

Corporate Assessment Report

April 2008



Corporate Assessment

Stockton-on-Tees Borough Council

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Contents

Introduction	4
Executive summary	6
Areas for improvement	8
Summary of assessment	10
Context	11
The locality	11
The Council	12
What is the Council, together with its partners, trying to achieve?	14
Ambition	14
Prioritisation	18
What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?	22
Capacity	22
Performance management	26
What has been achieved?	30
Sustainable communities and transport	31
Safer and stronger communities	34
Healthier communities	36
Older people	38
Children and young people	40
Appendix 1 - Framework for Corporate Assessment	43

Introduction

- 1 Comprehensive Performance Assessment (CPA) is the means by which the Audit Commission fulfils its statutory duty under section 99 of the Local Government Act 2003 to make an assessment, and report on the performance, of local authorities. Corporate assessment is one element in the overall assessment that leads to a CPA score and category.
- 2 The purpose of the corporate assessment is to assess how well the Council engages with and leads its communities, delivers community priorities in partnership with others, and ensures continuous improvement across the range of Council activities. It seeks to answer three headline questions which are underpinned by five specific themes.

What is the Council, together with its partners, trying to achieve?

- Ambition
- Prioritisation

What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?

- Capacity
- Performance management

What has been achieved?

- Achievement

Considered against the shared priorities of:

- sustainable communities and transport;
- safer and stronger communities;
- healthier communities;
- older people; and
- children and young people.

- 3 Corporate assessments are normally aligned with a joint area review of services for children and young people (JAR). In practice this means that the Council's achievements in relation to children and young people are assessed using the evidence provided from the JAR. In addition, examples of outcomes and activity, which are relevant to the other themes and which are identified through the JAR, are considered within the corporate assessment.

- 4 The JAR covers specific services for children and young people that are directly managed or commissioned by the Council, as well as relevant health and youth justice services provided by other bodies. It focuses on the contributions made by services to improving outcomes especially concerning safeguarding; services for looked after children; and services for children with learning difficulties and/or disabilities. The separate JAR report also covers the leadership and management of services for children and young people and, in particular, the way that such services work together to improve outcomes. The description and judgement in respect of children and young people in this report is summarised from the JAR report and the most recently published Annual Performance Assessment from Ofsted which covers all of the Council's children services.

Executive summary

- 5 Stockton-on-Tees Council is performing strongly. It has made a major contribution to the area's revival following the loss of traditional manufacturing industries, bringing about transformation through sustained community leadership. It is a major regional player and is fiercely ambitious in its desire to better its residents' quality of life. Significant improvements in its services have been achieved through a combination of excellent partnership working and single-minded grip on delivery. The physical environment of the borough has improved noticeably.
- 6 Improvements have been driven by strong political and managerial leadership. The chief executive is recognised both regionally and nationally as providing strong leadership. He is supported by high quality staff in key positions. Corporate management processes are well embedded, and performance management is particularly strong. Where services have run into difficulties, the Council has a good record of identifying problems and turning them round.
- 7 Councillors and officers work well together across the organisation. Stockton Council is recognised by stakeholders for its political drive. Political arrangements in the borough changed significantly during 2007, but the new and unusual political arrangements in the borough have worked effectively so far in delivering a consensus based on community needs.
- 8 Partnership working is ingrained across Tees Valley agencies and the Council is playing a leading part. The local strategic partnership, Stockton Renaissance, is effective and has been positively assessed by the regional government office. But Council partnership goes beyond this, embracing a variety of development and delivery vehicles across the Tees Valley, ranging from Tees Valley Unlimited, which is coordinating plans for formal city-region status through a multi-area agreement, through to more specific bodies such as the Tees Valley Climate Change Partnership. There is above average approval from a wide range of stakeholders for the job the Council is doing.
- 9 The Council's high profile is the result of a deliberate strategy designed to bring beneficial change to residents, and is well deserved. Despite being responsible for quite disparate communities, the Council attracts high levels of approval from its residents, who have been well satisfied with the overall level of service provided by the Council, and with most service areas, for a considerable period of time. This consistency of approval is a good indicator that the Council has not rested on its laurels, despite a track record of performing at the highest levels which now stretches back several years.

- 10 Resident satisfaction is also grounded in recognition that the Council gives excellent value for money. There are no areas where high costs and low performance are linked. The Council is focused on delivering efficiencies, and is investing effectively in its priorities. Overall financial management is strong, and Council tax rises have been lower than average. A commissioning approach is well developed in children's services and social care, and while externalisation is limited, the Council has worked hard to evaluate options to ensure its services are cost effective. It is now in process of implementing a substantial shared services arrangement with Darlington council. The Council has the financial resources it needs to deliver its ambitions.
- 11 There have been significant achievements in areas such as crime reduction, housing renewal, regeneration and children's services. Residents have noticed marked improvements in street cleanliness. Recycling rates are improving. The Council is extending its understanding of the needs of older people and is supporting greater independence among this age group. Progress has been made in extending life expectancy and tackling cancer and circulatory disease mortality rates, though health inequalities remain a significant issue for the borough.
- 12 The Council's success is partly attributable to an embedded culture of user focus within the organisation. Community engagement is strong, and there is an ethic of customer service amongst staff. Investment in some areas of human resources and a more strategic approach to ICT would develop capacity still more. The Council is absorbing the implications of changes in its diverse communities. It is beginning to address issues of equality and diversity more thoroughly in its services, and within its own organisation, where Stockton's disabled and black and minority ethnic communities are under-represented. It has also begun to develop its initiative-based approach to community cohesion into something which is more strategic.
- 13 The Council's track record of community leadership is demonstrated by its well managed approach to neighbourhood renewal. It has used the funds at its disposal in a targeted way to deliver improvement in communities which had undergone considerable decline and which presented difficulties of remedy. Painstaking work on housing redevelopment linked to wider issues of sustainability and safety is bringing about improvement to areas like Parkfield and Hardwick. The Council has made progress against most of the government's floor targets, and has managed to narrow some significant gaps both within the borough and in comparison to national averages.

Areas for improvement

- 14 The Council is in a strong position and in general is well equipped to sustain and build on its present levels of achievement. However, by strengthening some areas of capacity it would be able to enhance the speed and quality of its onward journey.
- 15 Human resources issues now need a stronger and more determined focus. In particular issues of workforce planning need more attention so the Council can address issues of recruitment and retention more effectively. The Council should continue to expand its initiatives on workplace health as part of the drive to reduce sickness absence levels, and examine carefully ways to reduce long term absence.
- 16 The focus on diversity issues both within the Council and for the Stockton communities needs to be sustained and accelerated. Within the Council there is a need to concentrate on ensuring the diversity focus brings actual change, for example in the proportions of black and minority ethnic and disabled people in Council employment. An improvement here would make the Council better equipped to meet the needs of its increasingly diverse communities. The strategic approach to community cohesion which has been initiated with the publication of the new strategy now needs to be embedded among Council staff and partner agencies to drive improvement for the different communities in Stockton.
- 17 Following publication of its new ICT strategy, the Council should focus on developing its ICT capacity to optimise the support that improved arrangements could bring to its plans. The recent progress on access to services could be reinforced through a more systematic focus on business process re-engineering.

- 18 Most services are good, but the Council needs to implement its plans to address the issues highlighted in this report. In the area of children and young people's services, these include the variation in attainment levels at key stage 3, young people's re-offending rates and the need to improve quality assurance to eliminate inconsistencies in practice and recording that exist in some services. The broader approach to older people's services heralded by the new older people's strategy now needs to be embedded across the organisation and lead to action and improved monitoring. The Council is working effectively with the PCT to address health inequalities, but areas resistant to improvement, such as the level of alcohol abuse, will require sustained attention. The firm focus on reducing the fear of crime needs to be continued in order to deliver more effective public reassurance. On transport, the Council does not have all the levers for improvement at its disposal, but given the dissatisfaction among residents it needs to ensure that its proposals for medium term solutions are forcibly progressed, including at governmental levels. Stockton has done well in narrowing the gaps across the borough in some key neighbourhood renewal areas, as well as against national averages, and needs to sustain this detailed work, particularly its efforts to reduce worklessness. The envisaged economic renaissance will require determined efforts to increase new business start-ups and skills development among Stockton residents. The Council should seek a better understanding of its own waste production and, given current initiatives to reduce its resource consumption, set realistic but challenging targets in this area.

Summary of assessment

Headline questions	Theme	Score*
What is the Council, together with its partners, trying to achieve?	Ambition	4
	Prioritisation	4
What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?	Capacity	3
	Performance management	4
What has been achieved?	Achievement	3
Overall corporate assessment score**		4
*Key to scores		
1 – below minimum requirements – inadequate performance		
2 – at only minimum requirements – adequate performance		
3 – consistently above minimum requirements – performing well		
4 – well above minimum requirements – performing strongly		

**Rules for determining the overall corporate assessment score

Scores on five themes	Overall corporate assessment score
Two or more themes with a score of 4 None less than score of 3	4
Three or more themes with a score of 3 or more None less than score of 2	3
Three or more themes with a score of 2 or more	2
Any other combination	1

Context

The locality

- 19 Stockton-on-Tees is situated in the Tees Valley in the north east of England, adjacent to Middlesbrough and part of a conurbation which also includes Darlington, Hartlepool and Redcar and Cleveland. This is an area which has suffered economic decline in the past as its traditional manufacturing base contracted, but which has undergone a considerable revival, with reclamation and redevelopment having a major impact on the economic and physical environment. The river Tees itself now enjoys greatly improved water quality, and the construction of the Tees barrage, between Stockton and Middlesbrough, has effectively re-created the river as a freshwater lake which provides an attractive setting for riverside development and leisure opportunities.
- 20 Stockton itself is the main town but the borough includes the townships of Billingham, Thornaby-on-Tees, Ingleby Barwick and Yarm, as well as substantial rural areas. It is close to the A19 which provides a link to the motorway network, and is served by well-connected train routes at Thornaby and Eaglescliffe. The growing Durham Tees Valley airport is situated within the borough boundary.
- 21 Characteristics of the various communities are very different. Stockton is proud of its market town heritage, while Ingleby Barwick is a new community that has grown from nothing in the last 30 years. Billingham is firmly associated with the petro-chemical industry following years of ICI presence, while Yarm is an attractive Georgian market town which was recently judged as having the best high street in the country in a BBC poll. In the far north of the borough Wynyard village is one of the most exclusive developments in the region.
- 22 The population is growing and currently stands at 189,100. The age structure of the borough is relatively young, with 17.6 per cent of older people compared with 18.9 per cent nationally, but this balance is changing, with the number of older people projected to rise significantly as life expectancy improves. Black and minority ethnic (BME) groups make up 2.8 per cent of the population. The largest ethnic group is of Pakistani heritage, at 1.1 per cent. BME groups live mainly in the centre of Stockton.
- 23 Stockton is a polarised borough in social and economic terms. Forty of its super output areas are within the most deprived wards in England, and 17 in the most affluent. Employment rates have increased to the regional average, but remain below the national average. There are considerable health inequalities across the borough, with significantly lower life expectancy, and poorer lifestyle choices in terms of smoking and diet, in the most deprived communities. 19.9 per cent of residents have a limiting long term illness, compared with the national average of 17.9 per cent.

The Council

- 24 Stockton-on-Tees is a unitary council with 56 members. Seats are split between 22 Labour, 13 Conservative, 5 Liberal Democrats, 7 Thornaby Independent Association, 6 Ingleby Barwick Independent Society, and 3 Billingham Independent Association. Since mid- 2007 political control has been exercised through a power sharing arrangement between the Conservative and Labour groups, with the Conservatives taking the leadership, and Cabinet membership split equally between the two main parties.
- 25 There are seven scrutiny committees, matching councillor portfolio allocations. They cover adult services and health; arts, leisure and culture; children and young people; corporate services and social inclusion; environment; housing and community safety; and regeneration and transport. An executive scrutiny committee monitors the overall work programme.
- 26 The corporate management team (CMT) is led by the chief executive and includes an assistant chief executive, three corporate directors and the director of law and democracy. The corporate directorships cover resources; children, education and social care; and development and neighbourhood services. CMT is supported by an extended management team of service heads.
- 27 The Council employs a total of 6382 full time equivalent employees, 1,659 of whom are teachers. Its net revenue budget for 2007/08 is £131.4 million. The Council has also received £17.8 million single regeneration budget funding and over £23 million neighbourhood renewal funding since 2001. The Council Tax Band D level in 2007/08 is £1,313 including fire and police precepts.
- 28 The Council has transferred its former social housing stock to an arm's length management organisation (ALMO), Tristar Homes Ltd, and contracts with a leisure trust, Tees Active Ltd, for leisure services. It is one of five Tees Valley councils supporting Tees Valley Unlimited, a partnership which coordinates economic improvement activity across the sub-region. It also helps to fund the Tees Valley Joint Strategy Unit, which provides intelligence and analysis to support sub-regional development.
- 29 The local strategic partnership (LSP) for the borough, called Stockton Renaissance, is chaired by the Council leader. It has eight thematic groups which are similar to Council portfolio holder responsibilities (health and adult care have separate partnerships), and four area partnership boards. Membership of the board is comprehensive and includes the business sector, voluntary and community sector and a BME network representative.
- 30 The current community strategy for the borough covers 2005/08. It sets out a vision to 2025 under the overarching theme of 'Promoting achievement and tackling disadvantage'. There are three components to the vision.
 - Economic renaissance at the heart of a vibrant Tees Valley city region.
 - Enhanced quality of place, including renewed town centres and improved local neighbourhoods.
 - Enhanced wellbeing and achievement for local people.

- 31** The Council leads on the development and monitoring of the Local Area Agreement (LAA) for Stockton, in partnership with the LSP. It was one of the original pilot authorities and its current LAA ends in 2008. A pathfinder for 'new style' LAAs, Stockton is now in the process of finalising its second LAA.

What is the Council, together with its partners, trying to achieve?

Ambition

- 32 The Council is performing strongly in this area. Clear and challenging ambitions are supported by well-developed consultation arrangements which lead to action. The Council is a leading player and valued partner in the Tees Valley sub-region and beyond. It pursues a twin track strategy of promoting its achievements to bring support to disadvantaged areas. Service provision demonstrates a sensitivity to choice in meeting residents' needs. Partnership working is strong, and data is routinely shared between partners for community benefit.
- 33 Ambitions are clear and challenging and have been developed with partners in the LSP, Stockton Renaissance. The current community strategy covers 2005-2008, and sets out a vision to 2025 under the overarching theme of 'Promoting achievement and tackling disadvantage'. Its vision is expressed in three parts: economic renaissance; enhanced quality of place; and enhanced well-being and achievement for all residents. Within these areas of vision are five priority themes: economic regeneration and transport; liveability, including environment, housing and community cohesion; safer communities; children and young people; and healthier communities and adults. These themes form the basis of the Council's own plan, known simply as the council plan, which runs from 2007/10. Four key organisational priorities are added: leadership and effective partnerships; focus on residents and customers; performance and resources management; and people development and learning. A new sustainable community strategy (SCS) which will cover the years 2008/21 is well advanced in its preparation. It includes a more developed statement of vision and adds three supporting priority themes to those in the previous strategy: older people, stronger communities and arts/leisure/culture. The new LAA, with annual targets over a three-year period, will become effectively a rolling medium term delivery plan for the strategy.

- 34** Each of the three areas of the vision provides examples of challenging ambitions. In economic renaissance, the Council has focused regeneration funding of £18 million on reclaiming the North Shore area, which is now a prime development site where building will commence this year. It includes an iconic footbridge providing a link across the Tees to a previously derelict area which was once the location of a famous photoshoot featuring former prime minister Thatcher. Enhanced quality of place is exemplified by the Stockton-Middlesbrough Initiative (SMI), a major part of the city-region development proposals. This is a strategic partnership between Stockton and Middlesbrough councils to regenerate the two towns and the Tees river corridor which lies between them to provide an area of high quality city-scale urban living. The approach to enhanced well being is demonstrated by the Council's challenging targets on carbon emissions. Stockton has recently been accepted on to the national carbon management programme developed by the Carbon Trust. It has set itself the ambitious target of reducing its carbon emissions by 25 per cent over the next five years, while generating aggregated savings of £4.2 million. These initiatives show how the ambitions of the Council and its partners are being translated into action.
- 35** Ambitions are supported by a range of long, medium and short-term targets. The new 20-year SCS, currently being finalised, meshes with broader regional and sub-regional strategies including the Northern Way and the Regional Economic Strategy, and is underpinned by a number of major sub-regional initiatives. The Tees Valley city-region business case sets out the economic ambition for the area, with a full economic analysis and a ten-year investment strategy. The SMI proposals contain a 30-year development plan to transform the derelict riverside land between the two towns, known as the Green Blue Heart. The community strategy itself contains some challenging long term targets, for example to achieve zero landfill, and to eliminate the gap between Stockton and national averages on key health indicators by 2021. It also builds on existing strategies for regeneration, housing market renewal, transport and climate change, which themselves contain challenging medium term targets. For example there is a target in the regeneration strategy to achieve a 15 per cent increase in GVA (Gross Value Added - a standard measure of economic performance) by 2012; the transport plan has a target to increase rail passenger footfall by 18 per cent by 2011. This sub-regional vision has the potential not only to transform Stockton, but to make a major contribution to the regeneration of the Tees Valley.
- 36** The Council is providing outstanding leadership among partners in the Tees Valley conurbation. It is prominent in generating proposals to transform the city-region, securing buy-in amongst partners, and driving schemes forward to fruition. It is widely respected by partners in the sub-region and beyond, including offices and agencies closely linked to government, as a major player which can bring parties together, work to resolve differences and bring about results. The chief executive provides strong leadership and there is a track record of influential political drive. Recognition of the quality of the Council's leadership by stakeholders is grounded in a recent history of successful delivery, for example the Teesdale south shore regeneration, which now houses a number of major companies as well as Durham University's Stockton campus.

- 37 A good example of the leading role played by the Council is the Tees Valley city-region business case, promoted through the partnership structure Tees Valley Unlimited. Close working with the government's Department for Communities and Local Government has seen this develop into firm proposals for a multi area agreement (MAA) which aims to transform the Tees Valley through innovatory proposals for economic development, housing and transport, including the development of a Tees Valley metro system. The Council's position as one of the 21 pilot authorities for the original LAA schemes - and as a pathfinder and exemplar for 'new style' LAAs - makes it particularly well placed to lead on the MAA for the city region, and demonstrates its ability to pioneer transformational ideas and gain support for them amongst other stakeholders.
- 38 The Council recognises the need to maintain a high profile as part of a conscious strategy to put Stockton and the Tees Valley on the map for the benefit of its communities. It recognises that its ambitions to improve the economic well being of its residents and to reduce disadvantage cannot be achieved in isolation. As a result it has instigated partnerships which go beyond the boundaries of the borough and which seek to raise standards throughout the sub-region. The Council strapline of 'Promoting achievement and tackling disadvantage' thus encapsulates an approach which recognises the position of Stockton not only within the north east, but also nationally, where the region itself is in competition with other parts of England with high profiles of their own. The coupling of promotion of achievement with tackling disadvantage is a deliberate strategy to bring about the investment and change which can narrow the gaps between Stockton and the rest of the country in key areas of economic and social performance. High level investment in physical infrastructure is being accompanied by community empowerment and skills development initiatives as part of a programme of neighbourhood renewal. This ensures that economic and community regeneration initiatives are mutually reinforcing.
- 39 The Council engages well with its stakeholders. Councillors, officers and partners are clear about their respective roles in delivering on the vision and the degree of enthusiasm to achieve success is high. Consultation for the new community strategy has been extensive, including youth forums, targeted meetings with vulnerable groups, community empowerment events and newsletters and on-line techniques. The Council has supported the participation of community and voluntary sector representatives through training. It has also used its effective community engagement mechanisms to encourage public participation in the democratic process. An example of this is the work focused on four wards with low electoral registration, including larger elements of the BME communities. As a result registrations increased by 7 per cent.

- 40 The Council has strong and effective consultation mechanisms. Coordination by an in-house team with partner representation helps to avoid duplication and promote consistency, for example there is specific guidance for staff on consulting with BME and disabled communities respectively. A citizens panel (Viewpoint), which includes BME and disability networks, is maintained. Survey results are disaggregated by age and geographical area, and data from them can be easily compared and integrated with other data sources. Recent survey topics have included alcohol reduction, food safety, council tax and play areas. Surveys have also been conducted for Police and the Fire and Rescue Service (FRS). Results are reported to councillors and service departments. Residents receive feedback via newsletters on actions the Council is proposing to take, and consider themselves well informed on outcomes. This regular and wide-ranging consultation helps to ensure that the Council's evidence base for residents' views is sound.
- 41 Data sharing with partners is well established and provides a firm foundation for ambitions and decision-making. Data sharing protocols are in place between the Council, police and health sector. A public sector board for Stockton has been established on the Council's initiative to act as a forum for information exchange and performance review. The Council has recently launched its *Stats@Stockton* system which enables it to use the data it currently holds more effectively in service planning and in partnership working. Additionally, Stockton with other councils in the Tees Valley supports a Joint Strategy Unit which collects and analyses demographic, economic and housing intelligence across the sub-region and at local level. Where intelligence is outdated, the Council takes steps to tap into other agencies' sources. For example, 2001 data on BME communities is supplemented by information from the National Asylum Support Agency and the Department for Work and Pensions. This range of data gathering activity enhances the quality of planning and policy development.
- 42 Within thematic partnerships of the LSP data sharing is routine. For example, the Safer Stockton partnership uses a three yearly Tackling Crime and Disorder audit to guide its activities. Representatives from the Council, FRS, police and Tristar Homes form an integrated team co-located in Stockton police station team, sharing data to identify anti-social behaviour (ASB) and crime hotspots and coordinate action. The Health Improvement Partnership - currently evolving into a Health and Wellbeing partnership - uses data and intelligence provided to Council, PCT and other partners by the joint Directors of Public Health to determine the focus for health issues. Partners are able to work together on the basis of reliable, common intelligence.

- 43 The Council is responsive to a variety of complex user needs and where appropriate provides for choice in planning for them. Strategies for the housing market, developed with Tees Valley Living (sub-regional housing board), seek to increase the proportion of equity share homes alongside rent and buy options within deprived communities such as Parkfield, to help meet the needs of first time buyers. The Council is increasing choice in adult social care services; person-centred care for older people is being improved and a single assessment process has been implemented with partners. The Council has also responded to a clear message from people to improve the basic street scene amenities and as a result set up the 'Care for your Area' programme, which incorporates the use of street representatives - an idea which arose from resident consultation. Residents are aware of these improvements and this is reflected in improved satisfaction ratings.
- 44 The Council has demonstrated that it can make difficult decisions in pursuing its ambitions. Its approach to regeneration, concentrating resources on Stockton North Shore rather than adopting a more piecemeal approach, has caused some local criticism. A difficult decision about the size of the secondary school in Ingleby Barwick continues to be the source of local debate. Generally the Council consults on issues and where possible achieves consensus, but it sticks to decisions it believes are in the best interests of Stockton as a whole.

Prioritisation

- 45 The Council is performing strongly in this area. Consistency of prioritisation is evident across partners and throughout the Council, with all stakeholders pulling strongly in the same direction. The Council demonstrates an innovative and efficient approach to involving communities, including vulnerable groups, in the determination and delivery of priorities. Prioritisation extends into individual neighbourhoods and has enabled an impact to be made on deprivation and social breakdown. The substantial resources generated by the Council's dynamic process of financial and service planning have resulted in improvements in priority service areas. A firm focus is maintained on delivery, with robust action planning in place to expedite progress.
- 46 The Council and the LSP operate within a clear set of priority themes which drive the delivery of the three part vision. These themes are economic regeneration and transport; liveability (embracing environment, housing and community cohesion); safer communities; children and young people; and healthier communities and adults. They run through the community strategy, the council plan and service plans. Other key documents, such as the single equality plan, or the housing improvement strategy, follow the same arrangement. This common framework is a powerful discipline for promoting a shared delivery focus between the Council and its partners.

- 47** Stockton's key priorities are aligned both externally and internally. Development priorities, for example, are inextricably linked to the Tees Valley city-region proposals, the regional economic strategy and the Northern Way proposals. The children's and young people's plan reflects not only local priorities but national drivers such as school standards, obesity and outcomes for looked after children. Climate change priorities are developed on a Tees Valley-wide basis with partners. This sense of connection beyond its boundaries is an important part of the Stockton culture and helps provide the momentum for delivery.
- 48** Use of a common priorities framework ensures that performance management and monitoring addresses key issues for the Council and the LSP. The Council and its partners use the LAA as the underpinning delivery plan for their priorities. The Council has modified the LAA's standard four blocks to reflect its five local priority themes. The LAA specifies sought outcomes, indicators and targets, and indicates who is responsible for delivery. Enhanced governance arrangements are in place to achieve LAA priority outcomes. Within the last year a public service board has been established on the Council's initiative, comprising the principal public sector agencies including police, PCT, Learning and Skills Council and Jobcentre Plus. This facilitates robust performance monitoring across the partnership.
- 49** The Council has used the government's development of 'new style' LAAs to review its own priorities in an innovative and efficient way. As a national LAA pathfinder it combined 'dry-run' negotiations for the LAA with consultation for both its new SCS and the local development framework. The result is that draft priorities and performance indicators emerging from the process are now feeding into all three documents - a considerable saving on consultation time and effort. In addition the Council and its partners have learned substantially from the dry-run process, which has informed their work in negotiating the new LAA itself.
- 50** The review of priorities took into account views expressed by partners and residents, including BME and marginalised groups. Consultation involved LSP thematic groups, area partnerships, the BME Network, disabled communities, and the Community Empowerment Network's network of community and voluntary sector groups. Priority setting also took into account best value performance indicators (BVPIs), a MORI survey and a major stakeholder consultation event. The Council is now aware of residents' top ten priorities and these have been reflected in appropriate plans. The voluntary and community sector (VCS) is also strongly engaged in priority determination, for example the sector was instrumental in adding financial exclusion to the new community strategy. Consultation is targeted as well as general. For example, vulnerable people are involved in agreeing priorities within the Supporting People programme. It also reflects neighbourhood issues. The LAA is exceptional in demonstrating how a key geographical area of deprivation can be incorporated by including disaggregated targets for the Parkfield/Mill Lane neighbourhood management pathfinder area. As a result of the extensive consultation on the new community strategy, three new supporting priorities have been added: stronger communities, older people and arts/leisure/culture. These examples show the Council actively responding to the results of consultation on priorities.

20 Corporate Assessment | What is the Council, together with its partners, trying to achieve?

- 51** The Council takes positive steps to involve its communities in the delivery of priorities. Area partnership board representation includes town and parish councils, young people, members of the BME network, the police and community groups. The area partnerships have delegated funds, including NRF monies, which they can use to address local priorities, such as park improvements. Detailed involvement of residents has had a real impact in turning round neighbourhoods with persistent social problems, such as Mandale. The Council works closely with residents to implement improvement priorities, for example disabled people have been involved in the design of the public realm for the new Thornaby town centre, and young people have played a leading role in the development and design of new youth cafes in various neighbourhoods. This involvement is helping the Council to respond to the strengthened localism across the borough.
- 52** Stakeholders and partners share the Council's priorities and are actively engaged in delivery. The private sector is strongly involved in the regeneration agenda, for example Tees Valley Unlimited, the vehicle for the development of the city-region, is chaired by the managing director of Durham Tees Valley Airport. The VCS is responsible for the delivery of almost half the Council's neighbourhood renewal programme. Health sector priorities are addressed in partnership through joint appointments to the Council and the PCT, and a range of joint commissioning activity. There is a strong sense of all sectors working together to deliver Stockton and broader Tees Valley priorities, and that the whole is greater than the sum of its parts.
- 53** The alignment of resources to priorities is tightly managed through a Medium Term Financial Plan (MTFP), reviewed annually as an integral part of the service planning and review round. The service planning process incorporates other resource areas such as asset management, human resources, ICT and procurement to ensure a comprehensive picture is provided. Linkages to the MTFP continue into service improvement plans which are sharp and SMART.(specific, measurable, achievable, resourced and time-bound). As well as accountabilities, targets and timescales, the plans are linked to community strategy themes and contain their own three-year resource statements, ensuring that the financial dimension is considered at departmental level.
- 54** The service planning process is dynamic and has been highly successful in channelling resources into priority areas. The process restricts resource increases to one per cent in many service areas; services are expected to meet higher running costs from efficiencies. This has generated a corporate fund that has enabled over £30 million to be redirected into Council priorities such as planning and teenage pregnancies. After several years of this tight regime, there are indications that some service budgets need review, for example the Commission for Social Care Inspection has drawn attention to the need to consider the appropriateness of expenditure levels in some areas of adult care. The Council acknowledges this and is reviewing options to ensure that a productive approach continues. The fact that such a successful process is itself the subject of review is an indication of the Council's proactive approach to prioritisation.

- 55** The Council maintains a firm focus on its priorities. CMT's forward planning is based around the five priority areas, and its meetings strongly reflect project, risk and performance management approaches in relation to priorities. There is a high level of awareness of Council priorities and goals among the workforce; this becomes stronger for service priorities. Difficult decisions taken by councillors following the 2007 elections show the extent of the political commitment to supporting the agreed Council priorities. The need to maintain a firm focus on agreed priorities over-rode considerations of immediate political advantage, and conflict was avoided by all parties signing up to an agreed Council Plan, with the two main groups agreeing power-sharing arrangements. This unity of purpose across the organisation is important in progressing the Council's ambitions.

What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?

Capacity

- 56 The Council is performing well in this area. Strong political and managerial leadership ensures the effective and ethical management of Council business. Councillor training and development is notable. Financial capacity supports ambitions and there is a high standard of financial management, prudent contingency planning and a strong 'value for money' ethos. Risk management is a conscious and communicated part of strategic and operational business, and this approach is now being exported to partners. Challenges remain in some areas of human resources and the strategic development of ICT.
- 57 Political and managerial leadership are strong. Relations within CMT are good and manifest themselves in effective cross departmental working. The distributed leadership model enables a sense of corporate ownership amongst heads of service and well established corporate working groups provide organisation-wide input to strategic issues. Strong councillor-officer relations provide a basis for transparent and timely decision making. The joint arrangements in place since elections in May 2007 have begun well and a consensus approach to local politics based around the needs of the local community continues. There is a positive approach to ethical governance across the whole organisation, with strong arrangements in place.
- 58 Scrutiny provides rigorous policy review and has made a significant contribution to service improvement, although there is little formal challenge of decision making through call-in procedures. Scrutiny reviews are generally endorsed by cabinet and lead to action, for example a review on bullying led to improved data collection and the accreditation of schools' processes for dealing with it. The political arrangements of the Council mean that proactive efforts are made to develop consensus among members both within and outside scrutiny procedures, utilising informal discussion opportunities, and planning meetings between party leaders and the chief executive and senior managers. Challenge is built into the system, with cabinet members called to select committees as part of in-depth review work and to answer questions on the implementation of review recommendations. This type of challenge can be robust and detailed. There remains a degree of frustration among some back bench members concerning their ability to hold the executive to account, in part due to call-in requiring the support of six councillors, a higher number than in many local authorities; there have been no 'call-ins' of scrutiny policy decisions for 18 months. In general, the scrutiny process is robust and results in improved outcomes, but it would benefit from additional opportunities for challenge.

- 59 The Council has a robust financial strategy and sufficient financial capacity to support delivery of its priorities. Over the last ten years the MTFP has successfully capped the annual increase in service revenue budgets to one per cent, redirecting the resulting savings into corporate priorities. Contingency funds are effectively maintained; a corporate working balance of £9.2 million was in place at the end of 2006/07, slightly higher than the planned proportion of net budget. The strategic approach has enabled the Council to be confident in its decision making and tackle key improvement priorities.
- 60 The capital strategy and associated plans clearly relate to the ambitions of the local area. They set out the role that capital works will play in delivering each of the improvement themes set out in the council plan. Decision making in relation to capital and asset management is underpinned by robust and transparent governance arrangements. The capital strategy and asset management group includes representation from a wide a range of senior officers and reports to the corporate management team and cabinet. The appraisal of proposed projects includes an assessment of the contribution to council plan objectives. This supports delivery of the Council's objectives and helps protect its resources.
- 61 There is a strong track record of delivering value for money. The Council generated £7 million of efficiencies in 2006/07 of which over £5 million were cashable. These were achieved in the main via the one per cent increase cap on revenue budgets and the increase in e-procurement. There were also a number of specific service initiatives which realised significant savings without detriment to service. This has resulted in lower than average Council tax increases over the last ten years and a higher proportion of residents (41 per cent) than the England average believe that the Council offers good value for money.
- 62 There is a strategic approach to procurement with links to the Council priorities. It seeks to maximise local spending and annually invests £28 million in the local economy. Innovative joint funding and commissioning arrangements have been established with the local PCT, for example single contract management arrangements for residential and nursing care. There has been extensive procurement of VCS services - the sector is delivering 47 per cent of NRF projects and over £3 million of children's education and social care contracts. The joint initiative with Darlington Council to deliver transactional HR, ICT services and finance, design and print services is designed to improve capacity and resilience and deliver efficiency savings. These initiatives are increasing the Council's capacity to deliver improvement.
- 63 Risk management is supporting service delivery and the Council's ambitions. It is firmly embedded in corporate and strategic planning and key decision making, and is an explicit part of service improvement plans, project management, option appraisals and policy development. Review of key risks takes place in all key management and member forums on a regular basis, and the corporate risk register is presented to and discussed by CMT, the Cabinet and the audit committee quarterly. The Council is leading the development of risk management arrangements in partnerships, for example the Children's Trust Board and Stockton Renaissance. This helps to ensure that unwelcome developments are foreseen as far as possible, with mitigation strategies in place.

24 Corporate Assessment | What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?

- 64** Project management is rigorous and consistently applied. Recent enhancements to the processes have provided clear accountabilities and robust decision making processes. The priority (level one) projects are reviewed by CMT on a quarterly basis, and a wider range of lower priority projects is monitored by service management teams. Each project has a project board, a project sponsor and a designated manager. The frequency of reporting to the project board is dependent on risk. A good example of the successful planning of a major project is the South Stockton Link Road which opened in 2005. This was 12 months ahead of schedule and final costs were within 2 per cent of the original 1999 budget profile. This expertise means the Council is well placed to deliver major projects such as those associated with its regeneration ambitions.
- 65** The Council is expanding its capacity through effective working arrangements with the VCS. The sector is strongly involved in partnership working within the Stockton Renaissance structure, including at area and thematic levels. The Community Empowerment Network coordinates consultation for the Council and the LSP on a wide range of issues. The Council has actively exported its values to the sector through a governance code of practice covering human resources (HR), legal and financial matters, which will assist probity and sustainability. The Council also undertakes risk management in the funding of its VCS partners. Work to align the funding of the sector with community strategy priorities and the Council's MTFP is now well advanced following a period of difficulty in terms of sector leadership. These strong relationships help to increase social capital and community cohesion in Stockton.
- 66** Although HR capacity has been stretched over recent years there have been some significant achievements. The Council successfully achieved Investors in People accreditation for the whole organisation for the second time in 2006. It has reached an agreement on single status that has widespread support. A new competency framework has been adopted. The *Planning for the Future* approach to organisational development has strengthened leadership and management capacity in the top two management tiers and a third phase of this approach is planned. In addition, member induction, training and development is of outstanding quality and is highly valued by the recipients, with the vast majority of councillors having a personal development plan.
- 67** However, the Council is aware that significant HR challenges remain unresolved. Workforce development planning is inadequate for the Council's ambitions, and the amount of training available to individual employees falls below the standards of the best councils. Sickness absence levels remain high and although there is extensive action being taken to address short term sickness, long term levels remain a concern. Until these issues are resolved, the Council is not maximising the capacity of its workforce.

- 68 Arrangements for equality and diversity are not fully developed. The Council has a strong commitment to these issues and recognises the need to strengthen its approach. In 2006 it took the courageous decision to reclassify its attainment against the equality standard for local government as level one to ensure that a robust approach to all six strands of diversity was developed, and it has since published two editions of its single equality scheme. But while progress is now being made towards the target of level three by March 2009, the Council is less advanced in tackling equality and diversity than many local authorities. BME and disabled groups are under-represented in the workforce compared with the local community. Equality impact assessments have been re-launched with targeted training, but so far they have resulted in little change and do not approach assessment from a point of view of the potential risks. The Council's determination to address diversity issues is demonstrated by the recent establishment of a corporate working group for diversity, and the fact that three of its five key internal development priorities now concern diversity. However, its commitment is delivering only limited outcomes at this stage.
- 69 The development of access to services has been evolutionary rather than ambitious. Customer satisfaction levels with the Council's services have been consistently good, but the Council recognises the need to meet rising public expectations. Although slower than elsewhere, enhanced access to services in Stockton is based on rigorous consultation and reflects the changing needs of local communities. A new strategy is being rolled out and the implementation of customer contact centres is beginning in January 2008 with the Council's first call centre and new opening hours. Integrated customer services centres will open subsequently in Thornaby and Billingham town centres and in a major supermarket in Ingleby Barwick. There is a strong customer focus culture among staff, which has been reinforced and developed by two rounds of the Council's *Customer First* training and awareness initiative, but the application of business process re-engineering techniques is not fully developed. Nonetheless current plans, along with a continued focus on customer engagement, place the Council in a favourable position to meet its own and residents' aspirations.
- 70 The Council's use of ICT has facilitated efficiencies and service improvement but has been insufficiently strategic in its approach. E-government initiatives generated a net efficiency gain in 2005/06 of £550,000. Innovative use of technology includes remote warden support systems and care call centres. ICT has also enabled greater community consultation through Viewpoint, a web based technology that provides easy access to the views of a large panel of residents on a regular basis. However, ICT development has focused mainly on departmental needs and projects rather than a holistic approach designed to further the Council's ambitions. The Council recognises that links between ICT governance and corporate governance are not well defined and that it is not always clear how ICT decisions are made. This means that not all opportunities for ICT to play a full part in the achievement of the Council's ambitions have been taken.

Performance management

- 71 The Council is performing strongly in this area. Service performance has improved significantly and the Council is delivering against its priorities. The Council tackles areas of underperformance vigorously. The performance management framework and processes within the Council and in the key partnerships are comprehensive and lead to positive change. There is a strong culture of improvement and learning throughout the Council.
- 72 The Council's performance management framework and processes are comprehensive. There are clear linkages throughout the planning process. Service improvement planning is well developed and coordinated, and supported by guidance. The resulting service plans are firmly keyed into the MTFP and risk management processes, and are reviewed on a quarterly basis by senior managers and CMT. Appraisals are embedded, and include target-setting as well as personal development plans. Implementation is monitored electronically, with 97 per cent of appraisals completed on time last year. The appraisal process was reviewed in 2007 to reflect the Council's adoption of a new competency framework. These building blocks ensure there is a golden thread running through the organisation.
- 73 A demanding performance management culture is evident at all levels, reinforced by awareness-raising events such as 'Setting the Standard'. The keen interest shown by the workforce has been reinforced by the Council's designation by the Audit Commission in 2007 as one of the top ten councils in the country, 'in the premier league of stellar performers'. This has contributed to a sense of pride amongst staff which extends right to the front line - street cleaners, for instance, are well aware of the Council's performance against the appropriate BVPI.
- 74 Performance monitoring is embedded and pervasive. Quarterly performance reports cover the corporate basket of key PIs, LAA targets, Gershon efficiency savings, complaints and commendations and research and consultation undertaken during the quarter. They also contain a summary of progress in relation to the council plan and the service improvement plans. These are reported to cabinet, the executive scrutiny committee and CMT. Performance is challenged through cabinet, corporate and service-based performance clinics. Regular meetings between individual portfolio holders and corporate directors include service performance review, with minutes ensuring transparency of monitoring and decision-making. Select committees systematically track the progress of action plans which have been produced in response to their recommendations. Performance reporting is fully integrated with financial and risk reporting, for example the MTFP and corporate risk register are monitored quarterly by cabinet and CMT, and action taken when appropriate. This comprehensive approach has resulted in outstanding progress in service performance.

- 75 High quality performance management has had a real impact on service improvement in areas which are priorities for local people. For example, satisfaction ratings with street cleaning increased from 53 to 79 per cent between 2000 and 2006. Levels of burglary, robbery and violent crime have all decreased significantly. The Council has recently produced a good analysis of the extent to which inequalities within the borough have reduced by tracking 40 quality of life indicators on a small area basis, showing positive results for a majority of indicators. Stockton has also performed well on the stretched targets in its local public sector agreement (LPSA) with government, with ten out of twelve targets achieved, bringing substantial performance reward grant into the authority. The LPSA targets achieved were in areas of priority for the council, such as supporting people on incapacity benefit into work, smoking quitters and educational achievement at foundation stage. The successful delivery of priorities is having a positive impact on the way residents view the Council.
- 76 The Council tackles areas of underperformance vigorously, and has achieved performance turnaround in a number of areas. A good example is planning services. In 2005 the Council was designated as a planning standards authority for its poor performance on speed of determining planning applications. This was addressed by a scrutiny review, supported by consultants and the planning advisory service. Actions taken included increasing officer delegation, addressing staff recruitment and retention issues, appointing more technicians and providing training opportunities for staff at technician level to become qualified. As a result, planning PIs have moved up from the worst 25 per cent of councils to above average in a year.
- 77 Benchmarking is undertaken using the Audit Commission's value for money profiles. This identified, for example, apparent high spending in the youth service and high levels of surplus financial balances in schools. Following discussions on this issue with the schools forum, including the possibility of introducing a clawback scheme, balances have substantially reduced.
- 78 Target setting is robust and supports priorities. The Council has a mature process, keeping targets under review using a tracking system to provide in-year data, so that three-year targets can be rolled forward. National and local intelligence feeds into the process. While the aim is to be best in class where this is appropriate, the Council sets lower targets where this is more realistic and the reasons for it have been debated and understood. This means that some targets are less challenging, for example those on recycling, new VAT-registered businesses and sickness absence levels, but are based on a realistic assessment of what is achievable, where significant progress may take some time to accomplish.
- 79 Partnership progress monitoring is well embedded and results in improved performance. Progress against community strategy priorities is monitored through 36 'quality of life' indicators, now integrated into performance management of the LAA. Stockton Renaissance is on track to achieve over 80 per cent of its LAA targets. Where slipped indicators are identified immediate action is taken, resulting in their return to 'on target' status in the vast majority of instances.

28 Corporate Assessment | What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?

- 80** The Council has proactively shared its performance management expertise with LSP partners. Performance is monitored through a single integrated reporting framework for Stockton Renaissance. This includes its area partnership boards, where performance is monitored at area level, and the various thematic partnerships, such as the Children's Trust Board (CTB). The partnership groups which report to the CTB regularly scrutinise performance and progress on priorities in the children and young people's plan, for example consideration of dentistry resulted in the introduction of tooth coating to prevent decay. Stockton Renaissance is supported by a local public services board, comprising the chief executives or equivalent of the key partners, which has organised cross-agency performance clinics and provides a vehicle for the informal discussion of how partners can contribute to achieving each others' performance objectives. The culture among partners is a supportive one where challenge is achieved through discussion and debate.
- 81** The Council robustly monitors external providers, and service users are widely involved in monitoring performance and contributing to improvement. Effective performance management arrangements are in place with contractors such as the ALMO, lighting contractors and jointly commissioned care services. This has secured, for example, performance improvement of around 30 per cent for speed of response for street lighting repairs. The *Customer First* programme, covering 30 different services, involves systematic user feedback. Tenant mystery shoppers are used to monitor housing services. Children and young people are involved in evaluation of several services, for example in health education a number of changes were made to service delivery in response to their views, while care leavers have also influenced the way in which support to them could be improved. There is a thorough analysis of complaints with evidence of learning from them, for example in highway maintenance a new zonal inspection system was introduced and local residents are now notified in advance how long schemes will take. These systems give customers a genuine stake in service development.
- 82** The Council is firmly focused on improving its own corporate performance. The council plan includes sections on four organisational objectives: leadership and effective partnerships; performance and resource management; focus on residents and customers; and people development and learning. These contain SMART targets and success criteria, and are linked to service improvement plans. Along with the work of eight corporate working groups covering key internal development areas such as human resources, ICT and diversity, they are regularly monitored by CMT. This enables the Council to match the pace of its organisational development to its ambitions and priorities.

- 83** The Council responds well to external challenge and is proactive in learning from internal good practice. The Council has invited external challenge on a regular basis. Peer reviews of partnership arrangements and of the planning service have been undertaken. Some scrutiny reviews have had expert involvement, for example from British Waterways on the Riverside scrutiny review. Visits to other councils to learn from best practice are also a regular feature of scrutiny reviews. Quarterly performance reports include a section on learning, covering complaints, commendations and good practice, for example e-procurement of stationery has been rolled out across departments following initial trial. This shows the Council is well placed to transfer learning within the organisation and is willing to learn from others in order to avoid complacency.

What has been achieved?

- 84** The Council is performing well in this area. Performance results are positive for the majority of Council services. Improvement in national performance indicators (PIs) has been consistently above average for the past three years and 38 per cent (well above the average of 29 per cent) are at the level of the best 25 per cent of councils. No service areas are rated as lower than three out of four on the most recent Audit Commission annual scorecard, with children and young people's services, benefits and housing all scoring a maximum four out of four. In relation to the Council's own corporate basket of 81 key PIs, which it uses to assess progress against its priorities, 79 per cent were reported either to have improved or maintained performance in 2005/06. At the mid-point of 2007/08, unaudited data indicated that 75 per cent were showing improvement on the same period last year.
- 85** There is a close fit between national and local priorities. Stockton has demonstrated significant achievement in its designated priority areas of economic regeneration and transport; liveability (embracing environment, housing and community cohesion); safer communities; children and young people; and healthier communities and adults.
- 86** The Council has been successful in reducing levels of unemployment, and the proportion of young people in full time education or employment has also increased. Regeneration activity has resulted in an improved mix of jobs on offer, with firm foundations in place for further development. Planning performance has been transformed. There have been significant improvements to roads but public transport coverage has declined and is a source of local dissatisfaction.
- 87** On liveability issues, the Council has made good progress towards achievement of the decent homes standard, and the turnaround of deprived neighbourhoods through mixed housing development and resident involvement has progressed well. Residents are highly satisfied with improved standards of street cleanliness. Community cohesion initiatives are in place but it is difficult to measure achievement against planned actions as a strategy has only recently been agreed.
- 88** Levels of crime have reduced substantially, though reductions in the fear of crime have not matched the progress made on the ground and will require continuing attention. The re-focused neighbourhood enforcement service has dealt with a greater quantity of incidents, with resultant reductions in resident concern about matters such as abandoned cars, vandalism and graffiti. Actions to retain drug users in treatment have been successful, but despite strong campaigns alcohol abuse remains a key improvement issue for the area.
- 89** Outcomes for children and young people have improved. Educational attainment has risen year on year since 2001, with performance at key stages 2 and 4 particularly strong. However, some issues require attention, including the variation in attainment levels at key stage 3, young people's re-offending rates and issues relating to care plans.

- 90 There has been some good progress in the area of public health, with significant achievements in reducing smoking and on fuel poverty. Health inequalities remain a major issue for Stockton but there has been some success in narrowing the gap within the borough on cancer mortality rates. Female life expectancy has increased and circulatory disease mortality rates have reduced. Male life expectancy remains an issue. Support for older people to live independently has improved.
- 91 Stockton is designated as a neighbourhood renewal area in recognition of its levels of deprivation and some of its progress has been in the more intractable areas measured by government floor targets. The Council and its partners have made good progress in narrowing the gap against national averages for educational outcomes, crime and litter levels, and in the key health area of circulatory disease mortality rates. Challenges remain in the area of worklessness. The Council's work on assessing whether gaps have narrowed within the borough over the period of neighbourhood renewal funding shows positive results in key areas such as crime, employment and child poverty. Stockton's position in the national index of multiple deprivation has improved from 75th in 2004 to 98th in 2007.
- 92 A significant indication of the Council's levels of achievement is the endorsement of its residents and stakeholders. The Audit Commission's recent stakeholder survey showed above average ratings in all areas. In the most recent national user satisfaction surveys (in 2006), the Council maintained its overall resident satisfaction level at 58 per cent, which puts it among the best performing authorities at a time when most councils' ratings have declined. An above average percentage of residents think that overall the way the authority runs things has got better. Resident satisfaction ratings for most service areas which are measured nationally, including street cleanliness, waste collection, libraries and housing landlord services, are among the top 25 per cent of councils, with only some leisure ratings falling below the national averages.

Sustainable communities and transport

- 93 The Council, with its partners, is building sustainable communities through good integration of economic, social and environmental issues. Successful regeneration of housing stock in areas of deprivation, supported by extensive consultation and external funding, is a cornerstone of the council's achievements. The Council plays a leading role in creating a sustainable local economy and is narrowing the gap between Stockton and the national average in most key target areas.

- 94 The Council is proactive in promoting and supporting a sustainable economy. It has accessed and used over £100m of external funding since 2000 to deliver successful regeneration. The Teesdale area developed by the Teesside Development Corporation has seen a major increase of financial and business services supporting the Tees Valley economy, creating over 5,000 jobs. The reclaimed north shore site is poised for future major developments. A good example of the Council's commitment was provided when in 2003 Samsung closed its factories at Wynyard with the loss of 400 jobs. Working in partnership with the regional development agency, the Department for Work and Pensions and the Learning and Skills Council (LSC), the Council coordinated a major exercise to find alternative jobs for the redundant workers, with the chief executive personally fronting the operation. Ninety per cent of the workers were in other work, training or education within eighteen months, and the redeveloped and expanded Wynyard site is now supporting over 1,000 jobs. These successes have contributed to a high level of optimism about the local economy among residents, standing at 28 per cent compared with the England average of 11 per cent.
- 95 The Council has worked with business and voluntary sector partners to increase the number of people from deprived areas in employment. Neighbourhood Renewal Funding (NRF) has been utilised to assist nearly 600 people in receipt of incapacity benefit into sustainable jobs since 2005. Initiatives include apprenticeship schemes and the employment of counsellors for PANIC (Parents Against Narcotics in the Community). It has also contributed well to the up-skilling of the workforce, for example through delivery of the 'train to gain' contract on behalf of the LSC. Resident optimism about the future of the local economy rises to 35 per cent in NRF areas.
- 96 There has been a vigorous approach to meeting local housing needs. The review of public sector housing stock has been at the forefront of the Council's approach to sustainable communities. Over 8500 homes have been brought up to the decent homes standard; 1000 homes have been demolished and 650 residents provided with new homes. The Council has secured significant private sector funds to realise ambitious plans to regenerate Mandale, Hardwick and Parkfield estates. This has been done with a high level of consultation from residents and input from private sector partners and registered social landlords (RSLs). These projects demonstrate strong links between the elements of the sustainable communities agenda. For example, in Mandale regeneration has created jobs and apprenticeships for local people and a safe, quality environment, with environmental sustainability being addressed through design and build. As a result there are high levels of resident satisfaction within a demonstrably stronger community.

- 97 The Council is working closely with partners to ensure localities have a generally efficient and effective housing market with greater choice for all, although the number of new affordable homes remains low in comparison with other local authorities in England. Partnership working with Tees Valley Living (the sub-regional housing board) is seeking to increase the proportion of equity share homes alongside rent and buy options within communities such as in the Parkfield redevelopment to meet the needs of first time buyers and create more sustainable communities. As a result the Council and its partners are well placed to improve housing choice for those on low incomes and first time buyers.
- 98 The Council has also sought to address the security of vulnerable people. Having undertaken a stock condition survey of sheltered accommodation, it recognised that it was not best placed to meet the needs of the vulnerable people living in this type of accommodation. Consequently the contract was outsourced to an RSL who has made significant improvements to the stock.
- 99 The Council is working with residents to tackle environmental issues. Residents are satisfied with recycling facilities and new working practices are showing early signs of improving the relatively low levels of recycling. The use of a 'waste to energy' incinerator has helped reduce landfill levels below target. The amount of waste collected is reducing but the Council could do more to understand and control its own waste production. A high quality environment has been created, demonstrated through high standards of the cleanliness of public spaces, winning Britain in Bloom 'Best City' in 2007 and the renovation of some of the parks - an area where satisfaction levels among residents are relatively low. Residents are highly satisfied with the 'Care for your Area' services which involve street representatives in a number of communities. These improvements have resulted in high levels of public satisfaction and considerable civic pride.
- 100 Significant local and global environmental issues are being addressed. The Council has recently been accepted as one of 29 local authorities to work with the Carbon Trust on carbon management. It has set a target of reducing its carbon footprint by 25 per cent by 2013. The Council is aware of the need to balance environmental and developmental imperatives. A good example is the Durham Tees Valley airport, in which the Council is the leading shareholder. Growth of the airport is of considerable significance for the sub-region's economic development but, mindful of sustainability concerns, the Council is regulating issues such as noise levels and habitat protection through a developer agreement. In addition plans for the regeneration of Mandale, Parkfield and Hardwick estates have all given consideration to environmental issues such as facilities for recycling, a higher specification for energy efficiency in building plans and access to sustainable transport links. The energy efficiency of public sector housing stock is good, amongst the best performing in England. The measures being taken mean that the Council is well placed to protect environmental quality for future generations.

- 101 While significant initiatives have been completed to improve transport within the borough this remains an area for further improvement. There has been a slow decline in bus patronage and poor public satisfaction levels with the services provided. Recognising this challenge, the Council secured £2.3 million external funding between 2002 and 2005 to try to address the issues and has since invested a further £500,000. It is working with bus providers to introduce real time bus timetabling, and has improved bus services for Ingelby Barwick, providing links to the two major local hospitals. However, there is continuing dissatisfaction with the number of buses, lack of evening services and poor connections to employer sites. Strong relationships with the Highways Agency and highways partners have resulted in significant improvements regarding roads, for example improvements to all 'A' roads in the borough. Investment in improvements to local rail stations and additional cycle paths has led to increased rail usage and cycling levels. The Council has played a leading role in the development of innovative medium term plans to address transport issues across the sub-region, including a Tees Valley metro system and regional bus network improvements.

Safer and stronger communities

- 102 Community Safety is widely acknowledged as a key local priority. It is highlighted in key strategies and partnerships associated with community safety are substantial and strongly supported. At a strategic level the Safer Stockton Partnership has a ten-year history, achieving Beacon status in 2004. It includes representatives from all of the partner agencies as well as Neighbourhood Watch and representatives from area partnership boards. One of the benefits of this inclusive approach is wide ownership and understanding of the priorities and targets set out in the strategy.
- 103 The Council has taken steps to ensure that the views of the community are taken into account when shaping and reviewing community safety plans and strategies. The priorities in the community safety strategy were confirmed after extensive consultation including hard to reach groups and local independent advisory groups (IAG), including an IAG for young people. The involvement of these groups has assisted the Council in taking positive action. For example, when the building of a new mosque prompted local concerns this was highlighted through the IAG group. The Council acted to both inform and involve local residents who were affected, and the resultant discussions led to planning approval for the mosque being given without any significant local objections.
- 104 Community safety initiatives are used to support other council priorities. For example the Mandale housing scheme replaced old housing stock with new social and private housing to support a planned outcome of developing a new, more socially mixed community. It involved decanting local residents from their homes while new homes were being built. The Council's community safety team supported the programme by providing targeted patrols to protect property both as homes were vacated and when contractors moved off site. The team also led in the creation of a community agreement setting out standards of expected behaviour on the new development. Agreements of this type give residents and local landlords a basis for challenging bad behaviour.

- 105** The work of the Council and its partners has led to significant reduction in crime in the borough but this has not been reflected in a reduction in the fear of crime. A three yearly Tackling Crime and Disorder Audit is used to monitor the priorities in the Community Safety Strategy and is regarded as a key source of information by local community representatives to act as a sense check against crime perception. Crime has reduced steadily over the last ten years and targets are mostly being met or exceeded, for example at the end of 2006/2007 the Council reported the lowest ever rate of dwelling burglaries at 10.7 per 1,000 households, well exceeding the target of 16.4. However, the Council has recognised that there are areas where public concern remains high. For example, the net percentage of people who say they feel unsafe after dark increased from 29.4 to 35.9 per cent between 2003 and 2006. Local consultation shows that there is particular concern about anti-social behaviour - people being drunk and rowdy was seen as a problem by 36 per cent of respondents in the recent national satisfaction survey. The Council is tackling these areas of continuing concern through a number of routes.
- 106** The Council is strengthening its ability to act effectively in neighbourhoods. Area liaison arrangements have been transformed into joint action groups involving youth services and voluntary sector groups as well as community safety staff. A new borough-wide team of neighbourhood enforcement officers was created in 2006 to support the police and police community support officers (PCSOs) locally. The officers have powers of enforcement with a particular focus on environmental crime such as fly tipping and graffiti removal as well as ASB and arson. Partners report particular satisfaction that officers are available outside office hours to deal with risks when they are reported. The Council describes its new approach as a shift from a 'report it' to a 'sort it' culture. As a result of these actions far greater numbers of incidents are dealt with, leading to recorded reductions in resident concern about abandoned vehicles, graffiti, property damage and vandalism.
- 107** There is a clear strategy for dealing with drug misuse. The community safety plan has a broad and comprehensive range of interventions and support for drug users ranging from reducing supply to providing housing. These initiatives have helped Stockton achieve good performance in some areas, for example the proportion of drug users in treatment who sustained or completed treatment increased from 47 per cent in 2003/04 to 88 per cent in 2006/07.
- 108** The Council has actively promoted the responsible use of alcohol. Support from the Safer Stockton Partnership has led to joint funding for anti-alcohol initiatives. An award winning campaign called 'Think B4U Drink' has utilised a range of activities to promote responsible drinking including cinema and TV advertising and young persons' resource packs. Alcohol abuse is also being tackled in partnership with the PCT. So far, however, results have been limited and resident concerns remain high.

- 109 The Council has actively promoted the use of new technology to support local people and make the community safety team more effective. Examples of this include the use of handheld technology with radio links to the fire service to report incidents of ASB by neighbourhood enforcement officers. The use of CCTV assisted in 231 arrests by the end of the second quarter in 2007/08. This already exceeds the annual target of 181.
- 110 The Council addresses community cohesion issues but has been slow to develop a strategic approach. There are a number of positive examples of progress, including the creation of a Disability Advisory Group and the mainstreaming of the BME Network. 'Tell us what you think' consultation events have been targeted at disabled and BME communities. The annual Riverside Festival has a strongly multi-cultural flavour. However, these appear to have been responses to particular circumstances rather than the result of a planned and targeted approach. The present community strategy refers to a strategy as 'being developed', with a planned launch date for June 2006, but it has only recently been finalised after extensive research and consultation. While the thoroughness of this planning will lead to better long term results, some ground has been lost in terms of strategically grounded activity.
- 111 Emergency planning arrangements are commensurate with the risks posed by, for example, the 22 COMAH (Control of Major Accident Hazard Regulations) sites within the borough. It is a member of the Beacon Award winning Cleveland Emergency Planning Partnership, which has been recognised for the quality of its joint working arrangements with local category one responders, its 'warn and inform' systems and its links with industry and the ports authority. The Council has made an up to date local risk assessment that informs arrangements and tests them on a programmed basis. There is an annual plan of activities which including some form of activity or training most weeks and involves a live play exercise most months at one of the 22 COMAH sites in the borough. As a result the Council is well placed to handle emergencies within its boundaries and assist across the sub-region.

Healthier communities

- 112 The Council works well in partnership with the PCT and other appropriate agencies to deliver improved health and prevention. Data is shared between partners and integrated senior staff structures are well established. Joint strategies are in place but insufficiently supported by action planning. Successful impacts have been made in areas such as smoking and fuel poverty, and there has been a narrowing of the gap in some areas of health inequality.

- 113** Work on healthier communities is well-integrated between the Council and PCT, with the Council achieving Beacon status for healthier communities in 2005. Joint commissioning arrangements have been in place for five years. The LAA includes mainstream funding from the PCT to support health objectives. A number of senior posts are joint appointments between the two bodies, for example the Council's Head of Adult Strategy doubles as the PCT's Assistant Director: Commissioning. There are already some integrated services, for example intermediate care, but integration is now broadening and deepening. Joint appointments are being extended to third tier management posts. The Council itself is actively engaged in restructuring and integrating its services to both adults and children, moving to multi-disciplinary and co-located services built on shared management information and a common assessment framework. The aim is to develop a family-centred approach based on prevention and early intervention.
- 114** Partners work effectively together but integrated action planning is not evident. The Council and PCT are clear about their respective roles, with the Council leading on prevention, the PCT on treatment and a joint responsibility for care. A public health strategy sets out aims and strategic objectives for the Choosing Health (a government white paper published in 2004) themes: smoking, alcohol mis-use, sexual health, mental health, diet and nutrition, and physical exercise. It identifies partners responsible for delivery, and a joint medium term strategy for adult care services has also been developed. However, both these documents lack supporting action plans, and although some more detailed targets appear in the LAA and the Council's own service improvement plan for adult services, a comprehensive approach to action planning is not evident in this area. A separate BME health strategy identifies issues, objectives and broad actions, but again lacks an action plan. Practically, strategic coordination on health matters has been through the Health Improvement Partnership - a thematic group of the LSP - which is due to be replaced by a Health and Wellbeing Partnership. The partnership is supported by a joint Council/PCT management team to drive delivery. Overall, there is strong joint working but the emphasis on practicality rather than strategy risks uneven delivery.
- 115** Data relating to health is shared between partners. The demographic data provided through the Joint Strategy Unit is supplemented by intelligence from the director of public health. More specific data-sharing is also in place, for example multi area case files for families at risk. Information on health matters is collected through regular residents surveys, including questions on diet, smoking and alcohol consumption. A NRF-funded healthy lifestyle survey in the borough's areas of deprivation has captured valuable data on access and perceptions, as well as immunisation levels, and emotional health. This data is helping the Council and PCT to address health disadvantage.

- 116 Stockton has enjoyed some notable successes in improving the preconditions for good health. The Smoke Free Stockton campaign, featuring a combination of smoking cessation initiatives, support for employers implementing smoking bans, and regulation activity was particularly successful. The Council exceeded its LPSA target on increasing the number of four week quitters, and has brought down the percentage of pregnant mothers who smoke from 23 per cent in 2003/04 to 18 per cent in 2005/06. These results are important as Stockton has a higher than average number of smokers.
- 117 The Council understands the need to address the wider determinants of health. Stockton was one of five national pathfinders for the Warm Zone scheme, which lifted some 6,000 residents out of fuel poverty, and which the Council continued as the Comfort Zone initiative, assisting a further 1,300 households over the past three years. The health impact of housing initiatives is beginning to be monitored. The Council has contributed to funding a project that will measure improvements in the health status of older people in extra care housing schemes.
- 118 On health outcomes there are mixed results. Stockton is designated as a Spearhead area by the government, which requires a special focus on life expectancy, premature deaths and health inequalities. Partners have succeeded in narrowing the gap against national averages for female life expectancy and circulatory disease mortality rates, but not for male life expectancy. Within the borough there is a similar picture, but there has been a reduction in cancer mortality rates between NRF areas and the rest of the borough, which is particularly noteworthy as the gap with the national average has broadened despite a decrease in Stockton's overall rate. Overall there remains a ten-year variation in life expectancy across the borough.
- 119 The Council has begun to address the health of its own workforce but an overall strategy has yet to be formulated. Part of the context here is the Council's poor attendance levels. Concern to improve attendance has led to some much-appreciated initiatives such as the back care programme. A healthy lifestyles team offers a range of packages for staff including health checks, weight management courses and blood pressure testing. The Council is also involved in a national pilot to implement stress management standards. While these are successful initiatives, a more strategic approach linking with sport and leisure opportunities has not yet been developed.

Older people

- 120 The Council is developing a strategic approach to older people. Until recently older people have been part of the Healthier Communities and Adults priority area, with an emphasis predominantly on care. The Council has recently produced a strategy and action plan which goes beyond health and social care, and which is endorsed by the LSP. The strategy is based on consultation with older people themselves and shows a good understanding of local issues. In the sustainable community strategy which is currently in preparation, older people will be added to the major priorities for Stockton as a supporting, cross-cutting priority.

- 121** Community engagement and analysis in this area are good. The Council shows a strong understanding of the demographic issues, for example the growing number of over-85s is identified as a major corporate risk in the Council's risk management strategy. Added to this statistical foundation is an appreciation of the concerns of local older people. An annual consultation event 'Are you being served?' has focused increasingly on the seven dimensions of independence and in 2007 issues raised by participants influenced the evolving older people's strategy. Formal consultation arrangements with older people were rationalised during 2007 with a new over 50s assembly superseding previous duplicatory forums. Segmentation of citizens panel survey returns also provides intelligence about older people's concerns. This means the Council is well informed about the views of its older residents.
- 122** Corporately the Council has not yet fully incorporated the older people's priority into its wider management agenda. The creation of a children's, education and social care department has provided an opportunity for radical and cross-cutting approaches, and already the innovative move to integrated services for older and younger people is progressing well. However, this involves mainly care services at the present point of its development. Cross-council officer forums on older people also relate principally to care issues, though some other areas, for example housing, are also discussed. There is no designated older people's champion among the members, though the portfolio holder for healthier communities and adults is well engaged with older people's issues. Service improvement plans for areas such as community protection and cultural services do not reflect the older people's agenda, and performance management focuses on indicators of older people's health and wellbeing. This restricts the Council's ability to identify and deliver cross-cutting initiatives and services for older people.
- 123** Within the area of social care, performance is good. The Council is rated as two star by the Commission for Social Care Inspection. It is performing well in helping older people to live at home, and quality extra care housing places are being increased. Older people are offered a good choice in terms of care packages, and the number of direct payments has increased, though it remains below the national average. Weaker performance on waiting times for assessment and the delivery of equipment is being vigorously tackled, with unaudited data suggesting considerable improvement. Delayed discharges of care are virtually unknown. The picture is one of a Council providing determined leadership and vigorous performance management in the pursuit of service improvement.

Children and young people

- 124** The 2007 Ofsted annual performance assessment (APA) reported that the council consistently delivers outstanding services for children and young people. However, the joint area review, which is a more in depth investigation into services, found some inconsistencies in social care and youth offending practice, for example with regard to the completion of care plans and recording of chronologies. Arrangements for safeguarding children are good with an effective range of preventative services in place to keep children and young people safe. Continued investment in resources and joint commissioning are leading to improved health outcomes for children and young people, including those who are looked after by the Council. Educational outcomes are good and improvements are being sustained across most of the core subjects. Children and young people with learning difficulties and/or disabilities make very good progress. There is a strong culture of engagement with children and young people, including vulnerable groups, with very good structures for consultation and participation. Children and young people are very well supported to achieve economic well being.
- 125** Service management in Stockton is good. The children's trust board is well established and has successfully brought together strategic planning, joint commissioning and integrated delivery of services for children and young people. There has been good progress in taking forward the establishment of integrated teams and this work has been further enhanced through the appointment of four key strategic jointly funded posts between the council and the PCT. The Board and partners are very ambitious for children and young people and this is reflected in the children and young peoples plan (CYPP). Good attention has been paid to directing resources to priorities with demonstrable outcomes. For example, targeted action is leading to a reduction in teenage pregnancies. However, some areas have been slower to develop, for example, the children's workforce development strategy is in its early stages and some smaller voluntary and community organisations are not engaged well enough in strategy development. There is a strong performance management culture and framework in place, with good performance monitoring arrangements.

- 126** The combined work of all local services in securing the health of children and young people is good. Joint funding of senior management posts between the Council and the PCT has resulted in strong partnership work which is embedded within strategic planning and service delivery. Continued investments and joint commissioning are leading to improved outcomes. For example, the number of teenage conceptions shows a sustained reduction to the same level as statistical neighbours and the teenage pregnancy support unit is held in high regard by teenagers who use the service. The Council has exceeded its target for the numbers of schools gaining the healthy school standard and its performance is among the best in the north east region. There is good access to health services for children and young people with learning difficulties and/or disabilities and for those who are looked after by the Council. Good access to early intervention and treatment for children and young people who misuse substances is having an impact on reducing admissions of young people into hospital with substance misuse and behavioural problems. The Child and Adolescent Mental Health Services (CAMHS) continue to provide services with short waiting times in most areas.
- 127** Children and young people appear safe and arrangements to ensure this are good. The 2007 APA reported that the contribution of services to improving outcomes for children and young people in this respect was excellent. However, the additional depth of on site investigations during the 2007 joint area review found some variable and inconsistent practice in some services, for example in relation to care plans and recording of chronologies in social care and in the youth offending service. Actions to tackle bullying and road safety are effective. Services provide good support for improving young people's sexual health. Most children and young people report feeling safe in their school and in the community. Agencies work well together to reduce the incidence of child abuse and neglect and there are a good range of early support services provided by integrated children's centres and community partnerships with the voluntary sector. The Local Safeguarding Children's Board (LSCB) is an effective strategic body led by a highly regarded chair.
- 128** The 2007 APA reported that the impact of all local services in helping children and young people to enjoy their education and to achieve well is good. Most children make good progress throughout their early years and the proportion of children achieving 78 points or more at the end of the foundation stage is much higher than found nationally. Most pupils make good progress throughout their schooling and gaps in attainment continue to close. Standards of attainment have risen year on year since 2001 and improvements are being sustained across most of the core subjects. However, there are variations in performance at key stage 3 and the joint area review found that this remains the case, as two secondary schools were very recently placed in Ofsted categories. Children and young people with learning difficulties and/or disabilities make very good progress. Children and young people who are looked after by the council are well supported in their education and they make good progress.

- 129** The impact of all local services in helping children and young people to contribute to society is good. The 2007, APA reported that there is a strong culture of engagement with children and young people, with good structures in place for consultation and participation. The joint area review found that it is evident that such consultation has real influence, for example, in the development of youth cafes and youth buses in response to young people's requests for a choice of more informal provision than conventional youth clubs and better access to facilities in outlying areas. Children and young people with learning difficulties and/or disabilities are actively engaged through student councils and the Stockton Disability Youth Forum. All looked after children and young people participated in their reviews last year making Stockton one of the best performing councils nationally in this respect. In contrast to this very positive picture, re-offending rates of young people remain persistently high, despite reductions in the last two years, and the number of looked after young people who have received a final warning or conviction has doubled in 2006/07, albeit with only low numbers involved.
- 130** The contribution of services to improving outcomes for children and young people to achieve economic well being was judged as excellent in the 2007 APA. The joint area review found that children and young people continue to be very well supported to achieve economic well being. The Council is taking an effective lead role in the 14-19 strategy, which is progressing well. Post 16 progression and participation in education, employment or training continues to improve in Stockton. The national vocational qualification (NVQ) success rate for work-based learners aged under 19 showed a rising trend from 49.2 per cent in 2005 to 57.7 per cent in 2006 which was slightly higher than that found nationally. The proportion of young people with learning difficulties and/or disabilities not in employment education or training reduced from 17.5 per cent in 2005 to 13.5 per cent in 2006; improving at a better rate than that found elsewhere in the Tees Valley, north east and nationally. Looked after children and care leavers aged over 15 years all have pathway plans in place. Care leavers feel well supported by the Youth and Leaving Care Team which provides a good service, although there is an over-reliance on bed and breakfast accommodation for a small number of vulnerable young people.
- 131** The capacity of council services to improve is outstanding. Partners have clear ambitions, strategies and plans. There is strong leadership and management capacity, and the prospects for securing significant further improvement through the development of integrated area based services are very good. Value for money is very good; education spending is average and social care spending below average. There is a strong improvement trend in most areas.

Appendix 1 - Framework for Corporate Assessment

- 1 This corporate assessment was carried out under section 10 of the Local Government Act 1999, under which the Audit Commission has power to inspect local authorities' arrangements for securing continuous improvement. The results of the corporate assessment contribute to the determination of the overall CPA category for an authority, which the Audit Commission is required to assess and report on under section 99 of the Local Government Act 2003.
- 2 The Council's self assessment provided a key resource in focusing the assessment activity which included consideration of:
 - key documentation, including the Council's improvement plan;
 - updated performance indicators and performance data; and
 - interviews and meetings attended.
- 3 The assessment for Stockton-on-Tees was undertaken by a team from the Audit Commission and took place over the period from 3 to 14 December 2007.
- 4 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.