

CABINET MEETING – 8th April 2009
EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

AUDIT COMMISSION ANNUAL AUDIT AND INSPECTION LETTER AND COMPREHENSIVE PERFORMANCE ASSESSMENT (CPA) SCORECARD 2008

Author(s):

CHIEF EXECUTIVE and CITY TREASURER

Purpose of Report:

To inform Cabinet of the Audit Commission's Annual Audit and Inspection letter and that the council has continued to achieve the maximum **four star** rating in the latest and final CPA results and was judged to be '**improving well**' by the Audit Commission.

Description of Decision:

Cabinet is asked to accept this report and refer it to Council for consideration.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

To make Cabinet aware of the council's CPA Scorecard for 2008, and how this compares to other single tier and county councils.

Alternative options to be considered and recommended to be rejected:

There are no alternative options.

Is this a "Key Decision" as defined in the Constitution? No

Is it included in the Forward Plan?
No

Relevant Review Committee:

Policy & Co-ordination

CABINET – 8 APRIL 2009

AUDIT COMMISSION ANNUAL AUDIT AND INSPECTION LETTER AND COMPREHENSIVE PERFORMANCE ASSESSMENT (CPA) SCORECARD 2008

Report of the Chief Executive and City Treasurer

1. Purpose of the Report

- 1.1 This report details the Audit Commission's Annual Audit and Inspection Letter covering the year 2007/2008. This letter provides an overall evaluation of the Council's achievements having regard to the Council's Comprehensive Performance Assessment (CPA) rating for 2008 including its corporate, financial and service performance and consideration of its plans for continuous improvement.
- 1.2 The Comprehensive Area Assessment (CAA) lead Dave Jennings and Steve Nicklin District Auditor will attend Cabinet to provide a summary of the Audit Commission's findings and address any questions Members may have.

2. Description of Decision

- 2.1 Cabinet is recommended to agree:
 - that the contents of the Audit Commission's Annual Audit and Inspection Letter and the Council's CPA scorecard for 2008 demonstrate sound performance management;
 - to receive a presentation from the Audit Commission;
 - refer this report to Council for its consideration.

3. Background

- 3.1 The Audit Commission, under the direction of Comprehensive Area Assessment Lead and District Auditor, prepares an annual statement which provides an overall summary of the Audit Commission's assessment of the Council, drawing on audit, inspection and performance assessment work. The statement also summarises the findings and conclusions from the statutory audit. The Annual Audit and Inspection Letter covers the period from April 2007 to March 2008.
- 3.2 The Annual Audit and Inspection Letter provides an overall assessment of the Council. It draws on the most recent Comprehensive Performance Assessment (CPA), the findings and conclusions from the audit of the Council for 2007/2008, the outcomes of other inspections and regulatory activity and on the Council's Direction of Travel judgement for 2008.
- 3.3 The Annual Audit and Inspection Letter also contains the Council's Comprehensive Performance Assessment (CPA) scorecard for 2008 setting out

its star rating score and its direction of travel rating which judge the performance of the Council and its services and the strength of plans for the future.

4. Current Position

4.1 The Annual Audit and Inspection Letter confirms the outcomes of the Comprehensive Performance Assessment 2008 framework; that Sunderland has maintained its rating as a Four Star Council, the highest rating and is "improving well" in its Direction of Travel. The letter confirms that the Council continues to improve outcomes for local people with specific improvements to:

- prosperity through the development of most key regeneration sites and attaining one of the highest employment growth rates in the country;
- education attainment at most key stages;
- people are healthier; fewer people smoke;
- a new Aquatic centre is helping vulnerable groups become healthier;
- crime rates are lower, less young people are re-offending and domestic violence is being tackled;
- streets are cleaner and the recycling and composting rates have improved although remaining below average.

4.2 This year's Direction of Travel assessment which indicates the progress being made to achieve improvement assessed the Council as 'improving well' identifying improvements to equality, sustainability, the Council's scrutiny function, asset management and the Council's performance management arrangements. The letter also indicates that the Council has a clear focus on the needs of hard to reach and excluded groups.

4.3 The assessment confirms that good value for money is delivered as a result of strong financial management resulting once again in the maximum score in the use of resources judgement and notable practice has been identified in a number of areas. Unqualified opinions have been issued on the 2007/2008 accounts and value for money arrangements and on the Best Value Performance Plan.

4.4 The Annual Audit and Inspection Letter draws attention to the need to continue to develop the following areas:

- complete its whole city regeneration masterplan, including focus on small businesses, reinvigorating the City centre and key sites; and addressing the impact of the recession;
- ensure the actions it and its partners are taking to reduce health inequalities experienced by people in Sunderland are effective;
- ensure all scrutiny committees are able to demonstrate that they are making a clear contribution to performance management;
- further develop its asset management strategies to make clear how assets are being used to deliver corporate priorities;

- in promoting equalities develop local outcome targets with specific commitments to improve services for local people.

- 4.5 The Council is committed to improvement in these areas and is integrating improvement activity for the areas for development into existing performance management mechanisms and including reviewing progress through the corporate performance monitoring processes. The council has agreed further work with the Audit Commission for equalities, scrutiny and performance management as part of its improvement work.
- 4.6 The overall CPA four star assessment places the Council as one of the top performing councils in the country with 42% of the 150 Single Tier and County Councils given a four star rating. For the first time the Council has maintained a minimum performance of 3 across all of its service scores with Adult Social Care and Benefits achieving a maximum score of 4.
- 4.7 This is the last year the Council will receive a Comprehensive Performance Assessment (CPA) judgement as Comprehensive Performance Assessment (CPA) is due to be replaced by the new performance framework for the public sector, the Comprehensive Area Assessment (CAA), from April 2009.
- 4.8 Since the Comprehensive Performance Assessment (CPA) was introduced in 2002 the Council has achieved the highest 4 star/excellent rating every year. The Audit Commission have acknowledged Sunderland as one of only 13 councils nationally to achieve the highest rating every year during the full seven years of Comprehensive Area Assessment. The Council's achievement includes the introduction of the Harder Test CPA in 2005.
- 4.9 The Council's scorecard and full annual analysis is set out in the table below

CPA Year	CPA Rating	Corporate Assessment Score	Library and Leisure	Culture	Education	Children's Services	Adult Services	Environment	Housing	Benefits	Use of Resources
2002	Excellent	4	4	N/A**	3	3***	3	3	3	4	4
2003	Excellent	4	4	N/A	3	3	3	2	3	4	4
2004	Excellent	4	4	N/A	3	3	3	3	3	4	4
2005	4 Star****	4	N/A	4	N/A	3	3	2	3	4	3
2006	4 Star	4	N/A	3	N/A	3	3	2	4	4	4
2007	4 Star	4	N/A	3	N/A	3	4	3	3	4	4
2008	4 Star	3	N/A	3	N/A	3	4	3	3	4	4

NB all scores rated on scale 1-4

** Culture assessment did not come into force until 2005

*** Separate Education and Children’s Social Services assessments were undertaken until 2005. From 2005 a single Children’s Services assessment undertaken

**** Harder test CPA introduced in 2005 and new ‘star’ ratings introduced

	Direction Of Travel						
CPA Year	2002	2003	2004	2005	2006	2007	2008
	N/A*	N/A	N/A	Improving Well	Improving Well	Improving Well	Improving Well

NB Direction of travel introduced in 2005

4.10 The scores at a regional level and year on year trends are as follows:

Table : CPA Categorisations 2008 – North East Single Tier & County Councils

North East Councils	Star rating			Direction of Travel		
	2008	2007	Trend	2008	2007	Trend
Darlington	4 stars	4 stars	↔	Improving strongly	Improving well	↑
Durham	4 stars	4 stars	↔	Improving well	Improving well	↔
Gateshead	3 stars	4 stars	↓	Improving well	Improving strongly	↓
Hartlepool	4 stars	4 stars	↔	Improving strongly	Improving strongly	↔
Middlesbrough	4 stars	4 stars	↔	Improving strongly	Improving strongly	↔
Newcastle	2 stars	3 stars	↓	Improving well	Improving well	↔
North Tyneside	3 stars	3 stars	↔	Improving well	Improving strongly	↓
Northumberland	4 stars	4 stars	↔	Improving well	Improving well	↔
Redcar & Cleveland	2 stars	4 stars	↓	Improving well	Improving well	↔
South Tyneside	4 stars	4 stars	↔	Improving strongly	Improving well	↑
Stockton on Tees	4 stars	4 stars	↔	Improving well	Improving strongly	↓
Sunderland	4 stars	4 stars	↔	Improving well	Improving well	↔

KEY: ↑ Improved Rating ↔ No Movement ↓ Rating Dropped

5. Reasons for Decision

5.1 To ensure that the Council acknowledges the continued good progress made as described in the Audit Commission’s Annual Audit and Inspection Letter and takes appropriate action on those areas requiring further development.

5.2 Consideration of the Annual Audit and Inspection Letter by Members is a statutory requirement.

6. Alternative Options

6.1 There is no alternative option recommended at this stage.

7. Conclusion

- 7.1 The Comprehensive Area Assessment Lead Dave Jennings and Steve Nicklin District Auditor will also be presenting the Annual Audit and Inspection Letter to the Policy and Co-ordination Review Committee.
- 7.2 Government Regulations require the Annual Audit and Inspection Letter to be published. In addition to its publication as part of the Cabinet, Policy and Co-ordination Review Committee and Council Agendas, and its publication on the Audit Commission website it is proposed to place the full report on the Council's website.

8. List of Appendices

- Annual Audit and Inspection Letter 2007/08 – Appendix A

