

The use of evidence in the audit, inspection and scrutiny of government: summary of research findings

Sandra Nutley¹, Ruth Levitt², Steve Martin³ and William Solesbury²

- 1. University of Edinburgh Business School**
- 2. Independent researchers affiliated to University of Edinburgh for the duration of this project**
- 3. University of Cardiff Business School**

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Introduction

Audit, inspection and scrutiny (AIS) play an increasingly important role in holding central and local government, the health service and other statutory public services authorities to account for the implementation of policies and the delivery of services. AIS bodies are charged with making evidence-based assessments but there has been relatively little independent research into how they use evidence in making their judgements. What sorts of evidence do they seek? What analytical routines characterise their work? What relationships do they build with the people and organisations they scrutinise? In short, how does the evidence they gather inform the conclusions they reach?

The project reported here was funded by the Nuffield Foundation from 1st January 2008 to 30th September 2009 to undertake a detailed study of evidence use in AIS work.

Objectives

The objectives of the project were to:

- 1) Identify and analyse, in partnership with a range of AIS bodies, how evidence is gathered and used in a set of actual audit, inspection and scrutiny activities. This addressed the question: *what forms of evidence collection and evidence use characterise AIS activities in different settings?*
- 2) Assess whether and how that use of evidence has contributed to the utility and legitimacy of their work. This addressed the question: *what impact do evidence-based practices in AIS have on the utility and legitimacy of that work?*
- 3) Identify principles and practices for the use of evidence in AIS work that are appropriate to its changing roles. This addressed the question: *what are the key principles and practices for effective evidence use in different situations?*
- 4) Extend understanding of the relationship between evidence and decision making, by complementing earlier work on the executive activities of government. This addressed the question: *what are the key similarities and differences between the use of evidence in AIS work and the use of evidence by government?*

Methods

In order to shed light on these issues the research team worked with eight agencies which undertake a range of different types of AIS activity (Table 1). Between them these agencies cover four similar kinds of activity: service based inspections; corporate local authority assessment frameworks; value for money studies; and scrutiny committee enquiries. They also encompass AIS bodies from England, Scotland and Wales which enabled the research to examine whether there are any differences in the ways in which evidence was gathered and used by such bodies in different parts of the UK.

Table 1: Case study organisations

	England	Scotland	Wales
Service-based inspection	Care Quality Commission	HM Inspector of Education	
Corporate local authority assessments	Audit Commission	Audit Scotland	
Value for Money studies	National Audit Office		Wales Audit Office
Scrutiny committee enquiries	LB Harrow scrutiny committee		National Assembly for Wales

The research focused on eight projects that were selected in consultation with these organisations from their ongoing portfolios of work (Table 2). The organisations provided access to people and papers connected with the project, so that the research could observe and analyse the design and workings of the projects. The data collection and analysis methods employed combined document analysis, non-participant observation at public and closed meetings and hearings, and interviews with the key players. The emerging findings were tested through bi-lateral meetings with each of the eight AIS organisations, and a workshop involving all eight organisations to explore the overall conclusions and implications of the research.

Table 2: Case study projects

AIS organisation	AIS project studied	Brief description
Audit Commission (England)	Comprehensive Area Assessment (CAA) Summer Trials	CAA is a new (2009), joint assessment of the overall outcomes sought for the area as a whole and its people by the local strategic partnerships (LSP). CAA involves seven inspectorates working jointly to gather and analyse evidence and thereby to assess the capability of LSPs to deliver improvements that their area needs. The 2008 Summer Trials tested and refined the CAA methodology in preparation for 1 April 2009.

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Audit Scotland	Best Value Audit (BVA) of a local council	BVAs are a comprehensive assessment of the performance of a council. They are undertaken by a specialist BV team and are a selective and tailored audit based on an assessment of risk. The BVA study involved the use of self-assessment and secondary data and the gathering of primary data primarily through surveys, focus groups, interviews. It ran from March 2008 to January 2009.
Care Quality Commission (England)	Health care associated infection (HCAI) inspection programme	The HCAI inspection assesses (acute) NHS trusts' annual compliance with certain duties of the Hygiene Code; it uses experts to inform the assessments. Assessments seek evidence of breaches. The programme commenced in April 2008.
HM Inspectorate of Education (HMIE, Scotland)	Inspection of the impact of the implementation of the 'teacher's agreement'	This impact review of the teacher's agreement (TP21) was requested by the Scottish Government. It was undertaken by a team of HMIE inspectors. It involved the use of secondary data and the gathering of primary data through focus groups, interviews and classroom observations. This particular aspect task that began in June 2008 and ran until November 2009.
London Borough of Harrow Scrutiny Committee (England)	'Review of delivering a strengthened voluntary and community sector'	This large scale scrutiny focused on the local authority's relations with the local community and voluntary sector, including issues of collaboration, funding, and the use of community assets and premises. It also addressed the involvement of the police and the Primary Care Trust. It was undertaken by a group of councillors and co-optees from the community and voluntary sector with staff support. It ran from March to December 2008.
National Audit Office (England)	'Supporting People with Autism through Adulthood'	This VFM study examined the provision of services - including health and social care, education, benefits and employment support - for adults with autism and their carers in England. It included surveys, focus groups, discussions and interviews with service providers and their clients and cost modelling of alternative provisions. It ran from January 2008 to April 2009.
National Assembly for Wales Scrutiny Committee	Sustainability Committee's 'Inquiry into carbon reduction from energy production'	The committee scrutinized the Welsh Assembly Government's policies for meeting carbon reduction targets. It had previously considered residential carbon reduction, carbon reduction by transport and carbon reduction by industry and public bodies. This fourth stage of its work was concerned with carbon reduction from electricity generation (including renewable energy). The enquiry started in May 2008 and its report was launched in May 2009.
Wales Audit Office	Value for money study of 'Making the connections: Asset Management'	In support of the 'Making the Connections' strategy, the WAO is auditing improvements in the efficiency of Welsh public services. This includes a four year study of good practice in asset management which started in 2008 and is focused on four areas - fleet management, buildings management, plant, machinery and equipment and IT assets. The case study focused on fleet management (first half of 2008) and buildings management (2009).

A common framework was used to structure each case study and this facilitated systematic comparisons between them. The framework covered eight main issues:

- The genesis of the project;
- Its purpose and focus;
- Management of the activity;
- The forms of evidence gathering;
- The processes of evidence use;
- The assumptions which underpinned the project;
- How findings were reported; and
- The impacts and benefits of the exercise.

The research was particularly interested in the ways in which the use of evidence was influenced by factors such as the prior knowledge and assumptions of those undertaking the AIS activity; the purpose of the exercise; and the relationships between stakeholders. It is also examined the ways in which evidence influenced the judgements reached, how proportionality was exercised, and how AIS project teams decided at what point they had amassed sufficient evidence.

Findings

Given the diversity of the case studies, the nature of evidence gathered and used varied considerably. However, a number of overall findings did emerge and these are summarised below.

What evidence is sought and what counts as good evidence?

Most of the observed AIS work involved fairly conventional forms of evidence and evidence gathering. Common methods included the analysis of documents, written and verbal evidence, site visits, enquiry visits, interviews and the use of secondary performance data.

Some of the projects (including the work of the NAO and the NafW's sustainability committee) had well developed traditions of evidence gathering. Others (notably the CAA trials) were developing and/or refining their methods. However, most AIS bodies had to balance the desire to minimise the burden which they placed on both those being investigated and those providing information with the need to ensure that findings were seen as legitimate. Legitimacy often involved two considerations. First, that evidence gathering had been inclusive in the sense of taking account of different stakeholders' perspectives. Second, that it was robust and could withstand challenge.

The aim of the AIS work, the status of the organisation undertaking it, and the resources available to it all influenced the approaches that were taken to evidence gathering, as did the organisations' own traditional modus operandi. Some took a

predominantly deductive approach which involved starting with some propositions or hypotheses and gathering evidence to test, refine and possibly refute these starting points. Others used evidence to compare organisations against explicit criteria or standards. A third group took an inductive approach which involved more open-ended sifting of evidence in search of answers. But even in the latter cases the kind of evidence that was gathered was shaped by implicit assumptions about and/or prior knowledge of the subject area.

Most of the AIS bodies experienced significant problems inspecting or judging outcomes. The lack of counterfactual data and the likelihood of time lags made simple cause and effect relationships unlikely and attribution difficult. There were also larger questions about 'whose outcomes' should be taken into account. In some cases, for example, local service providers had different priorities to those of central government. For all these reasons, it was often easier for AIS bodies to focus their attention on processes and/or organisational attributes that were assumed to be linked to desired outcomes rather than identifying and assessing the outcomes themselves.

The sharing of data and evidence with other bodies is becoming an increasingly important issue for several of the AIS bodies included in the study, and in some cases there was simply too much evidence to handle. There were significant variations in the approach to data handling across the eight case studies. In theory developments in electronic information and communications systems should make the handling/sharing/ pooling of data much easier. In practice though there are often problems with different evidence formats, time frames and protocols, which undermine greater confidence in these methods.

The use of self-assessment also varied across the case studies. In some cases it was seen by inspectors as a way of gauging 'self awareness', rather than as part of a process of co-production in which self assessment and external assessment were treaty on equal terms.

How does the evidence gathered inform the conclusions and judgements that are reached?

AIS findings were related to the evidence that was gathered, but the relationship between evidence and findings was not simple or straightforward. Findings were always mediated by interpretation. Evidence and judgements often evolved in parallel with the interplay between them shaped by a range of different factors including: the professional reputation of the AIS body and the organisations that were being scrutinised; the evidence gathering methods; the experience of the AIS bodies; and the tacit knowledge and intuition of investigators. Political judgements were also often very important, shaping the nature and impacts of AIS work - before, during and after the projects were undertaken.

Evidence was used in different ways in different case studies. In some instances it was used to arrive at a set of findings. In others it was used to verify propositions that had been determined early on in the process. In some it acted as a trigger for intervention in failing or underperforming organisations. In others it was a means of

highlighting good practice. In one case it could be used in prosecuting those organisations failing to comply with minimum standards.

Moderation and clearance processes were in different ways built into all of the case studies. They were often very important influences and could change not just the tone of reports but also the judgements that were made, sometimes without consideration of any significant new evidence.

What impact do evidence-related practices in AIS have on the impact and legitimacy of that work?

We found that the perceived legitimacy of AIS reports depended in part but not exclusively on the evidence base. It was also influenced by the professional expertise of those undertaking AIS work, the composition of AIS project team or committee, adherence to expert frameworks, and co-production of findings.

The mechanisms for checking on the implementation of recommendations and for evaluating impacts vary. In several cases follow up was built into the process, but on the whole follow-up processes after publication of the AIS report are not seen as particularly significant, and they can compete with the current workload, so have not been well developed.

Most of the AIS bodies saw their work as being conducted on behalf of the public. However, there was often minimal direct public involvement. Evidence from citizens and service users did not loom large in any of the case studies, although some proactively sought views from the voluntary and community sectors. Nor were members of the public usually involved in judgement processes. The mechanisms for informing the public about findings varied considerably. Some AIS bodies went to considerable lengths to broadcast or publicise evidence gathering sessions and/or reports. In general there was, however, relatively little public interest in proceedings, although in some cases user groups were active in responding to or commenting on reports. There was a widespread view that AIS bodies needed to guard against a divide opening up between professional experts, who do the investigations, and the 'ordinary' recipients of them. Evidence gathering and analysis can become too sophisticated for non-specialists to be able to understand readily, although there is general agreement that reports should be accessible to the public. This requires attention to issues such as presentation and formatting, though it is not a call to 'dumb down' reports.

The impact of the eight projects was difficult to assess, partly because many had only just been completed by the end of our study and some have still to publish their reports. Some investigations appeared likely to have a direct impact (feeding into policy and/or practice in an instrumental way), but more often it seemed that any influence would be indirect, for example helping to shape subsequent policy debates and ways of thinking. However, there was a general feeling among the eight organisations that the economic downturn is likely to lead to increasing attention to the impacts and value added by AIS activities. Several of the bodies believed that the development of robust approaches by which to evaluate the effectiveness of AIS was a priority for future research.

Concluding remarks

There has been an expansion of AIS activities in recent years and AIS bodies have been accorded a prominent role in systems that seek to hold public services to account and help them to improve. In this context, detailed empirical examination of how auditors, inspectors and scrutineers go about their business is important and this research has contributed to that body of knowledge, particularly with relation to how AIS bodies gather and use evidence. The research team is continuing to analyse the case study data summarised here and further publications will explore these issues in more detail.