Review of Departmental Reports

Committee Office Scrutiny Unit
Overview

- Media criticism
- What to look for in a Departmental Report
- Key findings from 2005 reports
- Common failings
- Good practice
- Areas identified for improvement
- Scrutiny Unit activity
Media criticism

“A climate of spin, double-counting, low staff morale and weak leadership were also highlighted.”

The Times (26 Jan 2006)

“The department was "well intentioned but sluggish and sometimes muddled".
The department is "falling short of the high standards of coherence and transparency we expect to see in its annual report."

Public services (3 May 2006)

“The failure to disclose fraud, mismanagement, incompetence, adverse reports by independent consultants, indeed wilfully trying to cover up this catalogue of failure from the public and Parliament."

The Guardian (8 March 2006)
What to look for in a Departmental Report

- General aims and objectives
- Public Service Agreement (PSA) targets – 2004 spending review
- Efficiency gains
- Investment strategies
- Core financial tables
- Report on better regulation
- Other information in the public interest
Key findings from 2005 reports

- Analysed 21 DRs published in June 2005
- Some common deficiencies
  - Lack of information/detail
  - Confusing presentation
- Some good practice
  - Summary tables
  - Systematic approaches
Common failings: financial reporting

- Figures presented in core tables, but lack of explanation on key variances

- Failure to link expenditure to objectives
  - Can’t judge whether PSA targets met at reasonable cost or not

- Lack of cost-benefit analysis of initiatives entered into during year
  - Can’t determine the value for money
Common failings: *efficiency agenda*

- Lack of detail regarding some efficiency initiatives
- Other initiatives described, but only small savings
- No progress report for some initiatives identified in Efficiency Technical Notes
Common failings: assessment of performance against targets

- Data underpinning many targets can be subject to uncertainty
  - Where admitted, it is a problem
  - Where not admitted, even more concerning
Common failings: assessment of performance against targets

- Difficult to follow logic of assessments
  - No reference to figures
  - Lack of data as agreed in technical notes – use undefined internal evaluations instead
  - Assessed as “on course” despite decline from baseline
  - Assessed as “on course” despite currently being “too early to say”
Common failings: *commentary on performance against targets*

- Commentary on performance often lacking
- Particularly regarding slippages
  - Need to know why these happened to judge whether serious problem or blip
- Insufficient discussion of future initiatives designed to improve performance
Good practice

- Linking expenditure to objectives
  - Core financial tables split spending by objective

- Assessments of progress towards targets
  - Summary assessment tables/traffic lights
  - Systematic approach to making assessment
  - Future required trajectories
Good practice

- Commentary on performance
  - Explanations of performance and lessons learned

- Reconciliation of targets
  - Summary tables mapping targets over time
Areas for improvement

- Documents need to add value – not simply adhere to guidance
- Should provide sufficient information in most accessible manner
- Balanced reporting
Areas for improvement

- Notes accompanying core tables
- Direct linking of expenditure/resources to outcomes/targets (at objective and initiative level)
- Comprehensive discussion of progress on efficiency and reconciliation with ETNs
- Full information regarding quality of data
Areas for improvement

- Consistently expressed and logical assessments
- Details of information outside of measures described in technical notes
- Full commentary on past performance and discussion of future initiatives
- Reconciliation of current objectives and targets and of targets over time
Scrubity Unit activity

- Influenced Treasury guidance
- Disseminated best practice
- Held seminars with Treasury and Whitehall officials across all departments
- Providing expertise and support
- Follow up report in the Autumn