

Inspection report

December 2004



Comprehensive performance assessment

Corporate Assessment Report

Oldham Metropolitan Borough Council

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Introduction

- 1 The local government White Paper *Strong Local Leadership – Quality Public Service* encourages greater focus on improved services for local people. Better performing councils are freed from central government controls and restrictions and poorer councils receive better focused support for improvement. The first step in this process was to make an overall judgement, a comprehensive performance assessment (CPA), of where each council stands.
- 2 In December 2002 the Audit Commission reported the results of the comprehensive performance assessment, for the first time, for each council. Your council did not have a Corporate Assessment at this time, having been the subject of a Corporate Governance Inspection earlier that year. The council was categorised as weak based on the findings of that Inspection, which were translated into a Corporate assessment score.
- 3 This report presents the results of a corporate assessment carried out in October 2004. The judgements are based on the Audit Commission's published key lines of enquiry, and include an update and analysis of your council's progress against:
 - ◆ the strengths and weaknesses contained in the last report; and
 - ◆ the council's own priorities for improvement.

Summary of judgements

- 4 Oldham Metropolitan Borough Council describes itself as being on a “journey towards excellence.” Nobody reading the report of the 2002 Corporate Governance Inspection (CGI) could doubt that such a journey would take time.. The council was then assessed as being weak, and clearly deficient in its capacity to address the many problems faced by the Borough which it serves.
- 5 While there is still much to do, there is much that has changed. The council shows evidence of progress in all the areas examined, and that progress has generally resulted in an improved corporate assessment score. It is still a long way from achieving the excellence to which it aspires, but there is every reason to take encouragement from the improvements that have been made so far.
- 6 The council has increasingly clear ambitions that are being developed in consultation with partner organisations and community groups. Its work on community cohesion and on a vision for the future of the Borough of Oldham is increasingly targeted on real outcomes for local people and will gain further impetus with the publication of a revised community strategy next year. It is more effective at identifying what is and is not a priority, and in communicating those priorities internally and externally. The size of the task it faces is considerable and can make prioritization difficult, as exemplified by slowness to identify growing problems in social services; but there are grounds for confidence that such failings will be less likely to occur in future and the council’s ability to focus on the important issues is much improved.
- 7 The council has increased its capacity to achieve change. Most importantly, it is increasingly confident in dealing with issues of equality and diversity, and accomplished at working in partnership with other organisations to deliver shared objectives. It has reinforced and reorganised its senior management team, and revised and clarified the responsibilities and accountabilities of officers and council members. Management remains stretched and it will be some time before recent investment in human resources and organisational development translates into real increases in capacity and capability. A new performance management system was introduced during 2003, is led from the most senior levels of the organisation, and is beginning to stimulate change. A new business planning process was introduced at the start of the current financial year. There is some way to go, however, before a culture of continuous improvement is embedded throughout the organisation.
- 8 There has been real achievement in improving services including education, environment, housing and community safety; and in addressing deprivation. There have however been problems in social services and progress against performance targets remains variable. The council has made considerable investment in the building blocks for future improvement. Resources have been diverted to priority front-line services and investment made in human resources, organisation development, a new regeneration department, training and development for members and managers and other capacity-building initiatives. The council faces a significant challenge in generating large savings to deliver its ambitious plans for investing further in its priorities for improvement.
- 9 The council has a realistic but positive attitude to its achievements so far and the distance it has still to travel. The CGI noted that since 2000 the council had been

open and responsive to external challenge, and that has continued. External links have been formed with other councils and the Improvement and Development Agency (IDeA), and while more remains to be learned about scrutiny arrangements the willingness to learn from its own and other's experience is clear. Future Plans are becoming progressively clearer and more focussed on outcomes and mechanisms for engaging staff, partners and communities in developing strategies are increasingly well developed.

Corporate Assessment Score

Key Question	Theme	2002 Final Weighted Score	2004 Un-Weighted Score	2004 Weighted Score
What is the council trying to achieve?	Ambition	1	2	2
	Prioritisation	1	2	2
	Focus	2	3	3
How has the council set about delivering its priorities?	Capacity	1	2	2
	Performance management	1	2	2
What has the council achieved to date?	Achievement	2=6	2	6
	Investment	2=4	3	6
In light of what has been learnt, what does the council plan to do next?	Learning	1	3	3
	Future Plans	1	3	3
TOTAL THEME SCORE		18		29

The locality

- 10 Oldham Metropolitan Borough Council (Oldham MBC) covers an area that is diverse both geographically and in terms of the local population. In the North West of Greater Manchester, its 55 square miles stretch from the moors and relatively rural and prosperous communities of Saddleworth to the densely-populated and significantly deprived urban areas of Failsworth and Hollinwood.
- 11 Oldham MBC serves a population of about 219,000 in 90,000 households. 13.86% of residents are from black and minority ethnic (BME) groups, compared with an average of 5.56% in the North West of England. A particular feature of Oldham is the extent to which people of different heritage tend to live in separate neighbourhoods. This has given rise to tensions in the past and poses some challenges in terms of building community cohesion. Another significant feature is the high proportion of children and young people in the population. This is illustrated by the fact that while nearly 14% of the general population is from black and minority ethnic (BME) groups, that figure falls to an estimated 8.5% of the economically active population.
- 12 During the past few years Oldham has seen an improvement relative to other Greater Manchester authorities in its deprivation status. While it continues to experience significant deprivation - over 20% of its wards are among the 10% most deprived nationally – it has moved from being the 38th most deprived authority in England in 2000 to the 43rd most deprived in 2004, with a narrowing of the gap between the most deprived and least deprived of its wards.

The council

- 13 Oldham MBC comprises 60 members. Following boundary changes, all were elected in June 2004 resulting in a Labour-controlled council. Labour has 32 seats, the Liberal Democrats 25, the Conservatives 2 and there is 1 independent. The council is led by a Cabinet of 10, including a representative of the main opposition party. There are 6 overview and scrutiny commissions, co-ordinated by an Overview and Scrutiny Management Panel and 6 area committees.
- 14 The council has a net annual revenue budget of £282m and employs about 10,000 people. It is the largest employer in the Borough. It delivers its services through 5 departments; chief executive's, environmental services, social services and health, regeneration, and education and cultural services. The council's remaining housing stock is managed by First Choice Homes Oldham, an arms length management organisation.

What is the council trying to achieve?

Ambition

- 15 Weaknesses still outweigh strengths in this area. Significant progress has, however, been made. At the time of the 2002 corporate governance inspection (CGI) the council was not articulating a clear vision for the Borough of Oldham. It was uncertain about its role in promoting community cohesion and had failed to generate a purposeful debate on race and how the concerns of all communities would be addressed. Some progress had been made towards working in partnership with external agencies and community groups but these partnerships were at an early and fragile stage of development.
- 16 These criticisms are being addressed. There is now clearer and stronger leadership from the top of the organisation. An integrated Corporate Plan is now in place that gives clear expression to the council's main aims and priorities. In particular, the council is demonstrating a determination to put community cohesion at the heart of its agenda. The Leader of the council is the portfolio holder for community cohesion and the Chief Executive the lead officer. The council has recently led the production of "Forward Together" – a useful and clearly-communicated statement of the actions the council is taking, in conjunction with partners, to build community cohesion. As a result of this and other initiatives there is an explicit recognition on the part of external agencies and groups of the council's improved ability to fulfil its community leadership role.
- 17 The council has recognised the need for the regeneration and community cohesion agendas to be integrated. To that end it has stimulated the local strategic partnership (LSP) and the Northwest Development Agency to commission external consultants to work with them on "Oldham Beyond," a clearer statement of the long-term vision for the Borough. As a result the council is now giving a stronger outcome focus to the revision of the community strategy, and doing so knowing that the direction it describes has widespread support.
- 18 Significant weaknesses, however, remain. A revised community strategy – currently under development - is much needed. Until it is in place the council's increasingly clear future plans will not have been brought together into a single, coherent statement of the council's ambitions for the Borough that is focussed on specific outcomes and can be effectively communicated to local people. Despite a clear determination to build on achievements in improving educational attainment, there is as yet insufficient clarity about the council's ambitions for its children's services. Community groups' welcome for and recognition of the council's improved ability to lead is sometimes tempered by a desire for it to be less tentative and to lead more assertively.

Prioritisation

- 19 The council has made progress towards meeting the criticism that its priorities were unclear, poorly communicated and not useful in targeting resources. The corporate plan now in place is clearly structured around 6 corporate themes and 10 more specific priorities for achievement. Weaknesses still outweigh strengths but progress is being made and there has been clear improvement.
- 20 The council is developing a better detailed understanding of its local communities and the extent to which their needs and aspirations differ. This has been informed through a process of consultation on the council's budget, surveys and focus groups involving the citizen's panel of 1300 people and dialogue with partner organisations. The priority given to improving the cleanliness of the Borough and reducing the fear of crime is a direct result of the council responding to concerns expressed by local people. For example, it has pooled resources from its community safety, youth service and environment services budgets to contribute to crime reduction initiatives.
- 21 The council's priorities are clearly rooted in its improvement programme for the next three years and informed both by the need to address the failings that have been identified and by the need for regeneration and community cohesion. Resources have been moved into priority areas, both in terms of services – 24 additional street cleaners, 24 additional police community support officers (building towards 60 in 2005/06), improving housing stock – and to address weaknesses in the council's management of its affairs. The priority being given to redesigning and retargeting the approach to regeneration is a good example; it sets out to match success in attracting resources with delivery that meets identified needs across the borough, not just in specific geographical areas. The need for increased investment in priorities has meant that the council has taken difficult decisions to reduce funding in other, non priority, areas.
- 22 Concentrating the available management capacity on the improvement plan contributed to insufficient priority being given to social services. Inspectors' concerns about worsening performance in social services went unaddressed in 2002 and 2003. Only after this were the shortcomings addressed as a corporate, as opposed to departmental, responsibility.
- 23 The council's financial plans for 2005/06 and beyond provide further evidence of its determination to shift resources to priority areas. The current draft budget includes a savings programme of £9.6m, designed to enable the council to continue to invest in priorities whilst keeping council tax increases in line with national expectations and increasing the level of balances towards a position that covers the council's assessed financial risks. The management of such a large programme clearly represents a risk for the council and will test the realism of its priorities and the extent of its commitment to them.

Focus

- 24 The clear progress that has been made in this area since the CGI was recognised in the Audit Commission's progress assessment update published in July 2004 and has resulted in strengths now outweighing weaknesses.
- 25 The corporate plan is focussed on the council's improvement priorities and supported by planning and performance management processes which emphasise the "Golden Thread" linking individual and team objectives to the council's strategic aims. The corporate plan themes and priorities, which were distilled from 67 actions listed in the improvement plan, form the basis of the agendas of all corporate and departmental meetings. The "one council" approach is taking root, as is shown by the cross-party commitment to the central elements of the strategy and the community cohesion hours at the start of each council meeting.
- 26 The focus on community cohesion has been sharpened by the leader and chief executive leading the council's work in this area. It has given rise to a number of successful initiatives, such as the appointment of young women of Asian heritage to Sure Start family support posts and the use of Mediation Northern Ireland to facilitate understanding between different communities. Other examples of this increasing focus are the creation of a new management panel to ensure that cross-cutting issues are properly addressed in the overview and scrutiny process, and the redesign of Cabinet agendas to concentrate on the most important issues.
- 27 Externally, the council has shown an increased ability to listen to feedback from partners and focus on the priorities they have identified. The most conspicuous examples of this are the work with the crime and disorder reduction partnership (CDRP) to improve community safety, the focus on maintaining cleaner streets, and the work with the local learning partnership.
- 28 The CGI report recommended recruitment of a new chief officer team, together with key second tier posts, by March 2003. In practice it took rather longer, with some significant positions not being filled until 2004. Inevitably, it took some time for the new team to generate the necessary momentum for change. The sharpening of focus is therefore of recent origin.

How has the council set about delivering its priorities?

Capacity

- 29 Though weaknesses continue to outweigh strengths, the council has devoted considerable effort and attention to making good the shortfalls in organisational capacity that were identified by the CGI. The strategic management team (SMT) has been transformed, with new appointments to chief officer and second tier posts. The recommended action has been taken to reduce the chief executive's span of control, with a deputy chief executive focussed on improving key corporate functions. The development of a revised constitution and scheme of delegation has clarified roles, responsibilities and accountabilities. The ability of members to work together across party lines on the community cohesion agenda has improved. However, despite investment in training and support, the overview and scrutiny process is not yet as constructive as it could be.
- 30 The council's capacity to work with others to address complex priorities has improved considerably. Relationships with the Greater Manchester Police and the Oldham Primary Care Trust are particularly strong and have generated real reductions in crime and in the provision of effective intermediate care. Partner organisations and community groups speak highly of the council's willingness to listen to different perspectives and act accordingly. This improvement in the council's capacity has enabled it to lead the revision of the community strategy, which is of central importance.
- 31 The council's investment in human resources and organisational development has begun to enhance its capacity to support and develop staff and managers in developing their own skills and knowledge. Sickness levels in 2003/04 were high at 14.71 days per full-time equivalent, though this is now being addressed. It has begun to improve the quality of two-way communication between the corporate centre and those engaged in providing services. Work is in hand to achieve a balance between centralised control and local accountability through delegation of authority within a framework of corporate policies and procedures. The recent devolution of human resources staff to departments is intended to aid this process.
- 32 Many of the council's investments in organisational capacity have been made quite recently, so its ability to support sustained improvement is not yet proven. In addition, there is widespread acknowledgement that management is stretched to deliver the range and pace of change required. Plans are in hand to develop capacity by procuring services through strategic partnerships but it will be some time before these are given effect.
- 33 The council managed to underspend in 2003/04, but in 2004/05 is facing an overspend of around £2m. This is due largely to service pressures within the social services department. The council's medium term financial plan for 2005/06 to 2007/08 attempts to address this overspend whilst continuing to invest in corporate priorities and keep council tax increases below 5%. This challenging agenda results in a requirement for budget reductions in non priority areas of £9.6m for 2005/06. The council is developing specific plans to deal with this budget reduction.

Performance management

- 34 The council has made progress in addressing the weaknesses in its approach to performance management. Because the changes have been made only very recently, weaknesses still outweigh strengths but all the criticisms made in the CGI are being addressed.
- 35 The new performance management system incorporates all the key elements of the performance management cycle. This system is driven from the top of the organisation, with the performance portfolio held by the deputy leader of the council and regular performance “round tables” held with executive directors accompanied by their portfolio holders. The presentation of performance information to SMT and Cabinet is improving, with exception-based reports that are clear and easy to follow. The development of a corporate plan with an emphasis on outcomes has provided a framework for departmental and service improvement plans, for example in the key area of social services. Quarterly performance reports are made to Overview and Scrutiny Commissions as well as to Cabinet. Appraisal has now been implemented across the council and all staff will be appraised in the course of this year.
- 36 Despite such improvements, these changes are still quite recent and have not been in place long enough to demonstrate wider and deeper impact. The electronic performance information system replaced the previous manual system in August 2003. The new business planning process was introduced for the current financial year and has yet to complete its first full cycle, as has the programme of staff appraisal. Outcome measures are still being developed in a number of areas, for example in the newly-established regeneration department. Budgetary delegation is beginning to increase the flexibility of decision-making throughout the organisation but is not yet fully embedded.
- 37 The council acknowledges that departments are at different stages of development with some, including the chief executive’s department, less far advanced than others in adopting a culture of continuous improvement. Action is being taken to identify and address areas of poor performance, for example in managing unacceptably high levels of sickness absence; though it is not yet possible to demonstrate significant improvement in this area. The varying rates of progress against performance indicators reinforce the judgement that establishing the desired culture is still a work in progress.
- 38 The cabinet approved in October a risk management strategy, including the appointment of a lead director and a lead member. There is still work to be done on embedding this strategy, and on aligning the performance management and financial reporting systems. There is currently no clear link to demonstrate that resources are available to deliver the improvements in performance required from the monitoring process.

What has the council achieved / not achieved to date?

Achievement of improvement

- 39 The council has achieved significant improvements in the past two years, for example in education, environmental services, housing and community safety. It is clear that the direction of travel is positive in terms of delivering improved outcomes for local people. Performance in social services, however, deteriorated between 2002 and 2004 and during this period the council became a zero-star authority in social care. Action is being taken to address this but there has not yet been time to reverse that position. Progress against performance indicators has, moreover, been variable. As a result, and despite the good progress that has been made in a number of areas, weaknesses still outweigh strengths at the present time.
- 40 The overall picture on performance indicators (PIs) is patchy. In 2003/04, performance improved against only 53% of the PIs used to inform the corporate assessment, and 59% remain in the bottom two quartiles when compared with other councils. Some continue to decline; including some of those in which performance is poorest. 40% of the targets the council set itself were missed. The deterioration in delivering a range of social services is now being addressed, but persisted for too long despite concern being expressed by inspectors about this important area of provision. In addition, the public's perception of the council's achievements remains, in general, rather negative and surveys indicate staff morale is not high.
- 41 More positively, education has continued to be an area of achievement for the council. Trends in educational attainment are consistently positive, and show a more rapid rate of change than the national average. In particular, the council has narrowed the gap in educational attainment between pupils from black and ethnic minority populations and their white counterparts. The outcome of the recent office for standards in education (OFSTED) inspection was very encouraging. The council achieved a good youth service inspection in 2004, one of only 4 of the 18 councils inspected to do so.
- 42 The recent inspection of environment services assessed the council's services as good, with promising prospects for further improvement. The cleanliness of streets, which was identified as a priority by the local community, has improved and surveys show that this improvement is recognised by local people.
- 43 There have been achievements in developing community cohesion. The council's partnership with the police and other agencies through the CDRP and community safety panels has produced tangible results, with a 27% reduction in domestic burglaries and significant falls in city-centre violent crime and in the incidence of racial incidents. The representation of BME communities in the council's workforce has risen from under 3% at the time of the CGI to 6.7% today. This compares with 8.5% of economically-active residents coming from BME communities. This improvement is further evidenced by the fact that members of BME communities now make up 5% of the top 5% earners in the council.
- 44 In partnership with the Oldham Primary Care Trust the council has developed intermediate care services, notably a rapid response service that is demonstrably increasing the numbers of elderly people who can be supported at home or in

step-up facilities rather than being admitted to acute hospital beds. The council has attained and retained the top score of 4 for Benefits. Its housing service has moved from a 1* to a 2* service and the percentage of tenants of council housing expressing satisfaction with their circumstances and the service they receive (BVPI 74a) has increased from 58% to 68%.

Investment

- 45 The council has invested heavily in improving its corporate capacity to manage and deliver change. Of particular importance has been the time and effort devoted to building partnerships with public and private agencies and community and voluntary groups, providing an increased capacity to work in partnership to improve services. The council invested £12m in its corporate themes as part of the 2004-05 budget, and strengths now outweigh weaknesses in this area;
- 46 The council has produced and begun to implement a new people strategy. Underpinning its implementation is an investment of c.£300,000 in the creation of 15 new posts within human resources and organisational development.. A more comprehensive and focussed staff appraisal system has been introduced and 2004/5 will be the first year in which all council employees will have their performance appraised. Investment has been made to reinforce the council's capacity and expertise in delivering regeneration, and structural changes have now been made to ensure that senior staff in social services have more manageable workloads.
- 47 The council has invested in priority front-line services. The community safety unit, which is jointly managed between Greater Manchester Police and the council, now has 28 staff compared to only 1.5 four years ago. Twenty four additional street cleaners have been employed to support the council's objectives for a cleaner environment. Empowerment of enforcement officers and police community support officers also helps to support council efforts to promote a cleaner environment.
- 48 Substantial resources have been invested to build and train a new top management team, with several of the most senior officers being new to Oldham, helping to provide a good balance between consistency and fresh ideas. £250,000 has been invested to support and develop the overview and scrutiny system.
- 49 Significant capital investment has been secured to develop facilities within the borough. This includes Oldham Gallery and the new Library currently being built in the town centre, a new school every year and the Links Centre for social services, reflecting the Council's commitment to regeneration and social cohesion.
- 50 The council's medium term financial plan includes a clear commitment to continue to invest in corporate priorities through 2005-06 and beyond but also identifies savings to be achieved to enable this invest to be sustained. The level of investment planned for future years depends on the council's ability to manage the significant financial risks inherent in the plan. The scale of the challenge is illustrated by the fact that the council felt it necessary to deplete its "Invest to Save" fund to address this year's overcommitment; though it is intended that the fund should be increased in the forthcoming financial year.

In the light of what the council has learned to date, what does it plan to do next?

Learning

- 51 The CGI acknowledged that during 2002 the council had begun to demonstrate openness to external advice and support. The council has continued to exhibit this behaviour. It has engaged constructively with the office of the deputy prime minister (ODPM) and the Audit Commission, and is an active member of the ODPM's "Improvement Action Group," benchmarking its progress against that made by a number of other councils. It has made extensive use of IDeA, at both the corporate and political levels, to support and develop members. Cabinet members and senior managers demonstrate a high degree of self-awareness about how far the council has come and how far it has still to go. Strengths now outweigh weaknesses.
- 52 A high priority has been given to organisational development and meeting staff needs through targeted training and development initiatives. Management forum meetings take place, involving 150 senior managers, to which external speakers are invited to address subjects such as the development of a performance culture within the council. Workshops are regularly held, led by the chief executive and other chief officers, to brief staff on the council's priorities and engage them more effectively in the process of change.
- 53 "Listening to Oldham" and the development of "Forward Together" show that the council is learning from experience. It has developed a better understanding of the importance of engaging others in developing the strategy for the borough, and of that strategy reflecting the priorities of its various communities. Partner organisations confirm that the council is now more able to listen effectively and is more confident about addressing issues of diversity and community leadership.
- 54 The council has also learned from its experience of what works and does not work when seeking to improve services in line with its priorities. For example, increased cleaning frequencies did not prompt anticipated improvements in street cleanliness. As a result, police community support officers are now issuing litter enforcement notices, which have made a demonstrable impact.
- 55 Despite the investment that has been made in developing the overview and scrutiny function, the council still needs to learn more from other Authorities about maximising the benefits of this activity. None of the overview and scrutiny Commissions are chaired by a member of the main opposition party. This does not accord with best practice and limits the extent to which opposition members are constructively engaged in driving improvement.

Future plans

- 56 The revision of the community strategy is not yet complete and is much needed, as it will bring together a number of plans and initiatives and make them a more integrated and mutually reinforcing whole. The revision is proceeding, however, at a pace and through a process of consultation that allows partner organisations and groups to contribute and to develop a sense of shared ownership of its goals. By building on the “Oldham Beyond” exercise the council has demonstrated an improved ability to develop and revise its plans in the light of changing national and local priorities. Strengths now outweigh weaknesses in respect of the council’s future plans.
- 57 Regeneration plans, including the joint housing market renewal project with Rochdale council and the further redevelopment of Oldham town centre, are being developed to take account of the council’s focus on community cohesion. . “Oldham Beyond” contains concrete proposals for the steps that should be taken to develop community cohesion through regeneration and has the support of the council’s partners. The council is also working with the Oldham Partnership to produce a performance framework for the LSP and Area Committees are bringing together council members and staff, partner organisations and residents to produce local plans for the future
- 58 There is clear commitment to continuing investment in the council’s priorities for improvement; the council’s intended savings programme for 2005/06 and beyond is driven by a determination to fund its future plans. As part of this agenda the council is developing plans for using strategic partnerships to procure a range of services, including ICT and a customer contact centre.
- 59 The council has clear plans for the future of its education service, and is working with partners towards the further development of higher education in the borough through the establishment of University College Oldham. These plans are integral to the continuing drive to reduce levels of deprivation by enhancing the levels of education and skills of local people.
- 60 The Council has set itself targets to increase the representation of its BME communities throughout its workforce, to reflect the local demographics by 2006-07. Progress so far indicates that these targets, though demanding, are realistic and achievable.
- 61 Future plans are increasingly based on the issues that have been identified as priorities by the public. This customer focus extends to communication and consultation strategies and a customer care policy, customer charter and customer standards were launched in September this year..
- 62 The council has a youth strategy for the borough. It is developing its strategy for children’s services and a post of director of children’s services is now being created. The action plan for these services, which was intended to be put in place in 2005, is unlikely to be available until 2006.

Summary of theme scores and strengths / weaknesses

Theme	Grade	Strengths	Weaknesses
Ambition	2	<ul style="list-style-type: none"> • Council beginning to develop and communicate a clearer vision of its ambitions for a more cohesive community • Recognition by partners of improved community leadership 	<ul style="list-style-type: none"> • Revised community strategy needed to bring various strands of activity together and provide clearer, overarching statement of ambitions. Limited public understanding of council's goals • Future plans for children's services not yet translated into clear ambitions.
Prioritisation	2	<ul style="list-style-type: none"> • Priority given to issues of public concern – crime, cleanliness – and to promoting community cohesion • Resources being moved to priority areas & pooled. 	<ul style="list-style-type: none"> • Risks involved in managing to maintain transfer of resources to priority areas in line with medium-term financial plan • Lack of corporate priority given in 2002 and 2003 on emerging and well-signalled problems in social services.
Focus	3	<ul style="list-style-type: none"> • Management systems, meetings etc now focussed on corporate priorities; "Golden Thread" • Managerial and political leadership of community cohesion agenda. • Clear focus on improvement priorities through corporate plan 	<ul style="list-style-type: none"> • Changes of recent origin. Inevitable time lag between management changes and sharpened focus.
Capacity	2	<ul style="list-style-type: none"> • Reinforcement of senior management team • Improved ability to work in partnership 	<ul style="list-style-type: none"> • Big agenda. Management already stretched • Many investments (eg in HR and OD) quite recent. Insufficient time for them to have built capacity
Performance management	2	<ul style="list-style-type: none"> • New system in place incorporating the key principles • Clear ownership at senior level. • Beginning to drive real improvements in some areas 	<ul style="list-style-type: none"> • Performance culture not embedded throughout organisation • Need for closer link between finance and performance management systems • Performance on BVPIs still patchy. Some deteriorating

Achievement	2	<ul style="list-style-type: none"> • Good outcomes from OFSTED and environment inspections. • Substantial reductions in crime • Improvements in housing service and housing PIs • Improved BME representation in workforce • Top score of 4 for Benefits 	<ul style="list-style-type: none"> • staff and public perception still negative • Insufficient improvement against some of the poorly performing BVPIs • Council missing many of its own targets • Slow to act on deteriorating position in social services; performance worsened between 2002 and 2004.
Investment	3	<ul style="list-style-type: none"> • £12m invested in corporate themes • Time and money spent on building partnerships • Investments in senior management, HR, OD, scrutiny • Additional street cleaners and PCSOs 	<ul style="list-style-type: none"> • Planned investments in priorities subject to managing significant financial risk in 2005/06 • “Invest to save” fund had to be reduced to meet savings in 2004/05
Learning	3	<ul style="list-style-type: none"> • Constructive engagement with external advice and support • Steps taken to develop learning organisation – e.g. management forum, workshops • Improved ability to act on feedback from local people 	<ul style="list-style-type: none"> • Needs to learn more from others about effective scrutiny; not in line with best practice
Future Plans	3	<ul style="list-style-type: none"> • Plans now being made in partnership • Ambitious vision for regeneration takes account of community cohesion agenda • Plans developing to procure services through strategic partnership • Working with partners to bring University to Oldham 	<ul style="list-style-type: none"> • Awaiting revision of Community strategy • No action plan for children’s services until 2006

Framework for comprehensive performance assessment

- 63 This comprehensive performance assessment was carried out under the Local Government Act 1999. Local councils have a general duty under Section 3 of this Act to secure continuous improvement in the exercise of their functions. Section 10 gives the Audit Commission the power to inspect councils' performance of the general duty of improvement.
- 64 The main elements of the assessment were:
- ◆ a self-assessment completed by the council;
 - ◆ the council's improvement plan;
 - ◆ the Audit Commission's qualitative assessment of continuous improvement;
 - ◆ updated performance indicators;
 - ◆ inspection findings; and
 - ◆ the 2002 corporate assessment and supporting documentary evidence.
- 65 The assessment for Oldham was undertaken by a team from the Audit Commission and took place over the period from 11 October to 15 October 2004.
- 66 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.

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