plan projects and business plans generally link well together and are related to the plans of partner agencies, as appropriate, so enabling it to focus on its aims and priorities.

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

- 42 Councillors, staff and partners have a good understanding of the Council's priorities and work together to review and revise them. The Council meets regularly with the Dorset Strategic Partnership and the local community partnerships to monitor progress against shared priorities. The corporate plan is refreshed each year to reflect the results of consultation and local community planning, and clearly sets out progress against milestones. The Team North Dorset Programme Board, which includes external partners and agencies, including the Audit Commission, monitors and signs off improvement projects. Cabinet portfolios are aligned with the Council's ambition themes. This reinforces shared ownership of what the Council is trying to achieve and maintains a clear focus on priorities.
- 43 The medium-term financial strategy (MTFS) supports Council priorities. It is aligned with the corporate plan and takes account of the estimated additional resources needed to deliver the ABC priorities. It incorporates the 'Tough Choices' programme which involves making estimated savings of approximately £2 million in the four year period 2008/09 to 2011/12 from three projects: business transformation, focused resources and local delivery. This co-ordination between setting priorities and allocating resources enables the Council to maintain its focus on the important issues.
- 44 The Council effectively targets resources on priorities. It uses a scoring system to evaluate revenue and capital budget bids that include criteria such as contribution made to the ABC priorities, the priority given to services through consultation, and the potential impact on groups at risk of disadvantage. The Council has made savings of £1.5 million in the last two financial years. It has used some of this to fund increased expenditure on ABC priorities and on key services such as planning and recycling. Part of these savings have been realised by cutting services of lesser priority, for example by closing public conveniences and withdrawing funding for arts development. The reinvestment of savings represents a significant reallocation of resources given the Council's net revenue budget of £8.8 million. The Council is also using its assets to support priorities, such as disposing of land at less than market value to facilitate affordable housing. The Council uses consultation exercises involving the Citizens Panel and other groups to obtain views on, for example, council tax increases and potential cuts in services. This ensures that the Council's limited resources are being used to support services and activities most important to local people.

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

Capacity

- 45 The Council is performing adequately in this area, at only minimum requirements. It has developed a sound strategy for dealing with the substantial financial shortfall that it faces and it has sound corporate governance with capable and enthusiastic councillors and staff. Partnership working is well-developed and it is making good use of information technology to improve its capacity. Approaches to risk management, workforce planning and value for money are currently under-developed.
- 46 The Council has transparent and effective decision-making processes. The constitution and scheme of delegation provide a sound framework for decision-making, and close monitoring of the Forward Plan helps to ensure timely decisions. The Council's three scrutiny committees provide constructive challenge to executive decisions and service performance, and actively contribute to policy proposals such as the acquisition of private sector rented housing for homeless families. An active standards committee, which has an independent chair, and the adoption of a new model code of conduct help support sound ethical governance across the Council. Working relationships between councillors and officers are robust and professional, each being clear on their respective roles and responsibilities. Good decision-making arrangements help foster a culture of openness and respect.
- 47 Political leadership and management capacity are well-developed and organised. Councillors and managers provide strong leadership and the Council has invested in their development. The Leader and Chief Executive are active members of the regional leadership programme and the senior management team has undertaken extensive team and personal development. New councillors undertake a comprehensive induction programme that has resulted in improved understanding of financial management and councillor responsibilities. Senior councillors have completed a mentoring programme. Team leaders have received extensive management training. The flat management structure, under which 22 team leaders report directly to the SMT, facilitates cross-service working and enables the SMT to focus on issues of strategic management.

18 Comprehensive Performance Assessment | What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?

- 48** The Council has developed an innovative strategy to deal with the substantial financial shortfall it faces. With council tax increases limited by government capping, and diminishing reserves and investment income, it is unlikely that the Council will be able to maintain current expenditure for more than two to three years. The medium-term financial strategy is based on the 'Tough Choices' programme which has three project streams. 'Local Delivery' involves withdrawing funding from most discretionary services and transferring these to other providers, mainly town and parish councils, to realise projected savings of £1 million over four years. 'Focused Resources' and 'Business Transformation' aim to realise projected savings of £1 million over four years through more efficient procurement, shared services, reductions in management and support services, and business redesign. This focused approach is supporting the Council's effort to maintain financial balance.
- 49** The Council achieves good value for money (VFM) in some areas, but is just beginning a more focused approach to the management of VFM overall. It provides some good quality low cost services, has a good track record in achieving cost savings and has been very successful in winning external funding. The Council shares some services, such as internal audit, with neighbouring councils but the scale of this activity is small, partly due to the difficulty of finding suitable partners. Proposals for securing more substantial savings and efficiencies by this means are contained in the Dorset Pathfinder scheme and the Tough Choices Programme. The Council is reviewing the costs of its planning service, which are comparatively high, but does not have robust arrangements in place for evaluating relative costs and performance across all services through, for example, strategic procurement or benchmarking. As a result the Council is not able to determine whether all its services are providing value for money.
- 50** The Council's approach to risk management is not comprehensive. It has formal processes for identifying, managing and reviewing strategic and operational risks. Risks are recorded in the strategic risk register and in business plans, and all committee reports highlight potential risks. However, the Council has not fully evaluated all partnership risks, particularly those arising from the 'Tough Choices' programme. Local delivery of services are under negotiation with town councils and community partnerships, but it is not yet clear if all these bodies will have adequate capacity to take on and manage the facilities. This poses a risk to the Council. The development of risk management is helping the Council to mitigate many risks inherent in its plans but it is not yet fully effective.

- 51 The Council has insufficient staff resources to deliver some of its priorities. For example, staff shortages due to budgetary pressures in the customer contact centre mean the telephone answering service has not been performing well. High levels of sickness absence in 2006/07 (un-audited data) compared to better than average sickness levels in 2005/06 also limit staff resources. Successful initiatives have been undertaken to address skill gaps in some areas, such as skill development in customer care and information technology, and trainee programmes in the revenue and benefits service. The Council has almost completed job evaluation and single status pay reviews, involving staff well throughout the process. However, it recognises that its approach to workforce planning is under-developed, and it has recently approved a workforce development strategy and action plan. It is too early to assess the impact that this strategy will have on future workforce issues.
- 52 Staff at all levels feel well-supported, understand the Council's objectives and are committed to delivering them. They have demonstrated flexibility and innovation in making changes in systems and procedures to improve services, for example by increased remote and home-working. Two-way communication with management is good. Well-informed and empowered staff enable innovative approaches to service improvement.
- 53 The Council makes good use of information technology. It has completed a £3.2 million project to modernise and expand its information and communication technology (ICT) infrastructure. This has resulted in the implementation of modern systems and better communication to improve a range of services. For example, access to services for residents has improved with the introduction of on-line payments and better service information.
- 54 Well-developed partnership and community working is helping the Council to deliver its priorities and boost its capacity. It is involved in numerous partnerships with public, voluntary and community sector bodies, some of which bring match-funding from other sources. The community management of facilities such as tourist information centres and the swimming pool in Shaftesbury has substantially enhanced Council capacity and allowed the continuation of services that would have otherwise ceased. The Council is also proactively seeking external assistance in areas where it lacks expertise. For example, it is receiving mentoring from Bristol City Council to support its approach to equalities and diversity.

Performance management

- 55 The Council is performing adequately in this area, at only minimum requirements. It operates a clear performance management approach across the organisation and is developing its approach with some partners. Focus on under-performing services is resulting in improvements, but some gaps in information exist. Not all key priorities are supported by outcome-focused targets. Performance management is linked to resource planning, but the focus on value for money is recent and developing.
- 56 The Council is managing performance effectively and has a well developed approach to tackling weak performance in services. The SMT monitors overall performance and the Council's improvement plan each quarter. Clear portfolio holder responsibilities allow focused and regular monitoring by councillors. The quarterly report identifies areas of weak performance, supported by an action plan to address the problems. Such action plans are then reported to SMT and councillors monthly until performance improves. This approach has resulted in considerable improvements in areas such as lost telephone calls to the Council. Performance data showed that almost 30 per cent of callers abandoned their calls before being connected. Once the scale of the problem became clear the Council developed an action plan that included providing extra staff to answer calls at peak times, and improving information on its website in targeted areas to reduce the need for residents to telephone. Within four months the abandoned call rate reduced to 14 per cent. As a result the Council ensures that weaker services are improved and residents get a better service.
- 57 The Council responds positively to external challenge and is willing to learn from others. Team North Dorset scrutinises progress with the Council's improvement plan and holds it to account. Complaints and compliments from customers are reported to councillors and staff each quarter. Action is taken promptly, for example by the Council making it easier for disabled people to apply for assistance to put out their bins following complaints. It is successfully using learning from customers and leading councils to help improve services. For example, it learnt about recycling from top performing councils and consultants, and used this to shape the pilot recycling and waste collection scheme in Gillingham. It then encouraged feedback from customers to help evaluate the success of the pilot. The pilot has achieved an impressive recycling rate of 65 per cent which has helped the Council meet its district-wide recycling target. This open approach to challenge and willingness to learn is resulting in improvements, and has enabled the sharing of performance information with partners.

- 58 The Council has good awareness of progress being made by partners to meet shared objectives. Community partnerships and parish councils readily share information on their activities to help identify achievements. For example, the 2007 Community Planning Summary sets out progress against actions for each agreed community and parish plan. These progress updates are mapped against Council priorities. This allows the Council to assess the contribution these community activities are having in meeting North Dorset priorities and helps to identify areas of future focus.
- 59 Business planning is well-developed. Business plans are clearly cross-referenced to corporate priorities, with service-specific and cross-cutting action plans. Business plans are integrated with the budget process and include risk analyses. An annual challenge process with councillors and senior officers reviews business plans against budgets. Each month senior managers monitor business plans and relevant national and local performance indicators with team leaders. The review of business plans is complemented by effective budgetary reporting and the investigation of variances. In this way performance is well-managed, and the contribution of services to corporate priorities is assessed.
- 60 The Council's performance information is not comprehensive. The service review committee has access to good performance data from most service areas that is clearly linked to corporate priorities. However, in the priority area of customer contact, information on letter response times and abandoned telephone calls is incomplete. Cabinet members are kept appropriately up to date with developments in corporate projects, but information is often insufficient to support their decision making. For example, corporate targets are missing from some business plans. In addition, the Council is not using information from different sections of the community to identify and address any inequalities of service provision or satisfaction. This means that councillors and managers are unable make a proper assessment of the council's service to all its customers and to establish more stretching targets.
- 61 The Council is not always clear about the outcomes it is seeking. Many business plans contain few outcome-based targets. In lower priority areas like regeneration, outcome targets such as the number of jobs created or satisfaction with town centres are not in place. As a result the Council is not able to measure the impact of many of its actions and those of its partners on achieving improvements against its vision and ambitions.
- 62 Staff know about the Council's priorities but their contribution to meeting them is not consistently recorded. Staff performance reviews consider performance against previous objectives and competencies, evaluate training and development needs and set objectives for the coming year, with expected outcome measures and targets. However, personal objectives are not always clearly linked to departmental or corporate priorities, making individual contributions to corporate objectives unclear.

22 Comprehensive Performance Assessment | What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?

- 63** The Council has not consistently considered value for money when planning improvements. For example, substantial improvements have been achieved in development control performance, but the service is high cost compared to other councils. The Council prepares business cases for some major projects, but this has been inconsistent. A team is preparing a business case for the introduction of electronic data management (EDM) and other changes in development control, and it is expected that all future service proposals are supported by a business case, but this approach is new. A well-established approach to VFM maximises opportunities to secure efficiencies and improvements.
- 64** The Council has a good track record of managing projects and programmes. It has put in place new IT infrastructures with a wide range of applications, on time and within budget. These new systems have generated efficiency and service improvements. The Council's external information technology contract is managed well. It receives monthly reports from the contractor against an improvement plan which is linked to its priorities. In this way the Council ensures that the services provided are meeting its requirements.

What has been achieved?

Overall achievement and improvement

- 65** The Council is performing well in this area, consistently above minimum requirements. It is making good progress against its corporate priorities of supporting active and inclusive communities, improving access to services and affordable housing, and towards building corporate capacity. Quality of life in North Dorset is good with low crime levels and good standards of health. Residents recognise the improvements made as overall satisfaction with the Council is high and improving. Satisfaction with most of its priority services has also improved.
- 66** Based on national performance indicators (PIs) for 2005/06 the Council's overall performance is around average. Thirty one per cent of key performance indicators are in the top 25 per cent of performance - the average for district councils nationally. Performance is good in priority areas such as waste and recycling and vacant homes, but performance in some lower priority services such as leisure and culture is poor.
- 67** Performance is improving but at a lesser rate than average. Between 2002/03 and 2005/06, 53 per cent of performance indicators improved, compared to the district council average of 58 per cent. This includes improvements in services such as development control and street cleanliness. Services not improving in 2005/06 include council tax and business rate collection.
- 68** Many aspects of the Council's achievement are not measurable using national PIs. The remainder of this section assesses achievement in relation to its priorities, using PIs where appropriate but also taking account of wider information.

Achievement against Council priorities

Improved access to services and affordable housing

- 69 The Council's approach to affordable homes - a key priority - is well-planned and effective, and has resulted in more homes being built. Last year the Council helped to ensure 118 affordable homes were built in the area (21 per cent of the total), exceeding its own target of 90 homes. This performance was among the best 25 per cent of councils nationally. When a major housing development in Shaftesbury was questioned by government, the Council gained support from the Dorset Strategic Partnership to make a successful case at a Public Inquiry to allow the development to proceed. This safeguarded the provision of over 200 affordable homes in an area of rapid population growth. In addition, although the percentage of private homes vacant for long periods is low, the Council exceeded its target of returning vacant properties back to occupation in 2005/06, so increasing the pool of housing available. This focus on securing affordable homes helps develop inclusive communities by enabling younger people and those on lower incomes to stay in the area.
- 70 Access to council services is improving. All the Council's services can now be accessed electronically, a significant improvement from a low base in 2004 when less than a third of services could be accessed in this way. As a result, payments made at council offices have reduced and electronic transactions increased. Access for disabled people to council buildings has improved significantly from 67 per cent of buildings being accessible in 2004/05 to 84 per cent in 2005/06, exceeding the Council's own target. A customer contact centre to deal with enquiries at a first point of contact has been established at the Council's Blandford offices. The aim is for 80 per cent of services to be dealt with by the centre within four years. The Council's implementation plan is on track and currently half of its services are dealt with by the contact centre team. Staff in the centre are well-trained and knowledgeable. An initial problem of a high rate of calls being abandoned has been largely addressed through targeted action and extra resources at peak times. This demonstrates the Council's commitment to improving its customer focus and meeting its priorities.

Building corporate capacity

- 71 The Council is building corporate capacity effectively through the successful implementation of its improvement projects. For example, the Council set itself a target to develop a revised MTFP by 2005/06 which it achieved. This plan underpins the Council's Tough Choices programme that aims to reduce overall expenditure and maintain financial balance. The programme has achieved good early progress. As described earlier, it has secured £235,000 in additional town and parish precepts towards the Local Delivery programme, and is in detailed discussions with local councils and other stakeholders about the future delivery of these services. It has also realised 'Focused Resources' savings of £366,000 in 2007/08, earlier than planned. In this way the Council is contributing to its MTFP objectives to make best use of its limited resources.

- 72 The Council has successfully developed its physical and staff resources to support service improvements. The Council's ICT systems were until recently inadequate and out-dated. In line with its business objective to provide a reliable and robust ICT infrastructure, the Council has successfully modernised and expanded its ICT capability by delivering, on time and within budget, a £3.2 million investment programme. In addition, to support the objective in its people strategy to train and equip its staff with the skills to deliver modernised services, it has delivered change management workshops to 80 per cent of its supervisors and team leaders (against its own target of 75 per cent). These developments have enabled service redesign and as a result many services are improving. For example, efficiency has improved in the building control and benefits services with the introduction of hand held computers for field staff, meaning that staff are able to provide a more flexible and responsive service to customers.
- 73 The Council is improving its ability to address equalities and diversity issues. The Council met its target of achieving level 2 of the Local Government Equality Standard by 2005/06. The quality of its Race Equality Scheme and the improvements arising from applying the scheme have improved from 31 per cent in 2004/05 to 63 per cent in 2006/07, exceeding the Council's expectations for two years running. It has increased the proportion of its workforce that are disabled, but staff from minority ethnic communities remain under-represented. A workforce that reflects the diversity of the local area and which takes account of equality issues is more able to meet the needs of all sections of the community.
- 74 The Council manages customer complaints well. The Council set out to improve residents' satisfaction with the way it handles their complaints. In 2006/07 it exceeded its own target in this area with 48 per cent of complainants satisfied, comparing well with the best performing councils nationally. This represented a 22 per cent improvement on its performance three years previously. Complaints to the Local Government Ombudsman are reducing. In 2005/06 the Ombudsman received nine complaints related to the Council compared to 22 in the previous year. The Council also performs well in its responsiveness to complaints to the Ombudsman. Responding promptly and effectively to customer complaints helps to improve services and customer satisfaction.

Active and inclusive communities

- 75 The Council is exceeding its targets for facilitating community planning. It supported the development of 12 parish plans in 2005/06 against its target of five. Twenty-nine of North Dorset's parishes now have plans in place. The Council set out to attract external funds to support the delivery of community projects. It has secured substantial funds such as £3.7 million from the Liveability fund - the largest award to any district council - as well as funding from other regional, national and European sources. Part of the Council's bid for Liveability funding was the establishment of a stand-alone regeneration trust for North Dorset that could fundraise and project manage community initiatives on behalf of the Council and its partners. This milestone was met in 2005, adding to the Council's capacity to support community projects and partnerships.

- 76 The Council, with partners, is successfully delivering community projects. The Exchange in Sturminster Newton is a good example of how the Council is meeting its business objective of delivering capital projects to meet community needs. This impressive new community facility in the centre of Sturminster Newton has revitalised a derelict site in the town and provided a mixture of accommodation for community use including new business start-up units, a community hall, trading space for local markets and other community facilities. The £2.5 million centre was developed through funding from, among others, the Council, the regional development agency, the town council and the local community. It is managed by the community and aims to be self-sustaining. Significant involvement from local people in the design of the building has ensured it meets local needs.
- 77 Services for vulnerable and homeless people are improving from a low base. The Council aims to assist people to prevent homelessness. In 2005/06 the Council received a high level of homeless applications. In 2006/07 this number has been significantly reduced following targeted action. It also aims to provide the right benefits at the right time with courtesy. The service received by benefit claimants has been below average in the past, but investment in new technology and reviewed practices is resulting in improvements. Processing times have reduced from 35 days in 2005/06 (below average performance when compared with councils nationally) to 26 days in 2006/07 (un-audited data) exceeding the Council's own target. However, satisfaction with the benefits service in 2006/07 at 60 per cent is below the Council's target (84 per cent). This shows that although service performance is improving, customers are yet to recognise this.

Improving environmental quality

- 78 The Council provides a good waste management service. It aims to maintain standards of cleanliness in the district and improve recycling performance. In 2005/06 recycling rates were above average at 26 per cent and the low amount of waste collected was among the best 25 per cent of councils nationally. Un-audited data shows further improvements in 2006/07, enabling the Council to exceed its recycling target of 30 per cent and further reduce the amount of waste it collects. This has been helped by a successful pilot scheme in Gillingham which has resulted in 65 per cent of all household waste in that area being recycled or composted. Residents are very satisfied with the recycling and waste collection services they receive. Satisfaction with the cleanliness of the area is also high. As a result the Council is providing an improved service which is helping to meet its environmental targets and is welcomed by customers.

- 79 The Council is working effectively with communities to help them improve their local environment. For example, it has helped community partnerships deliver actions identified in their community plans such as the provision of adapted gates and fishing platforms near Sturminster Newton to improve access to open spaces for disabled people and the establishment of a community orchard near Shaftesbury. These projects were supported by Liveability funding and needed to meet strict Council-set criteria before they were approved to ensure they met community priorities. Working with the County Council, the Council met its target to enhance the town centres of Shaftesbury and Sturminster Newton by May 2007, resulting in positive feedback from local residents on the improvements made.

Supporting a prosperous and productive local economy

- 80 The Council has demonstrated rapid and sustained improvement in development control performance. It set out to meet government targets for determining planning applications promptly by 2007, with the result that performance has improved significantly from being a poor service in 2004/05 to performing at least above average in 2005/06. Indications for 2006/07 show further improvements in planning speeds, a reduction in appeal rates and improved quality of services as measured by the planning checklist - exceeding its own targets in all these areas. Satisfaction with the planning service improved in 2006/07, although it remains below average. Good progress is being made with the Local Development Framework, and useful guidance has been developed such as the Child Okeford Village Design Statement and guidance on housing oversupply. This guidance helps developers and residents to better understand the nature of future development in their area.
- 81 Council initiatives are effectively supporting local businesses. The Council aims to improve economic well-being by supporting local businesses, in particular those related to tourism, and by attracting inward investment to support rural regeneration. The Council has supported local shops and post offices by enabling payments for Council services at such sites. It is also paying for goods and services more promptly, improving the percentage of invoices paid within 30 days from 87 per cent in 2005/06 to 96 per cent in 2006/07 (un-audited data) - exceeding its target of 90 per cent. Prompt payment helps small businesses to remain viable. The Council, with partners, provided a wide range of advisory and support services to over 900 North Dorset businesses in 2005/06 – for example, management development programmes for 12 care homes. With partners it also secured £1.8 million of European and regional funding in 2005/06 for successful local regeneration projects in the district, which included the Dorset Centre for Rural Skills, and several rural and wildlife tourism initiatives, such as the Wessex Ridgeway long distance trail. Such activity supports businesses in rural areas and contributes to their sustainability.

Improving health, community safety and well-being

- 82** Overall North Dorset has low crime rates and standards of health are good. Consequently these issues are a lower priority for the Council. It works in partnership with neighbouring councils and Dorset Police through the East Dorset crime and disorder reduction partnership. It has helped establish local action groups linked to its community partnerships to identify local community safety concerns. Initiatives delivered by the partnership include provision of CCTV in several North Dorset towns that have resulted in a reduction in anti-social behaviour. Crime levels for burglary, robbery and violent crime are low and reducing and levels of vehicle crime are below average. Fear of crime is also below average. Life expectancy for both men and women in North Dorset is high, and infant mortality rates are lower than both the regional and national averages. In support of Dorset Local Area Agreement targets the Council runs a scheme that provides sport provision on the referral of a GP. In 2005/06 it provided such a service for 518 people across the district. In this way people can improve their health by becoming more active.
- 83** Satisfaction with culture and leisure services is low. People are not satisfied with the sports and leisure facilities or parks and open spaces in North Dorset, and satisfaction has declined since 2003/04. The Council has carefully considered its priorities and decided that it cannot itself resource improved leisure and culture services. But it recognises the need and views of local communities, and is currently examining ways of continuing (and improving) service provision through community management. For example, it has established an improvement project to provide a community leisure centre at Gillingham. Plans are progressing with a suitable site secured and consultation on design options planned for September 2007. A number of projects facilitated by the Council and community groups are helping to improve open spaces such as the Bonsley Wood Living Classroom and award-winning Butts Pond Local Nature Reserve.

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 North Dorset District Council was undertaken by a team from the Audit Commission and took place over the period from 9 to 13 July 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.