

Episode 3 – Opportunities for Change

Betsan Powys:

Welcome to episode three of The Exchange. And Adrian Crompton and I, Adrian has been Auditor General in Wales for nearly the past eight years, moving on next summer. And this has been an opportunity to discuss the challenges facing public services in Wales. But I think we both agreed, I'm Betsan Powys political commentator here to prod and to ask questions.

But I think we both agreed that we're rather enjoying this by now.

Adrian Crompton:

Oh, yeah. having a whale of a time should have done this years ago.

Betsan Powys:

Is it cathartic just to get to spell some things out I guess before you head off?

Adrian Crompton:

It is absolutely you know and as I said earlier I think it's really important to try to for me to try to surface some of this because I'm very conscious you know what we see not all of it goes reported or seen necessarily and yeah we do some brilliant work at Audit Wales and I want people to know about it and take notice take note of it.

Betsan Powys:

Good well we've certainly been spelling out problems so episode two was all about the challenges facing the public sector in Wales and public services and I hope you agree that that's been useful.

Put simply you know less money, more demand, less trust and confidence, perhaps more complex ways of trying to run things, let alone huge global challenges. So, you know, episode two was full of pretty chunky stuff.

But we've been promising episode three that we're going to move on to some sort of solutions or opportunities to improve things. And you know there's an old joke, Adrian, you're lost in the countryside, you stop to ask the way of someone who's

local and you say, how do I get to over here? And they say, well, to begin with, I wouldn't be starting from where you are.

However, this is where we are. So let's start at our feet. And, well, the basics and getting those right. That sounds easy. It's a good headline. Can you just unpack that for us a bit, what that means?

Adrian Crompton:

Absolutely. I think that is where we need to start. You know, we face a productivity challenge within the public sector, I would say. One way of unlocking that is to make sure we're focusing on some of the basics.

And I'd point to three big themes within that. Our approach to digital and how we...

Betsan Powys:

Because we haven't really mentioned technology as a solution yet.

Adrian Crompton:

But it's massive. You know we all see it in our personal lives, but it matters hugely for public service delivery. And the potential there is enormous.

So start with digital. I think workforce challenges, recruitment, retention, development and so forth is a theme that comes up time and time again in the work that we do at Audit Wales.

And thirdly, our investment in capital infrastructure, new kit and buildings and roads and so forth. How we deploy that is super important, but also how we maintain that is super important. And it's one of the areas I fear that's been neglected in parts through those years of financial squeeze. It's easy to pull back on that in the short term, but unfortunately it's a false economy.

Betsan Powys:

So let's talk about digital then. And I suppose as a mean old journalist for many years, you know you'd think immediately of the stories about fantastic new digital technology that was going to come into various services, quite often the NHS, education system, and make things better. People were going to be able to find out about things. Things weren't going to fall between two stools. They were

going to talk to each other and then things go wrong. It's a terrible white elephant. It's a waste of money.

How can this be part of the solution to the new systems we invest are the right ones?

Adrian Crompton:

Yeah, well, it absolutely is part of the solution of that, I've no doubt. And we already see good examples of where that's happening.

Now, at one level, what we're talking about here is replacing some out-of-date antiquated systems. But we also need to be talking about how we develop people with the skills and capacities to work in that environment when those skills are in demand everywhere. How do we attract them in into the public service and keep them there?

Most importantly, I would say, when we're talking about digital, we need to keep the focus on people, on the citizens we're trying to serve, on the services that they are looking to obtain.

Betsan Powys:

So what do they need out it?

Adrian Crompton:

Exactly. So it's not just about implementing your new flashy IT system. It's about reshaping your whole model of service delivery, exploiting technology to help you do that more swiftly, more cheaply, more effectively. But build it around what your client group actually wants.

Betsan Powys:

And are we doing that are we managing that?

Adrian Crompton:

In some places already in some places undeniably yes. We took a look at this recently in the local government sphere, the picture is patchy.

You know, approximately half of our local authorities had up-to-date digital strategies in place, were cracking on in delivering them, but the other half didn't.

Betsan Powys:

And is that down to people, or the people there, the leaders, or is it down to they had less money, less will?

Adrian Crompton:

It's... Like all things in life, it's about what you prioritise and where you put your your focus. Leadership matters always in all things, I would say, when it comes to public service delivery. If you've got leadership that wants to make it happen and that's the thing you want to prioritise, then that's where that will happen.

So definitely a patchy picture in that sector that needs to be addressed. And remember, that you know, this is a sphere where so much of their service delivery is to their constituent residents. So real frontline service provision.

In the NHS, you know, a huge sector where the scope for efficiency and improved patient service through better exploitation of technology is huge and recognised.

But an example, I would say, where we've been far too slow and fragmented in our approach to delivery.

So over the course of the years I've been in in this role, we've reported several times on a big programme of change called the Community Care Information System. Everyone recognises the need and the good sense in sharing data using a common system across the whole of the country.

And yet that has been slow and cumbersome and patchy in its delivery with too much regional variation and so forth, governance, information challenges, all causing ah obstacles to the bigger picture. And so, you know, it's not been achieved with anything like the pace and directness that I think it should have been.

Betsan Powys:

So, look, I ask this carefully, but it seems to me that they would come back to central government and how they pushed the implementation. I mean, they would have wanted it, they would have demanded it.

If it's patchy and isn't working, is that not their fault?

Adrian Crompton:

Central government can't do everything. It's a big old system and absolutely the right thing to do for, in this case, health boards and NHS bodies to take operational responsibility for delivery.

At the same time, though, the Welsh Government is always the system leader, ultimately.

Betsan Powys:

The buck stops there.

Adrian Crompton:

Yeah. And so um I wouldn't call the Welsh Government out for failing to act in every single case where, you know, a system is not implemented as rapidly as possible change is not effecting as quickly as we'd like to see.

But ultimately, they create... the environment and send the most powerful signals to the system about what to prioritise and what matters.

Betsan Powys:

And those could be clearer?

Adrian Crompton:

Yeah, yeah, undoubtedly. You know, um ah we see that in many... aspects of our work. We discussed in the previous episode the work we did around cancer services, where I was calling for clearer, sharper system leadership.

We see that manifested in many cases through our work. um you know In respect of digital, it's as much about aligning the priorities and the performance and accountability framework so that we have everyone ah pulling in the same direction, crystal clear about what they're going to be held to account for delivering.

Betsan Powys:

You've come back throughout these episodes to people, that it has to be in the end you know about the people you serve. So let's go to the people who work in the public sector, the workforce. Lots of challenges, as you say, about retention, about people being in the right places, how much they're paid, the attraction of other sectors and so on. So how can they be part of the solution in Wales?

Adrian Crompton:

I've lost count of the number of reports that we've published where we've pointed to workforce challenges as being part of the constraint, part of the opportunity for improvement. And that might be capacity within the Welsh Government Civil Service.

It might be in any a number of aspects in relation to the and NHS or in the education services, well-rehearsed shortages of some specialisms there, right down to really specialised, quite small professions, but super important.

So we've done work, for example, looking at planning inspectorates and planning departments in local government. Also flood defence specialists and building surveyors you know these are not huge industries for the public service but super important so absolutely you know attracting people into public service training them up retaining them within the public service has to be part of the long-term solution as said earlier to unlocking productivity and a higher performance.

Betsan Powys:

Okay so that's two areas we've looked at we've talked a lot about value for money I think you call it VFM don't you here at the Audit Office because it's something you think about a lot and I guess generally the headlines are about a lack of value for money or people complaining because they don't think something is value for money.

But I suppose you can't really tell if something really is value for money unless you've got the data to crunch and therefore to know if something has done well for you or not, whatever that decision was.

So what about that point around data and gathering data so things can be proved to be value for money or otherwise?

Adrian Crompton:

Yeah, yeah, absolutely. Absolutely. There undoubtedly needs to be a step change in the quality, availability, shareability of basic data and information right across the public service. All too often, you know, through our work here, we are unable to draw a conclusion about whether this policy or that programme or this level of spend is delivering good value for money because we don't have the data. The organisations delivering on the ground don't have the data.

So, everybody suspects it does and they have a gut feeling but they can't prove it. An example um from earlier this year was a report we published on the government's investment in active travel measures: Several hundreds of millions of pounds invested over the last few years in developing active travel initiatives.

Unfortunately, what the government is not clear about is what change that is leading to or indeed precisely what kind of outcomes they're expecting it to see. Now, it's not for me to give a view on the merits of that policy or any other policy.

But when resources are tight, you have to prioritise, you have to make choices. And better to make those choices based on evidence and evidence of what is actually working and what is most effective.

But unfortunately, as I say, all too often, we can't reach those conclusions. We can't point to that evidence because we're not collecting the information in the first place.

Betsan Powys:

And are we not doing that? Are we back to the same problem as we might be with another solution, technology? Because it means spending in the here and now, and the money isn't there, and people having to make tough choices.

Adrian Crompton:

It doesn't sound like a top priority for resources when money is tight, does it? Let's spend money on a survey or collecting data and creating a system of management information. It doesn't sound like a top priority.

But if you neglect it, and if you neglect it in a significant way over a period of years, then you arrive at the situation we're at, at the moment, where it's really hard to evidence what's working and what isn't.

Betsan Powys:

On value for money, um one of the points, I guess, might have brought people possibly to this podcast because they want to know about it is, you know, how the assets that are already in the public sector are being used. Now, you might be talking about buildings, you might be talking about peoples and systems and so on.

People might see, large office blocks and, you know, they might see crumbling hospitals. However they come to it, I imagine many would question whether those assets are being used as they should, being maintained. I think some point you made in in the second episode are being maintained as they should.

So is there something to be leveraged there or is that just too complex and difficult a place to go?

Adrian Crompton:

No, absolutely. It's an important part of this picture. Two aspects to it, I guess I'd point to.

Number one, there's the new capital investment that is undeniably needed across our public services. The Welsh Government oversees at the moment something in the order of £3.5 billion pounds of capital spend each year.

Betsan Powys:

And as you've said, a billion pounds is a lot of money. £3.5 billion is a heck of a lot.

Adrian Crompton:

So, number one, if you're spending that sort of money, you've got to spend it wisely.

Now, to their credit, the most recent piece of work my office has done that looked at how the Welsh Government is he planning that spend and managing that spend is a really positive one.

So we can see a clear thread running between the investment plans and the strategic objectives of the government. So they're joining up what they want to achieve with the investment. That's good.

However, you know, benefits that are anticipated or envisaged aren't just going to magically appear. To secure those benefits is going to require consistent, high-quality project and programme management and, bluntly, better programme and project management than perhaps we've seen on some occasions in the past.

So that's one aspect, you know, the new investment that we need to see. But there's a slightly less exciting but just as important element to this story as well, which is about maintenance and routine asset management.

Betsan Powys:

It's not sexy, is it?

Adrian Crompton:

It's not sexy.

Betsan Powys:

But your point is important. It gets you excited.

Adrian Crompton:

Certainly it's important. It is super important. Going back to what we've discussed previously about you know the persistent squeeze on resources over time, I can understand why budgets for routine upkeep and maintenance, they get squeezed. In the short term, you probably don't notice much impact, but over time you do.

And we're starting to see that come through now. I think and it manifests obviously back to this productivity point you know it's one of the things that will hold us back if we want to increase the number and pace of operations and procedures that we want to deliver in the NHS it's harder to do if the environment is poor or unfit for use similarly in our schools similarly on our roads networks and so forth.

A consistent, well-planned programme of routine asset maintenance is super important. And addressing the backlogs in that spend that have built up over many years, I'm afraid, is one of the things that undoubtedly needs to happen.

Betsan Powys:

And as you say, that will cost a lot of money and it isn't your job to say what therefore ought to be cut. But to be clear, other things would have to be cut, wouldn't they, in order to spend the money on maintenance?

There are no easy decisions left.

Adrian Crompton:

There are no easy decisions, but, you know, public service leaders take choices about where to spend money all the time.

And what I'm saying is that this is one area where we have to take some tough choices. Because if not, we're simply storing up more trouble for ourselves and even greater costs further down the line.

Betsan Powys:

And you bring us to another solution, which is long-term thinking. And we've already said in episode two how tough that is for leaders who have decisions to make that they know will be scrutinised while they're still at the helm, and some of the good decisions they might make in the long term will you know benefit someone after they've long gone. And you know that's tough, but that's what political leadership is about, as we know.

So that long-term thinking, how do you make that shift so that expenditure is thought of in terms of benefits in the long term and the next generation, I guess?

Adrian Crompton:

It is really hard. We work to shorter term time cycles, politically and for executive leaders. You know, they're managing budgets and issues in the here and now.

Betsan Powys:

And the cycles are getting shorter, which is a point to worth making. Absolutely.

Adrian Crompton:

On the plus side, you know, we have the framework legislatively in Wales already that is intended to drive us in that direction in the shape of the Wellbeing of Future Generations Act.

So that says to pretty much the entirety of the of the Welsh public sector, we need you to act and we expect you to act. And this goes from the Welsh Government right the way through the system, to act in a way that does think about long-term impacts. That does think about prevention rather than addressing symptoms, that encourages us all to collaborate, to integrate our services and to involve the public in shaping services.

So we already have a legislative framework that guides us in that direction.

The work that my office has done to examine how effectively that legislation is being applied 10 years after it was brought in is that we can point to plenty of examples that are positive, examples of good practice, but is it actually changing the nuts and bolts of how the public sector operates, driving that system-wide shift in behaviours?

Not yet it isn't.

Betsan Powys:

So how do you make that shift? I guess I'm going to press you because solutions is what we're all about in in episode three. What does central government need to do?

Adrian Crompton:

Yeah, well, there are things that all parts of the system need to do.

Work at my office over the last five years has been working with every part of the public sector and giving them our recommendations on what they can do to implement the act better.

But the big national report that I published earlier in the year had recommendations which were aimed solely at the Welsh Government. So as our system leader in Wales, they create the environment in which the rest of the public service operates.

So to your point about long-term thinking, how do we encourage and support that? Well, I would say the Welsh Government needs to send a coherent, consistent set of policy and spending decisions to the system.

So when we say we want people to act for the long term, it's not helped if simultaneously we're sending signals that say what matters most is this short-term target.

It's not helped if we're saying, well, you can only know have some certainty about your budget for next year. and no further. It's not helped if towards the end of the year a bit of money becomes available and we push that out into the system and ask people to spend it sensibly, but they've no guarantee that it continues next year.

If it's capital spend, they've no guarantee that they'll see the revenue support that they need to make that effective. None of this is easy. The Welsh Government itself has uncertainty about its future that's financial position.

But it needs to do more to work with the system, to give it as much clarity and consistency and coherence so that we're all pulling in that same direction.

Betsan Powys:

In fact, you just used the word targets and was thinking, I can't believe we've reached episode three without using the word targets.

But I guess, you know, to that point around trust, I think it's fair to say that, ah you know headlines are so often about targets not being met and they're there so often that you don't notice them anymore. It's almost as though, you know, as service users, people don't expect targets to be met anymore and aren't sure what the sanctions are when they're not met. So are targets part of the problem or part of the solution from the Auditor General's point of view?

And that's quite a pained look on your face, I have to say, that question.

Adrian Crompton:

Well, I think it's probably a bit of both because, um you know, it would be pointless for me to sit here and say, let's all think about the long term. Let's all worry about what's five or 10 years down the line.

And hope that it magically appears in five or 10 years' time when we've all moved on. That's nonsense. So short term measures and milestones and stepping points absolutely are part of the picture.

Brings us back to that data point and that we talked about earlier. So you know whether you're on track or not, and I can well understand why also it's important when there are issues of really sharp, immediate priority that the right thing to do is to say, no, we've got to tackle this now. We've got to tackle it right now.

But just stepping back from that, we've got to make sure that all that sits together, meshes together, and that we're not sending conflicting signals that's driving us to act in one way contrary to the longer-term objectives that we've got.

Betsan Powys:

I think all of that in the end takes us back to leaders wherever they might be. So what's your message to them as far as being part of you know an improvement is concerned, being part of a solution, an opportunity to make things better?

What do they need to do?

Adrian Crompton:

Well, leaders in my line of work are primarily executive leaders. though That's the group that I'm focused on and work with the most.

Political leaders locally and nationally are clearly part of the picture as well. But I think the message for us all as leaders in the public service is the same. Some of the challenges that we've explored are really difficult. And even the solutions that that I can try to offer are difficult to implement.

So the challenge for leaders, I would say, is to be really honest with the public about what those choices facing us are, what the trade-offs are, and the consequences of taking one path or another.

Betsan Powys:

And in the days of social media, instant response, you today elections coming around very often, that's really tough, isn't it? But we don't make it any easier, I have to say.

Adrian Crompton:

We've got to try. And I hope that the Audit Office, as part of the you know kind of bedrock of our system, can play our part in trying to lay out some of those choices and options as we see them. Honesty and courage in spelling out those messages is super important.

The delivery point that we explored earlier is also really important because those choices are going to be difficult. And that means it's going to be hard to bring the public on board.

You know, no one wants their local hospital cuts or their local school to be affected negatively, you know. So taking the public with us on a journey that involves those sort of difficult choices requires us to deliver some of the basics of public service reliably as often as we possibly can.

And there's a third element for me in leadership, which is the one we touched on ah previously, which is about integrity and honesty and transparency in our leadership behaviours.

I'll repeat, I recognise just how difficult these roles in public service are, however, the public have a right to expect us to demonstrate the absolute best in how we conduct ourselves, the integrity with which we hold our offices, and really focus on the highest possible levels of governance in every part of the public service.

We have to do all of those things simultaneously, I would suggest.

Betsan Powys:

Is that an attack? It's a point you've chosen to make a few times. Is that, you know, an honest attempt at, talking straight to the public, telling them how bad things are, telling them why you're making this decision and knowing it won't be popular.

Do you feel that's under attack?

Adrian Crompton:

The ability to make that, it's so hard to do. I really understand that. And as you say, in a world where as soon as you say it, know you will be attacked yourself from other angles, even more so. I don't underestimate that at all.

But what's the alternative? I don't see one so that's why we're in positions of leadership that's why we need to speak the truth as we see it from our roles.

Betsan Powys:

and one more point perhaps around you mentioned the complexity of the systems in which these people work and various boards and you're meant to collaborate so we'll create another board for you and we'll take create something else over here and these hundred bodies that you have to keep an eye on how they how they spend their money. I suppose the solution to an over complex system is to simplify it. It sounds terribly easy again but is that it?

Adrian Crompton:

It is I'm afraid and you know,

Betsan Powys:

A t-shirt with 'stop it' when you know people are about to create another board!

Adrian Crompton:

I've got a phenomenal job, and It's challenging at times, but I'm very grateful that to I don't have to offer all the solutions. Often I can point to the to the weaknesses or things that need to change.

Every structure and organisation and process that we have in the public service is there for some good reason. It comes from a good place and is intended to do something positive.

Put it all together and you've got something that's overly complicated. So fortunately, it's not for me to say which part of the system needs to go or which part needs simplifying. But somebody needs to. But it does need to be simplified.

And that doesn't mean we need less collaboration and less integration and less communication. If anything, we need more. but we need to simplify the

structures, simplify the, and clarify the lines of accountability that are involved in that so that we can do things better.

Very least we should be doing is not adding more complexity into the system. And, and you know, eight years ago, my predecessor in a similar sort of mode um made exactly this point. He saw it then as I see it now. If anything, the system now is more complex than it was back then.

Betsan Powys:

Well, I promised people a short, sharp episode, but there was a lot to talk about, wasn't there? And a lot to make note of, I have to say, ah in what you, Adrian Crompton, had to say.

We're going have one more episode. That one, I promise, will be short and sharp. But everything these days seems to be forward facing that terrible term. And this last episode will be too.

But thank you for listening to episode three. And I hope there was a whole lot in there that you found interesting. Bye, and see you in episode four.

Rhian Jones:

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