

**MAIDSTONE BOROUGH COUNCIL**

**CABINET**

**16 DECEMBER 2009**

**REPORT OF MANAGEMENT TEAM**

**Report prepared by David Edwards**  
**Director of Change and Environmental Services**

**1. ORGANISATIONAL ASSESSMENT 2009**

1.1 Issue for Decision

1.1.1 To consider the Audit Commission's 2009 Organisational Assessment Report on Maidstone Borough Council.

1.2 Recommendation of Corporate Management Team

1.2.1 That Cabinet note and comment on the Audit Commission's findings in relation to the annual organisational assessment.

1.3 Reasons for Recommendation

1.3.1 The new Comprehensive Area Assessment was introduced in 2008/09 and the Audit Commission highlighted that this would be a harder test for local authorities. There were two elements:

- An area assessment – which looks at how well services are delivered across Kent and whether local services are improving outcomes for citizens; and
- An organisational assessment – which looks at how the Council delivers services, including working with partners, value for money and outcomes for local people.

1.3.2 The Lead Inspector for Kent attended the Audit Committee earlier in the year to set out the new arrangements and also answered questions from members.

1.3.3 The organisational assessment is made of two parts:

- Use of Resources – how the organisation is achieving value for money through managing finances, governing the business and managing resources; and
- Managing Performance – how well the organisation is delivering its priority services, outcomes and improvements that are important to local people and whether the organisation has the leadership, capacity and capability to deliver future improvements.

1.3.4 The overall organisational assessment score is reached by combining the scores for the Use of Resources element and the Managing Performance theme.

1.3.5 Overall, the Audit Commission have said that Maidstone Borough Council performs well, which is a score of 3 out of 4. The Council scored 4 out of 4 (performing excellently) on Managing Performance and 3 out of 4 (performing well) on Use of Resources. The Audit Commission gave an overall judgement of 'performing well' rather than 'performing excellently' because some actions and investment, for example, work on a healthy environment and prosperity, have yet to demonstrate outcomes in the local area.

1.3.6 However, this is a positive result, showing the Council continues to deliver and improve services and provide value for money and outcomes for local people. However, the Council aims to improve the score on parts of the Use of Resources assessment for 2009/10. Actions to do this will form part of the updated Corporate Improvement Plan.

1.3.7 As part of the assessment process there was some debate on several of the scores. The Council felt that the score for the Managing Performance theme did not reflect the high standards the Council delivers and subsequently the Audit Commission improved this to a '4' after reviewing the evidence. Although the Council scored a '3' across all the key lines of enquiry on the Use of Resources it was highlighted that on several of the themes the Council felt a top score of '4' should have been awarded. However, in this first year this was a difficult case to make and key elements, for example, workforce planning, were finally judged at a '3'.

1.3.8 The report highlights that the Council has good prospects for further improvement in the future, and the overall result places Maidstone as one of the top performing authorities in Kent.

1.3.9 The results of Comprehensive Area Assessment, including the Council's Organisational Assessment Report, will be in the public domain from 9 December 2009 on the Oneplace website: <http://oneplace.direct.gov.uk>

1.4 Alternative Action and why not Recommended

1.4.1 Cabinet could choose not to note the comments in the report. However, the report gives an independent view of the Council and in particular how it delivers value for money and improves outcomes for citizens. It will also be used to inform people on how local services are performing in Maidstone.

1.5 Impact on Corporate Objectives

1.5.1 The organisational assessment considers the Council's performance against all its priorities and key objectives. The positive report shows that the Council is working well to make Maidstone 'A place with efficient and effective public services'.

1.6 Risk Management

1.6.1 The organisational assessment includes consideration of internal control and how the Council manages risks. The Audit Commission has said the Council performs well in this respect.

1.7 Other Implications [Insert an 'X' in the boxes below to indicate if the recommendations will have any implications in the specified area]

1.7.1

1. Financial	X
2. Staffing	X
3. Legal	
4. Equality Impact Needs Assessment	
5. Environmental/Sustainable Development	X
6. Community Safety	
7. Human Rights Act	
8. Procurement	X
9. Asset Management	X

## Financial

- 1.7.2 The Use of Resources assessment provides one of the key assessments of the Council's financial standing. Good financial management is critical to the Council managing the public purse, being able to deliver priority services, outcomes and improvements and being able to continue to deliver improvements in the future.

## Staffing

- 1.7.3 This year the Council has been assessed as performing well on how it plans, organises and develops its workforce. Achieving a high score on the Use of Resources assessment also has a positive impact on the recruitment and retention of staff.

## Environmental/Sustainable Development

- 1.7.4 Sustainability is taken into account across the Use of Resources assessment. In 2009/10 the Council will be formally assessed for the first time on the management of natural resources, although the Council did complete a draft self assessment in 2009 which was well received by the Audit Commission.

## Procurement

- 1.7.5 The Use of Resources provides a key assessment on how the Council manages procurement and this is one of the areas where the Council has traditionally been very strong.

## Asset Management

- 1.7.6 The Council will be formally assessed for the first time on asset management in 2010/11 and a number of improvements have been made in recent years, for example the opening of the Maidstone Gateway.

## 1.8 Background Documents

- Use of Resources self assessment report to Cabinet – April 2009
- Managing Performance self-assessment – held by Georgia Hawkes, Policy & Performance Manager

**NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED**

Is this a Key Decision?      Yes          No   

If yes, when did it appear in the Forward Plan? \_\_\_\_\_

Is this an Urgent Key Decision?      Yes          No   

**Reason for Urgency**

[State why the decision is urgent and cannot wait until the next issue of the forward plan.]