

Self-assessment: Perspectives and Principles

DRAFT FOR VIEWS – This is a discussion document reflecting some of the early experiences and issues from local authorities and will be updated as approaches to and experiences of self-assessment evolve during 2021-22.

The WLGA would therefore welcome any comments, suggested changes or additions at any stage during 2021-22. Updated versions will be circulated and published periodically on the WLGA website. Please send any comments to jo.hendy@wlga.gov.uk

Introduction

The Welsh Government's guidance¹ sets out the statutory requirements and the Welsh Government's expectations about the purpose of self-assessment. The guidance summarises self-assessment as:

“...a way of critically, and honestly, reviewing the current position in order to make decisions on how to secure improvement for the future. Self-assessment is more than stating what arrangements are in place; it is about considering how effective these arrangements are and how they can be improved. Self-assessment of how the council is meeting the performance requirements places ownership of performance and improvement firmly with councils...It is about a council being self-aware, understanding whether it is delivering the right outcomes, and challenging itself to continuously improve.”

This discussion document seeks to reflect emerging perspectives from local council practitioners and seeks to shape a series of core principles around self-assessment based upon:

- consideration of Welsh Government (WG) guidance;
- reflects a series of exploratory discussions with Heads of Policy and Performance individually and collectively from across Wales; and
- preliminary discussions with Audit Wales (AW)

The series of conversations reflect the WLGA's approach to developing peer involvement in the process; bringing a critical friend perspective from colleagues across Wales to aid mutual learning.

¹ [Statutory guidance \(gov.wales\)](https://gov.wales/statutory-guidance)



This discussion note is an iterative process based on exploring an evolving process. The note needs to be subjected to on-going consultation and peer challenge through wider engagement with chief executives and senior officers, the Office of the Future Generations Commissioner and Audit Wales.

The WLGA has also produced a separate advisory note on ‘Developing and Embedding Self-Assessment Approaches, which has been produced in response to several requests from some councils for additional advice on how to develop and embed a self-assessment approach.

This note is not prescriptive nor is it intended to be a framework for all councils to use; several councils are satisfied their existing approaches to self-assessment will evolve to meet the requirements of the Act and Statutory Guidance.

Principles

The statutory Guidance sets out several principles (paragraph 2.12), in summary:

- Self-assessment is not a fixed judgement.
- It should be a meaningful process to contribute to strengthening local government and not an exercise in compliance.
- The process should encourage honesty, objectivity and transparency about the council’s performance and governance, including its key relationships between political leaders and officers and how these are managed.
- It should be owned and led at a strategic level, involving members and officers at all levels of the organisation and a range of people across communities and partners.
- It should be an evidence-based analysis, understanding what a range of quantitative and qualitative information at the council’s disposal reveals about how it is exercising its functions, using its resources and governing itself.
- It should be focused on outcomes, what has been achieved rather than the process.
- It should not be a standalone process, but integrated as part of the council’s corporate planning, performance and governance processes.

This note distils some of these key principles.

Whilst the requirement for self-assessment is now part of a statutory process, this note is intended to reflect the purpose of the Act in terms of strengthening councils’ corporate performance and planning arrangements. While councils are required to produce an annual report, the focus of this note builds on the concept that this is a self-improvement approach rather than a compliance-based or an external regulatory approach. It also recognises the



need for a *'timely and proportionate process'* that is understood by both members and officers and builds upon existing systems and processes in place across councils.

Overview:

To be effective self-assessment needs to be rooted in day to day working and management arrangements; forming the foundation on which the whole organisation manages its business. Councils that strive for excellence will focus on continually learning, reflecting and improving to gain an understanding of good practice, value for money and how their performance compares over time and to others within and outside Wales. Effective self-assessment provides reliable assurance both internally and externally to regulators and inspectorates and above all helps councils to continually learn and achieve sustainable improvement and better outcomes for citizens, service users and their own workforces.

Based upon the above councils need to ensure that they have self-assessment arrangements in place that:

- **demonstrate self-awareness derived from evidence-based analysis that focuses on outcomes;**
- **are owned and led at a strategic level and are not an exercise in compliance;**
- **further develop a culture of challenge to facilitate improvement as part of an on-going process;**
- **are integrated as part of the council's corporate planning, performance and governance processes; and**
- **enable an organisation-wide assessment rather than an assessment of individual services.**

Demonstrate self-awareness derived from evidence-based analysis that focuses on outcomes:

The Act is designed to promote continuous improvement as part of an improvement journey then the key question is *What and how can we do better?* To begin to answer this councils have to be self-aware in terms of their current performance. To become truly self-aware councils should be able to answer the following questions:

- how well do we know what we are achieving?
- how well are we performing in terms of the things we are doing?
- are we doing the right things in the right way?
- how well are we working with others to do the right things?

To answer these questions councils should undertake evidence-based analysis of performance that has a focus on outcomes rather than processes. The focus on outcomes is



about assessing the extent to which councils' actions have met the needs of citizens and service users, given the resources they have. Essentially it is answering the 'so what' question – what difference are we making to outcomes? This is how the self-assessment should link across to the council's well-being objectives. The evidence to be drawn upon can be either quantitative or qualitative, come from both internal and external sources (including importantly engagement and consultation) and needs to:

- be comprehensive;
- be accurate and verified;
- include trend and relevant comparative information;
- include financial performance, and the extent to which the Council complies with the CIPFA Financial Management Code
- include risk assessment;
- identify potential improvement scope and potential resource implications; and
- be based upon effective engagement with customers/service users, partners, external agencies and their own employees.

The Guidance refers to the need to '*consult a range of people at least once in each financial year about the extent to which the council is meeting the performance requirements.*' Rather than interpreting this as a consultation event, this could be incorporated within existing consultation and engagement arrangements, as noted in the guidance, such as the participation strategy, compliments and complaints, etc. Incorporating this within existing consultation arrangements with a range of stakeholders has the benefit of ensuring that the information being gathered is current, provides evidence of levels of satisfaction with the current offering, evidence about whether councils are doing the right things and facilitates the gathering of suggestions for future improvement. It might, therefore, be useful for councils, when devising consultation strategies to ask themselves; will the feedback provide:

- valid evidence on our current performance;
- assurance that we are doing the right things; and
- suggestions for future improvement.

Owned and led at a strategic level

Self-assessment as a concept and approach is not new to local government in Wales and will be an integral part of ongoing strategic and corporate governance arrangements. If the intention of the Act is to be fulfilled however, it is essential that those charged with providing leadership to councils embrace self-assessment as a self-directed catalyst for improvement, an opportunity for open self-reflection and constructive challenge and not regard its new statutory basis as a compliance-constrained burden.



Such an approach is characterised by:

- strong, evident member and senior management advocacy and ownership of the overall self-assessment process;
- strong and clear ownership, at an appropriately senior level, of actions identified by the self-assessment processes
- the purpose of self-assessment within the broader corporate planning and performance management framework being clearly communicated to all parts of council;
- self-assessment being a council-wide process covering all services (including corporate functions);
- self-assessment being guided by appropriate periodic corporate advice and/or process to ensure consistency;
- self-assessment being a clearly defined mechanism for both enhancing accountability for performance with links to the council's strategic priorities or outcomes and other improvement objectives; and
- self-assessment being an inclusive process across the organisation that involves the workforce and members and builds ownership and empowerment.

Develop a culture of challenge to facilitate improvement as part of an on-going process

If the potential benefits from an enhanced role for self-assessment are to be realised then an organisation-wide culture of challenge should be further developed. Such a development will require effective leadership to promote this cultural shift and, where necessary, the provision of training and development to equip people to carry out the challenge role.

To facilitate this shift, some councils have explored embedding and normalising self-assessment and challenge, by including them within corporate inductions for both staff and elected members.

Feedback suggests that the current emphasis in terms of internal assessment has been for challenge to concentrate on holding to account for under-performance, in terms of missed targets or incomplete actions etc. While such an approach can be considered a necessary component of the challenge required to promote improvement it is not in itself sufficient to drive improvement.

What is now required is a shift away from a reliance on these approaches, referred to by one council as '*punitive performance discussions*', to an approach that is more inquisitive in nature. A balance needs to be struck between challenge based on knowledge of performance in relation to what is being achieved in the form of PIs, targets, actions etc.



and one based on understanding how performance is being achieved through inquiry that is based on understanding if the objectives (outcomes) of the council are being achieved. This can be enabled through inquiry into what is being achieved and what could be achieved and how. This latter form of challenge should not be confined to underperformance but should be a continuous search for possible ways to do things better irrespective of current performance.

The WLGA's sector-led improvement programme will be based on the concept of mutual aid, with political and professional colleagues within the sector providing peer capacity, support and constructive challenge. The WLGA will recruit, develop and support 80 peers during 2021-22 and also has access to peers in England via the LGA. Peers will be involved in the statutory Panel Performance Assessments from 2022, however, would also provide valuable insight and critical friend perspective to councils as part of their self-assessment process.

The benefits of peer challenge and support are twofold: a council benefits from receiving expert and experienced peer perspectives and the participating peers experience other organisations' approaches, cultures and solutions and bring back new organisational, personal or professional insights and learning.

Some have questioned whether councils currently encourage a culture where such constructive challenge can be facilitated or welcomed and whether participants in the process, senior officers and members, need to be encouraged and supported in this new approach to self-assessment, including training and development to facilitate an anticipated shift in the nature of the challenge that will be required.

Integrated as part of the council's corporate planning, performance and governance processes

Integration is achieved through:

- an ongoing process of self-assessment that is timed effectively to transparently inform and influence strategic planning, financial management/budget processes, improvement planning and reporting, risk management and other corporate and performance management processes;
- self-assessment that informs the extent to which a council's well-being objectives are being achieved;
- self-assessment that informs and supports working with other partners and organisations to better achieve objectives;
- self-assessment that links into HR strategy, leadership and succession planning, performance appraisal arrangements and training/development ;



- self-assessment that informs not only service improvement, but also service contraction (where relevant) and new forms of service delivery where potential may exist;
- self-assessment that complements and supports other existing corporate and service assessment exercises such as the Annual Governance Statement, social service self-assessments and other performance management arrangements; and
- self-assessment outcomes that support timely shared learning across the organisation.

Enable an organisation-wide assessment rather than an assessment of individual services

It is important that self-assessment encapsulates lateral themes such as governance and leadership. The self-assessment process should be corporately led, rather than service-led, as such self-assessments need to take a holistic view of performance and, as noted in the Guidance, take into account:

- people
- finance
- assets
- planning
- procurement
- risk
- performance management

While these are presented here as a discrete list there will be occasions when it is possible to look at them in an integrated way. For example, changing work patterns as a consequence of the pandemic will have implications for people in terms of the mix between home working and attendance at a place of work. They will also have implications for asset management as maintaining the current estate becomes subject to review. There will be financial implications as cost savings accrue, cost pressures develop and there are associated risks not least in relation to the well-being of the workforce.