

Lancashire County Council Annual Report Research 2008

Fieldwork: May 2008

Report for Corporate Finance Team
Resources Directorate

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1 Executive summary

Lancashire County Council produces a number of different publications on its finances and financial information. The Annual Report is an important summary of the council's financial and performance results that is published in the county council's Vision newspaper. To ensure that it meets the needs of the public the county council's Central Finance Team commissioned research to inform the report's production. The research took the form of a focus group of members of the public to gain a qualitative understanding of the success of the report. The county council's council tax leaflet was also discussed as an introduction to financial and performance information.

Whilst the use of a focus group gives only indicative evidence, there were clear views given on the publication as it stands. The Annual Report met with approval from the group, which is similar to the approval the previous Statement of Accounts received in a similar research project in 2005. It was thought successful in its aim of providing a summary of council financial and performance information. A particular aspect praised was that information was provided on areas when the council has not met its targets, and the number of key performance indicators that have been missed. This was seen as giving the report the required level of transparency, which is seen as the most important priority for the report. The provision of information on the previous year's performance was also seen as important, as it allowed some assessment of whether services were improving.

The appearance of the report was generally seen as satisfactory by the group, and the ratio of financial to performance information and the report's length were seen as about right. The format of presenting performance information in terms of the corporate objectives was seen as a good idea as it gave a spread of services. However there were many suggestions for different areas to report on for each objective that would be seen as more relevant than those contained in the document. These are highlighted in this report.

The recommendations for the Annual Report are to:

- continue both providing previous years performance data to add depth, and indicating some areas where key indicators have been missed, to show transparency and balance;
- consider adding or changing some of the performance measures to those suggested by the focus group in the report (where possible and practical); and
- keep the layout of the report similar to its current state in future, or if photographs are added, ensure that they are directly relevant to the issues discussed, to prevent them being seen as distracting.

2 Introduction

Lancashire County Council produces a number of different publications on financial and performance information. The Annual Report is an important annual summary of the council's financial and performance results that is published in the county council's Vision newspaper. This research project aims to investigate the report and whether it meets the public's needs. It follows on from a similar research project in 2005, which investigated the Summary Statement of Accounts (containing only financial information); this has now been superseded by the Annual Report which also contains performance information.

3 Research objectives

This research was commissioned to enable the Central Finance Team, within the Resources Directorate, to give them a greater understanding of stakeholders' views of the Annual Report.

The objectives were to:

- understand the preferences for financial information;
- understand the preferences for performance information; and
- to investigate how the report can be improved in future.

4 Methodology

A focus group discussion was held with members of the public from the Life in Lancashire residents' panel. It was facilitated by Lancashire County Council's research and intelligence team. Ten members of the public agreed to attend, though only five members of the public attended the group.

5 Limitations

As only one focus group was undertaken, the findings should be taken as indicative. There is the opportunity to conduct further groups to test out the validity of the Preston group should the need arise.

6 Understanding qualitative findings

Qualitative research deals with the why and how people take various actions or hold various perceptions. Two of the key strengths of qualitative research are that it allows topics to be explored in detail and enables us to test the strength of people's opinion. However, it needs to be remembered that qualitative research does not allow conclusions to be drawn about either the extent to which something is happening or percentages of respondents who have certain attitudes and opinions.

Qualitative research is designed to be illustrative, rather than providing statistically representative data. Participants may hold views based on incorrect information; these perceptions are reported here. There is also sometimes a tendency for qualitative discussions to elicit critical views. It is important to remember that the views expressed do not always represent the views of the groups as a whole, although normally these are representative of at least a significant minority.

7 Qualitative research findings

7.1 County council services and communications

The first section of the focus group asked the attendees for their background knowledge of the county council. The services they thought the council provided included education, dog wardens, social services, roads, care services, public transport and parks. They also thought that fire and police services were both controlled by the council, which was because their Council Tax goes towards both of these. This was also found in the 2005 results, showing that confusion as to what services the council offers continue. For funding though, they did correctly think that this came from Council Tax and central government.

When asked what communications the council provides, a variety of possibilities were suggested. These included citizens' advice, welfare rights, registrars, contact centres, the council's website and Vision, (though initially it was thought this was a Preston City Council publication).

There was a variety of opinions on the suitability of the different communications channels. One point made was that many people don't have access to the internet so they don't have access to the information. Contact centres were not seen as a preferred source of information due to problems accessing the right section and also in getting through in the first place.

When information comes through the door they felt it was passive but could be informative if people actually read it. One participant said they read most things that come through, another said they will tend to file them without reading while another was less keen on mailings through the door.

"Anything I haven't asked for goes into the bin".

7.2 Council Tax Leaflet

The next section of the discussion looked briefly at the council tax leaflet as an introduction, as this contains financial information as well as some performance information, and is widely known. Indeed, all attendees had received the leaflet, and the Preston area county council leaflet was passed out to each person for their comments.

Some participants had read it and found it easy to understand, "because it didn't say much". There was confusion regarding the leaflet though, as it

mentioned both district and county council services, and also included four pages on the fire service. They did not find the leaflet useful generally.

The performance figures in the leaflet were thought to be statements of fact rather than performance and as they didn't give any context to the figures were not considered helpful. The group would have liked to have seen a comparison or benchmark with previous years figures (especially), or alternatively other council's results. One example was that the number of school bus services supported was quoted in the leaflet but there was a suspicion that many had been withdrawn. The previous year's figures would be required to check this.

For the financial figures in the leaflet, again more information was thought to be needed, with comparisons with previous years to allow estimates of the value for money to be made by comparing the cost and performance between years. In the example of refuse collection on the leaflet, there was a desire to know if it cost less to collect more, and therefore had improved.

"All it tells you is how much and at what cost"

Some attendees also thought that who was accountable for the success of each service should be made clearer.

Despite all these points, it was also mentioned that they didn't want it to be a big document by putting too much information in it.

One person pointed out that the 4* rating from the Audit Commission was a good result and ought to be displayed more prominently.

7.3 Trust of communications

There was a mixture of levels of trust of council communications, particularly around performance, though there was a general suggestion that the council will always try to put itself *"in the best light"* and therefore should be treated with caution.

"Everyone is deeply sceptical of communications"

There was a desire for negative results to be highlighted to balance the positive and improve trust. Comparative data was also mentioned again as a means of improving trust.

7.4 Lancashire County Council Annual Report 2006/7

The Annual Report is contained in one edition of the county council's newspaper, Vision, so each member of the group was given a copy of the newspaper with last year's account to look through.

When asked about Vision, while some attendees do read it, several said they did not receive it, or alternatively did not realise they received it.

"You can easily miss it with all the junk mail"

"If you want Vision read, deliver it separately"

For the statement of accounts itself, (on the centre pages of the October edition), the first impressions were generally very positive.

"Presentation is very good"

"Well laid out, good balance"
[between performance and financial information]

The length was also seen as right: if it was any longer it would not be read.

The participants were particularly keen on the fact that the performance information included negative information, such as the number of key performance indicators that were missed in the year, and that a target for street lighting repairs had not been met. The presence of comparative data with the previous year was also appreciated.

"At least someone is admitting failures"

"Lends it a bit more credibility"

There was disagreement among the group when asked how likely they would be to read the annual report. Some attendees thought they would read the annual report, while more said they would not, and others said they would just look at the charts. This was more due to the subject matter than the style though, as there was general approval of the presentation, which was described as *"very clear"*. There was a general consensus that while the subject matter was always going to mean that not everyone would read it, it was important to produce reports such as this to ensure transparency. It was also noted that a contact person for further information was provided, which was seen as a good inclusion.

7.4.1 Areas of performance information

The group attendees approved of the method of presenting performance information by corporate theme as this meant a spread of areas were covered. Also as mentioned previously there was appreciation of both the previous years results for comparison and that some negative results were displayed. There were some suggestions on preferred areas to cover for all the themes in future though, (with the exception of “a place where people can get help if they need it”). It is important to remember that these were the suggestions of the group and may not be possible in all cases.

A place where people can feel safe

This was entered as the time taken to repair faulty street lights in 2006/7. The participants thought this wasn't a strong determinant of how safe they feel and thought a measure such as Home Office measures of crime, numbers of police on the beat or information on CCTV would be better.

A place where people can enjoy a high quality environment

Litter and waste were seen as the most important areas for this theme.

A place where people can work and prosper

This measure was listed as the number of jobs created through Lancashire County Developments Ltd. There was a desire to know how much creating these jobs had cost to estimate the value for money. The group also wanted to know whether these were relocations or new jobs and the number of redundancies in the county to compare.

A place where people can learn and develop

This was measured by school attendance and exam performance. It was also suggested that it might be worthwhile to include some information on adult education as well.

A place where people can travel easily and safely

The figures for road closures due to roadworks were not believed because of the group's experiences of closures around Preston. There was a preference for road information over public transport information.

A place where people can lead healthy lives

The figures around schools with healthy status were not considered relevant, with a preference for more direct health measures.

One other measure that was suggested by several attendees was to include performance information on contacting the council by phone, as this was seen as particularly important.

7.4.2 Comparison with another publication

The Lancashire 2006/7 report was then compared with an equivalent annual report from another county council. This comparator report had been held up as an example of good practice, and provided quite a contrast to the Lancashire County Council version, with a more colourful background, and a variety of photographs. This comparison still had tables and pie charts, but also included more text on individual services. It was approximately the same length as the Lancashire County Council report.

Perhaps surprisingly, the use of photographs in the comparison report was not preferred by the group, who thought the pictures were not really relevant to the report, too generic and '*didn't draw you in*'. There was a feeling that the pictures were there to distract from the real issues: one participant found them "*irritating*". It is possible of course that it is the generic pictures chosen that is the problem here, rather than having pictures themselves. More relevant photographs could possibly be an asset. The group thought the extra pie charts in the Lancashire version were better than the photographs because they gave information.

Another key difference between the Lancashire and comparison report was that the comparison included a message from a senior councillor and a senior officer. There were mixed views amongst the focus group as to whether this would be a benefit to Lancashire's report, with roughly equal support and opposition.

The wording in the comparison document was also highlighted, with a quote of the percentage of household waste "sent for recycling" drawing comment, which ties in with the scepticism of council communications mentioned earlier. The actual statistic the group wanted was the percentage of household waste "that had been recycled". This relatively subtle difference in wording made the group suspicious that waste taken for recycling had not actually been recycled and might have ended up in landfill. They were therefore suspicious of the whole report, and this is an important consideration for council publications generally.

*"If you see something you don't believe
it means you don't believe everything else"*

8 Conclusions and recommendations

This research has provided a valuable update and comparison with the work undertaken in 2005. It has again shown that overall financial information is required by the public, and so it is important for the county council to continue communicating it in a variety of ways.

The Lancashire County Council Annual Report 2006/7 was generally well received by the focus group, who thought it was successful in its aims of providing a summary of council financial and performance information. A particular aspect praised was to provide information on areas when the council has not met its targets, and the number of key performance indicators that have been missed. This was seen as giving the report the required level of transparency, which is seen as the most important priority for the report. Therefore it will be important to continue this aspect, and also to ensure the language is clear and open, which while not mentioned for the Lancashire report, was flagged up as a concern with the comparison report. The group pointed out that they were inherently suspicious of council communications generally, and therefore clarity in the text will help reduce this.

The appearance of the report was generally seen as satisfactory by the group with the ratio of financial to performance information and the length seen as fair. The content was seen as the more important aspect to improve, and there were many suggestions for different areas of performance to report on rather than the areas given on the report. It may not always be relevant to include these (eg where they are not measures of county council performance), but the preferred list of services in the report gives a great number of suggestions for improvement which should be considered. One particular point worth considering is the suggestion to include some information on the performance of council contact services, since these were seen as particularly important.

The council tax leaflet, which was examined briefly as an introduction to financial and performance information, was seen as less successful than the Annual Report. There was confusion as to the leaflets purpose, and even who it was from, as it mentioned county and district council services, as well as the fire service. It was also seen as important to include more relevant service information and particularly comparison information with previous years to add content. More positively, all the attendees had seen the council tax leaflet before, whereas none had seen the Annual Report previously.