



National Audit Office

DATA ASSURANCE SUMMARY REPORTS

Department for Transport

Background and scope

1 In 2012, the government published updated departmental business plans. These focus on coalition priorities and are monitored by a set of input and impact indicators. Departments are expected to publish 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, over three years, the input and impact indicators systems of all central government departments and a sample of back-office and operational information. Our first review was carried out in 2011-12, and a summary report was published on each department.¹ This report covers our second review on the Department for Transport (the Department). In this second review we examined the completeness of information at the Department; information culture at the Department; and the following six business plan indicators:

Input Indicators:

- Cost of maintaining the Highways Agency's motorway and A road network per lane mile.
- Cost of operating the Highways Agency's motorway and A road network per vehicle mile.

¹ Available on the National Audit Office website at: www.nao.org.uk/search/pi_area/data-assurance-summary-reports/type/report

Impact Indicators:

- Proportion of trains running on time.
- Reliability of journeys on the Highway Agency's motorway and A road network.
- Annual road fatalities.

Other key data:

- Average new car CO₂ emissions.

3 The indicators were selected to ensure that a wide variety of the Department's activities are covered, aiming to taking into account indicators which cover a large proportion of expenditure in the business plan.

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 The coalition priorities have changed since 2011-12. The Department's business plan now states that there are seven coalition priorities and four other major responsibilities. Despite the changes in the priorities from the prior year, the content and substance of the performance indicators have remained unchanged. We estimate that 15 per cent of the Department's annual expenditure, which includes expenditure on the major transport projects, is not covered by the business plan indicators. We note that the Department provides some reporting of the progress of its major programmes through the Structural Reform Plan section of the business plan, but this is limited in its detail. This reduces the usefulness of external performance reporting of this significant area of the Department's activities. The Cabinet Office is currently engaging with departments to enhance the reporting of major projects across government.

6 Despite there being no business plan indicators on some areas of spend, the Department monitors the progress of the work of all major areas of expenditure through various outputs presented to the board. From reviewing these outputs and the Department's website it is clear that transport is a data rich area. The Department needs to take a strategic view of its indicators going forward to ensure that the indicators are useful to the board; and that indicators continue to be relevant to the coalition priorities.

Our findings on information strategy

7 The Department has three strategy documents in place which set out how it manages information and achieves compliance with public sector information management principles. During our assessment of performance indicators, we found that the statistics teams and line management complied with the key overarching themes of these strategies. The Department plans to consolidate the three strategies into one overarching strategy after June 2013 and we welcome this development.

Our assessment of data systems

8 We examined six indicators and other key data from the Department's business plan, as set out in paragraph 2. None of the data streams used to calculate the indicators are generated by the core Department. Each statistics team obtains the necessary information from third parties. However, in all cases, the Department has controls to check the reasonableness of the data obtained. For three of the indicators we examined, the data obtained had been designated a national statistic by the UK Statistics Authority.

9 Overall, our conclusion is that for four of the indicators we found the data systems to be fit for purpose and cost-effectively run. For two of the indicators, 'Proportion of trains running on time'; and 'the Cost of operating the Highways Agency's motorway and A road network per vehicle mile', we found the data systems to be robust but that improvements could be made to the presentation of the outturn and targets. As a result we have scored these two targets, at level 3 as shown in **Figure 1**. The Department has addressed the presentational gaps following our work.

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	Annual road fatalities. Cost of maintaining the Highways Agency's motorway and A road network per lane mile. Reliability of journeys on the Highways Agency's motorway and A road network. Average new car CO ₂ emission.
3	The indicator's data system is fit for purpose but some improvements could be made	Proportion of trains running on time. Cost of operating the Highways Agency's motorway and A road network per vehicle mile.
2	The indicator's data system has some weaknesses which the Department is addressing	
1	The indicator's data system has weaknesses which the Department must address	
0	No system has been established to measure performance against the indicator	

Source: National Audit Office

Recommendations

10 We recommend that, as part of the annual business plan refresh exercise, the Department should review the current make-up of indicators and assess whether there is scope for extending their coverage. The Department should also ensure they continue to be relevant to coalition priorities and the Department's wider business. Going forward, in line with the Cabinet Office's drive to improve the reporting of major projects across government, the Department needs to develop its external reporting of the progress and status of its major projects, to enable the public to understand its achievements in this significant area of its activities.

11 With the exception of noting that the Department's statisticians should be encouraged to document and maintain a good understanding of the controls operated by key data providers, our other recommendations surrounded improvements to disclosure.