



National Audit Office

## DATA ASSURANCE SUMMARY REPORTS

# Cabinet Office

### Background and scope

- 1** In 2012, the government published updated departmental business plans. These plans focus on the extent to which coalition priorities are being achieved, and are monitored by a set of input and impact indicators. Departments are expected to report performance against these indicators quarterly. In addition, the Civil Service Reform Plan, published in June 2012, set out additional requirements for departments in sharing management information on back-office functions such as estates, HR or finance.
- 2** The National Audit Office has undertaken to review the input and impact indicator systems of all central government departments and a sample of back-office and operational information. We carried out our first review in 2011-12, and published a summary report on each department.<sup>1</sup> This report covers our second review on the Cabinet Office.
- 3** In this second review we examined the operational data systems underlying three business plan indicators linked to the Big Society priority. Using the Big Society data as a case study 'slice' through the organisation, we also reviewed the completeness, coverage and reporting of performance information, and the links between this and the operational data the Cabinet Office uses to run itself. We incorporated into the work a review of progress against previous recommendations and a commentary on progress with the overall information strategy.

<sup>1</sup> Available on the National Audit Office website at: [www.nao.org.uk/search/pi\\_area/data-assurance-summary-reports/type/report](http://www.nao.org.uk/search/pi_area/data-assurance-summary-reports/type/report)

**4** This report provides an overview of the results of our assessment. It does not provide a conclusion on the accuracy of the outturn figures included in the Department's performance statements. This is because the existence of sound data systems reduces but does not eliminate the possibility of error in the reported data. We have assigned each indicator a numerical score, based on the extent to which departments have put in place and operated internal controls over the data systems that are effective and proportionate to the risks involved.

## Our findings on completeness of information

**5** Overall the Cabinet Office's business plan includes six input and impact indicators, which relate to two of the Cabinet Office's five coalition priorities where it has clear delivery responsibilities – on efficiency and effectiveness in government and on building the 'Big Society'. The business plan also contains other information which addresses a further two of the five priorities. The information provided is therefore relevant, but not complete. Indicators are being developed for the remaining priority – 'To increase transparency in the public sector'.

**6** In many cases the performance information reflects cross-cutting government outcomes that the Cabinet Office is able to influence only partly or indirectly (e.g. the level of volunteering). This presents inherent challenges for the Department in measuring and reporting performance. In addition, the responsibilities of the Cabinet Office have been subject to change since 2010, with programmes being either brought in or spun out of the Department at different times, and policy changes altering the scope of the Department's responsibilities. Since our first review, a number of revisions and simplifications to the published indicators have helped to make them more relevant and useful. As a result, however, only two of the indicators are the same as in 2011 – further change is to be expected. Over time the Department will need to work towards a more stable set of indicators and associated information that captures its performance more completely and shows trends over time.

**7** Internal performance monitoring and reporting is evolving. The Cabinet Office is now routinely reporting a richer, more consistent set of performance information to management in its Performance Report, with improved tracking for each individual directorate. Like other departments the Department has further to go in linking its performance and financial data and in providing concise, targeted information to support the board in its decision-making.

## Our findings on information strategy

**8** The Cabinet Office leads on information issues across government including:

- advancing the coalition priority to "increase transparency in the public sector";
- the programme to improve and standardise management information in government departments, and the production of the Quarterly Data Summary that captures back-office data across government; and
- the government digital strategy.

As the corporate centre of government the Cabinet Office also routinely collects a wide range of data from other departments for monitoring purposes.

**9** As part of this lead role, the Cabinet Office has produced guidance on the principles expected in a public sector body's information strategy. Its own strategy in this area has evolved to reflect changes to the Department since the 2010 General Election. It is also now supported by a departmental digital strategy on the delivery of those aspects which are public-facing.<sup>2</sup>

<sup>2</sup> Available at: [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/80173/Cabinet-Office-Digital-Strategy-20-12-12.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/80173/Cabinet-Office-Digital-Strategy-20-12-12.pdf)

## Our assessment of data systems and reporting

**10** We examined three data systems in our latest review, all of which supported business plan indicators. These indicators all related to the coalition priority to ‘build the Big Society’. Our numerical scores for the indicators are set out in **Figure 1**.

**11** Overall, we found that the business plan indicators we reviewed were relevant to the performance in question, though they did not always provide a complete picture of performance, and further measures were in development. The collection systems and data quality assurance were generally robust, or attention was being given to developing them. However, we conclude that the usefulness of the reported information was significantly weakened by changes in the way the measures are defined over time, absence of contextual information or explanations, and at times confusing or contradictory presentation.

**12** The complexity of the Cabinet Office’s responsibilities and its levers of influence make the presentation of its performance information even more important if it is to be useful as part of accountability. It also needs to set an example of transparency in government information. The 2012 Business Plan has six indicators, five fewer than in the 2011 plan. Of the six only two were unaltered from the 2011 plan. As a result, the Cabinet Office has yet to produce a comprehensive, stable picture of its performance since 2010, that stakeholders can understand. We make a number of recommendations relating to these issues.

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### Figure 1

#### A summary of the results of our data assurance exercise

Score	Meaning	Indicators we reviewed
4	The indicator’s data system is fit for purpose	
3	The indicator’s data system is fit for purpose but some improvements could be made	Number of participants in National Citizen Service programme
2	The indicator’s data system has some weaknesses which the Department is addressing	Overall level of volunteering
1	The indicator’s data system has weaknesses which the Department must address	Average cost of training a community organiser
0	No system has been established to measure performance against the indicator	

Source: National Audit Office

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## Recommendations

### Prior year recommendations

**13** We followed up progress made by the Cabinet Office in implementing recommendations raised in our 2011-12 review. We recommended that the Department should consider:

- how far it could work towards creating a framework of indicators and data systems that integrated both information for monitoring and driving the business, and information required for reporting to key stakeholders; and
- what additional information it could disclose to external stakeholders to explain the choice of published indicators and the limitations on them.

**14** Additionally, we identified a small number of data entry errors in the figures the Cabinet Office reported publicly.

**15** Overall, we found that the Cabinet Office has made some progress implementing these recommendations. However, it must go further, in particular in integrating the information it uses for decision-making and for reporting to external stakeholders. This year's review makes a number of additional recommendations in paragraph 16 below.

### Recommendations from the 2012-13 review

**16** Our four main recommendations are:

**17** The Cabinet Office should, where possible, avoid making further changes to its existing set of indicators in order to provide a stable picture of how it is trying to capture performance that stakeholders can understand. This would allow users to monitor progress with existing indicators over time.

**18** The Cabinet Office should continue to progress development of new indicators or measures in those areas of responsibility where it has none, and in future it should choose indicators carefully to avoid the need to make changes.

**19** The Cabinet Office is responsible for five coalition priorities. The indicator data reported by the Cabinet Office on these priorities is not accessible in one place on its website. The Cabinet Office should bring together information used to track progress with all these priorities in one place. This would increase transparency, making it easier for users to monitor progress.

**20** The Cabinet Office should provide a contextual narrative to each of the indicators. This is important to ensure that they are of optimum use to stakeholders.