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Dear Colin

Improvement Assessment

This letter summarises the key conclusions arising from my work in respect of improvement planning and reporting under the Local Government (Wales) Measure 2009 (the Measure).

I am required to report my audit and assessment work in relation to whether Flintshire County Council (the Council) has discharged its duties and met the requirements of the Measure.

Further to my earlier Improvement Assessment letter of 25 October 2012, this letter summarises:

- my views on whether the Council has discharged its statutory duties in respect of improvement planning;
- my views on whether the Council has discharged its statutory duties in respect of improvement reporting;
- my views, and the views of relevant regulators, on the reliability of the Council's self-evaluation; and
- my further proposals for improvement.

Further to this I will undertake more detailed work on the arrangements that support the Council's performance management and reporting over the coming months.

I shall summarise all of my work and that of relevant regulators during 2012-13 and publish an Annual Improvement Report for the Council by the end of March 2013.

Improvement Planning

The Council has discharged its improvement planning duties under the Measure but it should ensure that it acts more in accordance with Welsh Government Guidance

I have reached this conclusion because:

- the 2012-13 Improvement Plan meets the requirements of the Measure in all but one respect; but
- aspects of the Improvement Plan's structure, content and publication arrangements do not promote public engagement with the Council's priorities as well as they might.

The 2012-13 Improvement Plan meets the requirements of the Measure in all but one respect

The Council published this year's Improvement Plan (the Plan) on its website in late October 2012. Following the May elections, the decision to defer the publication of the Plan enabled the Council to consider how its Improvement Objectives might better reflect the manifesto commitments of the new political leadership. While the Measure requires councils to publish their improvement plans as soon as possible after the beginning of the financial year, I reported in my October letter that the Council's approach in 2012 was reasonable and understandable.

The Plan sets out the Council's priorities for the period 2012-2017. These 10 priorities, which also represent the Council's Improvement Objectives, are wide-ranging. As required, each Improvement Objective complies with at least one of the seven 'aspects of improvement' described in the Measure. The Flintshire Local Service Board has endorsed the Council's Improvement Objectives as supporting the 'County Vision' as set out in the Community Strategy 2009-2019.

The Measure requires councils to report in their Improvement Plans their proposed actions in response to any statutory recommendations received during the preceding year. The Plan does not include this information in relation to the two recommendations contained in my January 2012 Annual Improvement Report. However, the required information is included in the Council's Annual Performance Report, published at the same time as the Plan.

Aspects of the Improvement Plan's structure, content and publication arrangements do not promote public engagement in the Council's priorities as well as they might

The Council's 10 Improvement Objectives are phrased in a way that reflects the Council's ambitions to improve outcomes for citizens over the five years to 2017. For example, the Council has said that it intends 'to protect and grow the local and regional economy, to be a prosperous County and to provide help and support for those vulnerable to poverty'. To support this and its other nine Improvement Objectives, the Council has defined 66 Secondary Priorities which set out in more detail the Council's intentions. These Secondary Priorities are described mainly in terms of actions that the Council plans to take, but each is supported by a small number of planned 'outcomes' and associated 'strategic targets' and 'key evidence'. Many of the targets are quantitative, referring, for example, to an increase or decrease in national or local performance indicators. However, in many cases, the Plan does not include enough information about current performance to enable councillors and readers of the Plan to hold the Council to account for its performance at the end of the year.

In producing a five-year plan, the Council has set out what it intends to achieve before the next local government elections in 2017. Longer-term planning such as this is clearly beneficial. The Plan aims to fulfil two functions; on the one hand, it is an internal management tool while, on the other, it aims to be a vehicle by which Flintshire citizens might better understand what the Council intends to achieve and hold it to account for doing so. In seeking to address these two aims, there is room for improvement in the presentation and content of the Plan.

Though it lacks certain information, the Plan contains more detail than is necessary in order to communicate effectively with citizens. The Council decided not to produce a summary of its Plan and, in doing so, missed an opportunity to engage with the public and to promote its aims and objectives more widely.

The Council acknowledges that, in any particular year, some of its Improvement Objectives will receive greater attention and priority than others. Given that the Measure requires councils to set their Improvement Objectives annually, the Council has agreed that it might usefully consider choosing fewer objectives from among its current priorities so that its focus in a single year is more sharply defined and to encourage citizens to engage more fully with the Council's planning and performance.

Improvement Reporting

The Council has discharged its improvement reporting duties under the Measure but it should ensure that it acts more in accordance with Welsh Government guidance

I have reached this conclusion because:

- the Annual Performance Report for 2011-12 meets the requirements of the Measure; but
- the Annual Performance Report makes too little use of data and other information to support a balanced narrative evaluation of the Council's work in addressing its Improvement Objectives.

The Annual Performance Report for 2011-12 meets the requirements of the Measure

The Council published its Annual Performance Report (the Report) in English and Welsh on its website ahead of the statutory 31 October deadline. Meeting this deadline represents an improvement on last year and partly addresses one of my previous proposals for improvement.

As is required, the Report provides the Council's assessment of its performance against the Improvement Objectives set in the 2011-12 Improvement Plan. The Report includes an explanation of how its content contributes to the Council's statutory duty to 'make arrangements to secure continuous improvement and account for it'.

The Report also includes, as required, an account of the Council's performance as measured by the full set of statutory performance indicators and a range of non-statutory indicators. The data enable readers to judge the Council's performance against the average performance of other councils in Wales and in relation to the Council's own past performance. Flintshire's performance in 2011-12 was better than the national average in over two-thirds of the statutory and non-statutory national indicators. The Council's performance shows an improvement in 28 (72 per cent) of the 39 national performance indicators for which comparison with previous years is possible.

The Annual Performance Report makes too little use of data and other information to support a balanced narrative evaluation of the Council's work in addressing its Improvement Objectives

The Report provides a clear overall assessment, using a 'Red, Amber, Green' (RAG) colour coding, of how well the Council considers that it performed during 2011-12 against each of its 10 Improvement Objectives. Two RAG assessments for each Improvement Objective distinguish helpfully between 'progress' and 'outcomes'. The two overall RAG assessments for each Improvement Objective are underpinned by similar assessments for each of the 61 'Improvement Activities' associated with the Improvement Objectives.

A further RAG assessment of the risks associated with each Improvement Objective contributes to the overall picture, along with a report of any performance indicators associated with each Improvement Objective.

The Council's overall assessment of its performance against each Improvement Objective is broadly consistent with its assessment of the success or otherwise of the contributory improvement activities. However, the narrative in support of each assessment tends to focus too heavily on success; even in those objectives and activities rated as amber, it is difficult for the reader to understand what has been less successful than planned and the lessons that might be learned as a result. The narrative also refers almost exclusively to activity rather than outcomes. As a result, the Council's RAG assessments of the 'outcomes' of its work during the year are not fully supported by the evidence in the Report.

The Council acknowledges in the introduction to the Report that, in its 2011-12 Improvement Plan, the quantitative success measures associated with its Improvement Objectives were limited to a small number of national performance indicators. The Report on performance in 2011-12 reflects the 2011-12 Plan; the measures and improvement targets associated with each Improvement Objective do not, in general, reflect the breadth of ambition implied by the wording of the Objective. None of the measures reported relate, for example, to customer satisfaction or other data stemming from the Council's engagement with its citizens.

The Report is a long and detailed document. Though clearly written on the whole, it does not enable the reader to grasp readily a succinct evaluation of what the Council intended to achieve during the year, the resulting benefits to the public and what needs to be improved in future. The Council has produced a summary report, which is much shorter than the full Report. However, the summary does not succeed in fully overcoming the weaknesses in the full Report as outlined above.

The Report does not, therefore, do as much as it should to enable the Flintshire public to hold the Council to account for its performance. This accountability is further limited by the fact that the Council, in reviewing its work during the year, made changes to its plans and targets, which were not then incorporated into the version of the 2011-12 Improvement Plan published on its website. This process of review and, where necessary, modification of plans represents sound practice. However, readers making a detailed comparison of the Annual Performance Report against the Improvement Plan would find misleading and unhelpful discrepancies between the two documents.

The Council is able to produce balanced, well-evidenced self-evaluations of specific services but its Annual Performance Review is less robust

Social Services and education have produced mature service-specific analyses of their performance, but this maturity is not fully replicated in the Council's Annual Performance Report

The Care and Social Services Inspectorate Wales (the CSSIW) has judged that the annual report written by the Council's Director of Social Services provides a comprehensive and accurate account of the service's performance in 2011-12. The CSSIW also said that, in its self-evaluation, the Council had carefully aligned its evidence to support its evaluation, which was increasingly outcome-focused with measurable targets, underpinned by clearly-defined timescales and lines of accountability for delivery.

Similarly, in October 2011, Estyn described the Council's self-evaluation process with regard to its education services for children and young people as 'adequate' (strengths outweigh areas for improvement). Estyn reported that much of the Council's self-evaluation report was evaluative and used a range of evidence, including appropriate data. As a shortcoming, Estyn found that the Council had not included other stakeholders and agencies or young people well enough in making judgements about quality and standards.

However, within the Council's Annual Performance Report, the evaluations of those Improvement Objectives to which Social Services and education services contribute most extensively are, as described earlier, too focused on activity rather than on outcomes. They offer the reader too little insight into those aspects that have been less successful than planned.

The Council's on-going review of its governance arrangements is wide-ranging and well-evidenced

The Council is undertaking a self-evaluation of its governance, as well as its strategic and service performance and the performance of partnerships to which it contributes. We continue to provide support and challenge to this work and will provide feedback in due course. At the time of drafting this letter, the Council's leadership has yet to decide how best to involve councillors fully in the self-evaluation. However, our early impressions suggest that officers have drawn on a wide range of evidence thus far.

The accuracy of the Council's performance data has improved but there remains scope to improve the use of data in the Council's self-evaluation

I proposed in my 2012 Annual Improvement Report that the Council should improve quality assurance arrangements to ensure that data used to support performance management is accurate and robust.

In July 2012, we reported the results of our audit of the accuracy of a sample of the Council's performance indicators. Though our sample was smaller this year than in the past, the results were encouraging. This year, we qualified none of the Council's performance indicators and we amended only one indicator. The robustness of performance data represents a key building block in enabling the Council and its citizens to place reliance on the Council's assessment of its own performance. However, we have referred earlier in this letter to areas in which the Council might improve and extend the way in which it uses data to evaluate its performance and improve the management of services.

Further proposals for improvement

We suggest four new proposals for improvement in this letter. We will continue, as necessary, to monitor and report on the progress made by the Council in implementing these proposals and others set out in my previous reports and letters.

Proposals for improvement

Improvement Planning

- P1 Within the context of its medium-term corporate planning, the Council should define a set of annual Improvement Objectives that encapsulates its ambitions for the year and communicate them in a form that enables the public to hold the Council to account for its performance.
- P2 Ensure that the Improvement Plan available to the public on the Council's website reflects any changes resulting from reviews during the year, and that any revised Plan includes a record of any such changes.

Improvement Reporting

- P3 Increase the use of relevant data to support the Council's evaluation of outcomes in relation to its Improvement Objectives.
- P4 Improve the balance of the narrative supporting each assessment, drawing out the lessons learned from particularly successful work and from work that has not gone as well as intended.
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Yours sincerely



Huw Vaughan Thomas
Auditor General for Wales

Cc Carl Sargeant, Minister for Local Government and Communities