

# The role for leaders in creating an accountable culture in public services



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## CfPS

The Centre for Public Scrutiny is an independent charity, focused on ideas, thinking and the application and development of policy and practice for accountable public services. CfPS believes that accountability, transparency and involvement are strong principles that protect the public interest. We publish research and practical guides, provide training and leadership development, support on-line and off-line networks, and facilitate shared learning and innovation.

## SOLACE Enterprises Limited

SOLACE Enterprises Limited is a well-established and successful consultancy specialising in supporting the public sector. They are part of the SOLACE group of businesses and are solely owned by SOLACE (Society of Local Authority Chief Executives and Senior Managers). SOLACE Enterprises operates commercially on 'not-for-profit' business principles reinvesting any surplus income to fund public sector research and policy development.

Although initially specialising in local government they have for a number of years worked right across the public sector providing interim and permanent recruitment solutions, development and organisational consultancy to a wide range of organisations. Its customers include local councils, health trusts, police, fire and rescue, housing voluntary sector organisations and private sector service providers.

# Introduction

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This report on how leaders can create a stronger culture of collective accountability for the outcomes which they and others are responsible for delivering has emerged from a CfPS December 2013 roundtable discussion. Sponsored by Grant Thornton and chaired by Barry Quirk CBE, Chief Executive of Lewisham LBC, the event marked the end of a series of activities for our tenth anniversary.

In this collection our leading contributors capture the contribution of accountability to transformational change in three key areas:

- Enhancing local public leadership
- Providing credible external challenge to unblock an unwillingness to reform
- Increasing devolution and public trust.

In response, CfPS proposes a potential solution to a number of the issues identified: a local Public Accounts Committee for every place. This could facilitate greater devolution by providing assurance to central government, create a powerful high-profile local mechanism to hold leaders collectively to account and improve the links between Parliamentary and local democratic accountability. We see it as building on the important work led by the Local Government Association (LGA), to demonstrate the quality and effectiveness of local leadership in taking responsibility for improving local government and turning it into the most efficient and trusted tier of government. CfPS welcomes LGA's offer to work with us and involve us in the proposed LGA-CIPFA local finance commission to develop the thinking further.

It is important to state that the idea of local PACs is not a route to re-creating a central regulator such as the Audit Commission: it is a radical new form of local democratic accountability focused on improving collective responsibility across local public services for delivering outcomes for their local communities. We would also emphasise that we do not see it as a stand-alone institution, but rather as a package of reforms around developing a more place-based approach to managing tax and spend decisions at local level.

It could take different forms in different places and operate flexibly depending on need and the degree to which public services are joined up in a local area. The key principles, however, should be constant:

- led by democratically elected councillors
- focused on shared accountability for outcomes across a number of agencies
- having a clear line-of-sight to and from parliament
- creating a single, transparent forum for accountability for the public.

This short collection of essays builds on the conclusions of our longer **10th anniversary book of essays 1** by eminent thinkers in the field of public services, reflecting on the state of accountability in 2013. We think it provides not just a fitting conclusion to our tenth anniversary celebrations but also a clear pointer for our next decade, with three key 'asks' for policy-makers and the powerful:

- 1 A genuine commitment from those at the centre to devolving tax and spend powers to local government, with the flexibility to join up public services to deliver shared outcomes across local areas.
- 2 A genuine commitment in parallel with the above from those at local level to strengthening mechanisms for local accountability beyond four-yearly elections: stronger devolved and joined-up decision-making powers require stronger devolved and joined-up scrutiny and accountability.
- 3 A genuine commitment from all decision-makers to place citizens and service-users at the heart of decision-making, learning from their feedback and moving to co-produce solutions in partnership with communities.

We are grateful to SOLACE Enterprises for supporting this publication and to all those who provided comments on our 'beta' version of this report which have been drawn on in refining the final version. We are still developing our thinking around the local Public Accounts Committee idea and welcome further comments and suggestions on how we can collectively strengthen public scrutiny and accountability for the next decade and beyond.

**Jessica Crowe**

Executive Director of the Centre for Public Scrutiny



1 [http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/L13\\_199\\_CFPS\\_Essays\\_web\\_full\\_2.pdf](http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/L13_199_CFPS_Essays_web_full_2.pdf)

# The importance of accountability in helping leaders improve and lead

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Legend has it that public service management was once a simpler affair. There was once a time of tight business units, delivering straightforward services to a homogenous community. It suggests a smooth and reliable flow of income into local government and a sense of clarity about any problems and their solutions.

I suggest that such stories are probably mere myths, and that the realities of governing local places have always provided the challenge and complexity to strain the most ambitious and talented leaders and managers. Yet the attributes that individuals working in the local government sector do need have certainly evolved over time and many of the skills, knowledge and concepts of today would feel alien to those working in local government only a few decades ago. Just the amount of time spent working closely alongside colleagues from other organisations demonstrates how much has changed over the last twenty years.

## What skills should senior management have?

Last year at Solace we undertook an investigation into how those skills had changed for the Chief Executives and senior managers of today and, more importantly perhaps, those of tomorrow. By asking our membership of more than 1200 we got a fascinating insight into the development of senior roles and what factors help individuals to succeed.

Of course, we were reminded that the core business management skills still form the important building blocks of success. The skills which the **Solace report 1** describes as transactional, such as financial, staff or performance management, retain an important place in the senior manager toolkit. But these need to be complemented by both transformational and contextual skills.

Key transformational skills are well documented and include areas such as vision setting, management of change, partnership working, and communications. It is the 'contextual' skills that seem less tangible but are no less important in shaping a successful path through the 'wicked' issues which local government faces today. The Solace report summarised these skills as 'leading place and space', 'leading during complexity and ambiguity', 'leading entrepreneurial organisations' and 'leading through trust'. It is these skills which allow Chief Executives and senior managers not only to operate within the new environment, but also to understand and influence the development of that environment. How each operates will depend very much on local circumstances, for example, this will include relationships and role definition with politicians. The operation of these skills will also be affected by the nature and vision of the local community and the preferred method of operation of the local authority

itself. But importantly they emphasise the increasing weight attached to both understanding and influencing the internal and external environments across which local councils now act.

## Value of accountability to insight

Accountability plays an extremely important role in understanding the context in which an organisation operates. Perhaps there can be a tendency to focus on accountability, and within that scrutiny, as a linear process of holding an individual to account for their decisions and actions. Clearly this is extremely important but accountability goes far beyond the 'double checking' that things are going ok.

We found that senior managers are using the mechanisms of accountability as an important tool in understanding and influencing the context in which they are acting.

In its most simplistic form this can be through the consultation mechanisms a local authority might use or through an investigation by the council's own scrutiny function. And this insight can be extremely valuable. Cases across the public sector, most notably perhaps at Mid-Staffs but certainly not exclusively, demonstrate the fundamental importance of our accountability mechanisms to the correct shaping of local services. Where these mechanisms are ignored or fail, we find problems almost inevitably follow.

## The rise of informal power

From a local government perspective, the role and operation of formal accountability mechanisms in how local public services are held to account have shifted dramatically in recent years. The most obvious example is that of academy schools and their independence from local government. But in many ways this trend reaches back through the changes in social housing provision to the rise of competitive tendering and outsourcing.

While in a formal sense local authorities have lost direct control in some areas, this means the need for a greater reliance on informal power if councils are to influence the direction of the localities that they serve. From economic growth, housing, education to health, local government may not always hold the direct control, but are now able to influence and increasingly recognise that to do so is an important tool in place shaping.

If councils are leaders of place, then chief executives need to work with their elected politicians to be the advocate, hub, facilitator and supporter of all aspects of the development of local communities. This is more than managing and contributing to partnership arrangements. It requires



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creating a local identity, community cohesion, engaging and representing the community, balancing conflicting priorities within the community, resolving complex challenges and creating new 'whole system' approaches to problems.

Limitations on council resources and direct power restricts the ability of councils to resolve issues unilaterally and entirely by themselves. So chief executives and senior managers also need the ability and judgement to know when, when not and how to involve themselves in the work of other stakeholders. Such joint accountability is increasingly critical so that other organisations can also benefit from the local insight and feedback that only local government can bring through its unique local democratic mandate and multi-service responsibilities.

The changing context of local government means we need to add another string to the bow of successful leaders. We need chief executives that are able to support other organisations as well as their own, and who feel comfortable being held to account and able to acknowledge that the results of that accountability are of crucial value to their own organisations and to others.

**Graeme McDonald**

Director of the Society of Local Authority Chief Executives



1 [http://www.solace.org.uk/knowledge/reports\\_guides/SOLACE\\_leadership\\_skills\\_screen.pdf](http://www.solace.org.uk/knowledge/reports_guides/SOLACE_leadership_skills_screen.pdf)

# Renewing accountability at the top of government: a Parliamentary Commission on the Civil Service

Cassius:

*"The fault, dear Brutus, is not in our stars,  
But in ourselves, that we are underlings."*

Julius Caesar (I, ii, 140-141)

None of the members of the Public Administration Select Committee (PASC), which I chair, came to the committee with any profound experience or expertise in managing Whitehall departments or in leading public services. And yet, the CfPS 10th anniversary roundtable: The role for leaders in creating an accountable culture in public services on 3 December 2013 confirmed we are on the right road towards understanding the real challenges we face. The roundtable contained a group of real experts, but what struck me most from our discussion was that how it reaffirmed so much of what PASC have discovered from our inquiries. What was most refreshing is that we have found ways of talking about leadership, change and values in public services which seemed to be new, but also consistent with the experience and knowledge around the table.

## Leadership and Whitehall

PASC has spent most of its energy this parliament on looking at how Whitehall could work better. We have reported on two inquiries (**Who Does UK National Strategy** [1](#) and **Strategic Thinking in Government** [2](#)) into the capacity for strategic thinking in Whitehall; on **Change in Whitehall: the agenda for leadership** [3](#) and **Leadership of Change** [4](#); as well as into the profound changes in public services being demanded by technology (**Government and IT** [5](#)), by society (**The Big Society** [6](#)). Finally, we published the results of a yearlong inquiry on the future of the Civil Service (**Truth to Power: how civil service reform can succeed** [7](#)). We have built up a consistent picture of why things in the public sector tend to keep going wrong. It is about identifying the right kind of leadership. We found that the government's programme of "incremental change" in Whitehall as set out in the Civil Service Reform Plan lacks strategic coherence, because it hardly addresses the question of what kind of overall leadership today's Whitehall and our public services truly require. Whitehall's faults lie in itself.

Uniquely, our report contained only one recommendation: that Parliament should establish a Joint Committee of both Houses to sit as a Commission on the future of the Civil Service. This should be swiftly constituted, so that it can report before the end of the Parliament with a comprehensive change programme for Whitehall, to be implemented over the lifetime of the next Parliament.

The Prime Minister, the Minister for the Cabinet Office and the senior Civil Service are united in resisting this call, albeit for different reasons. On the one hand, for the Prime Minister, such a commission is regarded as a distraction from winning the next election. On the other, within the Civil Service, there is a degree of denial about the failings in Whitehall. There is a collective inability to see from within what Whitehall has become.

## Failing culture of Whitehall

In December, PASC's recommendation was reinforced by the House of Commons Liaison Committee, the committee of the Chairs of all 33 Select Committees. It does not often produce reports, but it unanimously backed the call for a Parliamentary Commission into the future of the civil service.

Today's Whitehall exhibits some of the key characteristics of a failing organisation. Most people know the system is failing, but few inside the system know how to talk about it. There is a pattern of meetings where things are agreed, after which people leave and say something different. And the leadership are often the last people to understand the true scale and nature of the challenge they face. The culture of Whitehall has become more and more 'political', where everything has to be presented as better than it really is, and things that go wrong are most often blamed on individuals or previous governments.

The Liaison Committee took examples of recent failures as case studies when we cross-examined the Prime Minister in September. This included the overcharging by G4S and Serco for electronic tagging, the West Coast Main Line franchise fiasco, the delays to Universal Credit, the problems with the UK Border Agency and the collapse of the flagship for defence procurement reform, the GoCo. We were not convinced by the Prime Minister's insistence that the fundamental challenges facing Whitehall can be addressed in the normal course of government.

Much government focus is on the failure to develop and retain skills and capabilities in such fields as implementation, procurement and project management. Ministers also complain about their decisions being blocked or unreasonably delayed, but nobody can escape from the conclusion that all such problems arise from failures of leadership amongst ministers and senior officials.

## An external review of Whitehall

Who is accountable for this? The Institute for Government (IfG), raised concerns that the structures of accountability in Whitehall are opaque, outdated and avoid clarity about who is responsible for what, to whom and with

what consequences. This was a major theme at the CfPS roundtable; that the culture of the civil service appears resistant to any form of a more open accountability.

PASC found that there was a conflict between the requirements of the traditional Haldane model of ministerial accountability—which makes ministers responsible for all that occurs within their department—and the demands of modern politics. This has not been properly addressed by the Civil Service Reform Plan.

The Liaison Committee was also “*unconvinced*” that the Civil Service Reform Plan is “*strategic*” and concludes: “*the Prime Minister’s evidence to us in September did nothing to suggest that the Government has a coherent analysis of why things in Whitehall go wrong.*” No independent witness to the PASC inquiry suggested the government’s present programme of reforms would succeed in creating the transformational change which is required. Instead, witness after witness such as Whitehall historian Lord Hennessy, former BP Chief Executive Lord Browne in his speech to the IfG, and former Cabinet Secretary Lord Butler, argued that a comprehensive and independent review of the Civil Service is long overdue.

Ministers plead that their reforms represent a consensus and have wide support, but this is not incompatible with the view shared by more and more people that only an analysis conducted from outside the system will generate sufficient understanding of the deeper questions of why things go wrong, what needs to change, and how it should be changed. This is not so much about systems and structures, but about behaviour and attitudes amongst ministers, officials and advisers. If this challenge is not taken up, Whitehall will become less and less able to meet the challenges which face our country.

**Bernard Jenkin MP**

Chair of the House of Commons Public Administration  
Select Committee



- 1 <http://www.publications.parliament.uk/pa/cm201011/cmselect/cmpubadm/435/435.pdf>
- 2 <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmpubadm/1625/1625.pdf>
- 3 <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmpubadm/714/714.pdf>
- 4 <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmpubadm/1582/1582.pdf>
- 5 <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmpubadm/715/715i.pdf>
- 6 <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmpubadm/902/902.pdf>
- 7 <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmpubadm/74/74.pdf>

# Is a radical change needed in the institutions of government?

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We are living through a period of political uncertainty characterised by serious challenges to the institutional arrangements that have underpinned our democracy for a century or more. Both central and local government are feeling the fire.

## The challenges facing central government

At central government level there are three key challenges. First is the low level of public trust in the competence and integrity of our political and administrative leaders. While some time has elapsed since the original expenses scandal rocked Westminster, the implications have cast a long and damaging shadow. Just as importantly there has been a continuing litany of policy and implementation failures – the West Coast main line franchising fiasco, continued chaos and delay in the management of visas and immigration policy, the shambles of so-called welfare reform at DWP, and the collapse of the proposed GOCO at the Ministry of Defence are just some of the most recent examples adding to the catalogue listed by Anthony King and Ivor Crewe in “**The blunders of our governments**”<sup>1</sup>. Rebuilding trust against that background will be a long and difficult process.

Secondly relations between politicians and officials have become increasingly strained. The traditional assumptions of ministerial accountability to Parliament for all the actions of their Departments have been challenged not just by ministers seeking to offload blame, but also by the chair of the Public Administration Select Committee questioning the relevance of these 19<sup>th</sup> century assumptions in a very different world.

Thirdly there has been a growing challenge to another key assumption which underpinned the **Northcote-Trevelyan Reforms**<sup>2</sup>, namely the principle of the appointment of officials on merit without political interference. This has been increasingly threatened by pressure from some political quarters for control over senior civil service appointments and by the behaviour of some special advisers (SPADs).

## The challenges facing local government

At local government level there are different but no less acute challenges. How far the current pattern and structure of local authorities is fit for purpose remains a perennial question, but now further complicated by a debate about the extent to which shared services can be extended, and whether this might lead on to shared political leadership rather than be restricted to administrative activities. How can local authorities continue to meet public expectations and even statutory obligations given the continuing harsh

downward pressures on their budgets, and the other hardy perennial – can local government take more control and accountability for revenue raising and spending decisions?

## Devolution and cross-fertilisation

Almost all of these issues, at both central and local government level, have the potential to threaten if not undermine the confidence of those charged with political and administrative leadership. This is symptomatic of the uncertainty of the times. Yet strikingly the debates continue to proceed in silos, as though central and local government were operating in parallel universes. So proposals for future local government reorganisation or for a commission on the Civil Service for example are brought forward without any thought that there might be some useful cross-fertilisation. This is not because of a lack of understanding of the potential benefits of more joined-up government. Ironically, few commentators would challenge that view forcefully advocated by champions of Total Place under the last government and Community Budgets under the current one, that there is real scope both for saving and for improved service delivery where the separate operations and spending of central and local government (as well as other agencies) are brought under a single umbrella.

The problems with silo-dominated patterns of service delivery are now well-understood. So why do we find it so hard to think creatively about new ways to break down the traditionally impermeable barriers between central and local government? There are large potential benefits. It is widely recognised that central government has struggled for many years to cope with the huge volume of responsibilities which continue to be discharged by government departments and agencies. “Do less but do it better” is a homily which is often heard, but has to date gained little traction in Whitehall. Ministers like to talk about localism but remain profoundly hostile to a meaningful devolution of their powers. Civil servants remain nervous that if their Ministers relinquish some of their control they could be vulnerable for example to media criticism when things go wrong.

So we continue to operate in an infantilised world where all power is expected to accrue to the centre of government and the cry goes up again and again for the Prime Minister to “get a grip” or to take personal charge of sorting out problems, even in circumstances where the briefest analysis would confirm that this is absurd. Could David Cameron for example be expected to succeed where King Canute had so clearly failed, by personally taking charge of Britain’s response to the winter’s floods?



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## A radical transformation of government and lines of accountability

A further symptom of the malaise is the reluctance to recognise the need for an intermediate tier of government for some services between the centre and the locality. The notorious aversion of the current government to any talk of regional responsibilities is very telling. This is all the more surprising when London is demonstrating all too clearly (and possibly to the disadvantage of other parts of England) the benefits of a regional tier of government.

The case for a more mature debate on both government structures and lines of accountability in our society is overwhelming. We need to be realistic about the division of powers between central, intermediate and local tiers of local government and about where responsibility should lie. That in turn should inform the debate about how we can best frame our arrangements for government including the respective roles and accountability of politicians and officials, centrally, regionally and locally. We also need to be far more creative in sharing evidence and analysis across the traditional silos, laterally between services, and vertically between different tiers of government. This could involve for example new institutions, such as local Public Accounts Committees, as advocated by CfPS, to facilitate that more holistic approach.

No one should pretend that such a radical transformation of the way we govern our country can be achieved easily. But unless we are prepared to pose some fundamental questions about how best to deliver the complex pattern of services on which modern society depends, we will I fear continue to underperform and disappoint as well as to be haunted by the problems of public contempt or perhaps even worse, disengagement and indifference.

**Rt Hon Nick Raynsford MP**

Chair of the Centre for Public Scrutiny



1 <http://www.theguardian.com/books/2013/sep/04/blunders-government-king-crewe-review>

2 <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmpubadm/74/7405.htm>

# Leadership and accountability: a new approach in support of more devolution

In my editorial for CfPS's collection of essays, the State of Accountability in 2013, published last March to mark the start of our tenth anniversary year, I concluded:

"If the Centre has learnt anything over its ten years' experience, it is that structures, procedures and regulation cannot make people own a sense of accountability. These are mechanisms through which people and organisations express their values. So accountability has to be cultural, in the DNA of individuals, organisations or sectors – the way they do business, the expectations they set and how their people are rewarded, in reputation as much as financially."

Organisational culture depends on many things – the stories the organisation tells about itself, the formal and informal traditions of how it makes decisions and does business, the people it recruits, rewards and retains (or not). However, it is the leadership who have prime responsibility for shaping and fostering it. How leaders do that varies according to their individual personality and style, the pre-existing culture and where the organisation is on its agreed trajectory (if indeed one exists).

Having published this paper initially as a 'beta' version for comments and testing, the strongest message that has come back from our stakeholders is the importance of emphasising the role of political as well as managerial leaders in developing a more accountable culture for government and public institutions. This derives from their elected legitimacy and the mandate this gives them to try to achieve better outcomes without being captured by institutions, processes and professional silos. However, it also comes from their wider connection to the public and local communities as elected representatives and the opportunity which must be seized to make public accountability more public-facing.

A number of commentators reflected on the new challenges to service delivery and accountability which require leaders to develop a new approach:

- The context of a multiplicity of service providers and the need to be explicit as commissioners that all providers must be open to being held to account when working in the public service market
- The pressures of the media – including social media – in demanding an instant 'heads must roll' form of accountability rather than one which seeks to learn lessons and prevent mistakes reoccurring
- The context of a multiplicity of public sector partnerships where all partners need to develop a sense of collective accountability for better outcomes rather than adhering to their own individual or organisational targets and objectives.

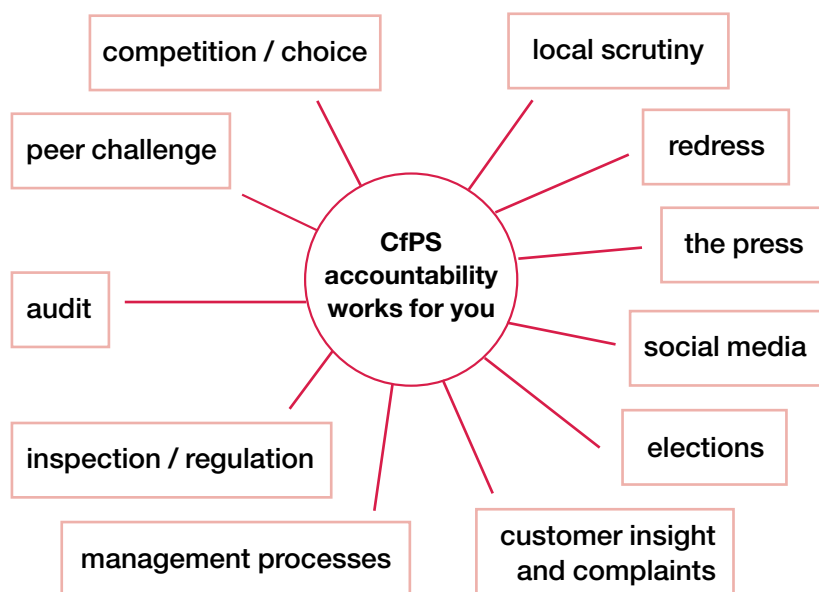
So how would we like to see public leaders developing more accountable and collaborative cultures for their organisations? Three strategies are suggested by the contributions in this final version of our publication:

- 1 The important insights shared by Graeme McDonald of Solace from their recent research into local government leadership skills which highlights the importance of accountability in helping leaders improve and lead their organisations – and other partners – from within.
- 2 Bernard Jenkin's thoughtful piece on the work of the Public Administration Select Committee examining the operation of Whitehall, which suggests a number of lessons about the role of external challenge and review in promoting culture change when those inside seem unwilling or unable to change.
- 3 A concluding piece bringing these issues together from CfPS Chair Rt Hon Nick Raynsford MP which argues that radical change in how we organise the institutions of government is needed, to overcome growing public mistrust and break down now out-dated and inefficient ways of working at national, intermediate and local levels.

## Change through accountability: the role of individual leaders

The Solace research describes transactional, transformational and contextual skills needed by public leaders – and that

### CfPS "web of accountability"



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it is the latter which are key to successful leadership of increasingly complex places. If transactional leadership skills (financial, staff and performance management) require clear linear scrutiny and 'holding to account', contextual leadership skills seem much more about understanding the 'web of accountability' for a place. These skills focus on the interplay between formal and informal accountability, the impact of transparency and the involvement of partners, stakeholders and the wider public in reaching shared decisions about shared challenges.

### **Change through accountability: the role of external challenge**

Equipping the leaders of the future with the right skills is vital. But what happens when there is an organisational culture where accountability appears broken and which rejects the need for change? Our second author Bernard Jenkin MP argues powerfully that this is the case in Whitehall and central government, based on a series of inquiries from his Public Administration Select Committee. Frustrated by the failure of government to respond to successive recommendations for change in Whitehall's governance – and critically the apparent breakdown in trust between ministers and civil servants – his latest report makes just one recommendation: for a joint committee of both Houses of Parliament to sit as a Commission to investigate the governance of Whitehall.

### **Change through accountability: devolution to improve trust**

Our third piece, by CfPS Chair Nick Raynsford MP, responds to both pieces in proposing a fundamental change in how we organise our institutions of government, arguing that devolving more decisions and responsibility to local and intermediate levels will not only be more effective but could help address the loss of public trust in our ailing governmental institutions. He acknowledges that Whitehall has been successful in resisting calls for decentralisation for too long but argues that the system cannot continue as it is for much longer and that we need a more mature debate and settlement around what is best done at national, intermediate and local level.

### **Conclusion: where next for leadership and accountability?**

The conclusions I draw from our December 2013 roundtable discussion and from the three excellent pieces in this publication are that we urgently need practical steps to be taken at both local and central government level to change the current norms about how governance is and should be conducted.

As Nick Raynsford argues, to make central government more manageable, more should be devolved, so that civil servants are not trying to run endless ministerial initiatives for which they lack both transactional and contextual skills. At both levels we need more open and deliberative forms of policy-making before decisions are made, and a greater sense of personal responsibility amongst those who ultimately make decisions (whether political or managerial) if things go wrong.

Accountability must mean responsibility and learning, not witch-hunts and 'blame-avoidance', as Barry Quirk argued in his introduction to our roundtable discussion. From CfPS's work with local overview and scrutiny functions in local government we know that the process of public debate and scrutiny of a problem can be a powerful tool in helping communities find solutions to intractable problems and can shine a light into corners of public service delivery which managers and leaders can sometimes find uncomfortable but which ultimately benefits the public we all serve:

- **Boston Borough Council's scrutiny review** <sup>1</sup> of the impact of inward migration into their area illustrates the importance of effective community leadership by locally elected councillors. The review provided an open, democratic space for all members of their local community to express their views on an issue which had become highly controversial and volatile. It won our overall impact through scrutiny award last year, featured on Question Time and has been used by the Home Office and others as a forward-thinking and inclusive way to tackle a sensitive subject
- **Westminster City Council's forensic investigation** <sup>2</sup> of a 2012 Imperial College Healthcare waiting list reporting break uncovered that the Trust had effectively 'lost' more than a thousand cancer referrals, with a patient backlog of over 3000. Using robust public questioning, FOI requests and data analysis, the health scrutiny committee identified deep-seated problems that the Trust was unwilling to recognise and secured real improvements to service delivery, patient safety and data management.

Drawing on the lessons from these and many other examples of effective local scrutiny and accountability, I would like to focus on our proposal for a radical new form of local public accountability that has the potential to address the challenges outlined earlier: a local Public Accounts Committee for every place. The benefits from creating better place-based accountability through the local Public Accounts Committees which CfPS is advocating might include:

- Reassurance to central government and MPs that devolved finance will be properly scrutinised and

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accounted for, including a right for local MPs to feed in views to their local PAC and make the link back to Parliament's oversight of nationally voted funds

- Stronger public scrutiny and accountability for partnerships and joint or pooled budgets, with a single, visible place where the public can go to find out how money is being spent and to challenge the outcomes being delivered
- More opportunities for public engagement: going beyond simple publication of expenditure spreadsheets to provide a forum where such information can be interrogated and analysed and the voice of the public brought in to bring the figures to life. Critical to achieving this is the provision of information in an accessible format
- A link between local accountability and national accountability, with the ability for the national Public Accounts Committee and National Audit Office to draw on evidence from local Public Accounts Committees to inform national PAC inquiries and support parliamentary challenge to Whitehall and national agencies
- Potential to streamline governance, scrutiny and accountability arrangements at local level, to remove duplication and end the need for multiple institution-based reporting lines for the same project
- Potential to extract more value from external audit procurement, with auditors being commissioned to support local PACs and provide value for money analysis: the planned local government sector-owned national procurement body could oversee these arrangements and carry out national value for money analysis and comparisons. This would build on the excellent track record of learning and improvement across the sector developed by the Local Government Association's peer challenge and leadership development work
- Potential to link governance and financial accountability of partnership arrangements more closely into established democratically accountable systems, addressing the democratic deficit and weaknesses in governance that have previously been identified as a concern relating to partnership-working.

While the local PAC is a structural solution in one sense, we think it has the potential to provide a transparent, powerful and high-profile form of local accountability as part of a more place-based approach to public service management. It would be able to hold political and managerial leaders across public services jointly to account in a visible and democratic way – which would represent a major culture change and help facilitate the sense of collective accountability for the same outcomes which we and others are seeking. We know that the challenge which such a body could provide will not be universally popular but we are pleased that the idea is being taken up in a number of places and we are now developing practical ideas for how it could be implemented in the context of genuine devolution of power from the centre. If you would like to get involved in testing the idea or have comments on it please get in touch with CfPS.

**Jessica Crowe**

Executive Director of the Centre for Public Scrutiny



1 <http://www.cfps.org.uk/GSA-2013-overall-impact>

2 <http://www.cfps.org.uk/raising-the-profile>

