Setting priorities and maintaining focus

Learning from comprehensive performance assessment: briefing 2
The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local and national services for the public. Our work covers local government, housing, health and criminal justice services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we monitor spending to ensure public services are good value for money.

The Commission is publishing a series of ‘Learning from CPA briefings’, to accompany the national report Patterns for Improvement: Learning from Comprehensive Performance Assessment to Achieve Better Public Services (April 2003). Each briefing examines a key driver for improvement identified by the first round of CPA for single tier and county councils, describes the critical success factors for improvement, and signposts sources of help and advice. As the briefings are published they will be made available on the Commission’s website at www.audit-commission.gov.uk/cpa/analysis.asp

Introduction

1 The first round of comprehensive performance assessments (CPAs) for single tier and county councils has identified ‘setting priorities’ and ‘maintaining focus’ as key drivers for improvement. The purpose of this briefing is to:
   • explain why setting priorities and maintaining focus is so important;
   • give some of the headline messages and findings from corporate assessments;
   • describe some critical success factors that have resulted in improved priority setting and focus;
   • identify notable practice where good priority setting and focus is leading to improved services;
   • outline future Commission work in this area; and
   • suggest where more information and advice can be found.

2 This briefing is designed to assist those who are interested in how a council can improve its priority setting and maintain its focus. Officers and councillors, and those working with partner bodies at operational and strategic levels, will find this briefing a useful starting point to improve priority setting and focus by building on the key learning points from CPA.
Setting priorities and maintaining focus

3 The Audit Commission’s report, Changing Gear, set out a number of ‘building blocks’ for achieving improvement in local authorities. One of these was having ‘a sustained focus on what matters’, meaning that councils need to set clear and consistent priorities for improvement – taking account of what matters most to local people and areas where performance needs to be improved. Prioritisation is the way in which councils decide where to focus their scarce resources, including management time and effort. The ‘day job’ of meeting councils’ statutory duties continues, but a council’s priorities point towards the key areas that the council wants to change. For this reason the CPA corporate assessment methodology included the themes of ‘prioritisation’ and ‘focus’.

Messages from corporate assessments

4 As part of CPA, corporate assessments were carried out at each council by a small team, that included an auditor and an inspector as well as officers and councillors from ‘peer’ councils. The outcome of the corporate assessment was a high-level report on the council’s strengths and weaknesses and a judgement about its ability to improve, that contributed to the council’s overall CPA.

5 Councils that were assessed as being good at prioritising chose carefully which new initiatives they would pursue, checking first that there was a clear link to one or more of their top priorities. They were also clear about what was less of a priority. As a result these councils were better able to resolve the tension between top-down national priorities, and bottom-up local priorities, by interpreting national priorities in ways that are important to local people.

6 Councils that were assessed as having high levels of focus paid attention to their own priorities, rather than being diverted by the latest big idea or by short-term crises. They were able to make difficult decisions, and they stayed with them. They knew if they were achieving their priorities and could take corrective action if they were drifting off course.

Critical success factors

7 Analysis of a representative sample of corporate assessment reports has identified three factors that are critical to success in setting priorities and maintaining focus:

- identifying priorities;
- prioritising priorities; and
- maintaining focus.
Although it helps to make progress on all fronts, moving forward in one area can be a good start. To improve, councils need to identify areas of weakness, outline their improvement needs and learn from their existing strengths.

Success factor one – identifying priorities

The experience from CPA shows that it is crucial for councils to ensure that they have identified their priorities. Priorities can be developed from a range of sources: the local community, local intelligence, government or national bodies, and priorities generated within the council itself.

Engage the local community

On the whole, excellent and good councils have effective mechanisms for consulting and engaging with their local population, very often co-ordinated between departments and partners and planned ahead. This will include surveys and citizens’ panels, and engagement through local committees and forums. In addition better councils have also developed innovative ways of communicating with traditionally excluded groups, for example, consulting young people through youth parliaments and online debates. These methods have been used by councils to identify issues that can become priorities, but also to gather feedback on draft priorities to make sure they are the right ones.

Use local intelligence

More successful councils have good local intelligence about their area and communities. This can come from statistics (such as census data) or information from partners (such as patterns of illness tracked by the health authority). While some of these factors may be present in the fair, weak and poor councils these authorities have problems in making this information work for them. For example, one council had good information gathering but was unable to translate this into real priorities. The pattern is that fair, weak and poor councils have underdeveloped consultation mechanisms and do not collect intelligence corporately to assist in prioritisation.

Incorporate national priorities

Many services have detailed improvement targets from government, particularly those for which inspection regimes have been in place for many years, like social services and education. On the whole, excellent and good councils reflected these targets in their early priorities.

Identify partners’ priorities

Effective councils are aware of the priorities of their partner organisations, understand them and find ways of identifying priorities in common. This is particularly important for those priorities related to quality of life issues, which cut across a range of organisations. ‘Reducing youth crime’ for instance will involve at a minimum the youth justice team, crime and disorder reduction partnership, and the police and probation services. Shared priorities have a greater chance of being achieved. For example, West Sussex has achieved a reduction in local crime through a strong partnership with the police.
Gather internal priorities
14 Councils will usually have internal targets related to changes in their structures or the way they work, achieving which will help them to achieve their other priorities. For example, Northumberland County Council has a range of priorities associated with its peer review, such as challenging departmentalism and developing cross-department working. These internal priorities also need to be identified when putting together the ‘long list’ of priorities.

Success factor two – prioritising priorities
15 Having gone through a ‘stocktake’ of priorities, councils will need to put their possible priority areas into some kind of order. What do they aim to achieve and when? It is important to be realistic – can all the priorities be achieved at the same time? A common criticism in corporate assessments was that councils had too many priorities and no clear idea of how they would all be delivered. Better councils, however, had prioritised between them and timetabled them in stages. By doing less these councils could achieve more.

Be specific
16 It helps if the priorities chosen are not just broad generic areas like ‘a cleaner, greener metropolis’. In essence this is more a vision than a priority. A priority might sit under this vision and will be more specific, such as ‘invest in and improve street cleaning’, and be backed up with a few SMART (specific, measurable, achievable, relevant and time-bound) targets that are measured by a limited number of performance indicators. In this example, the SMART target might be ‘to ensure that between the hours of 7 am and 11 pm on Monday to Saturday, levels of litter and detritus in the central retail area do not rise above level B (as defined in BVPI 199), through inspecting levels of litter and detritus on an hourly basis’.

Balance local with national priorities
17 Once priorities have been identified the next step is to develop a balance between competing ones. Will the national ones take precedence over local ones? Better performing councils, such as Cornwall, have ensured that national priorities (often education and social care) are given greater priority or are dealt with first, by translating them into targets that mean something locally. Achieving these national targets early can create more room for local targets in future.

Align priorities with those of partners
18 Once priorities have been identified and prioritised, better performing councils work with their partners, and make new ones, to create as wide a resource base as possible so that priorities can be met. A ‘cleaner streets’ priority may seem like a priority only for the council, but partnerships with schools and colleges (on litter education) and residents associations (on publicity and reporting) are invaluable.
Success factor three – maintaining focus

19. Once priorities have been established and partnership arrangements have maximised the chances that they will be delivered, it is essential that the organisation focuses on them, and is not distracted by short-term issues, crises and new initiatives. It is important to throw the weight of the organisation behind achieving these priorities.

Use council processes to ensure focus

20. Corporate assessments outlined examples of how to maintain focus on agreed priorities. Derbyshire, for instance, aligned the portfolios of cabinet members with priorities, so a leading councillor may be responsible for overseeing the delivery of ‘cleaner streets’, working across a range of departments to achieve this. Successful councils linked their priorities to service planning and ultimately to individual staff development plans. Ensuring that the performance management scheme works to deliver priorities, and that it reports to key officers and councillors, were common factors in success. For example, Norfolk County Council has restructured council meetings to ensure that agendas are linked to priorities.

Communicate priorities

21. Keeping everyone in the council and its key partnerships aware of the priorities and progress on these is an important factor in maintaining focus. Worcestershire has a shared information system keeping the council and partners informed of issues and the interaction needed to tackle them. Successful councils used a range of methods, such as staff briefings and newsletters, the intranet and email. Key messages need to be championed by the leadership team, with the priorities stated and restated.

Manage risks

22. Priorities can be thrown into doubt when an unforeseen crisis or new pressures appear, the government announces a new initiative or the council changes political control. Councils have developed a range of methods to manage these risks. Dorset County Council developed a cross-party consensus around its priorities, which has meant that despite changes in political leadership the priorities have remained the same. Lewisham Council has a traffic light system, throwing up problematic priorities or targets before they become a crisis.

Risk management can be used to reinforce what senior management and the council are seeking to achieve. By embracing risk management in this way councils will focus on opportunities for the council as well as on dealing with possible threats. If risk management is to be effective there must be a clear link between objectives and risks. It is, therefore, essential that risk management is embedded in the planning processes.

Audit Commission, *Worth the Risk*
Shifting resources to priorities

23 Clarity about priorities eases the process of shifting resources to support those priorities. Corporate assessments have shown that priorities often fail to be met when the council does not shift resources to achieve them. Excellent and good councils usually had a medium-term financial plan, and budgeting was led by policy with bids for external funding being made to support the priority list. Bexley Council, for example, has an integrated approach to setting priorities and allocating and moving resources against them. In Bexley the business planning process frees up 1-2 per cent of the budget annually, which is then redirected towards key priorities.

Review priorities

24 It is important to revisit and review priorities at regular intervals, assessing progress and making changes to them as appropriate. If aims have been achieved then it is important to let them make way for a more pressing priority. There is an important role for scrutiny to keep an overview of progress against priorities, and to investigate and identify any blockages that are preventing progress from being made.

Future Audit Commission work

25 Over the coming months the Commission will be sharing more learning from CPA by:

- holding an event in London on 12 June 2003 looking at popular participation in priority setting and budget choices;
- carrying out research into the links between local context and local performance;
- publishing further ‘learning from CPA’ briefings; and
- learning from CPA in district councils.
Sources of information and advice

Audit Commission Publications
(available from www.audit-commission.gov.uk)

Audit Commission, Listen up! Effective Community Consultation, Audit Commission, 1999.
Audit Commission, Change Here!: Managing to Improve Local Services, Audit Commission, 2001.

Other Resources

Improvement and Development Agency – the IDeA provides local government with expert advice and guidance, national programmes for elected councillors and managers and tailored support and consultancy – www.idea.gov.uk

Local Government Association (LGA) – the LGA’s mission is to promote better local government – www.lga.gov.uk