



National Audit Office

## DATA ASSURANCE SUMMARY REPORTS

# Foreign & Commonwealth Office

### Background and scope

- 1** In 2011 and 2012, the coalition government published updated departmental business plans. These focused on coalition priorities and are monitored by a set of input and impact indicators. Departments were expected to publish performance against these indicators quarterly. 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 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.<sup>1</sup> This report covers our second review on the Foreign & Commonwealth Office (FCO), where we have reviewed nine business plan indicators, one Parliamentary indicator and one Key Performance Report indicator.
- 3** Our findings should be considered against the background that FCO faces some inherent difficulties in measuring outcomes and, in some cases, determining what contribution FCO has made to those outcomes.

<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)

## Our findings on completeness of information

**4** We reviewed the completeness of the Department's information available to make it accountable to Parliament and the public and to run itself. The 11 business plan indicators provide coverage over the three Foreign Policy Priorities (FPPs), the Department's objectives designed to cover the full range of its business. In the updated 2012–2015 Business Plan, the Department has mapped each of the plan indicators to an FPP to demonstrate this coverage.

**5** There are however still no operational data sets that can be used by senior management to assess performance against the FPP of Security; a finding in our 2011-12 equivalent report. Consequently it is difficult to see how the Department can assess its progress against this FPP. The incomplete coverage of the Department's business areas and timing issues with the reporting of the data will have restricted the usefulness of the information to users.

## Our findings on information strategy

**6** The Department does not have an overarching information strategy to describe how it manages all its information, although information is covered in the FCO's ICT strategy and key elements are contained in other documents, principally the Information and Records Management Policy and the Open Data Strategy. In our review of the Open Data Strategy, we found that it was too early to assess whether it was delivering on its aims of allowing the public to fully hold the Department to account.

## Our assessment of data systems

**7** This report provides an overview of the results of our assessment of data systems. It does not provide a conclusion on the accuracy of the outturn figures included in the Department's performance statements because the existence of a sound data system 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.

**8** HM Treasury initially provided a template for reporting quarterly data but this has now been withdrawn, with the last being published in July 2012. As many indicators are only updated annually, the Department has proposed a new single template with indicators updated only when new information becomes available. Because information is only updated annually and often six months after the period end, published data could relate to two years previously. For example, for the report for the quarter ending July 2012, the summary reported figures are drawn from the 2010-11 financial year.

**9** Of the 11 indicators we reviewed, one has been given a rating of zero, the business plan indicator referring to a "more joined-up system to prevent conflict and build capacity"; as it has yet to be reported on by the Department.

**10** Two indicators received a rating of one because the data was not comparable year on year.

**11** **Figure 1** provides a summary of the results of the exercise along with definitions of the ratings we have given the indicators.

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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	Average cost of a UK diplomatic mission/embassy Trend in the gap between anticipated and required low carbon investment
3	The indicator's data system is fit for purpose but some improvements could be made	Total FCO expenditure on official development assistance and percentage of total UK official development assistance contributed by the FCO: a) number of UK businesses helped through internationalisation; and b) foreign direct investment projects attracted to the UK with UK Trade and Industry involvement Financial Performance and Compliance indicator – elements A–D Progress towards a stable and secure Afghanistan Afghanistan security as reported to Parliament <sup>1</sup>
2	The indicator's data system has some weaknesses which the Department is addressing	Financial Performance and Compliance indicator – element E
1	The indicator's data system has weaknesses which the Department must address	Average unit cost of: a) UK businesses helped through internationalisation and of: b) foreign direct investment projects
0	No system has been established to measure performance against the indicator	More effective, joined-up international system to prevent conflict and build capacity in fragile states.

#### NOTE

<sup>1</sup> In March 2013, FCO stopped reporting on this indicator because underlying data is no longer available.

Source: National Audit Office

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## Prior year work

**12** In 2011-12, we examined a sample of Key Performance Report Indicators together with seven common areas of spend indicators on estate costs and workforce size. We chose to examine these particular operational data sets as they represented the most mature systems at the time of review and no significant change was expected.

**13** In 2012-13, we have returned to look at the indicators with a rating of three or below and reviewed progress based on the implementation of our prior year recommendations. We found that FCO has responded well to our recommendations with four out of six indicators reporting improved ratings. **Figure 2** summarises our revised score for the indicators.

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### Figure 2

Summary of our prior year indicators (revised for 2012-13)

2012-13 Revised rating	Meaning	Indicators <sup>1</sup>
4	The indicator's data system is fit for purpose	Risk tolerance to outturn (3) Official development assistance (3)
3	The indicator's data system is fit for purpose but some improvements could be made	Common area of spend: whole Department family (3) estates costs and size (2) HR headcount and positions per directorate general mandated maximum: element relating to headcount and monthly charge (indicator A) (3) Savings programmes (2)

#### NOTE

1 Prior year comparative ratings are shown in brackets next to the indicator.

Source: National Audit Office

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