

Annual Audit and Inspection Letter

March 2008



# Annual Audit and Inspection Letter

**Bracknell Forest Borough Council**

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Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

### **Status of our reports**

This report provides an overall summary of the Audit Commission's assessment of the Council, drawing on audit, inspection and performance assessment work and is prepared by your Relationship Manager.

In this report, the Commission summarises findings and conclusions from the statutory audit, which have previously been reported to you by your appointed auditor. Appointed auditors act separately from the Commission and, in meeting their statutory responsibilities, are required to exercise their professional judgement independently of the Commission (and the audited body). The findings and conclusions therefore remain those of the appointed auditor and should be considered within the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission.

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- addressed to members or officers and prepared for the sole use of the audited body; no responsibility is taken by auditors to any member or officer in their individual capacity, or to any third party.

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## Key messages

- 1 This report provides an overall summary of the Audit Commission's assessment of the Council. This 'Direction of Travel assessment' draws on the findings and conclusions from the audit of the Council, and from inspections and other work that have been undertaken in the last year by the Commission and other inspectorates including a corporate assessment. It also draws on a wider analysis of the Council's performance and improvement over the last year, as measured through the Comprehensive Performance Assessment (CPA) framework.
- 2 The report is addressed to the Council, and in particular has been written for councillors; but is available as a public document for stakeholders, including members of the community served by the Council.
- 3 The main messages for the Council included in this report are as follows.
  - The Council has improved to be a 4 star council, and is now assessed as improving strongly. Its corporate ability to improve is good.
  - It has significantly improved services in 2007. Many services are improving well and much faster than other councils. It has made good progress in addressing last year's areas of concern - adults' social care, housing management, supporting people services and community safety - and made good community improvements. Overall customer satisfaction and value for money are good.
  - The Council has challenging ambitions and priorities that reflect the community's needs. It has clear and robust plans to deliver them with partners, and allocates resources accordingly. It has the capacity to deliver its plans, and uses performance management well to drive improvement.
  - The Council needs to further improve some aspects of its corporate approach, as identified by the Corporate Assessment. There also are some areas for further service improvement to build on this year's success, including addressing data quality weaknesses identified by the auditor.

## Action needed by the Council

- 4 The recent Corporate Assessment report confirms that the Council and its partners have developed clear and challenging ambitions that reflect community needs, and are informed by good knowledge of what is important to local people. It has clear priorities supported by robust plans and resources allocated accordingly, that provide a sound basis for delivering future improvements. The Council can show significant achievement in all its priority areas, and has a history of achievement in most services and in improving its weaker service areas. **In this positive context, councillors need to maintain continued focus to build on these improvements, including acting on the recommendations of the Corporate Assessment.**

- 5 The Corporate Assessment identifies three areas for corporate improvement.** The first is *to progress further its current diversity and equalities work and ensure this informs all future service planning and delivery*, to improve the outcomes for minority communities and to ensure services meet the needs of all sections of the community. Second, the Council should *develop a medium and longer-term workforce plan, and coordinate this plan with partners*, to ensure that its workforce meets future service needs and capacity challenges. Third, the Council needs to *build on work to understand and reduce the sustainability impacts of its own activity, to help it to meet its obligations under the Nottingham Declaration and provide clearer community leadership on this issue.*
- 6 The Council should implement the auditor's recommendations on data quality arrangements, to ensure the continued effectiveness of its performance management.** Areas that need strengthening are *completing a data quality strategy and policy, putting in place a training programme for staff, and resolving some inconsistencies of approach in data management.*
- 7 The main area for further service improvement is to develop more specific actions and targets to address the fear of crime.** *The local Crime and Disorder Reduction Partnership and the Council need to ensure that their actions and initiatives to reduce crime and anti-social behaviour also lead to changed perceptions that properly reflect the area's relatively low overall crime levels.*
- 8 The Council needs to further develop some areas in adults' social care.** *Key issues are to ensure better use of pooled budgets and health act flexibilities; respond to the diverse needs of minority ethnic groups that require more individually tailored services; and further reduce the high costs of intensive social care. In addition the Council should also further improve the level of tele-care equipment provision, in partnership with other agencies; reduce delayed transfers of care; and increase the number of carers receiving short breaks.*
- 9 The Council also needs to improve some aspects of children's and young people's services.** *Key issues are to improve further the standards in boys' attainment, especially in writing and English in Key Stages 2 and 3; develop a strategy to improve education and related provision for 14 to 19 year-olds, and implement it speedily, including improving the joint provision of Level 2 and Level 3 courses across schools and colleges; and with partners, reduce the overall numbers of young people not in education, employment and training.*
- 10 Looking ahead, the Council and its partners need to work closely together over the next year to ensure that, together, they are ready to jointly meet the expectations of the new Comprehensive Area Assessment (CAA) performance assessment framework.** The CAA will focus on the future prospects for local areas and the quality of life for people living there, and will emphasise the experience of citizens, people who use services and local taxpayers. It will therefore assess the effectiveness of local partnership working. This contrasts to the current CPA framework, which is based on assessing the performance of councils only. In this context, *the Council and its partners need to jointly agree areas for medium term improvement that reflect key Sustainable Communities Strategy objectives as part of the new Local Area Agreements – and all will need to accept joint responsibility for delivering them.*

## Purpose, responsibilities and scope

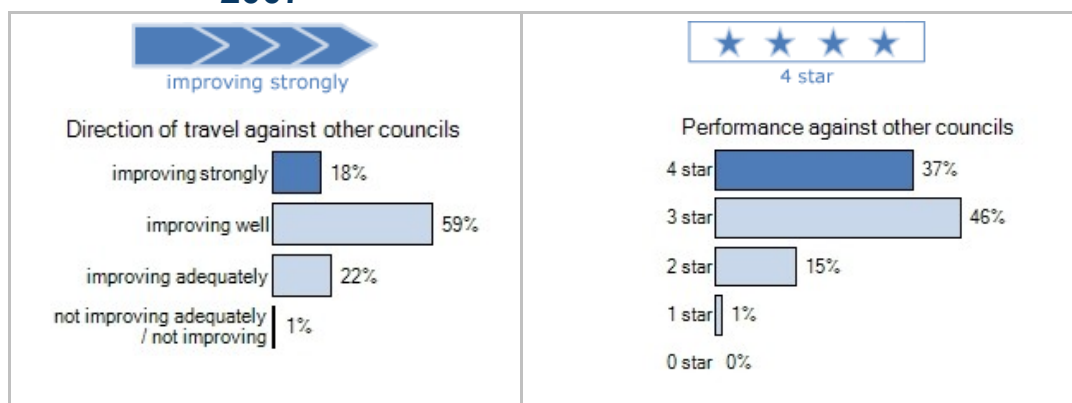
- 11 This report provides an overall summary of the Audit Commission's assessment of the Council. It draws on the most recent Comprehensive Performance Assessment (CPA) including our Direction of Travel assessment; the findings and conclusions from the audit of the Council for 2006/07; the results of any inspections carried out by the Audit Commission under section 10 of the Local Government Act 1999 since the last Annual Audit and Inspection Letter, including the recent Corporate Assessment; and assessments provided by other inspectorates and regulators during 2007. It summarises the key issues arising from the CPA and any such inspections and assessments.
- 12 We have addressed this letter to councillors, as it is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business and that it safeguards and properly accounts for public money. We have made recommendations to assist the Council in meeting its responsibilities.
- 13 This letter also communicates the significant issues to key external stakeholders, including members of the public. We will publish this letter on the Audit Commission website at [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk).
- 14 Your appointed auditor is responsible for planning and carrying out an audit that meets the requirements of the Audit Commission's Code of Audit Practice (the Code). Under the Code, the auditor reviews and reports on:
  - the Council's accounts;
  - whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (value for money conclusion); and
  - whether the Council's best value performance plan has been prepared and published in line with legislation and statutory guidance.
- 15 The appointed auditor until March 2007, responsible for all work related to the 2006/07 and previous audits, was KPMG LLP. The auditor from April 2007, responsible for the 2007/08 audit, is the Audit Commission. The audit work reported in this letter primarily relates to 2006/07 and is therefore mainly based on information provided by the out-going auditor.
- 16 We have listed the reports issued to the Council relating to the 2006/07 audit and 2007 inspection work at the end of this letter.

## How is Bracknell Forest Borough Council performing?

### Our overall assessment - the CPA scorecard

- 17 The Audit Commission's overall assessment is that Bracknell Forest Borough Council is improving strongly, and we have classified the Council as four star in its current level of performance under the Comprehensive Performance Assessment.
- 18 These assessments have been completed in all single tier and county councils with the results shown in Figure 1.

**Figure 1 CPA Results for Single Tier and County Councils, 2007**



Source: Audit Commission

- 19 The Council has significantly improved services in 2007, with many improving well and much faster than other councils. Adults' social care, housing management and benefits provision have all improved well. Education and children's services generally and environment services, especially recycling rates, continue to perform well and improve. The Council provides good community leadership, and works well with its partners. It has made good community improvements such as health, street scene and access to services, and is improving community safety. Overall customer satisfaction and value for money are good.
- 20 The Council has challenging ambitions and priorities that reflect the community's needs. Clear and robust plans exist to deliver them with partners, and resources are allocated accordingly. The Council is progressing work to further understand the impact of recent demographic changes, to inform the continuous update of its plans. It has made very good progress in the past year with its plans to regenerate Bracknell town centre, and to improve waste recycling and housing standards. It has the capacity to deliver its plans, and uses performance management well to drive improvement.

- 21 Table 1 shows the Council's detailed scores against the CPA framework.

**Table 1 Our overall assessment - the CPA scorecard**

Element	Assessment		
	2005	2006	2007
Direction of Travel judgement	Improving well	Improving adequately	Improving strongly
Overall	3 star	3 star	4 star
Previous 2004 corporate assessment/capacity to improve, as included in overall CPA judgement in 2007 <i>Note: 2007 assessment scored '3'; but 2004 score used (ie until all councils' assessments are concluded in 2008)</i>	4 out of 4	4 out of 4	4 out of 4
Current performance	out of 4	out of 4	out of 4
Children and young people *	3	3	3
Social care (adults) *	2	2	3
Use of resources *	3	3	3
Housing	1	2	4
Environment	2	3	3
Culture	3	2	2
Benefits	4	3	4

*(Note: \* these aspects have a greater influence on the overall CPA score)  
(1 = lowest, 4 = highest)*

## The improvement since last year - our Direction of Travel report

### The Council's new priorities

- 22 As reported in last year's letter, the Council recognised that a key task following the May 2007 elections was to update its priorities and re-align as necessary the resources to deliver them. The Council adopted its new priorities in October 2007. To improve the focus for its work it agreed a smaller number of corporate themes and fewer priorities than in its previous plan, although these remain closely linked to its wider ambitions for the area and its previous priorities.



- 23 The Council's five over-arching priorities, set out in its *Medium Term Objectives 2008-11*, are:
- a town centre fit for the 21st century;
  - protecting and enhancing our environment;
  - promoting health and achievement;
  - creating a borough where people are safe and feel safe; and
  - value for money.
- 24 This Direction of Travel assessment assesses the progress made by the Council by reference to the new priorities.

## **What evidence is there of the Council improving outcomes?**

### **Overview**

- 25 The Council is improving strongly, since over the past year it has improved its priority services and made good progress to address previous concerns, and its rate of improvement is much faster than comparable councils. It has a good corporate ability to improve, recognised by its score in the 'harder test' Corporate Assessment report published in February 2008. The improvements in the past year have resulted in increased scores for Adults' Social Care, Benefits, and Housing in the Council's CPA service scores published in February 2008, and the overall score improving from '3' to '4' stars.
- 26 The Corporate Assessment concludes that the Council can show significant achievement in all its priority areas, and has a history of achievement in most services and in improving its weaker service areas. As a result, 72 per cent of local people believe that the Council is making the local area a better place to live. As reported last year, customer satisfaction with Council services remains above average when compared to other councils.
- 27 Achievement, as demonstrated by the latest national performance indicators for 2006/07, is good. The Council generally provides better services than comparable councils. It has 40 per cent of top-performing performance indicators, compared to the single tier council average of 29 per cent, and a further 19 per cent are above average. Only 12 per cent are worst-performing. Overall, the Council's rate of improvement is fast compared to similar councils. Some 72 per cent of all indicators improved in 2006/07 since the previous year, well above the average range for single tier councils (61 to 63 per cent). The Council ranks 23rd out of 388 councils for the percentage of indicators that have improved. This improves the very positive three year trend. The Council's unaudited data for 2007/08 shows that services have continued to improve over the past nine months.
- 28 This data indicates that the Council can be pleased with the overall quality of its services, and the progress it has made in improving the level that are top-performing. However, there remain some indicators that are under-performing, where it needs to speed up the rate of improvement.

## **A town centre fit for the 21st century, and enhancing the environment**

### **(i) Overview**

- 29 The Corporate Assessment considers that the Council has a strong focus on and is achieving good outcomes in terms of promoting sustainable communities. The Council performs well in several areas, including waste management, planning, many areas of housing, and management of public spaces. The redevelopment of Bracknell town centre will deliver a range of improved sustainability outcomes. The Council is developing plans to improve its own sustainability. Overall, the Council's services continue to contribute well to the priorities of 'a town centre fit for the 21st century' and 'protecting and enhancing the environment'. However, it needs to build on work to understand and reduce the sustainability impacts of its own activity, to help it to meet its obligations under the Nottingham Declaration and provide clearer community leadership on this issue.

### **(ii) Regenerating Bracknell town centre**

- 30 The Council - with the Bracknell Regeneration Partnership - has made major progress in 2007 on the £750 million town centre project, which is central to delivering its wider ambitions for the community. Confidence in delivering the project is now high. In the past year, the Council and partners have concluded a development agreement. Work is planned to commence in early 2009. The scheme aims not only to improve facilities for local people but also to attract wider regional employment and economic benefits. The plans for the council offices are ambitious in addressing sustainability, with combined heat and power systems and energy savings measures to reduce carbon emissions by 30 per cent.

### **(iii) Sustainable communities and transport**

- 31 The Council performs well in sustainable communities and transport. It is improving quicker than comparable councils, ranking 119th out of 388 with 69 per cent of 2006/07 indicators improved since last year - above the single tier council average (58 to 64 per cent). This maintains the three year trend, when 82 per cent had improved (also above the average range of 69 to 75 per cent). Some 47 per cent of indicators are top-performing, compared to the average of 37 per cent.
- 32 Sustainable transport outcomes continue to be good, though significant planned changes depend upon the town centre redevelopment. For example, the Council has built 4 km of combined footpath/cycleway in 2006/07; is on target to increase the number of cycling trips by 20 per cent by 2011; and is further improving public transport with the quality bus partnership and green travel planning. However, highway maintenance remains a key challenge.

- 33 The Council signed the Nottingham Declaration on climate change during 2007, and has started to address its own sustainability. It has waste recycling schemes in council offices. It purchases 'green energy' and upgraded heating systems and insulation to improve efficiency and reduce overall energy use. It has promoted green travel plans in schools. About half of schools participate in the ENCAMS eco-schools programme. However, the Council's own green travel plan is out of date, and it has not developed a full plan to reduce its overall carbon footprint.

**(iv) Local environment**

- 34 Local environment performance is good, and the Council's rate of improvement is fast. It ranks 75th out of 388 councils with 73 per cent of indicators improved since last year, well above the average range for all single tier councils (54 to 60 per cent). This greatly improves the three year trend, when only 38 per cent of indicators improved (average range of 47 to 53 per cent), and the Council ranked 310th. Some 38 per cent of indicators are top-performing, compared to the average of 27 per cent. However, these improvements have not been sufficient to result in an improved CPA Environment score, which remains '3' in 2007.
- 35 Progress in waste management is good, and the Council continues to manage its public spaces well. As reported last year, it concluded a joint £611 million Private Finance Initiative partnership with Reading and Wokingham BCs. The immediate impact of this scheme, and the move to alternate weekly and improved green waste collection in October 2006, have led to all waste minimisation and recycling indicators improving in 2006/07 and since. The Council was among the top-performing councils nationally for recycling in 2006/07 (35.5 per cent, compared to the best quartile breakpoint of 31 per cent). Its latest (unaudited) data shows that recycling rates are now consistently just over 40 per cent. Waste minimisation remains a challenge, but the Council has an active education programme and waste levels are falling.

**(v) Planning and housing**

- 36 The Council continues to deliver good outcomes for local people from the planning system. It has made good progress in its Local Development Framework (LDF) and supporting policies, well ahead of most councils. It dealt effectively with the development constraints arising from the Thames Basin Heaths Special Protection Area, to protect the area while allowing some development. It is now starting to bring forward good quality housing and development in accordance with regional guidance, with good use of planning powers to meet local needs. However, the Council has yet to implement some sustainability policies, for example for low energy developments and sustainable drainage schemes.

- 37 Housing performance has improved strongly in the past year. Although the number of top-performing indicators is relatively poor - only 14 per cent, compared to the average of 30 per cent - the Council has improved 75 per cent of indicators. This is well above the average range of 59 to 65 per cent. As a result, the Council's CPA Housing score improved to '4' in 2007, compared to '2' in 2006 (and '1' in 2005). The Corporate Assessment's conclusion that the Council is addressing local housing needs effectively, including good support to prevent homelessness, reflects this improvement. In this positive context, however, some indicators for both community housing and housing management remain weak. The transfer of housing management to a locally based housing association, Bracknell Forest Homes, in February 2008 should help to tackle some of these.
- 38 A key challenge for the Council in the next year will be to build on the work to transfer the stock, by putting in place robust arrangements to further support its strategic housing functions.

#### **(vi) Cultural services**

- 39 The Council generally performs well in culture and its performance is improving. It has 40 per cent of top-performing indicators, well above the single tier council average of 30 per cent. Performance on sport and recreation is top-performing or above average. Satisfaction indicators for museums, libraries and culture are below average or worse, but only the libraries indicator is directly related to the Council's service provision. As a result, the Council's CPA Culture score remains '2' in 2007, the same as in 2006.

#### **Promoting health and achievement**

##### **(i) Understanding community needs**

- 40 The Corporate Assessment considers that the Council understands its communities, uses good analysis of needs, and communicates well to residents and other stakeholders. It provides good access to its services and develops improvements for local people based on its broad knowledge of local need. The Council has made good progress on two aspects of this in 2007. First, it has focused effort on further understanding the impact of recent demographic changes, to ensure that its priorities address minority needs and to inform the continuous update of its plans. Second, the Council has developed an ambitious scheme to grow and develop the local workforce, including opportunities for people in its most deprived wards, to maximise employment benefits from the town centre scheme and ensure a better labour supply for local employers.

##### **(ii) Children and young people**

- 41 The picture reported last year by the Office for Standards in Education (Ofsted) remains true in 2007: the Council performs well in providing services for children and young people, and is improving. Service management remains good. The CPA Children and Young People score remains '3' in 2007, the same as 2006. The Corporate Assessment reflects this positive assessment, noting that outcomes for children and young people in Bracknell Forest are good.

- 42** The Council consistently delivers children and young people services which make an increasingly good contribution to improving achievement and well-being. Outcomes in being healthy are outstanding. In the other four assessment areas – staying safe, enjoying and achieving, making a positive contribution, and achieving economic well-being – outcomes are good overall. Ofsted notes that the service's performance management is highly regarded and is being adopted by all Bracknell Forest partnerships as best practice.
- 43** The 2006/07 national data shows that the Council's rate of improvement last year was good compared to other councils, in the context that a very high proportion of indicators are top-performing. Some 77 per cent of indicators improved, above the single tier council average (67 to 71 per cent), and the Council ranked 31st out of 150 for the percentage of improved indicators. It now has 69 per cent of top-performing indicators (average 32 per cent). Most indicators for both education and child protection are top-performing or above average. The latest data shows that educational attainment improved further overall in 2007.
- 44** In this very positive context, Ofsted have identified some areas for improvement. The Council needs to improve the number of looked after children who participate in their reviews and their long-term placement stability, and increase the number of foster care placements for adolescents and children with complex needs. It also needs to improve further the standards in boys' attainment, especially in writing and English in Key Stages 2 and 3; and increase the joint provision of both Level 2 and Level 3 courses across schools and colleges. The Council, with its partners, also needs to reduce the overall numbers of young people not in education, employment and training (NEET) to the level of similar areas.

**(iii) Healthier communities**

- 45** The Corporate Assessment assesses the Council's approach to promoting healthier communities as good, and that promoting health and well-being is a mainstream activity and priority. The Council has a range of initiatives and good capacity to promote healthier communities, with departmental service plans setting out the actions being taken. It focuses on wide-ranging measures to enable residents to pursue healthy lifestyles and maintain good levels of health. It promotes access to a range of physical recreation opportunities and is making good progress on its LAA targets on exercise and healthy schools. This preventative approach is effective, valued and seen as complementary by health partners. Life expectancy and mortality rates in the borough are improving.

- 46 In this context, the Council and its partners are developing a strategic approach through the *Health and Well-Being Strategy* agreed in October 2007. The strategy sets out clear measurable targets and actions to address locally identified issues, and will be further developed with the Berkshire East Primary Care Trust after a joint strategic needs assessment. The Council has a targeted approach to reducing health inequalities. It has identified the most deprived wards in terms of health needs, to focus work including promoting healthy eating, exercise and smoking cessation. This approach enables the Council and partners to target activities systematically, based on needs. However, partnership performance management and data quality could be improved further to assist effective strategic delivery, and this is an area that partners need to work on.
- 47 The Council has used cultural services well to support its healthier community objective. It has increased access to physical recreation opportunities for adults with learning disabilities, and take-up is high. It promotes health issues with young people who are not in education, employment or training. The town centre 'NRG' scheme helped over 200 young people during 2006/07, including support on health-related issues. These measures enable the Council to engage successfully on health matters with harder to reach teenagers and young adults.

## **Safety and feeling safe**

### **(i) Community safety**

- 48 Community safety was an area for concern in last year's letter. Although overall crime rates are generally low, crime had increased over the previous two years, and it was unclear whether the position was improving. The Crime Reduction and Disorder Reduction Partnership (CDRP) was also not fully effective.
- 49 Last year we reported that the Council had taken firm steps to solve a problem of leadership and performance management that also affected adults' social care and supporting people services. As a result, at the beginning of 2007 the Chief Executive took over as chair of the CDRP, and moved the CDRP Team into his department. As a direct result the team and the partnership became much more performance focused. This change has resulted in significant reductions over the past year in the level of crime. Acquisitive crime has fallen sharply, by over 20 per cent in the year to January 2008. There has also been a 16 per cent reduction in a wider range of offences, with particular successes in reducing vehicle crime, criminal damage, wounding and cycle theft. The Council believes that if this strong recent improvement can be maintained, it may be sufficient to enable the CDRP to achieve its target of a 12.6 per cent overall reduction in crime over the four-year period to March 2008.
- 50 The Corporate Assessment concludes that the Council and its partners are now performing well in building safer and stronger communities. However, it considers that they need to ensure their actions to reduce crime and anti-social behaviour also lead to changed perceptions among local people that properly reflect the area's relatively low overall crime levels.

**(ii) Adults' social care**

- 51** Progress in adults' social care in 2007 has been strong, following the steps taken by the Council to solve the problem of leadership that had resulted in continuing under-performance. In late 2006 the Commission for Social Care Inspectorate (CSCI) assessed adult social care services as serving some people well with promising capacity for improvement. In 2007, the Council has improved this position, so that CSCI now assess the service as 'good' with promising capacity for improvement. As a result, the CPA Adults' Social Care score has improved to '3', compared to '2' as 2006. The Corporate Assessment reflects this positive assessment, considering that the Council is performing well in promoting and supporting the independence and well-being of older people.
- 52** The Council has addressed important areas of concern that were identified last year. Good strategic leadership has resulted in a clear performance management culture becoming established across the department. It now has a consistent approach to engaging a more diverse range of older people and carers, based on a clear *Commissioning Strategy for Older People* which it approved in March 2007 following extensive consultation with a wide range of older people and hard to reach groups. The strategy, supported by a purchasing plan approved in October 2007 and by extra money from the Department of Health recovery support unit, has been used to accelerate the pace of modernisation.
- 53** These changes have resulted in important improvements. They include major progress to improve the quality of life for people using social care services, with most of the relevant performance indicators showing improvement. Changes include a major shift in the in-house provision of tele-care equipment; improved access to services for harder to reach groups such as the black and minority ethnic (BME) community, with equality impact assessments completed; and a newly-formed adult protection forum and specialist adult protection co-ordinator.
- 54** The 2006/07 performance data reflects the scale of change. It shows that services for older people and healthier communities have improved fast compared to other single tier councils. The Council is ranked 4th out of 150 councils for the percentage of indicators that have improved since the previous year – 88 per cent (the average range is 52.5 to 59.5 per cent). It has 50 per cent of top-performing indicators, compared to the average of 37 per cent.
- 55** As a result of these improvements, CSCI now assess the Council as 'excellent' at improving older people's health and emotional well-being, and enabling increased choice and control. They assess it as 'good' in terms of contribution to improving people's quality of life, enabling people to make a positive contribution, freedom from discrimination or harassment, promoting economic well-being, and maintaining personal dignity and respect.
- 56** In this very positive context, CSCI have identified four areas for improvement. These are further improving the level of tele-care equipment provision, in partnership with other agencies; maintaining performance on delayed transfers of care (numbers increased in 2007); more funding for advocacy for learning disabled people; and increasing the number of carers receiving short breaks.

**(iii) Housing-related services for vulnerable people**

- 57 Supporting people services were also a key area for concern in last year's letter. In April 2007 management of the service was moved to the Council's Housing Division and a new interim manager, with a track record of achieving change in other authorities, subsequently took up post. The Council worked with the Commission to develop a new action plan to implement the recommendations of the June 2005 inspection, to more fully align the service with the needs of the community and other key strategies such as the housing strategy, and to make clear the intended outcomes for service users. In parallel, the Council has developed clear arrangements for performance management.
- 58 A recent review by the Commission concludes that the improvement plan clearly identifies the issues to be addressed and the action necessary. It considers that suitable systems are in place to ensure progress continues or corrective action is taken; and that the interim manager has added capacity and expertise. As a result, the Council's improvement has been good, and augurs well for the future.
- 59 The housing benefits service has also improved well. The Benefit Fraud Inspectorate (BFI) rates the service as 'excellent' – a CPA score of '4', which compares to '3' in 2006. In 2006/07 the Council maintained excellent performance in claims administration and security (including completing interventions and resolving data matches), while addressing failings in handling reconsiderations, revisions and appeals. Maintaining an effective benefits service is important because the service is critical in meeting the needs of vulnerable people.

**Value for Money**

- 60 The Council's auditor, KPMG, considers that the Council's use of resources and value for money is good, and that it is generally improving value for money.
- 61 Where spending is relatively high this is in line with the Council's priorities or external factors, and generally delivers improved and comparatively high quality services. The Council's capital programme is well-managed, and it takes account of costs in all policy and operational decisions, using whole-life costing when making major investment decisions. The Council uses procurement processes to secure improved value for money. It continues to plan and deliver significant budget savings far in excess of those required by government targets. It has embedded the need for value for money.
- 62 The Corporate Assessment notes that financial capacity remains a key challenge but that financial reporting and management are effective, and the Council is responding appropriately to this challenge.



## **How much progress is being made to implement improvement plans to sustain future improvement?**

### **Robustness of the Council's plans for improvement, and effectiveness of improvement planning**

- 63** The Council has made strong progress on its plans to sustain improvement. It understands the challenges it faces in delivering its ambitions for the area. Priorities are robust, and consistent with its overall vision. National 2006/07 performance data shows that the Council's corporate health indicators are good although its rate of improvement in this area is average.
- 64** The Corporate Assessment scores the Council's Ambition as '4' ('well above minimum requirements - performing strongly'), and Prioritisation as '3' ('consistently above minimum requirements - performing well'). It considers that the Council, with its partners, has developed clear and challenging ambitions that reflect its community's needs, and that it has an excellent understanding of the challenges it faces. Political leadership and managerial leadership are good and well-regarded. The Council is successful in delivering its priorities, in taking difficult decisions and in moving resources to priority areas.
- 65** The Council has taken a leading role in shaping ambitions and fostering strong partnership working through the Bracknell Forest Partnership, and in developing the existing Local Area Agreement (LAA) and the new Sustainable Community Strategy. Its priorities to deliver these ambitions are appropriately focused on local and national issues, and reflect the views and needs of local communities. Clear and robust plans exist to deliver them with partners. For example, the LDF sets a clear long-term vision to 2026, with plans for over 11,000 houses and major urban extensions to Bracknell town. The Government Office for the South East has recognised the Council's progress on the LDF and its supporting documents as best practice.
- 66** The Council's budget and performance management are effective. It manages and prioritises its budget effectively through its medium term financial strategy (MTFS), with corporate, financial and service plans all linked well. It has taken steps to bring its budget into balance by 2010/11 in line with its high level priorities. There is a strong commitment across the Council to using performance management to drive improvement. The Corporate Assessment scores the Council's Performance Management as '3'.
- 67** Delivery of improvement plans and projects is good. The Council's work to start the town centre redevelopment project is well-advanced, with development agreement, land acquisition and other arrangements proceeding to timetable. The housing stock transfer successfully met a demanding deadline. The Council is proceeding with the £33 million redevelopment to rebuild Garth Hill College. The Council opened the first two of six new children's centres as planned in October 2007 and January 2008, with the others on target for completion in the next year.

- 68 The Council has responded well in 2007 to the concerns raised last year about weaknesses in adult's social care, supporting people services, housing management and community safety. As discussed above, progress in these areas indicates that no significant weaknesses remain. It has made good progress to address the seven recommendations made by the Commission in March 2007 in relation to customer and user focus: four were completed and good progress had been made on two by November 2007, and all are on course to be completed by the target date of March 2008. It has also responded promptly to recommendations made by the Commission in May 2007 in relation to project management.
- 69 However, the Council has made limited progress towards improving data quality, as recommended by KPMG in their 2006 review. It does not have a full data quality strategy in place, although it is now preparing one. It has therefore not yet agreed a formal data quality policy or been able to put in place a training programme to ensure staff understand their roles and responsibilities in respect of data quality. There are also inconsistencies of approach in collecting, recording, and analysing data for some performance indicators and in the reporting of data across the Council. An inconsistent approach to data quality weakens the effectiveness of the Council's performance management. Addressing these issues should be an area of focus for the coming year.

#### **Capacity to deliver improvement plans**

- 70 The Council's capacity to deliver further improvement is good. The Corporate Assessment found that it meets effectively the capacity challenges that it faces as a small unitary council, scoring Capacity as '3'. The Council has knowledgeable and effective councillors, robust decision-making frameworks, and supportive and well-trained staff. It increases its capacity through good partnership working and service management. Success is demonstrated by good performance against national performance indicators in many areas and by good overall residents' satisfaction with the Council. This assessment is also confirmed by the Ofsted and CSCI annual letters, which report capacity to improve children's services and adults' social care services as 'good' and 'promising' respectively.
- 71 The Council is currently reorganising its departmental structure. This will further improve its senior and middle management capacity, and contribute to its plans to bring its budget into balance in the medium term.

- 72** During 2007 the Council has taken major steps to build capacity to improve the condition of local housing, including sound plans to meet its LAA target for more affordable homes. The transfer of housing management to Bracknell Forest Homes will release £61 million of investment, which will enable the Council to meet the Decent Homes Standard for the housing it previously managed by 2012. Also, the Council's commitment to use a large proportion of the net sales receipts to directly fund affordable housing should result in an extra 200 to 250 homes being provided in the five-year period to 2013. In addition, the Council is part of the successful Thames Valley Partnership £16 million bid for government's Regional Housing Board funding for private sector renewal. It therefore has a clear plan for 2008-11 to improve private sector housing during the next three years, especially energy efficiency, and a good deal of money to focus on it.
- 73** The Council has further strengthened its capacity by starting to implement improvements as part of the waste PFI project, which will provide a new household waste recycling centre, materials recovery facility and transfer station, and redevelop some existing facilities. The Council expects these facilities will both further improve its recycling rates and reduce its costs relative to other councils as disposal costs generally continue to rise. The first project - to completely refurbish the Longshot Lane amenity site - is due to start in April 2008.
- 74** In this positive context there are some areas where the Council could further improve capacity to deliver its plans. The Corporate Assessment identified the need for it to strengthen cross-departmental learning as part of its business and service planning processes, to more effectively drive improvement within and across services. It also identified the need for the Council to develop a medium and longer term workforce plan for the whole organisation, to help ensure that its workforce meets future service needs and capacity challenges. Ofsted consider the 14-19 partnership needs to develop rapidly its strategy to improve education and related provision for this age group, and implement it speedily. CSCI consider that the Council needs to ensure better use of pooled budgets and health act flexibilities, responding to the diverse needs of a high proportion of BME people that require more individually tailored services, and to further reduce the high costs of intensive social care.

## Service inspections

- 75** The Commission has undertaken one inspection at the Council during 2007:
- Corporate Assessment – '3' (performing well – consistently above minimum requirements) (published February 2008).

- 76 An important aspect of the role of the Relationship Manager is to work with other inspectorates and regulators who also review and report on the council's performance. Relationship Managers share information and seek to provide 'joined up' regulation to the Council. During the last year the Council has received the following assessments from other inspectorates:
- Ofsted:
    - 2007 Annual Performance Assessment of services for children and young people (November 2007):
    - overall effectiveness of children's services – '3' (good);
    - capacity to improve, including management of services – '3' (good);
    - Joint Area Review – 'good' (February 2008); and
    - Youth Service - 'good' (February 2008).
  - CSCI: 2007 Annual Performance Assessment of social care services for adults (November 2007) and Annual Performance (Star) Rating for Social Services (November 2007):
    - service score for adults social care – '3' (good);
    - capacity to improve – '3' (promising); and
    - overall star rating of '2 stars'.
  - BFI: Comprehensive Performance Assessment Improvement Reporting (November 2007) – '4' (excellent).
- 77 The main conclusions and findings from these inspections and assessments have been included in the Direction of Travel assessment above.

# The audit of the accounts and value for money

## 2006/07 audit reporting

**78** Your appointed auditor KPMG has reported separately to the Overview and Scrutiny Commission on the issues arising from the 2006/07 audit and has issued:

- an unqualified opinion on the Council's 2006/07 accounts;
- a conclusion that the Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources in 2006/07; and
- a report on the 2007 Best Value Performance Plan confirming that it had been prepared in accordance with statutory requirements.

## Use of Resources

**79** The findings of the auditor are an important component of the CPA framework described above. In particular the Use of Resources score is derived from the assessments made by the auditor in the following areas:

- financial reporting (including the preparation of the accounts of the Council and the way these are presented to the public);
- financial management (including how the financial management is integrated with strategy to support council priorities);
- financial standing (including the strength of the Council's financial position);
- internal control (including how effectively the Council maintains proper stewardship and control of its finances); and
- value for money (including an assessment of how well the Council balances the costs and quality of its services).

- 80 For the purposes of the CPA your auditor has assessed the Council's arrangements for use of resources in these five areas as follows.

**Table 2**

<b>Element</b>	<b>Assessment</b>
Financial reporting	<i>4 out of 4</i>
Financial management	<i>3 out of 4</i>
Financial standing	<i>3 out of 4</i>
Internal control	<i>3 out of 4</i>
Value for money	<i>3 out of 4</i>
<b>Overall assessment of the Audit Commission</b>	<b>3 out of 4</b>

(Note: 1 = lowest, 4 = highest)

### **The key issues arising from the audit**

- 81 The key issues arising from the audit, as reflected in the above judgements where appropriate, are as follows.
- The Council improved its score in respect of financial reporting from the previous year. This was a result of the continued exceptional standards of the working papers provided to support the accounts, to which no adjustments were identified. Furthermore, the Council made its annual report available in a wide variety of formats this year.
  - Areas of improvement still remain in the Council's risk management arrangements. However, with the appointment of a new Risk and Audit Manager, KPMG anticipate that the Council can now make significant progress in this area.
  - The Council provided comprehensive and complete evidence to support its Use of Resources self-assessment. KPMG provided a full report in respect of their findings in this area to the Council in February 2008.
  - Overall, the Council has continued to maintain robust systems of internal financial control, evidenced by the limited recommendations raised by KPMG and the Council's internal auditors in KPMG's review of the financial systems. KPMG issued a separate interim report to the Council in June 2007,
  - The Council has made limited progress to implement the recommendations that KPMG made in their 2006 review of the Council's data quality arrangements, although the Council maintained its score of adequate. This should be an area of focus for the coming year. KPMG provided a report on their findings to the Council in January 2008.
  - KPMG identified no significant issues in the grant claims audit.

## 2007/08 audit work in relation to housing stock transfer

- 82 As noted in the Direction of Travel assessment, a key project for the Council this year has been to negotiate and successfully transfer its housing stock in February 2008 to the newly set up housing association, Bracknell Forest Homes. As a matter of course, the incoming auditor will discuss with officers shortly any audit implications resulting from the transfer.

## Performance audit work

- 83 As part of its 2007/08 audit work with Berkshire East Primary Care Trust (the PCT) and the three councils in the PCT area (Bracknell Forest and Slough BCs and the Royal Borough of Windsor & Maidenhead), the Commission working with KPMG has undertaken a high level review to:
- assess the effectiveness of partnership arrangements for reducing health inequalities across the PCT's area; and
  - assess how well health inequalities work is embedded in the work of the four individual partners.
- 84 Across the Berkshire East area as a whole, the review found that good progress has been made to develop the first stage of a health inequalities strategy. There are three council-based partnership public health working groups; local communities and user groups have been involved in identifying health needs; and there is engagement and challenge from the all the Councils' Health and Overview Scrutiny Committees. However, accountability for reducing health inequalities in the wider East Berkshire area is not clear. In this respect there is no strategic coordination of joint strategic needs assessments, Local Area Agreements (LAAs) or health commissioning plans. Performance management of health inequality targets across the four partners is not joined up to support delivery of common outcomes.
- 85 In Bracknell Forest, the Council has been committed to improving health for some time and undertaken a number of initiatives to improve the local position. It is developing a strategic approach to address this issue with its partners through the *Health and Well-Being Strategy*, which sets out clear measurable targets and actions to address locally identified issues. However, this strategy has only been in place since June 2007, so it is not yet possible to ascertain the impact that it has achieved. The Council takes a targeted approach to reducing health inequalities. It has identified the most deprived wards in terms of health needs, and these are now the focus for work including promoting healthy eating, exercise and smoking cessation. These arrangements enable the Council and its partners to target activities more systematically, based on identified needs. Partnership performance management and data quality could be improved further to assist effective strategic delivery, and this is an area that partners need to work on.
- 86 The main conclusions and findings from this work have been included in the Direction of Travel assessment above.

## Additional services

- 87 The Commission has carried out two additional voluntary projects in 2007 on customer and user focus, and project management. The main conclusions and findings from this work, including action taken by the Council, have been included in the Direction of Travel assessment above.

### Customer and user focus

- 88 The overall objective of the customer and user focus project was to provide an independent health check of the Council's approach, with particular emphasis on access to services and the arrangements for minorities such as people with disabilities and BME communities.
- 89 The study concluded that the Council has worked well to improve the way that it engages with the community, and the Community Cohesion Working Group has been a positive influence in this area. The Council uses a wide variety of methods to help it understand the needs of the community. These have been particularly successful in consultation about specific issues, notably the future management of the housing stock and preparation of the older person's strategy.
- 90 The *Community Cohesion Strategy* and *Customer Contact Strategy* have been instrumental in driving recent change, and have delivered significant improvement. The Council has a good understanding of areas yet to be successfully tackled to improve its user focus, specifically the need to develop further its use of customer relationship management techniques and to improve its approach to diversity. The project found that the Council's future planning would benefit from a more systematic and detailed assessment of what improvements are required and how they are to be achieved, and also from a corporate register listing strategies and when they are due for review. These are now in place.
- 91 The Council offers a variety of ways in which customers can access its services. These include telephone, e-mails or the website as well as more specialised service provision such as youth clubs and tele-care services for vulnerable residents. Overall these access channels are effective and valued by residents. They are operated by staff who are polite and helpful. The biggest obstacle to physically accessing council services is the availability and cost of public transport, particularly for young and older people and people with disabilities.

### Project management

- 92 The overall objective of this work was to confirm that the Council had addressed the problems it had experienced in implementing previous IT projects and applied its learning to produce a robust project management methodology. The work involved offering advice on where the Council's current methodology could be improved - particularly the processes it applied in relation to business engineering and change management techniques.



- 93** The study concluded that the Council has made significant progress towards improving the range and quality of its computer systems, including successfully launching a user-friendly website offering good information and facilities for customers to access services electronically. However, the effectiveness of project management practices was variable. Each of the projects examined had elements of accepted project management techniques, but their effectiveness had been undermined by a lack of clarity about roles and responsibilities, inexperienced staff tackling complex situations, and insufficient capacity.
- 94** Despite recent progress, the study identified several areas for improvement including the need for:
- a corporate approach or methodology for business process re-engineering;
  - improved skills and experience, and especially better understanding by project staff of operational needs, so that computer systems are integrated with service delivery processes rather than 'bolted on';
  - a systematic and consistently applied project management methodology in which project boards, teams and individuals understand their roles and responsibilities, and have clear accountability and escalation processes; and
  - a more realistic assessment of risks - including complexity, the capacity needed to implement the projects, and timescales - and stronger quality assurance processes.

## Looking ahead

- 95 The public service inspectorates are currently developing a new performance assessment framework, the Comprehensive Area Assessment (CAA). CAA will provide the first holistic independent assessment of the prospects for local areas and the quality of life for people living there. It will put the experience of citizens, people who use services and local tax payers at the centre of the new local assessment framework, with a particular focus on the needs of those whose circumstances make them vulnerable. It will recognise the importance of effective local partnership working, the enhanced role of Sustainable Communities Strategies and Local Area Agreements, and the importance of councils in leading and shaping the communities they serve.
- 96 CAA will result in reduced levels of inspection and better coordination of inspection activity. The key components of CAA will be a joint inspectorate annual area risk assessment and reporting performance on the new national indicator set, together with a joint inspectorate annual Direction of Travel assessment and an annual Use of Resources assessment. The auditors' use of resources judgements will therefore continue, but their scope will be widened to cover issues such as commissioning and the sustainable use of resources.
- 97 The first results of our work on CAA will be published in the autumn of 2009. This will include the performance data from 2008/09, the first year of the new Local Area Agreements.

## Closing remarks

- 98 This letter has been discussed and agreed with the Chief Executive. A copy of the letter was presented at the Executive meeting on 18 March 2008. Copies need to be provided to all Council members.
- 99 Further detailed findings, conclusions and recommendations on the areas covered by the Commission's and KPMG's audit and inspection work are included in the reports issued to the Council during the year.

**Table 3**      **Reports issued**

<b>Report</b>	<b>Date of issue</b>
Customer and user focus report	March 2007
IT project management report	May 2007
Interim review of financial systems report	June 2007
Audit and Inspection Plan	September 2007
Opinion on financial statements	September 2007
Value for money conclusion	September 2007
Final accounts memorandum	September 2007
Data quality report	January 2007
Use of Resources report	February 2008
Corporate Assessment inspection report	February 2008
Annual Audit and Inspection Letter	March 2008

- 100 The Council has taken a positive and constructive approach to audit and inspection work, and I wish to thank the Council's staff for their support and cooperation during the audit.

## Availability of this letter

- 101 This letter will be published on the Audit Commission's website at [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk), and also on the Council's website.

**Steven Shuttleworth**  
**Relationship Manager**

19 March 2008