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Ysgol Fusnes Prifysgol Ulster

Welsh Parliament

Public Accounts and Public Administration
Committee

Scrutinising public administration

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1. Introduction

This paper is presented in response to an invitation to make a written submission on how the committee can discharge its responsibility in the scrutiny of the quality and standards of administration provided by the Welsh Government civil service and Welsh Government Sponsored Bodies.

My research interest is in the discharge of accountability with a special focus on how accountability is discharged through PAC. I have studied the devolved PACs from their establishment and presented my findings to a range of audiences. I have found that the committee in Wales has been innovative in its approach. For example, the PAC in Wales introduced its own committee-led inquiries, following innovations in Westminster led by Dame Margaret Hodge during her tenure as PAC chair.

PAC has a unique role in discharging public accountability. To date, this has been through the lens of public finance. Public administration has now been added to its remit and provides an opportunity to improve the quality of public administration.

1.1. Accountability

Accountability has been described as a cultural icon for our time¹ and as a “magic concept”². It has a wide scope with positive connotations - no one can be against it. Every media report about failings in public services is accompanied by a call for more accountability, often without any debate about what is meant by the term. What is accountability? There are varied definitions but at its simplest it is:

¹ Dubnick (2014) p.25 Accountability as a Cultural Keyword. In: Bovens, M., Goodin, R., and Schillemans, T., eds. *Oxford Handbook of Public Accountability*. Oxford: Oxford University Press, 25-34.

² Pollitt and Hupe 2011 Talking About Government. *Public Management Review*, 13(5), 641-658.

“The obligation of those entrusted with particular responsibilities to present an account of, and answer for, their execution.”³

Accountability is the means by which authorities are held accountable by citizens. In democracies accountability mechanisms provide citizens with tools “to force those rested with public power to speak the truth.”⁴

While the public might at one time have accepted what those in authority told them, this is no longer the case. The demands of the general public have changed⁵; nothing is taken on trust. Public accountability is seen as an essential precondition for democratic processes to work. A better educated and less deferential public, more organised and vocal interest groups and the growth of social media fuels these demands⁶. In the modern context accountability is sometimes perceived as being exercised by the media who demand answers for conduct. However, while the media may highlight issues it has no formal power to orchestrate change in public administration.

Formal mechanisms are “of crucial importance in democracies as they aim to ascertain appropriate behaviour and organisation performance”⁷. The committee previously acted as an accountability mechanism for financial matters and the extension of its remit to include public administration provides a formal mechanism for that area also.

1.2. Accountability Mechanisms

Accountability mechanisms has three phases⁸:

- Information
- Discussion
- Consequences

³ Organisation for Economic Co-operation and Development (OECD) (2005) p.2 *Public Sector Modernisation: Modernising Accountability and Control*, OECD Policy Brief. Paris: OECD.

⁴ Bovens, M., Schillemans, T. and 't Hart, P. (2008) Does public accountability work? an assessment tool. *Public Administration*, 86(1), 225.

⁵ Keane, J. (2009) *The life and death of democracy*. Sydney: Simon and Schuster.

⁶ Aucoin, P. and Heintzman, R. (2000) The dialectics of accountability for performance in public management reform. *International Review of Administrative Sciences*, 66(1), 45-53.

⁷ Schillemans, T. (2016) Calibrating public sector accountability: Translating experimental findings to public sector accountability. *Public Management Review*, 18 (9), 1401-1420

⁸ Bovens M.(2007) Analyzing and assessing accountability: a conceptual framework. *European Law Journal*, 13 (4), 447-468; Day and Klein (1987) Day, P. and Klein, R. (1987) *Accountabilities: five public services*. London: Tavistock Publications

Each phase needs to be of good quality if accountability is to be achieved. Information is key to achieving accountability:

“ at the heart of the accountability process is an assessment of the information, where provided data are set against predetermined or emerging norms”⁹

The provision of information is necessary but insufficient for the discharge of accountability¹⁰. It is how this information is used in the next phase, the discussion, that lies at the heart of accountability. This is where the committee adds value. Evidence sessions are a public manifestation of public accountability and having to appear before one is a major influence on behaviour¹¹.

However, while the act of giving an account is sometimes regarded as an end in itself, accountability is incomplete if there is not some means of rectification¹² - there must be consequences as a result of the accountability mechanism¹³.

In the short term, the consequences of committee inquiries are media attention¹⁴ and reports and recommendations. In the longer-term changes brought about as a result of recommendations should result in improved public services.

1.3. Unique Features of PAC

The unique features that set PACs apart from other parliamentary committees, identified as prerequisites for effectiveness¹⁵ are:

- The close working relationship with the Supreme Audit Institution (SAI), which in this case is Audit Wales. The independent expert reports provided by the SAI benefit from unique access to departments and public bodies in receipt of public funds;

⁹ Brandsma, G.J. and Schillemans, T. (2013 p.959) The accountability cube: Measuring Accountability. *Journal of Public Administration Research and Theory*, 23 (4), 953.

¹⁰ Harrison, T and Sayogo, D. (2014) Transparency, participation and accountability practices: a comparative study. *Government Information Quarterly* 32, 513-525

¹¹ Russell, M and Crowley, P. (2016) The power of the Westminster parliament: “the parliamentary state” and the empirical evidence. *Governance: An International Journal of Policy, Administration and Institutions*, 29 (1).

¹² Mulgan, R. (2000) “Accountability” an ever0expanding concept? *Public Administration*, 78 (3), 555-573.

¹³ Day, P. and Klein, R. (1987) *Accountabilities: five public services*. London: Tavistock Publications.

Bovens, M. (2007) Analyzing and assessing accountability: a conceptual framework. *European Law Journal*, 13 (4), 447-468

¹⁴ McNair, B. (2009) The media in parliament. In: Jeffrey, C and Mitchell, J. eds. *The Scottish Parliament 1999-2009: The First Decade*. Edinburgh: Luath Press, 120-132

¹⁵ Overseas Development Institute (ODI) (2008) Enhancing accountability for the use of public sector resources: How to improve the effectiveness of Public Accounts Committees, *Triennial Conference of Commonwealth Auditors General*, 2008.

- The close working relationship between committee members from different political parties – the committee must speak with one voice if it is to be most effective. PACs achieve this to varying degrees; and
- Policy neutrality. Standing orders state that the committee must not question the policy objectives of the government or public body. The literature would also support this approach. However, no clear definition of policy is provided and the distinction between policy and implementation is not always clear-cut.¹⁶

Any changes to the remit of a PAC must not impede these characteristics, which have been built up by previous committees.

I would like to issue a word of caution. While I acknowledge that scrutiny of public administration in Wales is required, the “traditional” public accounts remit of the committee is very demanding and very important. The addition of the public administration remit should in no way dilute the primary focus of the committee, but it must complement the good work already undertaken, especially if the committee wishes to continue its own committee-led inquiries in addition to its new responsibility. The committee in Wales has proved to be both hard working and influential over the years and that must not be lost.

I note in particular that the remit of the Scottish Parliament Public Audit Committee was extended in 2016 to include post legislative review. However, in its Legacy Report¹⁷ in 2021 the committee reported that this additional remit impacted on its ability to carry out more detailed scrutiny of individual audit reports and its broader key audit themes work and improvement agenda. As a consequence, the committee recommended that post legislative scrutiny be removed from its remit. The 2021 PAC does not have this additional responsibility within its remit.

¹⁶ Gay, O. and Winetrobe, B. (2003) *Parliamentary audit: The Audit Committee in comparative context, a report to the Audit Committee of the Scottish Parliament*. London: Constitution Unit UCL

¹⁷ Scottish Parliament (2021) Public Audit and Post-legislative Scrutiny Committee Session 5 Legacy Paper <https://digitalpublications.parliament.scot/Committees/Report/PAPLS/2021/3/15/4f0f838b-3e50-479a-8721-621037bca0a0> [accessed 17th November 2021].

2.Principles and Best Practice for scrutiny of Public Administration

The principles that apply to the scrutiny of public administration have much in common with the principles for financial scrutiny.

The public administration remit set out in standing orders is broad. Before progressing, the committee needs to establish its approach. The issue of standards of administration is already addressed to an extent through its traditional PAC role. However, this extension to its remit allows it to delve more deeply into areas where previously it might have encountered push-back.

“The performance of public organisations cannot be reduced to a single dimension, and is inescapably contestable”¹⁸

When scrutinising public administration the focus is usually on results. However, this raises questions of results for whom, defined by whom, against what criteria and in pursuit of what objectives¹⁹ Is the approach to be outputs focused, outcome focused or focused on the processes and practices used to deliver services. This will determine the information needed.

2.1.Essential Requirements.

The following are prerequisites for scrutiny

- Good quality information must be available to enable it to carry out its remit, that is, the information must be reliable, objective and professional.
- Benchmarks against which information is measured must be established. Before any inquiries are undertaken benchmarks need to be established. What are the standards to which comparison is to be made? Any benchmark established must take account of local needs²⁰

¹⁸ Boyne, G, Meier, K, O’Toole, L and Walker, R (2006) *Public Service Performance: Perspectives on Measurement and Management*. Cambridge: Cambridge University Press.

¹⁹ Pollitt, C. and Bouckaert, G. (2011) *Public Management Reform. A comparative analysis: new public management, governance and the Neo-Weberian State*. Oxford: Oxford University Press

²⁰ Pollitt, C. and Bouckaert G. (2011) *Public Management Reform*. 3rd Edition. Oxford: Oxford University Press

- A number of frameworks have been developed by organisations such as the World Bank Worldwide Governance Indicators (WGIs) and OECD. However any benchmarks established would need to be tailored to the conditions and local culture. Moreover, while the committee cannot question the policy, the policy objectives should be clear.
- Appropriate processes and procedures for scrutiny must be established.
- All stakeholders must be involved in the process.
- Recommendation follow up. The provision of information is not the discharge of accountability. It is merely the starting point of the accountability mechanism. Therefore, appropriate follow up on reports and recommendations must be undertaken.

3. Information and Evidence required by the

Committee

In carrying out its financial scrutiny remit expert independent reports, together with briefings are provided by Audit Wales. Most inquiries undertaken by the committee have been on foot of Audit Wales reports. For committee-initiated inquiries calls have been made to the public for evidence. This is unusual for PAC, but it is likely to be important in the fulfillment of the extended remit. However, if used excessively, this may change the unique nature of the committee and make it more like other parliamentary committees.

Information on objectives, processes and organisation culture is required. This information must be timely, reliable, objective and professional.

The sources of information and evidence are likely to be:

- Audit Wales reports, which address economy, efficiency, effectiveness and value for money, but which can also identify other areas of interest.
- Reports by the Public Services Ombudsman for Wales (PSOW) to identify areas of concern. The Public Services Ombudsman (Wales) Act 2019 gave the PSOW powers to initiate his own initiative investigations, not on foot of a complaint. However, the discussion phase of the accountability mechanism in this instance is held behind closed doors. The committee could explore these reports in public

to demonstrate public accountability. Furthermore, only 18% of recommendations made by the PSOW relate to processes and a further 14% described as feedback to staff ²¹, with little evidence of appropriate follow up disclosed.

- Public consultations, as this is a means of capturing elements that are essential to people's lives ²². However, information is influenced by (i) who is asked to respond (ii) how they are asked to respond and (iii) under what conditions ²³
- Welsh Parliament Research Service.
- Staff surveys

4. Priority Issues

- Set the strategy for the public administration remit for this mandate and an annual work programme while retaining some flexibility for unexpected events. This should take account of the other demands on the committee.
- Make arrangements for stakeholder engagement, including the general public.
- Establish who the principal witnesses at evidence sessions will be- civil servants or politicians. If ministers appear as witnesses there is a danger that the committee may become politicised and lose credibility as a result.
- Establish a formal process for feedback. The aim should be to create continuous evidence-based feedback loops resulting in a learning culture culminating in improvements in public service delivery.

²¹ Public Service Ombudsman Wales (2021) available at: <https://www.ombudsman.wales/wp-content/uploads/2021/07/Annual-Report-and-Accounts-2020-21-Delivering-Justice-FINAL.pdf> [accessed 28.11.2021]

²² OECD (2017) *Government at a Glance 2017*, OECD Publishing. available at: Paris http://dx.doi.org/10.1787/gov_glance-2017-en [accessed 28.11.2021]

²³ Connolly, T., Conlon, E.J. and Deutsch, S.J. (1980) Organisational Effectiveness: A multiple Constituency Approach. *Academy of Management Review*. 5 (2),549-559

