REVIEW

The NAO's work on local delivery

Our vision is to help the nation spend wisely.

We apply the unique perspective of public audit to help Parliament and government drive lasting improvement in public services.

The National Audit Office scrutinises public spending on behalf of Parliament. The Comptroller and Auditor General, Amyas Morse, is an Officer of the House of Commons. He is the head of the NAO, which employs some 880 staff. He and the NAO are totally independent of government. He certifies the accounts of all government departments and a wide range of other public sector bodies; and he has statutory authority to report to Parliament on the economy, efficiency and effectiveness with which departments and other bodies have used their resources. Our work led to savings and other efficiency gains worth more than £1 billion in 2010-11.

Contents

Purpose of this briefing

1 In August 2010, the Government announced its intention to disband the Audit Commission and outlined a future audit framework where local public bodies would appoint their own auditors. The Government's plans include the proposal that the National Audit Office takes responsibility for the preparation and maintenance of the Code of Audit Practice and supporting guidance, which set out the work that appointed auditors must undertake to fulfil their statutory responsibilities. The Government has also proposed that, from 2012-13, the Comptroller and Auditor General should become the statutory auditor of the 34 Probation Trusts across England.

2 As a major part of our existing remit, we report to Parliament on the economy, efficiency and effectiveness with which government departments and other public bodies use their resources. With the winding-down of the Audit Commission's value-for-money work, we propose to develop a small number of value-for-money studies that more explicitly address issues of relevance to local public bodies, particularly in respect of local government.

3 We recognise the need to build our capacity, knowledge and expertise, and in doing so we will draw on experience from the local delivery aspects of our existing work in sectors including health, social care, housing, transport and education. Our reports have examined, for example, the drive to speed up planning decisions by local authorities, efforts to improve dementia services in England, and the basis for three formula-based grants used to allocate £152 billion of funding to local delivery bodies.

4 This briefing draws out findings from 46 National Audit Office reports since 2008-09 that are relevant to local delivery. It communicates the wide range of work we have undertaken and the main lessons that have arisen from it. Appendix One lists the reports by sector. Appendix Two lists reports by date and summarises each report's findings and the extent to which local delivery was considered.

Focus of our value-for-money reports

5 Where our existing work includes local delivery, we endeavour to use a holistic approach in order to evaluate the whole system, and how the different elements and organisations interact. We intend to continue this approach, focusing where possible on systemic drivers and barriers to effective performance. Our reports have examined:

- **How central government departments manage and implement programmes and initiatives designed to improve local delivery.** For example, our report *The National Programme for IT in the NHS: an update on the delivery of detailed care records systems* assessed the Department of Health's management of a programme to deliver a detailed electronic care records system across the National Health Service. *Reducing the cost of procuring Fire and Rescue Service vehicles and specialist equipment* looked at the Department for Communities and Local Government's efforts to create efficiencies in the procurement of vehicles and specialist equipment by Fire and Rescue Services. We have also reported on central government's management of a number of privately financed programmes where contracts have been entered into by local authorities or other local bodies. These have included schools, hospitals, primary care facilities and waste treatment.

- **Whether central government departments' arrangements for spending public money through local organisations are demonstrably achieving value for money.** For example, our report *Getting value for money from the education of 16- to 18-year-olds* assessed whether the Department for Education operates an effective framework through which schools and colleges use resources well for the benefit of students and taxpayers. *Department for Transport: Local authority major capital schemes* (a review undertaken outside of our programme of reports to Parliament) examined whether the Department for Transport has suitable arrangements in place to secure value for money from its investment.

- **Whether delivery of services across central and local government or other local delivery bodies is cost-effective**. Our report *Protecting consumers – the system for enforcing consumer law* evaluated how well the Department for Business, Innovation and Skills coordinates and oversees the work of local Trading Standards Services in meeting the aims of the system. We examined whole-system delivery in our reports on health issues: *Transforming NHS ambulance services* looked at whether ambulance services provide a cost-effective service to patients; *Services for people with rheumatoid arthritis* evaluated the efficiency and effectiveness of services; and *Reducing healthcare associated infections in hospitals in England* explored the role of the Department of Health and NHS bodies in reducing healthcare associated infections. Our reports and performance assessments on the Regional Development Agencies also covered the effectiveness of regional layers of governance in aligning national and local service delivery in the areas of regeneration and economic growth.

6 We have also published value-for-money reports, information and guidance on the common challenges facing central government. Findings from these reports may also be applied at a local level. Reports include *Managing risks in government,*[1] *Progress in improving financial management in government*[2] and *Taking the measure of government performance.*[3] We have not included summaries of these reports here in order to keep this briefing to a manageable size. They can, however, be found under the following headings on the publications pages of our website:

- Communicating with the public

- Cross-government and public administration

- ICT and systems analysis

- Private finance

- Regulation, consumers and competition

- Third sector.

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1   National Audit Office, June 2011 (http://www.nao.org.uk/publications/1012/managing_risks_in_government.aspx)

2   Session 2010-11, HC 487, National Audit Office, March 2011 (http://www.nao.org.uk/publications/1011/financial_management_in_govt.aspx)

3   Session 2010-11, HC 284, National Audit Office, July 2010 (http://www.nao.org.uk/publications/1011/government_performance.aspx)

Summary of findings of relevance to local delivery bodies

7 The National Audit Office's strategy in recent years has been to concentrate on three themes: the use of information by government, cost-effectiveness of delivery, and financial management. The themes, which we identified in 2009 by reviewing the issues arising from all our work across government (including our audits of financial statements), are those we consider most important to improving value for money from government expenditure. Findings drawn from the 46 reports summarised at Appendix Two are set out below against the three themes, with references to the relevant reports.

Use of information

Government needs robust, timely information on context, activities, costs, progress against objectives, and the cost-effectiveness of activities undertaken by itself and the bodies it oversees. It also needs to be able to interpret that information, by reference to trends, expectations, benchmarks and other comparisons, to identify problems and opportunities. Bodies need reliable information on which to design and deliver services and monitor quality, be confident about their productivity, and drive continuous improvement.

Use of information by central government departments

8 Central government departments require relevant, accurate information about local delivery bodies' activities and achievements. In some of our reports, we have concluded that departments had insufficient information to assess whether policies they were pursuing were working and their impact. Information for local bodies to benchmark costs and activities can sometimes be problematic, for example because of differences in the systems used across local bodies. Major benefits can come from developing arrangements that allow consistent information to be collected. In our report *Reducing healthcare associated infections in hospitals in England* we highlighted the benefits of the Department of Health's national data system that generated time information on the incidences of certain infections. Our report *Flood risk management in England* found that the Environment Agency had improved its understanding of the condition of sea and river defences. The following reports also considered departments' use of information on challenges and delivery at local level:

Delivering the free entitlement to education for three- and four-year-olds

Services for people with neurological conditions

Oversight of special education for young people aged 16–25

Crown Prosecution Service – the introduction of the Streamlined Process

Protecting consumers – the system for enforcing consumer law

Transforming NHS ambulance services

The procurement of consumables by NHS acute and Foundation trusts

Delivering the Cancer Reform Strategy

Educating the next generation of scientists

PFI in Housing

Reducing the cost of procuring Fire and Rescue Service vehicles and service equipment

The performance and management of hospital PFI contracts

Improving road safety for pedestrians and cyclists in Great Britain

Use of information by local bodies

9 Local bodies are sometimes hampered in their ability to use information and draw comparisons because of a lack of standardisation in how performance is assessed or monitored across bodies. The following reports examined systems used at a local level that were not fully compatible with other local or national systems, making information-sharing difficult:

Flood risk management in England

Transforming NHS ambulance services

Major trauma care in England

10 Some of our reports have shown that local bodies lacked, or did not use, appropriate information to support decision-making, such as when to commission services or to enable benchmarking to identify potential savings:

Oversight of financial management in local authority maintained schools

Oversight of special education for young people aged 16–25

Partnering for school improvement

Managing high value capital equipment in the NHS in England

Management of NHS hospital productivity

Services for people with rheumatoid arthritis

Service delivery

Public services are different in the ways they are delivered but their quality and cost-effectiveness depends on a number of common minimum requirements. For example, service delivery requires a well thought-out delivery model, sound programme and project management, strong commercial skills, mature process management and a real understanding of customer needs. Many of our reports to Parliament cover these issues.

Central government departments' management of initiatives and programmes impacting on local delivery bodies

11 Many of our reports have assessed central government departments' management of projects and initiatives designed to improve local service delivery. Several of these highlighted strong direction and leadership at department level as key success factors. Further success factors include the introduction of targets to encourage changes in practice, setting-up national programmes, streamlining of local programmes and support to coordinate local activity, and the development of good working relations with local delivery bodies:

Delivering the Cancer Reform Strategy

Educating the next generation of scientists

Progress in improving stroke care

Improving dementia services in England – an interim report

Reducing healthcare associated infections in hospitals in England

The Building Schools for the Future Programme: Renewing the secondary school estate

Planning for Homes: Speeding up planning applications for major housing developments in England

12 Some of our reports have identified shortcomings in central government departments' management of initiatives designed to improve and support local service delivery. We found lack of planning to be a common gap, including: poor estimation of project costs, time frames and deliverables; underestimation of programme complexity; and unclear identification of programme objectives and benchmarks:

Mobile technology in policing

Reducing bureaucracy in further education in England

Services for people with neurological conditions

Crown Prosecution Service: the introduction of the Streamlined Process

The failure of the FiReControl project

Establishing social enterprises under the Right to Request Programme

PFI in Housing

Regenerating the English Coalfields

The Building Schools for the Future Programme: Renewing the secondary school estate

13 Issues with the quality of project management, programme governance and leadership can also result in problems in delivering at local level:

The failure of the FiReControl project

The National Programme for IT in the NHS: an update on the delivery of detailed care records systems

Reducing the cost of procuring Fire and Rescue Service vehicles and specialist equipment

Young people's sexual health: the National Chlamydia Screening Programme

Achievement of cost-effective delivery

14 Central government departments have widely different ways of working with local delivery bodies. They are not always successful in securing consistent engagement and commitment, and it is sometimes unclear how departments will achieve the intended impacts of policy objectives:

Flood risk management in England

Oversight of financial management in local authority maintained schools

Crown Prosecution Service – the introduction of the Streamlined Process

Oversight of user choice and provider competition in care markets

The failure of the FiReControl project

Managing high value capital equipment in the NHS in England

The procurement of consumables by NHS acute and Foundation Trusts

Improving dementia services in England – an interim report

15 There are, however, examples of departments overseeing and supporting local delivery through effective scrutiny of local delivery bodies or effective leadership:

Department for Transport: Local Authority Major Capital Schemes

Getting value for money from the education of 16- to 18-year-olds

The youth justice system in England and Wales: Reducing offending by young people

Progress in improving stroke care

Delivering the Cancer Reform Strategy

The Decent Homes Programme

Reducing healthcare associated infections in hospitals in England

Managing the waste PFI programme

Planning for Homes: Speeding up planning applications for major housing developments in England

Service delivery across local bodies

16 In some cases, performance variations across local bodies reflect an absence of national standards and requirements:

Crown Prosecution Service – the introduction of the Streamlined Process

Protecting consumers – the system for enforcing consumer law

Improving dementia services in England – an interim report

17 Local service delivery can, however, be improved and made more consistent through good coordination and increased joint working between local bodies; the following reports contain examples of effective coordination between local bodies:

Partnering for school improvement

Crown Prosecution Service – the introduction of the Streamlined Process

Protecting consumers – the system for enforcing consumer law

Managing high value capital equipment in the NHS in England

The procurement of consumables by NHS acute and Foundation trusts

Young people's sexual health: the National Chlamydia Screening Programme

Services for people with rheumatoid arthritis

Supporting people with autism through adulthood

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18 We have also identified examples where better sharing of good practice across local bodies could help drive service improvements:

Oversight of user choice and provider competition in care markets

Transforming NHS ambulance services

The youth justice system in England and Wales: Reducing offending by young people

19 Programmes and services can run into problems when insufficient attention is given to developing the skills of the people who commission or deliver services at a local level:

Mobile technology in policing

Flood risk management in England

Improving dementia services in England – an interim report

The Care Quality Commission: Regulating the quality and safety of health and adult social care

20 In some cases, local bodies have developed people with the right skills or departments have supported them to build capability:

Oversight of financial management in local authority maintained schools

The performance and management of hospital PFI contracts

Coordination of local delivery at sub-national level

21 Work we undertook on the Regional Development Agencies provided insights into the effectiveness of alignment of national and local service delivery, particularly in the areas of regeneration and economic growth:

Regenerating the English Regions: Regional Development Agencies' support to physical regeneration projects

Independent Performance Assessments and Supplementary Reviews of Regional Development Agencies

Financial Management

Controlling costs and reducing waste requires expert financial management and reporting. In particular, departments need to be better at linking costs to services and benchmarking performance to determine whether costs are justified and value for money can be improved.

Financial management by central government departments

22 We found central government departments' collection and understanding of local financial data and costs to be of mixed quality. In some cases departments were developing a good understanding of the costs of local bodies, such as in our report on *Department for Transport: Local authority major capital schemes*. Often, however, departments were not collecting the most appropriate information to assess local costs and value for money, or not challenging the use of resources where financial information had been collected:

Delivering the free entitlement to education for three- and four-year-olds

Services for people with neurological conditions

Achievement of foundation trust status by NHS hospital trusts

Delivering the Cancer Reform Strategy

Protecting consumers – the system for enforcing consumer law

Young people's sexual health: the National Chlamydia Screening Programme

23 A common problem in programmes that impact on local delivery is underestimation or lack of knowledge of the local costs of their programmes:

PFI in Housing

Reducing the cost of procuring Fire and Rescue Service vehicles and specialist equipment

Establishing social enterprises under the Right to Request Programme

The failure of the FiReControl project

The National Programme for IT in the NHS: an update on the delivery of detailed care records systems

24 Central government departments can support local service delivery by providing tools and guidance to local bodies on costs and cost management. We have praised departments for developing or promoting tools to support benchmarking of cost data which reduces the burden on local bodies of undertaking separate comparative analysis:

Oversight of financial management in local authority maintained schools

Getting value for money from the education for 16- to 18-year-olds

25 In some cases, departments could provide better support of this kind to local bodies, including those commissioning the services:

Managing high value capital equipment in the NHS in England

Delivering the Cancer Reform Strategy

Major trauma care in England

Young people's sexual health: the National Chlamydia Screening Programme

The Building Schools for the Future Programme: renewing the secondary school estate

26 Allocating funding to local bodies on a transparent, accurately informed basis is an important element of central government's contribution to better financial management at a local level. Our report *Landscape review: Formula funding of local public services* found that as a result of funding models being designed to respond to multiple objectives, their responsiveness to changed circumstances could be constrained – leading to some bodies being over- or under-funded for extended periods. Finding up-to-date, reliable, valid and nationwide data to assess relative need was challenging. Use of expert technical advisory bodies to recommend appropriate funding formulae and data sources was an important element in good formula governance, as were clarity and prioritisation of formulae objectives.

Financial management by local bodies

27 At a local level, we have praised local bodies for good financial management, such as allocating resources according to risk and employing staff with financial capabilities:

Oversight of financial management in local authority maintained schools

The youth justice system in England and Wales: Reducing offending by young people

Work in progress

Our website includes a description of the work we have under way that is likely to result in a report to Parliament. Here are examples from our website as this guide went to print:

Implementing transparency

Greater transparency is at the heart of the Government's aims to enable the public to hold politicians and public bodies to account. The agenda is high profile: the Prime Minister has set out the key government datasets that must be published (e.g. senior salaries, central government contracts worth over £25,000) and timescales for doing so.

This study is looking across departments to examine their progress in implementing the Government's transparency agenda. It will also review the current state of data release compared with recommended practice, including some illustrations of central and local government contexts.

The effectiveness of central government's communication with local government

This study is examining the impact of central government bodies' communications with local government with a focus on the local experience of central government. It will consider whether the way central government communicates with local government enables local government to operate effectively, focusing on whether the communications are of sufficient quality, appropriately timed and contain enough information so that local government is able to act on them.

The financial viability of the social housing sector

The study is looking at the role of the Department for Communities and Local Government, Tenant Services Authority and Homes and Communities Agency in relation to the financial viability of social housing providers participating in the Affordable Homes Programme. Our examination will determine whether the Agency and Authority are effectively addressing risks to the financial viability of the social housing sector, while optimising taxpayer interests.

The management of adult diabetes services in the NHS

There are some 3.1 million people aged 16 years and over living with diabetes (diagnosed and undiagnosed) in England, almost double the number there were fifteen years ago. The number of people with this long-term condition is continuing to rise and it is estimated that there will be almost four million people living with diabetes by 2020. This study is examining whether people diagnosed with diabetes are receiving the standard of care expected by the Department of Health, and whether diabetes services could be provided more effectively and efficiently.

Appendix One

NAO reports by sector

Report	Date	Reference
Health		
Services for people with neurological conditions	16 December 2011	HC 1586
The Care Quality Commission: Regulating the quality and safety of health and adult social care	2 December 2012	HC 1665
Achievement of foundation trust status by NHS hospital trusts	13 October 2011	HC 1516
Establishing social enterprises under the Right to Request Programme	24 June 2011	HC 1088
Transforming NHS ambulance services	10 June 2011	HC 1086
The National Programme for IT in the NHS: an update on the delivery of detailed care records systems	18 May 2011	HC 888
Managing high value capital equipment in the NHS in England	30 March 2011	HC 822
The procurement of consumables by NHS acute and Foundation trusts	2 February 2011	HC 705
National Health Service Landscape Review	20 January 2011	HC 708
Management of NHS hospital productivity	17 December 2010	HC 491
Delivering the Cancer Reform Strategy	18 November 2010	HC 568
The performance and management of hospital PFI contracts	17 June 2010	HC 68
Major trauma care in England	5 February 2010	HC 213
Progress in improving stroke care	3 February 2010	HC 291
Improving dementia services in England – an interim report	14 January 2010	HC 82
Young people's sexual health: the National Chlamydia Screening Programme	12 November 2009	HC 963
Services for people with rheumatoid arthritis	15 July 2009	HC 823
Reducing healthcare associated infections in hospitals in England	12 June 2009	HC 560
Supporting people with autism through adulthood	5 June 2009	HC 556
Local authority – transport		
Department for Transport: Local authority major capital schemes	May 2011	Review
Improving road safety for pedestrians and cyclists in Great Britain	8 May 2009	HC 437

Report	Date	Reference
Local authority – other		
Flood risk management in England	28 October 2011	HC 1521
Oversight of user choice and provider competition in care markets	15 September 2011	HC 1458
Protecting consumers – the system for enforcing consumer law	13 June 2011	HC 1087
Managing the waste PFI programme	12 January 2009	HC 66
Housing and regeneration		
The Mortgage Rescue Scheme	25 May 2011	HC 1030
PFI in Housing	25 June 2010	HC 71
The Decent Homes Programme	21 January 2010	HC 212
Regenerating the English Coalfields	17 December 2009	HC 84
Planning for Homes: Speeding up planning applications for major housing developments in England	17 December 2008	HC 15
Education		
Delivering the free entitlement to education for three- and four-year-olds	3 February 2012	HC 1789
Reducing bureaucracy in further education in England	16 December 2011	HC 1590
Oversight of special education for young people aged 16-25	4 November 2011	HC 1585
Oversight of financial management in local authority maintained schools	19 October 2011	HC 1517
Getting value for money from the education of 16- to 18-year-olds	23 March 2011	HC 823
Educating the next generation of scientists	12 November 2010	HC 492
Partnering for school improvement	9 July 2009	HC 822
The Building Schools for the Future Programme: Renewing the secondary school estate	12 February 2009	HC 135
Criminal Justice		
Mobile technology in policing	27 January 2012	HC 1765
Crown Prosecution Service: the introduction of the Streamlined Process	2 November 2011	HC 1584
The youth justice system in England and Wales: Reducing offending by young people	10 December 2010	HC 663
Fire and Rescue Services		
The failure of the FiReControl project	1 July 2011	HC 1272
Reducing the cost of procuring Fire and Rescue Service vehicles and specialist equipment	23 July 2010	HC 285
Other		
Landscape review: Formula funding of local public services	20 July 2011	HC 1090
Regenerating the English Regions: Regional Development Agencies' support to physical regeneration projects	30 March 2010	HC 214
Independent Performance Assessments and Supplementary Reviews of Regional Development Agencies	Undertaken in 2006 and 2010	Reviews

NOTE

1   Aside from *Department for Transport: Local Authority Major Capital Schemes* and *Independent Performance Assessments and Supplementary Reviews of Regional Development Agencies*, all reports constituted value-for-money reports to Parliament.

Appendix Two

NAO findings

Delivering the free entitlement to education for three- and four-year-olds (HC 1789, 3 February 2012)

1   All three- and four-year-olds are entitled to 15 hours per week of free education, for 38 weeks per year, for two years before reaching compulsory school age. At an estimated cost of £1.6 billion in 2010-11, the free entitlement is the Department for Education's main financial intervention in children's early education. Funding is devolved to local authorities, which must secure provision of the entitlement for each eligible child in their area.

2   We found that progress has been made against many of the objectives of the free entitlement and that overall take-up levels have been sustained. However, we found wide variations in take-up between local authorities, take-up for children from the most disadvantaged families was lower than overall take-up, and areas of highest deprivation were less likely to have high-quality provision. Overall, children's development as measured at age five has improved, but it is not yet clear that the entitlement is leading to longer-term educational benefits. The Department and its partners do not yet sufficiently understand the relationship between local performance and funding to be confident that funding arrangements are efficient.

Mobile technology in policing (HC 1765, 27 January 2012)

3   Over the last five years, the Home Office, through the National Policing Improvement Agency, has invested in handheld mobile devices for police forces, such as Blackberrys and mobile fingerprint checking devices. The Mobile Information Programme aimed to reduce bureaucracy, increase efficiency, and increase police officer visibility to the public. In May 2008, the Home Office and Police Service agreed the Information Systems Improvement Strategy, an ICT reform programme that aims to converge police ICT to common systems and infrastructure, delivered through new commercial arrangements, to improve service quality and reduce costs.

4   We found that the Mobile Information Programme had met its overriding aim of rolling out devices to police officers, over 41,000 at a cost of £71 million, which compares well with external comparators. As a result of using mobile devices, officers are, on average, spending more time out of the station. However, the Programme did not consider adequately how forces would use mobile technology, there was no assessment of the number of devices that each force would need, and the majority could not deploy devices as they had planned. We found limited evidence of associated process improvement in some forces and cashable savings to date have been limited. Opportunities to converge ICT and business processes through using mobile technology effectively are not being captured or shared.

Reducing bureaucracy in further education in England (HC 1590, 16 December 2011)

5   The Department for Business, Innovation and Skills and the Skills Funding Agency sponsor the further education sector and provide public funding for further education for students aged 19-plus. The Department and the Agency must work in partnership with a range of other bodies that also play a key part in the sector, in particular the Department for Education and the Young People's Learning Agency, which fund education for pre 19 year-olds. Further education, which has a key role in supporting economic growth, is delivered by over 1,000 different providers, mainly further education colleges or independent training businesses. We estimated that dealing with government's funding, qualifications and assurance system costs the further education sector around £250–300 million a year.

6   This scale of costs shows that substantial savings can be made by reducing bureaucracy. While the Department for Business, Innovation and Skills and the Skills Funding Agency have ambition and a vision for the change they want to achieve, and are pursuing a range of improvements which are welcomed by providers, we found that they fall short of an integrated approach. A detailed design of the final system, supported by a clear migration plan, is needed.

Services for people with neurological conditions (HC 1586, 16 December 2011)

7   Approximately two million people in the United Kingdom have a neurological condition and need a wide range of services across health, social services, employment, benefits, transport, housing and education. Health spending on neurological services has increased by 38 per cent in real terms since 2006-07, from £2.1 billion to £2.9 billion in 2009-10. In March 2005, the Department of Health introduced the National Service Framework for Long-term Conditions, identifying a range of problems faced by people with neurological conditions, including: lengthy diagnosis; poor information for patients on their condition and services; variable access to, and little integration of, health and social services; and poor quality of care in hospital. The Framework identified 11 quality requirements designed to improve services, intended to be fully implemented by 2015.

8   We found that progress in implementing the Framework has been poor. It did not have the traditional levers to support implementation such as national monitoring, targets and ring-fenced funding. As a result, the Department was unable to hold local commissioners to account for implementation, and has no way to measure the effect of the additional spending on services or patient outcomes. We did find some improvements – access to health services has improved, and emergency bed days have reduced – but some important indicators of the quality of care for people with neurological conditions have worsened; for example, the number of people admitted to hospital as an emergency has increased significantly.

The Care Quality Commission: Regulating the quality and safety of health and adult social care (HC 1665, 2 December 2012)

9   The Care Quality Commission (the Commission) is the independent regulator of health and adult social care services in England. Its objective is to protect and promote the health, safety and welfare of people who use these services.

10   The Commission had a challenging task in merging three former regulators to establish a new organisation and in implementing a new regulatory approach, which integrates health and social care, at a time of diminishing resources. It was inevitable that there would be some transitional difficulties and that it would take time for the Commission to settle down into a steady state. In the event the difficulties were considerable. With the exception of NHS trusts, the Commission did not meet the deadlines set for registering providers; at the same time, levels of compliance and inspection activity fell significantly, although the Commission was hampered by government-wide recruitment constraints which made it difficult to fill vacancies quickly.

Oversight of special education for young people aged 16-25 (HC 1585, 4 November 2011)

11 'Special education' is the education, training and other support provided to students with special educational needs and disabilities. The Department for Education largely devolves oversight of the post-16 education system, including special education, to other public bodies. This includes local authorities who must secure enough suitable education and training to meet the needs of all young people aged 16–25 with Learning Difficulty Assessments. We examined whether the Department for Education, Young People's Learning Agency, Skills Funding Agency and local authorities use information effectively to help secure value for money from 16–25 special education in England.

12 We found there were positive indicators that course outcomes for young people with special educational needs were improving while identifiable special education funding per head had decreased. Our analysis demonstrated the potential for positive outcomes to bring longer-term benefits both to individuals and the public purse. However, the Department for Education, agencies and local authorities did not have sufficiently complete or comparable information to fully understand the relationship between costs and outcomes across special education providers and between areas, or to fully inform student choice.

Crown Prosecution Service: the introduction of the Streamlined Process (HC 1584, 2 November 2011)

13 In 2010, around 1.7 million cases were heard in the magistrates' courts in England and Wales, with the Crown Prosecution Service prosecuting approximately one million of these cases. In 2008, the Director of Public Prosecutions rolled out guidance on the Streamlined Process, jointly managed by the Crown Prosecution Service and the Association of Chief Police Officers, which aimed to reduce the amount of paperwork and therefore police time spent preparing prosecution. Such paperwork includes witness statements and supporting evidence, as well as documents listing previous convictions. Our report evaluated whether the national roll-out of the Streamlined Process complied with established principles of good practice in project management, whether the Process is being used by local criminal justice areas and whether police forces and Crown Prosecution Service offices are abiding by the guidance.

14 We found that the Streamlined Process guidance could reduce the time which the police spend preparing prosecution files without reducing the effectiveness of the courts. The guidance took account of the complexity of the criminal justice system by involving key national and local agencies in its roll-out, but it failed to secure local buy-in. Furthermore, the implementation of the initiative did not follow established principles of effective project management, which led to widespread variation in compliance. Data was lacking, so it was not clear whether the initiative had reduced paperwork for police forces.

Flood risk management in England (HC 1521, 28 October 2011)

15 Over 5.2 million (one in six) properties in England are at risk of flooding from rivers, the sea, or surface water. The Department for Environment, Food and Rural Affairs has policy responsibility for flood and coastal risk management, the Environment Agency has national operational responsibility and local authorities have local operational responsibility. Local authorities spent £101 million on flood risk management activity. Upper-tier local authorities (unitary and county councils) have lead responsibility for managing local risks, encouraging greater local engagement and decision-making on investments. We considered progress since 2007 in how well investment has been targeted at risk, and assessed how well the Department and Agency are supporting and managing reform.

16 We found the Environment Agency had improved its knowledge of the condition of its flood defences, and targeted investment more effectively. Giving greater responsibility and discretion to local authorities to identify risks, and raise and target funding, brought some significant challenges as outlined in our report, especially during a time of local authority budget reductions and newly devolved responsibilities.

Oversight of financial management in local authority maintained schools (HC 1517, 19 October 2011)

17 The Department for Education is responsible for the quality of school performance and the academic achievement of pupils. In the decade to 2009-10, schools received an average annual increase in spending per pupil of nearly 5 per cent. However, more schools are now facing reductions in their budgets in real terms, at the same time as significant changes to qualifications and curricula, and continuing pressure for improved performance. We examined the information available to the Department for Education about schools' financial management, how it helps improve schools' financial management expertise, and arrangements with local authorities to support good financial management and cost reduction in schools.

18 We found that the Department had set standards for financial management in maintained schools, and had a framework in place for gaining assurance which relied on local authority oversight of schools. The Department needed to know that the framework was meeting the intended objectives, and was capable of alerting it to systemic issues with schools' financial management that required action or intervention as they emerged.

Achievement of foundation trust status by NHS hospital trusts (HC 1516, 13 October 2011)

19 From 2004, government policy has been that NHS hospitals should run their own affairs and be accountable to local people and patients, rather than be subject to top-down direction from the Department of Health. Hospitals have been supported to become foundation trusts, requiring strengthened board governance, financial disciplines that promote long-term financial viability, and a framework to secure delivery of quality services. When it first created NHS foundation trusts the Department of Health expected all acute and specialist hospitals to be in a position to apply for foundation trust status by 2008. By 1 October 2011, there were 139 foundation trusts with 113 NHS trusts at various stages in the pipeline.

20 We examined the Department's management and reporting processes to identify and address the obstacles trusts face to achieving foundation trust status. We found that the processes had introduced a new sense of purpose among NHS trusts in the pipeline for foundation trust status. There were, however, at least 20 trusts with such substantial and long-standing problems that they were not viable in their current form. The Department was in the process of determining, with the NHS, how it would deal with these trusts.

Oversight of user choice and provider competition in care markets (HC 1458, 15 September 2011)

21 The Department of Health is responsible for setting the policy framework for social care in England, and local authorities have statutory duties to provide or fund social care for those eligible for means-tested support. Total spending on social care services in the UK is approximately £23 billion annually. Over recent years, there has been a move towards using market mechanisms in the delivery of publicly-funded care. As a result, local authorities changed from being a service deliverer or commissioner to overseer of care markets. We examined whether users of social care can engage with the market and purchase services that help them achieve their care outcomes,

and also whether there is adequate competition within care markets to make providers responsive to users' requirements, and to ensure that quality of service is maintained. We also evaluated the arrangements locally and nationally for building market oversight capability.

22 We found evidence that most social care users had gained improved well-being and control from using personal budgets, and some local authorities reported they had led to efficiency improvements. However, there were wide variations between local authorities in the amount of engagement and support offered to personal budget users. Market oversight at the local level was very varied, and there were no formal arrangements to monitor markets at the national and regional levels. These shortcomings need to be addressed to secure value for money in the future.

Landscape review: Formula funding of local public services (HC 1090, 20 July 2011)

23 We examined three formula-based grants under which £152 billion, one fifth of all government spending, was allocated in 2011-12 to establish key lessons that any new funding arrangements should address. The formulae reviewed were primary care trust allocations administered by the Department of Health; the Dedicated Schools Grant administered by the Department for Education; and the Formula Grant administered by the Department for Communities and Local Government.

24 We found that as a result of funding models being designed to respond to multiple objectives, the responsiveness of the funding formulae was constrained. The health formula met most of its stated objectives, while a lack of specific, precise objectives for the other two created tensions. All the funding arrangements included provisions to ensure stability which, although necessary, led to some local bodies being funded for extended periods significantly above or below needs-assessed levels. Population data were the biggest determinants of funding, and there were significant differences between population data sets for some geographical areas.

The failure of the FiReControl project (HC 1272, 1 July 2011)

25 The FiReControl project aimed to improve the resilience, efficiency and technology of the Fire and Rescue Service by replacing 46 local control rooms with nine purpose-built regional control centres using a national computer system. We examined why the Department for Communities and Local Government failed to deliver the project and the extent to which it minimised waste following the decision to terminate it.

26 We found the project to be flawed from the outset as it did not have user support and the Department underestimated the project's complexity and costs while overstating the benefits. In addition it did not provide the necessary leadership and management. FiReControl represented poor value for money, wasting a minimum of £469 million. The Department made a bold decision to cut its losses by terminating the contract and limiting the downside as much as possible.

Establishing social enterprises under the Right to Request Programme (HC 1088, 24 June 2011)

27 As part of its agenda for transforming community services, the Department of Health has supported primary care trust (PCT) staff joining together and leaving the NHS to form social enterprises. These are independent bodies delivering services, previously delivered in-house, under contract to the PCT. The aim was to enable the separation of PCT provider and commissioner functions, improve efficiency and add to the diversity of providers in the community. Seven pathfinder social enterprises were created before 2008, and, at the time of our report, a further 20 were operational with another 30 expected by September 2011. We examined the support provided by the Department to PCTs and arrangements by PCTs to ensure delivery of services, which would highlight the risks of achieving sustained value for money.

28 It was too early to assess the costs and benefits of the programme, but we identified a number of risks, mainly with PCTs, that needed to be managed, and we concluded that programme objectives needed to be set to assess success. The sustainability of social enterprises was heavily dependent upon funding and cash flow from the NHS.

Protecting consumers – the system for enforcing consumer law (HC 1087, 13 June 2011)

29 Responsibility for protecting consumers from unfair treatment by businesses, costing at least £6 billion annually, sits across central and local government. The Department for Business, Innovation and Skills has overall responsibility for policy, while the majority of enforcement is carried out by local authority Trading Standards Services. The Office of Fair Trading has responsibility for enforcing certain consumer laws at the national level. We reviewed how well the enforcement system operates as a whole to protect consumers, examining whether information and intelligence systems are aligned and utilised; whether cases are allocated to the most appropriate enforcement body; the extent to which delivery bodies are operating efficiently; and whether costs and outcomes are appropriately evaluated to ensure accountability at different levels of government.

30 We found the system was not delivering value for money as the framework to bring together fragmented delivery did not function properly. Data on running costs and activity was insufficient and the cost of damage caused to consumers and society was not routinely measured. The capacity of local authority Trading Standard Services varied and there were no incentives for joint working across areas.

Department for Transport: Local authority major capital schemes (Review, May 2011)

31 The Department for Transport administers the transport element of the Regional Funding Allocation Programme introduced in July 2005 to help integrate transport, economic and spatial development strategies in the English regions. The programme provides local authorities with capital funding to introduce worthwhile highway and public transport schemes that support Local Transport Plans and wider regional strategies. As at March 2010, the Department was committed to provide up to £2.4 billion to approved schemes. We examined whether the Department has suitable arrangements to secure value for money from its investment focusing on how it managed the programme, monitored schemes and evaluated benefits.

32 We found the Department had done much to improve its management of the Programme with suitable processes and controls being in place to manage centrally allocated funds. A proportionate approach to monitoring risks had been taken, although this could be developed further. The Regional Funding Allocation Programme has come to an end, and there was concern that the Department for Transport would not be able to evaluate the scheme overall and could make better use of the information it has.

Transforming NHS ambulance services (HC 1086, 10 June 2011)

33 The ambulance service provides urgent and emergency healthcare and patient transport services. In 2009-10, total expenditure across the 11 regionally-based ambulance services was £1.9 billion. Ambulance services are currently commissioned by a 'lead' primary care trust on behalf of the other primary care trusts whose populations are served. These commissioners are responsible for agreeing strategic plans, priorities and funding across all of their constituent primary care trusts; translating them into commissioning intentions; negotiating contracts and specifications with ambulance services; and managing the performance of ambulance services against the contract and wider strategic objectives. We examined whether ambulance services provide a cost-effective service to patients seeking urgent and emergency care and whether they and other parts of the emergency care system operate in such a way as to minimise costs to the wider health service.

34 We found that the Department of Health's emphasis on response times to calls as a performance measure, rather than clinical outcomes, meant that the incentive structure did not encourage resource optimisation, although a broader, outcome-led performance regime had been put in place in April 2011. Limitations in management information and benchmarking prevented the Department, commissioners and ambulance services driving improvement. These differences indicated that value for money was not being consistently achieved across the network.

The Mortgage Rescue Scheme (HC 1030, 25 May 2011)

35 The Mortgage Rescue Scheme (the Scheme), launched in January 2009 with a budget of £205 million, aims to protect the most vulnerable households from the negative impacts of repossessions and homelessness. Under the Scheme, a local authority assesses households and refers them for independent money advice where appropriate. If the household is eligible and makes a successful application, a housing association either makes an equity loan to the household or purchases the home at near-market rate. Our report considered how the Department for Communities and Local Government designed, appraised, implemented and managed the Scheme.

36 We found that the Department did not deliver value for money in the way it implemented and managed the Scheme, because it did not adequately test the assumptions used in the business case, it misjudged demand and did not take early enough action when realising initial assumptions were off the mark. Recent changes to the Scheme should reduce the up-front costs to the taxpayer.

The National Programme for IT in the NHS: an update on the delivery of detailed care records systems (HC 888, 18 May 2011)

37 The National Programme for IT in the NHS (the Programme) is an £11.4 billion programme which aims to reform the way that the NHS in England uses information, and hence improve services and the quality of patient care. Central to the programme is the creation of a fully integrated care records system. The programme was launched in 2002, and by 31 March 2011 expenditure totalled some £6.4 billion which included central expenditure on programme management, delivering national systems, procuring systems for local NHS organisations, and the cost to those organisations of implementing these systems locally. Our report provided an update; in particular it examined changes in the scope of contracts with suppliers, alongside the cost implications, what systems were able to do, and the risks and challenges the Department of Health needs to manage.

38 We found progress against plans had fallen far below expectations in terms of delivery of the system across the NHS and delivery of functionality. The Department of Health had significantly reduced the scope of the Programme without a proportionate reduction in costs, and was in negotiations to reduce it further still. On this basis we concluded that the £2.7 billion spent on the care records systems so far did not represent value for money, and we did not find grounds for confidence that the remaining planned spend of £4.3 billion would be different. The Department considered, however, that the money spent to date has not been wasted and would potentially deliver value for money.

Managing high value capital equipment in the NHS in England (HC 822, 30 March 2011)

39 Between 2000 and 2007, there was significant investment across the NHS in replacing and buying additional high value capital equipment, around half of which was due for replacement within three years as it neared the end of its useful life. The NHS faces the immediate challenge of making better use of its existing capacity as the Government aims to deliver up to £20 billion of efficiency savings in the NHS by the end of 2014-15. We examined how efficiently three types of equipment were used: Magnetic Resonance Imaging (MRI), and Computed Tomography (CT) scanners, used for diagnosis, and Linear Accelerator machines for cancer treatment. The current value of these three types of machines in the NHS is around £1 billion.

40 We found that NHS trusts did not have the means to know if they were making best use, or getting best value, out of their high value equipment. Equally, they did not have the means to determine if they were getting value for money from purchasing or maintenance. There were significant variations in activity levels between trusts, and a lack of comparable information about performance and costs. In these circumstances the planning, procurement, and use of high value equipment was not achieving value for money across all NHS trusts.

Getting value for money from the education of 16- to 18-year-olds (HC 823, 23 March 2011)

41 In 2009, over 1.6 million 16- to 18-year-olds participated in some form of education and training, with the Department for Education spending £6 billion each year. The majority undertook full-time education at a general further education college, a sixth-form college or a school sixth form studying for level 3 qualifications such as A levels, National Vocational Qualifications or equivalent. We examined whether the Department was getting value for money from its funding of the education of 16- to 18-year-olds by assessing the range of courses for learners to choose from, whether the system incentivised high quality, cost-effective provision and whether effective performance monitoring and interventions to deal with the poor performance of providers was in place.

42 We found that increases in expenditure on education have been matched by improvements in student achievements. Nevertheless, we could not conclude that value for money had been delivered across the system given variations in accountability arrangements, performance monitoring and intervention to address poor performance.

The procurement of consumables by NHS acute and Foundation trusts (HC 705, 2 February 2011)

43 The 165 hospital trusts spend approximately £4.6 billion on consumables (goods that have to be bought regularly such as dressings, beverages or staff clothing) each year. These typically account for 10 per cent of an average NHS acute trust's total expenditure, ranging from £7 million to £103 million in 2009-10. Government policy is that increasingly hospital trusts have the freedom to manage their operations with minimal intervention or direction from central government. Under this model, the Department of Health provides a framework and incentives for trusts to improve efficiency, but does not mandate particular actions.

44 We examined the procurement of medical supplies and other types of consumable product by NHS hospitals in England. We found that inadequate information and fragmented purchasing meant procurement was poor value for money. An estimated £500 million could be saved and there were a number of steps that we recommended the Department of Health should take to encourage trusts to improve their procurement.

National Health Service Landscape Review (HC 708, 20 January 2011)

45 The July 2010 NHS White Paper, *Equality and excellence: Liberating the NHS*, proposed a number of changes to the structure and operation of the NHS, which were subsequently refined in the Command Paper, *Liberating the NHS: Legislative framework and next steps*. Our report summarised these changes without attempting to evaluate or draw conclusions on value for money. We highlighted the key dependencies and established a set of issues and benchmarks against which the progress of the reforms can be assessed. Areas covered included how the proposed NHS Commissioning Board and GP consortia will achieve value for money in commissioning, how economies of scale can be achieved in a localised system and whether data and information systems meet the needs of decision-makers.

Management of NHS hospital productivity (HC 491, 17 December 2010)

46 NHS productivity is the measure that describes the relationship between inputs (such as staff and clinical supplies) and outputs (healthcare activity adjusted for quality). We examined how productivity in hospitals in England has changed over the last ten years, the effectiveness of the Department of Health's initiatives to improve productivity and how well placed the NHS is to deliver improvements in productivity.

47 We found hospital productivity to have fallen, alongside a 70 per cent increase in expenditure from £60 billion in 2000-01 to £102 billion in 2010-11. The Office for National Statistics estimated that, since 2000, UK NHS productivity decreased by an average of 0.2 per cent per year and that in hospitals by around 1.4 per cent per year. The Department explained that much of the additional funding was intended to meet the key public expectations and would not initially be matched by a commensurate increase in outputs. Our report also found that the Department's design of initiatives and the NHS's implementation of them focused on increasing capacity, quality and healthcare outcomes rather than realising improvements in productivity.

The youth justice system in England and Wales: Reducing offending by young people (HC 663, 10 December 2010)

48 The youth justice system aims to prevent offending by young people. Provisional data shows young people committed 201,800 offences in 2009-10, 17 per cent of all proven offending while making up 11 per cent of the criminally responsible population. Local and national government both play important roles in the system. In England and Wales there are 157 Youth Offending Teams (multi-agency partnerships with statutory representation from local authorities, the police, probation, health and social services). They are responsible for delivering youth justice services such as the supervision of community-based sentences and spend some £800 million annually. More than 30 per cent of their funding is provided by the Youth Justice Board that monitors performance of the system. We examined the extent of offending by young people, the costs, whether assessments of young offenders drive resource allocation, the extent of work carried out with young offenders to reduce re-offending and the performance of the Youth Justice Board in improving outcomes across the youth justice system.

49 We found that the Youth Justice Board had put in place a coherent structure capable of delivering value for money and had helped reduce the use of the most expensive sentencing option, custody. However, there needed to be a better evidence base on what was working and was not. It was not possible to say if value for money was being delivered in light of the structural improvements that had been put in place.

Delivering the Cancer Reform Strategy (HC 568, 18 November 2010)

50 Each year in England around 255,000 people are diagnosed with cancer and around 130,000 will die from the disease. In 2007, the Department of Health published its five-year Cancer Reform Strategy setting out actions to improve outcomes and actions to drive delivery of these improvements. We examined how three of the four actions to drive delivery have been utilised: improving the quality of information, strengthening commissioning and making better use of resources.

51 We found that the Department of Health had made progress in improving cancer services through strong direction and high profile leadership, underpinned by increased resources. There was scope for further improvements to information quality. Commissioners' poor understanding of costs and outcomes meant that they did not always know whether they were commissioning services that optimised outcomes for patients.

Educating the next generation of scientists (HC 492, 12 November 2010)

52 A key aim of the ten-year Science and Innovation Investment Framework, published in 2004 by the Department for Education, was to increase the skills of young people in science. We examined the Department's progress in increasing take-up and achievement across maths and science up to the age of 18 and the extent to which specific initiatives, such as programmes to raise the quality of science facilities, recruit and retain teachers and improve the appeal of science, contributed.

53 We found that the Department had focused resources on those factors shown to improve take-up and achievement. It had made good progress in areas such as A-level maths and GCSE triple science, but had been less successful in teacher recruitment and take-up of A-level physics. The Department had been successful in identifying coherent pathways to maximise successful results and the efficient use of public resources in some instances. However, gaps and inconsistencies in availability and uptake remained, creating a shortfall in value for money.

Reducing the cost of procuring Fire and Rescue Service vehicles and specialist equipment (HC 285, 23 July 2010)

54 Firebuy, an arm's-length body of the Department for Communities and Local Government, developed a number of national framework agreements specifying the conditions and prices under which local Fire and Rescue Services could purchase vehicles and specialist equipment from chosen suppliers. These agreements aimed to reduce duplication of effort across services, reduce prices, and improve consistency of service. Our report assessed whether the current operation of Firebuy reduced the public sector cost of Fire and Rescue Service procurement.

55 We found the Firebuy services had cost nearly twice as much to set up and run as the total savings it claimed to have delivered, although the approach to measuring savings was inadequate and data unreliable. The Department had not shown enough leadership, direction or oversight in introducing and overseeing the service.

PFI in Housing (HC 71, 25 June 2010)

56 Housing delivery has been a government priority. Local authorities have used Public Finance Initiative (PFI) as an alternative funding route when other options for either improving existing housing or building new stock were not practical or available. PFI has typically been used to regenerate areas with a high social housing need but where stock condition was particularly poor. We examined the performance of PFI projects relative to plans, and where possible compared procurement routes and assessed the Department for Communities and Local Government's management of the programme to date.

57 We found that PFI had been a flexible and useful funding route that had delivered housing improvement. However, a majority of projects had been affected by significant cost increases, and all had experienced delays compared to business case estimates. Local authorities reported that their initial choice for PFI at a project level was influenced by the Department's funding structures and policy constraints rather than a focus on value for money. For early projects, the Department's programme management was weak and under-resourced. A series of improvements had been introduced although it was too early to assess their impact.

The performance and management of hospital PFI contracts (HC 68, 17 June 2010)

58 PFI hospital contracts are awarded and managed by local trusts. The contracts use private funding to build and maintain hospital buildings with the contractor often providing support services. The Department of Health is responsible for approving new contracts with a capital value of over £35 million or those that are high risk. It also supports trusts in negotiating and managing the contracts. The Department currently supports 76 such operational PFI contracts

in England, costing £890 million a year. Our report focused on the performance of the maintenance and support services under PFI contracts and how they are managed by trusts, highlighting the challenges faced in making the most of contracts, developing relationships with contractors and ensuring they get the services they expected. The report also assessed how the Department supported trusts and the relationship between a central programme management office and devolved accountability arrangements.

59 We found most PFI contacts were well managed and achieved the value for money expected when the contracts were signed. There was no evidence that including support services within the contracts achieved better value for money. However, there were risks to the long-term value for money of contracts, since the trusts' approach to managing the contracts limited their ability to make efficiency savings. Limitations in performance and cost data restricted the Department's support to trusts and increased the risk of value for money being eroded over time.

Regenerating the English Regions: Regional Development Agencies' support to physical regeneration projects (HC 214, 30 March 2010)

60 Government support for physical regeneration can help to promote economic growth and to reverse economic, social and physical decline in areas where market forces will not do this alone. Regional Development Agencies were created to help target and deliver regeneration effectively in their regions. Physical regeneration is one of five tasks of Regional Development Agencies alongside: promoting business efficiency; investment and competitiveness; promoting employment; enhancing development and application of skills and contributing to sustainable development.

61 We found that the Agencies needed to work with a large number of local bodies and partnerships to plan and deliver physical regeneration effectively. For every pound of Agency spending, an estimated £2.80 was secured from other bodies, of which £1.51 was from the private sector. While some spending may have occurred without the Agency's involvement, their engagement could ensure that regionally important projects proceeded with more confidence.

62 We also found that independent evaluation had shown that physical regeneration projects had added to regional growth, but there was a considerable range in the success of individual projects both within individual agencies and between the types of intervention. The Agencies were unable to demonstrate whether they had consistently chosen the right projects to maximise economic growth and value for money because of weaknesses in project appraisal and the failure to use evaluation of previous projects to develop benchmarks against which to measure performance.

Independent Performance Assessments and Supplementary Reviews of Regional Development Agencies: (Reviews, undertaken in 2006 and 2010)

63 Independent Performance Assessments were developed to give assurance to the Government and its partners on the performance of the Regional Development Agencies as strategic drivers of regional economic development since they were established in 1999. We produced a single assessment report on each Agency which presented the degree to which it met its stated objectives, gave a view on the effectiveness of its capacity, and provided an overall score and a separate score under each of the five key lines of enquiry (ambition, prioritisation, capacity, performance management and achievement). The Agencies also produced a plan outlining the action they would undertake to deliver future improvements in performance. We revisited the Regional Development Agencies in 2010 to assess their progress since the reports in 2006, and to assess their performance in relation to the economic downturn. We used a similar methodology but did not score the individual Agencies. Instead we used a ranking of strong, good or weak.

64 We found that performance varied across England. While the majority had set clear regional plans and had good buy-in from partners, including local authorities and other public bodies, engagement with businesses needed to be improved. Most of the Agencies had turned their strategies into clear plans of action, but some lacked the capacity to deliver effectively. All Agencies had robust project appraisal systems, but the majority lacked any form of evaluation so value for money could not be examined. All of the Agencies performed well on activities to assist businesses during the economic downturn, including setting-up initiatives to provide financial support when the banks refused. All of the Agencies had worked closely with local authority partners to ensure that micro businesses were not overlooked. We also found that two Agencies had developed robust evaluation processes which gave them a much better understanding of the value they were adding regionally and allowed them to effectively target projects to drive greater value for money.

Major trauma care in England (HC 213, 5 February 2010)

65 Major trauma describes serious and often multiple injuries where there is a strong possibility of death or disability. In England, around 98 per cent of major trauma is caused by blunt force, and the most common mechanisms of injury are road accidents and falls. There are no complete data on the incidence of major trauma and related mortality in England. We estimated that there were at least 20,000 cases of major trauma in 2007, leading to at least 5,400 deaths, of which around 2,400 occurred before arriving at hospital and 3,000 following admission. The cost of treating major trauma within the NHS is not known with any clarity. Our report evaluated major trauma services in England and identified improvements to be made. We examined the effectiveness of the planning and delivery of services across the patient pathway from incident through to rehabilitation, and the quality of care provided.

66 We found a lack of accurate and complete information to inform the planning of services and assess the effectiveness of care provided. There were unacceptable variations in mortality rates, which depended on where and when a person received treatment. The absence of well-established systems following recognised standards meant patients did not consistently receive timely and coordinated care, leading to poorer patient outcomes and, in some cases, death. We concluded that major trauma care in England did not represent value for money.

Progress in improving stroke care (HC 291, 3 February 2010)

67 Stroke is one of the top three causes of death and the largest cause of adult disability in England. It costs the NHS over £3 billion a year. The Department of Health sets policies and priorities; primary care trusts fund core services at nationally set levels and commission additional services to meet local needs; and local authorities, funded by a number of government departments, commission social care and other support services. We reported on stroke care in 2005 and found considerable variations in the efficiency and effectiveness of treatment, and scope for potential savings as the result of more efficient practices. This report examined how stroke care had changed since 2005, the extent to which these changes had improved the value for money of stroke care provision, and the risks and issues to be managed to ensure that stroke care services continue to improve in the future.

68 We found that the Department's approach of developing a national stroke strategy increased the priority given to stroke care. Early indications were that implementation of the strategy had started to deliver improved levels of service and outcomes. There had been improvements in the prevention of first and subsequent strokes, and a start had been made on delivering better post-hospital and longer-term care. The actions taken by the Department since 2006 had, to date, improved value for money. For the future, the Department and the NHS needed to work in partnership with local authorities and the third sector if value-for-money gains achieved were to be sustained and further improvements delivered.

The Decent Homes Programme (HC 212, 21 January 2010)

69 The Decent Homes Programme (the Programme) was launched in 2000 by the Department for Communities and Local Government to improve the condition of homes for social housing tenants and vulnerable households in non-decent private sector accommodation. It sought to address the backlog of repairs in local authority housing in England, estimated at £19 billion in 1997, and improve the condition of the stock in other respects. In 2000, the Department set a target for all social housing managed by local authorities and Registered Social Landlords to be decent by 2010. The Department exercised oversight and set policies to facilitate achievement of targets. Responsibility for delivery of the Programme rested with Registered Social Landlords and local authorities. We examined the Programme's achievements to date and sought to identify lessons for successor programmes. We considered progress towards targets, costs and the Department's management of the Programme and the impacts of the Programme.

70 We found that the majority of stakeholders regarded the Programme as a success, with over a million homes having been improved and wider benefits such as better housing management, tenant involvement and employment opportunities. The Department exercised effective control when releasing funds, although it did not review final out-turn costs to assess whether the estimates it made when releasing funding proved accurate. Therefore, the Department could not establish definitively whether the Programme had delivered the required improvements at a reasonable cost.

Improving dementia services in England – an interim report (HC 82, 14 January 2010)

71 Providing care for people with dementia costs the NHS and social care services around £8.2 billion a year and rising, but, as we reported in 2007, services do not currently provide value for money. Our report assessed the Department of Health's Living Well with Dementia Strategy and Implementation Plan, published throughout 2009. The Strategy followed comments from the Committee of Public Accounts in January 2008 that the Department had not given dementia the same priority as cancer and coronary heart disease and had therefore not had the same focus on improvement. Using the Cabinet Office's Capability Review framework we assessed the Department's response to Committee recommendations and the robustness of its Strategy and Implementation Plan, and evaluated the machinery in place to implement the Strategy.

72 We found that the Department's commitment to make dementia a national priority was not yet supported by a robust approach to implementation aligning leadership, funding, incentives and information. Dementia did not feature in the set of 'national priorities' against which the Department monitored and managed local organisations' performance. Overall, improving services and support for people with dementia lacked urgency and priority, and there was a strong risk that value for money would not be significantly improved within the Strategy's five-year implementation timetable.

Regenerating the English Coalfields (HC 84, 17 December 2009)

73 In England, 124 coalfield pits out of 130 have closed since 1981, resulting in 193,000 job losses from an industry of 200,000. The closures left large areas of derelict land, and affected the prosperity of the communities where coal mining was a major industry. Our report examined the progress and impact of the Department for Communities and Local Government's initiatives to tackle coalfields' regeneration in England for which local authorities, alongside Regional Development Agencies and private sector owners, were responsible for delivering locally.

74 We found the initiatives had helped make coalfield communities more attractive places to live, although their value for money had been limited by weaknesses in the Department's oversight and programme management. In the early years, the Department did not play a sufficiently strong role bringing together elements of the programme.

Young people's sexual health: the National Chlamydia Screening Programme (HC 963, 12 November 2009)

75 In 2003, the Department of Health launched the National Chlamydia Screening Programme (the Programme) in England with £150 million having been included in NHS allocations for the Programme since then. The Programme is delivered locally by the 152 local primary care trusts (PCTs) in England, who commission Chlamydia Screening Offices to coordinate the testing of young people under the age of 25. The Health Protection Agency facilitates and supports the implementation of the Programme. Funding is not ring-fenced and PCTs decide local budgets. We examined whether the Programme will achieve its stated aims, and whether the delivery model, where PCTs devise and deliver testing and treatment services locally, provides value for money.

76 We found that the delivery of the Programme had not demonstrated value for money. Annual testing of between 26 and 43 per cent of young people was needed to significantly reduce the prevalence of Chlamydia; only half of PCTs reached 26 per cent or more in 2008-09, six years after the Programme's launch. A more rapid roll-out would have allowed PCTs to reach the necessary level of testing earlier, which was the key objective of the Programme.

Services for people with rheumatoid arthritis (HC 823, 15 July 2009)

77 Rheumatoid arthritis is a progressive musculoskeletal disease that causes severe pain, swelling and inflammation of the joints, and can lead to reduced joint function and disability. We estimate that rheumatoid arthritis costs the NHS around £560 million a year in healthcare costs and that the additional cost to the economy of sick leave and work-related disability is £1.8 billion a year. Our report examined the efficiency and effectiveness of services for people with rheumatoid arthritis in England.

78 We found the acute hospital-based model of delivering services had become more economic with the move from inpatient to outpatient care. Current services, however, did not always match the Government's vision of a patient-centred approach. Better value could be achieved through increasing the number of people diagnosed within three months of the disease.

Partnering for school improvement (HC 822, 9 July 2009)

79 The then Department for Children, Schools and Families spent around £400 million on initiatives that featured partnering in 2007-08. Partnering is defined as a school working with one or more other schools or organisations towards agreed objectives. The Department's aim was for partnering to help schools learn from one another, share resources and expertise, improve the quality of teaching and learning, broaden the curriculum, increase choice for pupils and improve services to their communities. We evaluated the extent and nature of partnering in secondary schools, and assessed its impacts on the attainment and behaviour of 11- to 14-year-olds.

80 We found the Department was achieving its aim to promote partnering. It was difficult to demonstrate a direct, quantifiable impact of partnering on attainment and behaviour across schools because of other prevailing factors. Nevertheless, headteachers considered that partnerships were a valuable tool for improving standards and had positive outcomes beyond the impact on pupils' test results, such as sharing resources, energising teachers and broadening the curriculum. However, our report found that the full potential for partnering to lever improvement had not yet been realised, with objectives often not clearly articulated, and the costs and benefits of partnering rarely independently reviewed. We concluded that at a local level there was greater scope to evaluate the costs and benefits of individual partnerships. Without such evaluation there was a risk that some partnering activities could continue while the costs outweigh the benefits.

Reducing healthcare associated infections in hospitals in England (HC 560, 12 June 2009)

81 Healthcare associated infections in hospitals are caused by a wide variety of organisms and cause a range of symptoms from minor discomfort to serious disability and in some cases death. In 2007, around 9,000 people were recorded as having died with methicillin resistant *Staphylococcus aureus* (MRSA) bloodstream infections or *Clostridium difficile* infections as the underlying cause or a contributory factor. In July 2004, the Department of Health published *Towards cleaner hospitals and lower rates of infection* and established a Programme Board to provide leadership and direction to its commitment to reduce infection rates. In October 2007, a target was set for a 30 per cent reduction in the number of cases of *C. difficile* reported in 2010-11, against a 2007-08 baseline. We evaluated changes in the extent and impact of healthcare infections; the effectiveness, sustainability and cost of the Department's approach; and the effectiveness of action within hospitals to improve the prevention and control of infections.

82 We found that the Department had been effective in helping the NHS improve cleanliness and compliance with infection prevention practices. Direct intervention by the Department, including improved information, had been commensurate with benefits achieved. There had been a perceptible change in leadership, performance management and clinical practice in most trusts. The impact had not, however, been the same for all trusts or all types of avoidable infections where there was a lack of robust and comparable information.

Supporting people with autism through adulthood (HC 556, 5 June 2009)

83 Autism is a lifelong developmental disability, sometimes referred to as Autistic Spectrum Disorder or Autistic Spectrum Condition. The condition can affect individuals in different ways, with some living relatively independently while others require a lifetime of specialist care. We examined the effectiveness of support services for adults with autism and their carers in England, which included health and social care, education, benefits and employment support.

84 We found better outcomes could be achieved through a greater awareness of autism in strategic planning and better knowledge among those responsible for assessing and meeting the needs of people with autism. The provision of specialist support to adults with high functioning autism could improve outcomes for this group, although this could potentially require significant changes to existing service delivery arrangements, with the creation of new roles and new ways of joint working between organisations. Local health and social care organisations and Jobcentre Plus would need to work together to develop services, for example through pooled budgets and joint commissioning arrangements.

Improving road safety for pedestrians and cyclists in Great Britain (HC 437, 8 May 2009)

85 The Department for Transport's Road Safety Division promotes road safety and works closely with local highways authorities who are responsible for the majority of expenditure on road safety schemes (£135 million). The Department leads strategy and research; funds innovative schemes and disseminates lessons so that local highway authorities know what improves road safety; and develops and manages the *Think!* national road safety publicity campaign. We examined whether the Department for Transport's Road Safety Division is improving safety among pedestrians and cyclists, specifically whether it has an effective strategy and programme of activities for these groups and whether it works well with other organisations.

86 We found deaths among both pedestrians and cyclists had fallen since the mid-1990s, but more remained to be done to improve their safety. It was difficult to determine the effectiveness of the Department's contribution to the improvement, but it had taken a number of relevant measures such as providing a general strategy for road safety; developing media campaigns; developing a good understanding of those most at risk and funding innovative road safety projects that generate useful lessons for local highway authorities.

The Building Schools for the Future Programme: Renewing the secondary school estate (HC 135, 12 February 2009)

87 In 2003, the then Department for Children, Schools and Families announced the Building Schools for the Future Programme to renew all 3,500 English secondary schools over the 15-year period 2005-2020, subject to future public spending decisions. It planned to entirely rebuild half the school estate, structurally remodel 35 per cent, and refurbish the rest. Local authorities are responsible for commissioning and maintaining the schools. The Department created Partnerships for Schools (PfS) to manage the programme. We reviewed the progress of the programme to date, the delivery arrangements used by local authorities (including their resources, capacity, planning) and those used by the Department and PfS.

88 We found the original expectations of how quickly schools could be built were over-optimistic and programme costs had increased by 16 per cent, in large part because of decisions to increase scope but also because of increased building cost inflation. Local Education Partnerships, which are local joint ventures between public and private sectors, were timely and costly to procure and costs could be reduced. There was some early evidence that partnerships could lead to time and cost savings once they have been set up. National coordination by PfS had brought benefits to the programme. At the local level, there was evidence that the benefits of strategic funding and central programme management were being achieved in many cases.

Managing the waste PFI programme (HC 66, 12 January 2009)

89 In 1999, the European Union introduced a Directive requiring all Member States to reduce the amount of biodegradable municipal waste sent to landfill. The Department for the Environment, Food and Rural Affairs developed a national strategy for waste disposal, which included plans for meeting this Directive. Local authorities have statutory responsibility for municipal waste disposal locally. Some decided to invest in new infrastructure projects to meet the Directive. Government made financial support available via the Private Finance Initiative. Our report examined the Department's management of its PFI waste infrastructure programme. Many of the issues set out in this report were also relevant to local authorities taking forward other forms of waste infrastructure procurement.

90 We found that despite initial slow progress, since adopting a programme management approach in 2006 the Department had helped develop the market and achieve a more rapid flow of new and larger PFI projects, and strengthened its arrangements for oversight of, and support to, local authorities entering into waste PFI contracts.

Planning for Homes: Speeding up planning applications for major housing developments in England (HC 15, 17 December 2008)

91 Housing development applications require approval by the 368 local planning authorities. The Department for Communities and Local Government had introduced a number of measures to improve the quality of service and speed of decision-making, having spent approximately £68 million a year to increase the speed with which applications are handled. We examined how long it takes local planning authorities to decide major residential applications, reasons for delays, and the effectiveness of the Department's efforts to improve the speed of planning for housing developments.

92 We found the combination of a planning delivery grant and targets introduced by the Department had succeeded in ensuring that local authorities gave a higher priority to taking speedier decisions. The Department, however, had no data on the average time taken to make decisions and how this changed over time, or whether the time taken to progress through the whole system had improved. The value for money of the Department's other initiatives, where they relate to improving the speed of decisions for housing development, had been mixed.

Where to find out more

The National Audit Office website is
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