



## Japan Local Government Centre, London

### Monthly Report for August 2009 (England) – *Is there something I should know?*

#### **Background**

An Audit Commission report has found that many English local councils are not basing their decision-making on reliable data. The July 2009 report, *Is there something I should know?*, argues that many councillors find reports prepared by their officers do not contain the information they need. Other recent studies by the Audit Commission have shown that councils do not handle significant information properly, for instance only 20% of finance directors had all the information they needed to manage their estates properly (*Room for improvement*, June 2009).

#### **Summary**

The report begins by outlining a number of common scenarios faced by local councils:

- data showing a drop in a service's performance but nothing to explain why
- data showing overspending in a service's budget but nothing to explain why
- over-duplication of databases, with no interaction between them
- human resources data months out of date, no realistic picture of how many staff are employed or how much they cost the authority
- data on staff absenteeism unable to demonstrate why or the cost to the council

The report argues that better information management leads to better decision-making and therefore better and cheaper local services. It holds that there is a general acceptance of this among local government and analyses responses by councils to the commission and makes a number of recommendations based on these responses.

The report claims that 94% of councils it spoke to agree that better information management is now a key strategic priority as it helps to improve their services, find savings and manage risks. The best councils have the necessary culture, people and standards to enable this to happen but most councils do not and are therefore missing opportunities to improve services and save money.

It also says that councillors frequently complain that they receive lengthy reports which fail to identify the key information they need to make better decisions. Only 5% of councils consider their data management to be of excellent quality and most admit it is a fundamental problem and a barrier to better services. However, the *Any opinions expressed in this report are solely those of the author and do not necessarily represent those of JLGC or CLAIR.*

Audit Commission argue that better information management is not expensive and can be achieved through using existing resources better. For instance, a high quality intelligence unit could be funded using only 0.2% of each local authority's expenditure and would realise significant savings over time. Cultural change could be achieved in each council by councillors demanding better quality information and valuing analysts more. Despite two thirds of councils identifying a lack of knowledge about data issues among councillors as a significant cause for concern, only half of councils provide any training in this area and almost one quarter provide none at all. Furthermore, 65% of councils admit to problems in sharing data with external partners and a lack of understanding of the Data Protection Act among many officers leads to costly over-duplication and waste.

The report recommends that councils should:

- use self-assessment to identify where they need to improve
- develop an environment where decision-makers demand high quality information
- develop better dialogue between decision-makers and information providers
- invest more in recruiting, training and retaining skilled analysts
- promote a culture of professionalism around research and intelligence within the authority
- through the LGA Group promote a better national culture and awareness of research and intelligence issues and good practice

The Audit Commission for its part has already published a self-assessment framework for councils to identify areas for improvement and a toolkit to drive that improvement. The commission will also assess councils on their use of data as part of the 'use of resources' component under the new Comprehensive Area Assessment, the first results of which will be published in December. Audit Commission Chief Executive Steve Bundred said:

*"Giving decision makers the information they need will help councils make savings while improving services. This is all the more critical in recessionary times and some solutions have little or no extra cost.*

*"It's important that councils have the right information now because many of the decisions that they are going to make in the years ahead will be harder than usual. Information may not sound like an exciting topic, but right now too many councils risk making poor decisions because their information is inaccurate, irrelevant or incomplete."*

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