



National Audit Office

**BRIEFING FOR THE  
HOUSE OF COMMONS  
REGULATORY REFORM  
COMMITTEE**

**DECEMBER 2009**

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# Reducing bureaucracy for public sector frontline staff

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The 2007 public sector strategy 'Cutting Bureaucracy for Our Public Services' seeks to reduce the amount of unnecessary bureaucracy faced by frontline public sector workers. Central to the strategy is a target to reduce data requests made by central government on the frontline by 30 per cent by 2010. Two years into the programme we set out the reported progress to-date and comment on the Better Regulation Executive's management of the strategy.

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# Summary

The 2007 public sector strategy 'Cutting Bureaucracy for Our Public Services'<sup>1</sup> seeks to reduce the amount of unnecessary bureaucracy faced by frontline public sector workers. Central to the strategy is a target to reduce data requests made by central government on the frontline by 30 per cent by 2010. Two years into the programme we set out the reported progress to-date and comment on the Better Regulation Executive's management of the strategy.

## Our main findings are

**There are many drivers of bureaucracy, both positive and negative. Despite previous streamlining work, there is scope for improving overall efficiency and value for money in the public sector, with Departments estimating that efficiency savings across government for public sector workers could lead to cost savings of over £1.5 billion.** The public sector strategy has highlighted one important area in which there is great potential to improve public service delivery. But the public sector strategy has intentionally not received the same level of attention as the work to reduce administrative burdens on business through the Administrative Burdens Reduction Programme. And the Better Regulation Executive has limited levers with which to encourage greater buy-in.

**The current strategy's only quantitative target for cutting bureaucracy is narrow in focus and does not cover all forms of unnecessary bureaucracy.** The quantitative target is to reduce public sector data requests from central government to frontline staff by 30 per cent by 2010. But the target does not seek to address other areas of the strategy which also highlight important sources of unnecessary bureaucracy, such as irritants identified by frontline staff.

**The target to reduce public sector data requests was brought in without Departments having a standard measurement methodology to assess their own progress.** The result has been an ability to tailor approaches for different sectors, but variation in the targets and in how Departments measure unnecessary bureaucracy.

**Nine Departments have set targets to reduce the number of data requests and three to reduce the burden of data requests in terms of time or cost to frontline staff. Most Departments are reporting good progress on their targets.** By late 2008 the Better Regulation Executive was reporting that the nine Government Departments measuring the number of data requests had reduced their requests by 27 per cent.

1 Cabinet Office, Cutting bureaucracy for our public services, June 2007.



**There are also good examples of individual initiatives to reduce bureaucracy for frontline staff.** Some Departments have also implemented initiatives to address key irritants and these changes are yielding results.

**The Better Regulation Executive has taken a light touch approach to monitoring of progress.** Departments must produce annual simplification plans and the Better Regulation Executive has routine progress reviews, but there is little scrutiny of Departments' assertions of savings and no external validation of those claimed savings.

**Departments have tended to focus on reporting progress against the quantitative data streams target but have not been consistent in reporting progress on other areas of the strategy.** Among the five Departments with the most frontline staff, only two included detail of irritants to key frontline staff in their simplification plans, and most made limited mention of how they were engaging with frontline workers. Neither Departments nor the Better Regulation Executive have a robust way to measure progress on the target on perceptions of bureaucracy.

**The Better Regulation Executive and Departments have not yet assessed the impact of the strategy on frontline staff.** Evaluating the impacts of the strategy would improve the effectiveness of the programme in the future and help to identify any remaining challenges.

### **The Committee might wish to consider**

- Whether the scope of the current target's focus on data streams may have led to unintended consequences of reducing data requests without sufficient attention to tackling the most important irritations and causes of unnecessary bureaucracy experienced by frontline staff.
- How to monitor progress in reducing unnecessary bureaucracy. Particularly, the benefits of monitoring results against all strands of the public sector strategy, and of developing strong quality assurance processes for any impacts claimed.
- The balance between necessary information and unnecessary bureaucracy. Specifically, the best way to identify where there is scope to cut unnecessary bureaucracy further without losing valuable accountability.
- The role and accountability of Departments in facilitating the reduction of bureaucracy across the whole delivery chain, particularly how to seek closer engagement in those Departments with complex delivery chains.
- How to achieve cultural and long term change in Departments, and particularly to challenge risk aversion and improve trust throughout the delivery chain. Such work would build on Risk and Regulatory Advisory Council's work on tackling risk and should help to reduce the incidence of intermediary bodies or frontline service managers collecting information which is not required for line management purposes or by central government.

- Whether there is a need to draw the value for money, policy reform and bureaucracy reduction programmes together to strengthen impact and accountability of public sector work and who should have oversight of these programmes to achieve greatest impact.
- How to encourage cross-departmental learning on effective ways to reduce bureaucracy and improve proportionate risk management. For example, by sharing information, running workshops or highlighting success stories.
- How the Better Regulation Executive or Departments can seek more information on the nature and scale of unnecessary costs in order to understand the problem better and to influence future policy. Similarly how they can obtain robust evidence on whether frontline staff perceptions of bureaucracy are improving and evaluate the overall success of the programme without creating additional burdensome data requests.

# Introduction and objectives

**1** Regulation – including guidance, inspection and reporting – is central to the delivery of effective public services and provides accountability for public funds and essential protection for citizens. Regulation also plays an important role in delivering improvements to services. For example, inspections and reporting can have a critical role to play in highlighting examples of good and bad performance and variations in public service. But complying with these requirements imposes a cost across frontline services. Public sector bodies are subject to many of the regulations affecting private businesses. But in addition, public bodies are also affected by specifically public sector forms of regulation, either by Government departments or by specialist bodies such as the various quality inspectorates. Both as a result of regulation, and due to internal management practices, public sector workers often complain that the delivery of public services is hampered by high levels of unnecessary bureaucracy.

**2** The Government is committed to improving the design of new regulations and simplifying and modernising existing regulations in order to deliver better targeted and more effective services. The Better Regulation Executive, part of the Department for Business, Innovation and Skills, is responsible for managing and monitoring the delivery of the strategy. Much of the focus of the better regulation agenda has been on reducing regulatory costs for business; now even more important given the recent economic downturn. But the public sector is also affected: at a time of financial stringency, public service providers need to reduce the level of unnecessary bureaucracy to allow frontline staff to concentrate on delivering high quality services efficiently.

**3** In its July 2008 report “*Getting Results: The Better Regulation Executive and the Impact of the Regulatory Reform Agenda*”<sup>2</sup>, the Regulatory Reform Committee highlighted the importance of cutting bureaucracy in the public sector. The Committee called for Departments to place renewed focus on the government’s target of reducing public sector data requests by 30 per cent by 2010. It also recommended that efforts to reduce public sector unnecessary costs be given equal emphasis to efforts to reduce regulatory burdens on business under the Government’s Administrative Burdens Reduction programme.

**4** This briefing paper provides the Regulatory Reform Committee with an overview of the Government’s approach to reducing unnecessary bureaucracy on frontline public sector workers and the governance arrangements for delivering these improvements. Two years after the 2007 public sector strategy on cutting bureaucracy, it comments on the results reported in the December 2008 Departmental simplification plans (the key reporting tool) and other documents. It also reviews the approaches followed by the five biggest public sector Departments:

<sup>2</sup> House of Commons Regulatory Reform Select Committee: *Getting results: The Better Regulation Executive and the Impact of the Regulatory Reform Agenda*, Fifth Report 2008 HC 474-I.

- the Department of Health;
- the Department for Innovation, Universities and Skills (now part of the Department for Business, Innovation and Skills)<sup>3</sup>;
- the Department for Children, Schools and Families;
- the Ministry of Justice; and
- the Home Office.

**5** This paper comments on the Government's reported progress in implementing its strategy to reduce unnecessary bureaucracy for frontline workers but does not seek to validate directly the quality of the claimed improvements. It does however comment on the scrutiny and oversight by the Better Regulation Executive. The findings are based on a review of five Departments' simplification plans and other available documentation, and interviews with the Better Regulation Executive and the Departments mentioned above. The December 2009 simplification plans will provide an opportunity to update these findings. This paper does not review progress on the wider value for money programmes in the public sector.

**6** In this paper we cover:

- the scale of the bureaucracy imposed on frontline workers and how the Government is responding through its public sector strategy (**Part 1**);
- reported progress to-date and key challenges (**Part 2**); and
- the governance arrangements in place to support the Government's delivery of its strategy (**Part 3**).

<sup>3</sup> During research for this briefing paper a machinery of government change merged the Department of Innovation, Universities and Skills and the Department for Business, Enterprise and Regulatory Reform, creating the Department for Business, Innovation and Skills.

# Part One

## The scale of the problem and the Government's response

### The scale of bureaucracy on frontline workers

**1.1** In the public sector regulation governs many aspects of service delivery, including professional requirements and standards, employment law, training, health and safety, duty of care, European law, service delivery standards etc. Regulation plays an important role in making the best use of public funds and delivering improvements to services. But it can also create additional bureaucracy through a range of actions such as reporting against targets, complying with service standards, responding to data requests and receiving inspection visits.

**1.2** Public sector administrative systems are complex and there is a range of incentives and drivers which are often contradictory. There are many legitimate demands for generating good administrative data, to improve efficiency, drive outcomes improvements and provide transparent information to the public to inform choice. Less positively, cultures of risk aversion and lack of trust across delivery chains also encourage increases in bureaucracy. But at the same time pressures to create efficiencies and maximise staff time delivering services are encouraging data reduction. The key challenge for Departments is to collect information which is important for managing the business efficiently, and to remove unnecessary bureaucracy.

**1.3** There is much scope to reduce bureaucracy in the public sector. Departments estimate that as a result of the efficiency and burden reduction programmes, they might reduce costs to the public sector by an estimated £1.5 billion by 2010 (**Figure 1**).

**Figure 1**  
Estimates of public sector cost savings

| Delivery to date |          |          | Planned delivery |          |          |
|------------------|----------|----------|------------------|----------|----------|
| May 2006         | May 2007 | May 2008 | Dec 2008         | May 2009 | May 2010 |
| £m               | £m       | £m       | £m               | £m       | £m       |
| 109              | 157      | 287      | 938              | 1,273    | 1,515    |

Source: *Making your life simple: Simplification plans – a summary*, Better Regulation Executive, 2009

**1.4** There is also a high level of press and public interest in the time spent by frontline workers on administrative tasks. Public opinion seems to be generally that the volume of bureaucracy is too high. For example there have been several press articles on the amount of time spent by teachers and by police on administrative tasks.

**1.5** To date there has been no systematic quantification of the costs that complying with regulation imposes on frontline workers. However a few Departments have produced their own estimates of the time spent on administration for some groups of front-line staff (**Figure 2**).

**1.6** More is known about the irritations frontline staff have often faced in dealing with bureaucracy. Common irritants recorded by public sector staff in 2007-08 included a lack of coordination and data sharing between Departments, duplicate information requests, longwinded processes and lack or poor use of information technology (**Figure 3**). Many of the irritants below are now being addressed by the Departments concerned.

**1.7** A large number of bodies with slightly differing requirements can lead to perceptions of bureaucracy in major service delivery sectors. For example one individual in higher education commented in an online suggestions portal for staff that: *'A significant number of organisations regulate Universities, all with different and often duplicated data requirements and inspection regimes'*<sup>4</sup> Complex delivery chains and the role of professional bodies often exacerbate the number of data requirements. Annex 1 shows the number of organisations involved in delivering the skills agenda to young people in higher education in 2008 and their roles and responsibilities.

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## Figure 2

### Estimates of time spent on administration by frontline workers

**Policing:** An annual activity based costing data exercise found that the police spent about half of their time on frontline policing (excluding incident related paperwork) and approximately a further 10 per cent of time on incident related paperwork. Although the overall time spent on frontline policing increased from 63.6 to 64.9 per cent between 2003-04 and 2007-08, this increase actually represented an increase in incident-related paperwork (from 10.3 per cent to 12.4 per cent), with time spent on frontline policing excluding incident-related paperwork falling slightly.

Source: *HC (2008-09) Written Answers, 15 May, 1088-89W*

**Education:** A 2008 Teachers' Workload Diary Survey of 2000 teachers in England and Wales found that full time primary and secondary school classroom teachers spend between 12 and 16 per cent of their working week on administrative tasks and school management. The top activity teachers said they would like to spend less of their time doing was administration and clerical work (for example this was mentioned by 34 per cent of primary full-time classroom teachers).

Source: <http://www.ome.uk.com/downloads/2008%20Teachers%20Report%20FINAL.pdf>

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4 Better Regulation Executive Web Portal: Suggestions for Better Regulation <http://www.betterregulation.gov.uk/public/viewidea.cfm?proposalid=c5f30c366aec4d0691b4fa3e7ec93aba&section=Public>.

**Figure 3**

Common irritants identified by frontline staff reported by the Department of Health and the Ministry of Justice

| Irritants                                      | Number of irritants identified in simplification plans | Examples  |
|--|--|---|
| Lack of information sharing                    | 4  | Department of Health: Information on clinical negligence is collected by the Health Service's Litigation Authority yet the Healthcare Commission requires similar information in part of its Annual Health Check of healthcare organisations. |
| Streamlining of processes required             | 10   | Probation Service: Review whether a greater number of oral reports rather than written reports can be produced on the day.  |
| Overlap between monitoring bodies              | 2  | Prison Service: The creation of Regional Offender Managers has created additional and duplicated reporting and monitoring processes.  |
| Duplication of paperwork                       | 2  | Prison Service: Often the same information is needed on several different forms. For example, following an incident, information may be required on security intelligence, safer custody, injury, segregation and categorisation paperwork.   |
| Number of audits and inspections               | 5  | Prison service: Reduce self audit, management checking and data reporting processes which are considered cumbersome by front line staff.  |
| Poor/No information technology slows processes | 4  | Court service: Onerous and often uncoordinated manual data requests (especially weekly returns for Business Management Systems and data quality checks).  |
| Clearer guidance                               | 1  | Department of Health: Clearer guidance required for those new to regulation in the independent healthcare sector to navigate registration process.  |

Source: *Simplification plans 2007 and 2008*

**NOTE**

Only the Department of Health and the Ministry of Justice included a full list of irritants in their simplification plans. The Department for Children, Schools and Families and the Department for Innovation, Universities and Skills did not include a summary of key irritants. The Department for Children, Schools and Families told us that the simplification plan focused on Special Educational Needs statementing process which was seen by its front line staff to be the most important irritant. The Home Office did not list irritants for the police in its simplification plan in 2008 although it commented on ongoing reforms.

**1.8** In the health sector the picture is similar. The Department of Health has been very proactive in tackling unnecessary bureaucracy but with such a large and complicated sector challenges still remain. A 2009 report by the Provider Advisory Group, which advises the Department of Health and the Care Quality Commission on the impact of regulation, mapped requirements from 35 existing regulators, auditors, inspectorates and accreditation agencies with a remit for healthcare organisations in England. Its findings showed the high levels of regulation in the sector. In particular the report found that:

- one large hospital NHS foundation Trust reported that “*Several of us spend all our time gathering evidence for the various health sector bodies, driven by the fact that the same information is requested in different ways, necessitating a reformatting of the evidence. The administrative burden has doubled over the last four years.*”<sup>5</sup>
- these regulators and other inspection agencies have a total of 698 standards that map to the Department of Health’s Standards for Better Health<sup>6</sup> and a further 166 that do not match any of the Department’s standards.
- significant overlap between health standards. For example, 25 bodies had standards relating to Healthcare Standard C11a: “to ensure that staff concerned with all aspects of the provision of health care are appropriately recruited, trained and qualified for the work they undertake”. But differences in timescales and wording often meant that frontline staff were often required to make multiple reports on the same issues.

**Figure 4** gives an example of how the bodies and the standards each use relate to one sub-category of the Department’s Standards for Better Health and shows the high degree of overlap for many standards.

### **The Government’s response: the regulatory reform agenda**

**1.9** To reduce burdens the Government has developed a regulatory reform agenda that seeks to ensure regulations provide intended benefits and protections whilst minimising unnecessary costs. The UK has one of the most ambitious and wide-ranging approaches to regulatory reform in the world. The Better Regulation Executive (part of the Department for Business, Innovation and Skills) is responsible for managing and monitoring the agenda.

5 NHS Confederation and the Independent Healthcare Advisory Services, *What’s it all for? Removing Unnecessary bureaucracy in regulation*, March 2009.

6 The standards for better health are the core and developmental standards covering NHS health care provided for patients in England.



**Figure 4**

Overlap between different bodies in the health sector

| <b>Standards for Better Health:<br/>Patient Focus criteria</b> | <b>Number of<br/>Standards</b> | <b>Number of<br/>bodies involved</b> | <b>High overlap</b> |
|--|--------------------------------|--------------------------------------|---------------------|
| C13a Dignity & Respect   | 12                             | 7                                    | Yes                 |
| C13b Consent   | 20                             | 9                                    | Yes                 |
| C13c Confidentiality of Patient Information                    | 27                             | 8                                    | Yes                 |
| C14a Accessible Complaints Procedure                           | 13                             | 9                                    | Yes                 |
| C14b Complainants & Discrimination                             | 7                              | 5                                    | Yes                 |
| C14c Complaints Response                                       | 6                              | 4                                    | No                  |
| C15a Food – Provision  | 6                              | 5                                    | Yes                 |
| C15b Food – Individual Needs                                   | 7                              | 5                                    | Yes                 |
| C16 Accessible Information                                     | 12                             | 9                                    | Yes                 |
| D8 Service User Feedback                                       | 8                              | 3                                    | No                  |
| D9a Patient Preferences  | 15                             | 6                                    | Yes                 |
| D9b Shared Decision-making                                     | 7                              | 5                                    | Yes                 |
| D10 Self-care  | 5                              | 4                                    | No                  |

*Source: "What's it all for? Removing unnecessary bureaucracy in regulation" – Joint report by the National Health Service Confederation and the Independent Healthcare Advisory Services, March 2009*

**1.10** Initially much of the high profile attention on reducing bureaucracy was directed towards the private sector. In 2005 the Government published a 'Less is more'<sup>7</sup> report detailing how it could reduce the cost to business of complying with regulation. The report recommended that the Government should measure the administrative burdens it imposes on business and set a target for reduction of the burden. Following this report the Government introduced an Administrative Burdens Reduction Programme which committed to reduce administrative burdens of regulation on business by 25 per cent by 2010.

**1.11** Public sector bodies also benefited to some degree from this private sector initiative because they are subject to many of same regulations as private businesses and often use private businesses to deliver services. But in addition, public bodies are also affected by public sector forms of regulation or inspection. For some years the Government has sought to reduce regulatory costs for providers of public services, for example following the 2003 report *Inspecting for Improvement* by the Cabinet Office's Office of Public Services Reform.

7 Better Regulation Taskforce, "Less is More. Reducing Burdens, Improving Outcomes", March 2005.

**1.12** More recently Government has moved its focus away from inspection regimes in the public sector and now broadened its approach by considering levels of regulation on the public as well as private sector. In June 2007 the Government introduced a public sector strategy 'Cutting Bureaucracy for Our Public Services'. The key aims of the strategy are:

- **Fewer and better co-ordinated requests for data from the frontline:** Departments were requested to identify all data requests made by central government on frontline staff and reduce this number by 30 per cent by 2010. This is a net target so Departments must calculate the burden imposed by any new data requests introduced after October 2007 and find a corresponding saving;
- **Better engagement with front-line workers to identify and remove bureaucracy:** Use of stakeholder groups, surveys, and websites to provide frontline staff the opportunity to put forward ideas for simplification, with regular research to review opinions of progress;
- **A reduction in the stock of unnecessary bureaucracy in the areas the front-line cares most about:** Departments committed to working with stakeholder groups to identify major irritants experienced by frontline workers and set out plans for tackling these issues; and
- **Better regulation that is understood and mirrored through the public service delivery chain:** To encourage intermediate bodies such as Strategic Health Authorities and Local Education Authorities involved in managing the delivery of local services to spread best practice and Better Regulation principles.

**1.13** The strategy seeks to deliver 'a tangible and permanent reduction in unnecessary Government bureaucracy' to allow frontline staff to spend more time delivering key services. The strategy's aim of reducing unnecessary bureaucracy where the front line cares most is broad in scope, encompassing all aspects of bureaucracy from duplication of paperwork to overlap of monitoring bodies. But its quantitative target to reduce data stream requirements from central government represents only one type of bureaucracy faced by frontline staff and as such will not include many irritants as identified by staff in health and education about overlap of regulatory bodies or burden of inspection (paragraphs 11-12).

**1.14** The Better Regulation Executive is responsible for promoting the overall strategy, co-ordinating implementation and reporting the results, while individual Departments are responsible for identifying and delivering their own contributions. The Better Regulation Executive sees its role as using its experience from the private sector Administrative Burdens Reduction programme to provide frameworks and suggest approaches for Departments which will help them to deliver results. The Better Regulation Executive has two performance indicators relating to the strategy (**Figure 5**). Part 2 sets out what has been achieved to date against the strategy aims and the challenges encountered in reducing unnecessary bureaucracy.

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**Figure 5****The Better Regulation Executive's Performance Indicators on reducing public sector bureaucracy**

In October 2007 as part of the Comprehensive Spending Review 2007, the government published a new set of Public Service Agreements. The new framework also required departments to develop a set of Departmental Strategic Objectives for the period 2008-11, which provide a framework for performance management and progress reporting. Each Departmental Strategic Objective is underpinned by a number of performance indicators that will be used to assess progress.

**Departmental Strategic Objective 2**

Ensure that all Government Departments and agencies deliver better regulation for the private, public and third sectors

**Performance indicators**

- 6 Proportion of bureaucracy which the public sector front line believes to be unnecessary
- 7 Reduction in data stream requirements from central government to the public sector front line by 2010. Includes 30 per cent cross-Government target to reduce burdens on front line public sector staff

*Source: Department for Business, Enterprise and Regulatory Reform annual report 2008*

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# Part Two

## Reported progress and key challenges

**2.1** This part considers how the Better Regulation Executive supported Departments to put the public sector strategy into action including setting targets and baselines. Next it reports progress on the two performance indicators – to reduce data requests and to reduce the perception of unnecessary bureaucracy. Then it considers progress against the other objectives of the public sector strategy. Finally the part discusses the challenges of reducing bureaucracy for frontline staff.

### Putting the strategy into action: setting appropriate targets and baselines

**2.2** One purpose of publishing a strategy to reduce unnecessary bureaucracy in public services was to signal to Departments that in addition to tackling administrative burdens experienced by businesses, the experience of public sector workers was also important. But at the outset there was no assessment of the actual level of the data burdens or of where improvement was most needed. There was anecdotal evidence of the scope for efficiency improvements but no systematic data.

**2.3** Despite the paucity of data the Better Regulation Executive decided to press ahead with publishing its strategy before detailed consideration of how progress would be assessed. The strategy was published in June 2007, whereas the target and baselines were discussed with Departments in October. This decision focused Departments on how to deliver which led to quicker results but meant that the targets and measurement methods adopted by each of the Departments varied, making overall reporting against the strategy more difficult.

**2.4** **Figure 6** summarises the targets and measurement methods adopted by each of our five focus Departments. The main difficulties are:

- **Setting targets:** To reflect ongoing bureaucracy reduction work and other special considerations, some Departments agreed lower or aspirational targets with the Better Regulation Executive. Of our five focus Departments, one adopted a 20 per cent target (reflecting savings already delivered in this area) and three agreed aspirational targets of 30 per cent. Only the Department of Health set a 30 per cent target. Such variations make it difficult to aggregate individual progress into a meaningful view of overall progress against the Department's high level performance indicator.

- Establishing baselines: Departments told us that the Better Regulation Executive did not play such an active role in establishing baselines under the public sector strategy than it had under the Administrative Burdens Reduction Programme. For the latter, the Better Regulation Executive undertook an extensive exercise to establish a baseline for the administrative costs imposed on business whereas for the public sector strategy the Better Regulation Executive allowed Departments to establish their own baselines. Further, no baselines were set at the outset of the programme for measuring the perception of bureaucracy which the public sector front line believes to be unnecessary.

## Figure 6

### Targets for reducing bureaucracy in the five Departments we reviewed

| Department   | Agreed target  | Basis of calculation   | Delivery date  |
|--|--|--|--|
| Department of Health                               | 30 per cent  | Staff resource   | May 2010 for social care and October 2010 for health |
| Department for Children, Schools and Families      | 25 per cent, with an aspirational target of 30 per cent  | Financial cost of data burdens   | Early 2011 (implementation was delayed)              |
| Department for Innovation, Universities and Skills | 20 per cent for further education  | Further Education – Provider resource and costs per annum  | May 2010 for further education                       |
|  | 20 per cent for higher education between 2004 and 2008, and a further 10 per cent by 2010-11     | Higher Education – Staff time and resource of data burden (Cost of staff time and non staff costs)                   | 2010-11 for higher education                         |
| Ministry of Justice                                | Aspirational – 30 per cent (but new data requests will not to be added to baseline) <sup>1</sup> | Number of data streams   | May 2010   |
| Home Office  | Aspirational – 30 per cent   | Number of data streams. Department has also estimated reduction in burden for an internal police review <sup>2</sup> | March 2010   |

Source: *Department simplification plans, 2008 and NAO meetings with Departments*

#### NOTES

- 1 The Better Regulation Executive agreed with the Ministry of Justice that as a relatively new Department it had a paucity of management information and required new lines of data collection, which should not be added to the Department's baseline.
- 2 A review by Sir David Normington aims to reduce the data collection burden placed on police forces in England and Wales by the Home Office by up to 50 per cent. It is not possible to quantify the precise scale of the reduction as no baseline was established for this review so the Better Regulation Executive still formally uses data streams to measure progress. But the police programme provides useful material on the Home Office's achievements.

- **Methods of calculating savings:** Some Departments such as the Ministry of Justice have opted to measure a reduction in the number of data requests imposed on the frontline while others such as the Department for Children, Schools and Families and the Department of Health are examining the burden these data requests impose. The Better Regulation Executive believed that assessing the burden of data requests is more informative than counting the number of data streams, but it took a pragmatic approach on a department by department basis. The Department of Health's approach was one of the most thorough (**Figure 7**).
- **Target dates:** some Departments reported an initial lack of clarity about the target end date and some Departments reported that they will not complete implementation of their identified savings until after the government-wide target end date of May 2010.

## Progress in reducing data requests

**2.5** A key performance indicator of the public sector strategy is a target to reduce data requests required by central government of frontline staff by 30 per cent by May 2010. But a lack of robust baselines and comprehensive calculation methodology at the start of the programme has hindered the Better Regulation Executive's ability to report robust results. Progress reported to-date appears generally encouraging despite these difficulties. At the end of 2008 nine Departments reported on reductions in the number of data requests – Department for Business, Innovation and Skills, Cabinet Office, Department for Communities and Local Government, Department for Culture Media and Sport, Department for Environment, Food and Rural Affairs, Department for Transport, Department for Work and Pensions, Home Office and the Ministry of Justice. The Better Regulation Executive reported that across these nine Departments, 133 data requests had been removed by late 2008, some 27 per cent of the total number. Overall progress masks some individual variation in performance; for example Cabinet Office is not on track to deliver its commitment of 30 per cent reduction while the Ministry of Justice and Home Office are likely to exceed their target.

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### Figure 7

#### The Department of Health's methods of measuring burdens – a good practice example

The Information Centre for Health and Social Care has developed a method of estimating the burden and cost of a data collection. It calculates the administrative and clinical staff resource it will take to complete the request. This is multiplied by the number of organisations involved and the annual frequency of the data collection to arrive at a total annual burden in notional person years across the whole National Health Service. E.g. collecting quarterly data from all Primary Care Trusts is estimated to take one administrator one day each quarter. The total estimated annual burden is therefore:  $1 \text{ day} \times 4 \text{ quarters} \times 152 \text{ Primary Care Trusts} = 608 \text{ person days}^1$ .

*Source: Summary of the Office of Government Commerce's Procurement Capability Reviews*

#### NOTE

<sup>1</sup> National Health Service Information Centre for Health and Social Care, *Approaches to Burden Management*, January 2008.

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**2.6** The three Departments measuring reductions in terms of burden also reported some progress. In early 2009 the Department for Children, Schools and Families, which measured the reduction in burden through cost, reported that it had delivered a 10 per cent reduction to date and identified potential for a 29 per cent reduction by 2010-11. It has agreed these savings with a panel of frontline staff. And the Department of Health, using staff time to measure burden reduction, reported a 30 per cent reduction in social care and a 13 per cent reduction in health care. Finally research commissioned by the Department for Innovation, Universities and Skills in January 2009 showed that in higher education the costs of regulatory arrangements reduced by 21 per cent between 2004 and 2008.

### Progress against the perceptions target

**2.7** A fundamental aim of reducing data streams is to ease the burdens on frontline workers. Therefore, reviewing whether perceptions of unnecessary bureaucracy are changing is important. In addition to the 30 per cent target reduction for data requests, the Better Regulation Executive also has a performance indicator under its Departmental Strategic Objective (Figure 5) to reduce the proportion of bureaucracy which the public sector front line believes to be unnecessary. The Better Regulation Executive has not yet reported its progress against this objective but plans to do so in 2010.

### Initiatives to tackle bureaucracy

**2.8** The Departments we reviewed have made efforts to implement the three further strands of the public sector strategy: identifying and tackling irritants to staff, better engagement with front-line workers and encouraging intermediate bodies to adopt better regulation principles. On using identified irritants to reduce bureaucracy, Departments have consulted their frontline workers to identify key irritants, and progress in tackling these irritants has been reported in some Departments' annual simplification plans. For example, the Ministry of Justice identified 19 irritants through its consultation exercise and solutions have now been found for five of these irritants. **Figure 8** provides an example.

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#### Figure 8

#### Example of Ministry of Justice response to an irritant identified by frontline staff

**Irritant:** Probation staff requested a Video Conferencing Technology directory so that all staff working in prisons and probation know where people are located and how to contact them. This facility will significantly reduce travel.

**Response:** The video-conferencing directory was published on 31 July 2008, providing probation staff with much faster and more straightforward access to information.

*Source: Ministry of Justice Simplification Plans 2007 and 2008*

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**2.9** The Better Regulation Executive is also helping Departments to identify where bureaucracy can be reduced. An online portal, set up originally to gather suggestions for reducing bureaucracy from businesses, has been extended to provide 'a voice for frontline workers' whereby staff can submit simplification proposals. Departments then review the proposals and take them forward where possible. These proposals typically centre on encouraging more joined up working across government and greater use of time saving measures such as on-line applications.

**2.10** Departments have implemented initiatives to engage with frontline staff, particularly using gateway groups to consider the level of unnecessary bureaucracy on the public sector and to reduce data streams. Some were set up in response to the public sector strategy, for example, the Department of Health's Streamlining Data Collections Board, while other Departments have used existing bodies to review data streams. For example, a panel comprising head teachers and local authority representatives, formed in the Department for Children, Schools and Families in 1999 has been revived and the Department intends the panel to act as gatekeepers of data. The use of dedicated groups to review data requests has also yielded results. **(Figure 9)** Some Departments are taking imaginative approaches to engaging with the frontline. For example the Department for Children, Schools and Families has disseminated the key messages from its 2008 simplification plan into e-mail updates with circulation to over 32,000 schools.

**2.11** Departments have also sought to tackle bureaucracy through other measures such as improving information technology systems, streamlining forms and data sharing **(Figure 10)** provides some examples).

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### **Figure 9**

The Home Office's annual data requirement process for the police has yielded results

Data provided by the police to the Home Office is set by an Annual Data Requirement process, by which the Home Office and the police forces agree on the minimum data required to operate efficiently. The Department has imposed a moratorium on additions to the Annual Data Requirement until 2011 and has reduced the number of separate data requests each year so far; from 89 in 2007-08, to 82 proposed for 2009-10.

*Source: Simplification plans*

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**Figure 10**

Better data sharing and improvements in technology are helping to reduce bureaucracy

**Education**

The Managing Information Across Partners programme is an IT enabled, data centric set of services to enable data sharing across the education sector to reduce administrative burdens and improve personalisation of services. It comprises three services:

- a Learner Registration Service, meaning a Unique Learner Number is generated for anyone over the age of 14 in education;
- a learner data-sharing interface that will enable the creation of learner records; and
- a UK Register of Learning Providers.

Learning and Skills Council estimates a saving of £7 million from Managing Information Across Partners Programme for both Learning and Skills Council and Qualifications and Curriculum Authority in 2008-09.

*Source: Department for Innovation, University and Skills, Simplification Plan, 2008*

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**UK Borders Agency**

One of the irritants identified in immigration is sharing of data between Government departments. The UK Borders Agency is planning to consolidate its existing powers to enable information sharing to ensure that it obtains the information it needs to carry out its work.

**Police**

The Home Office data hub is designed to provide better technology for the Home Office collection, reporting and analysis of police data. It will hold more complete data than before. It will also make a significant contribution to the reduction of the bureaucratic burden on police forces by automating the required returns and reducing ad hoc data requests. By the end of 2009-10 a new Home Office data hub will automatically receive crime and human resources data from force management information systems, halving the number of data requests to 45 by 2010-11.

*Source: Home Office Simplification Plan, 2008*

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**Challenges to delivery**

**2.12** Departments are taking steps to reduce the level of unnecessary bureaucracy and the potential benefit to the frontline is great. But some challenges remain:

- Delivery chain – In areas of service delivery such as health there is a long delivery chain of intermediary bodies between the central government Department and frontline service providers. Whilst the Department of Health set out how it works with others in the delivery chain such as Strategic Health Authorities to reduce demands for data, it has limited ability to control all data streams. Frontline health providers reported examples of overlapping and contradictory requests for information;
- Communication between frontline staff and central government bodies – Good communication between central government and frontline bodies is crucial to understanding where changes are needed and in reducing unnecessary bureaucracy. But systems for doing so are not always strong and Departments reported that it can be difficult to get good quality feedback on key irritations and concerns from frontline staff;

- Collecting more information than necessary – Departments reported examples of frontline staff facing requests for data which originate from their own line management at local level, not from central government. Genuine additional requests can be sought for management information purposes, but sometimes such requests reflect a poor understanding of central requirements (**Figure 11**);
- Achieving cultural change – Well planned measures to reduce bureaucracy require understanding and buy-in from frontline staff. Four out of five Departments told us that cultural change in understanding the importance of reducing bureaucracy has been slow; and
- Perceptions of change – The January 2009 review of progress in reducing bureaucracy in higher education commissioned by the Higher Education Funding Council for England found that the costs of complying with regulation had decreased substantially between 2004 and 2008. But it also found that many higher education institutions strongly believed that overall demands and costs had not fallen and were even growing in some areas.<sup>8</sup>

**2.13** Part three examines the role of the Better Regulation Executive in promoting and managing the public sector strategy and related targets.

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### **Figure 11**

#### An example of unnecessary data collection

From 2005 police officers were required to fill out a long form when conducting a 'Stop and Account', whereby an officer requests a person in a public place to account for themselves. In early 2009 these lengthy Stop and Account forms were replaced by officers giving out a business card with their details and completing a short form. However some Police stations continue to use the longer forms despite them being no longer centrally required.

*Source: National Audit Office discussions with Home Office staff*

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<sup>8</sup> Positive accountability - Review of the costs, benefits and burdens of accountability in English higher education, PA consulting group, January 2009

# Part Three

## The Better Regulation Executive's management of the strategy

### The priority given to the strategy

**3.1** The Better Regulation Executive has responsibility for managing and monitoring the delivery of the public sector strategy and targets, while Departments are responsible for delivering individual improvements. The Better Regulation Executive has provided advice and guidance for Departments to assist them to deliver their targets. The Better Regulation Executive is assessed on its performance through two performance indicators within the Department for Business, Innovation and Skill's Departmental Strategic Objectives, but it has only weak levers to encourage delivery of the public sector strategy in other Departments. In particular, while twelve government Departments agreed to deliver improvements under this strategy none of them has a corresponding target in their own Departmental Strategic objectives.

**3.2** To some extent Departments already understand the benefits of reducing bureaucracy for the frontline, with several working on data reduction initiatives pre dating this strategy and on other cross-government initiatives (Figure 10). But Departments told us the target for reducing bureaucracy in the public sector lacked and still lacks the priority given to the 25 per cent target for reducing administrative costs for business under the Administrative Burdens Programme. This is reflected by:

- staff responsibilities within the Better Regulation Executive: there are two staff with responsibility for co-ordinating the public sector strategy compared with six staff co-ordinating the private sector administrative burdens reduction programme; and
- the limited scope of the initial baseline exercise and subsequent monitoring arrangements in comparison to the private and third sector Administrative Burdens Reduction Programme (see later).

**3.3** Departments also told us they found reporting against different public sector initiatives to improve efficiency confusing. At the macro level initiatives such as the Treasury's Value for Money programme reflected efficiency targets through reduced Departmental budgets. Such budget cuts create an incentive to make cashable savings and improve value for money. **(Figure 12)** Other strategies such as "Cutting bureaucracy for our public services" aim to provide the tools to help Departments to achieve those savings through reducing bureaucracy rather than compromising frontline service delivery. Both strategies are trying to improve efficiencies and should therefore fit together. But the targets, baselines and measurement methods were different. Departments reported that greater explanation of the differences between the cash releasing savings of the Treasury's programme and the public sector strategy's aim of freeing up frontline staff for service delivery through reducing bureaucracy might have led to greater understanding of how each contributes to improving efficiency.

### Monitoring and oversight

**3.4** The Better Regulation Executive has a system of relationship managers who are responsible for monitoring the progress of each Department in taking forward regulatory reform initiatives, including reducing public sector bureaucracy. Departments reported that relationship managers had regular contact with them but that the level of involvement was dependent on the strength of personal relationships or how proactive the individuals were. Relationship managers use a range of methods to gain a good understanding of their client Department including attending meetings and stakeholder groups. Formal arrangements between Departments and the Better Regulation Executive are annual scrutiny of simplification plans and regular input to support and challenge Departments.

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### Figure 12

#### The Treasury Value for Money Programmes

**Comprehensive Spending Review 2007 Value for Money Programme:** As a result of over delivery against the Spending Review 2004 Efficiency Programme the Comprehensive Spending Review 2007 Value for Money Programme was extended to seek an additional £30 billion of sustained, cash-releasing, net value for money savings by 2011.

**Public Value Programme** Launched at Budget 2008, The Public Value Programme is looking at all major areas of public spending to identify where there was scope to improve value for money and related incentives. Budget 2009 announced that progress has been made in identifying savings.

**Operational Efficiency Programme** Launched in 2008, The Operational Efficiency Programme used private sector expertise to examine cross-cutting areas of government spending. The final recommendations for savings were published alongside the Budget 2009. Government accepted these recommendations and announced that all Departments will be 'working to implement and deliver the additional value for money savings identified through the Programme'

*Source: HM Treasury, Value for Money update, 2009 and House of Commons: Evaluating the Efficiency Programme, Thirteenth Report 2008-09*

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- Simplification plans:** Since 2006 Departments have published annual simplification plans which set out progress in implementing the Better Regulation Agenda. Since the introduction of the public sector strategy in 2007, Departments have been asked to include a section in their simplification plans on progress on the public sector strategy. All five of the Departments we reviewed had included progress on public sector bureaucracy reduction in their simplification plans. However, we found differences in the level of detail included and the specific parts of the strategy addressed. (**Figure 13**). For example, we found that only the Ministry of Justice, the Department of Health and the Home Office had addressed irritants in their simplification plans. The Ministry of Justice and the Department of Health had provided a full list of how each is being tackled. Despite its guidance, the Better Regulation Executive has not been rigorous in gaining information on progress against all the areas of the strategy and some Departments have covered the strategy more rigorously than others.

**Figure 13**

Elements of the public sector strategy included in the simplification plans

| Department  | Baseline | Data streams progress | Other simplification measures | Cost savings | Irritants identified | Solutions proposed |
|---|----------|-----------------------|-------------------------------|--------------|----------------------|--------------------|
| Department of Health                              | ✓        | ✓                     | ✓                             | ✓            | ✓                    | ✓                  |
| Department for Children Schools and Families      | X        | ✓                     | ✓                             | X            | X                    | X                  |
| Ministry of Justice                               | ✓        | ✓                     | ✓                             | ✓            | ✓                    | ✓                  |
| Home Office                                       | ✓        | ✓                     | ✓                             | ✓            | ✓                    | ✓                  |
| Department for Innovation Universities and Skills | X        | ✓                     | ✓                             | ✓            | X                    | X                  |

Source: *Departmental Simplification Plans, 2008*

**NOTE**

The Home Office did not include a full list of irritants in its 2008 simplification plan but commented on progress in work underway in the police to reduce bureaucracy.

- **Regular scrutiny and challenge:** We found that the Better Regulation reviews progress of each Department periodically in areas such as:
  - Overall regulatory burden imposed by the Department;
  - Stakeholder perceptions;
  - Progress towards targets;
  - How to implement policy decisions; and
  - The Department's culture and capacity.

Such a review process is a good tool for gaining a high level view of a Department's strengths and weaknesses.

**3.5** There are a number of weaknesses in the ways in which progress in reducing public sector bureaucracy is being monitored:

- Turnover of relationship managers creates challenges: Movement of staff is not uncommon across Government but some Departments reported that changes of staff in key roles led to loss of in-depth understanding and knowledge of the strengths and weaknesses of the Department and their ongoing initiatives. One Department felt that turnover had been particularly high as it had four different relationship managers (plus short term cover from another staff member) within three years.
- Simplification plans and other reviews do not capture all the key deliverables as shown above (Figure 13). Further none include an update on progress in improving frontline staff perceptions of bureaucracy. Such perceptions are important to evaluate the success of the measures taken in each sector and useful in informing the relevant indicator underpinning the Departmental Strategic Objective.
- Routine reviews do not always include all relevant information on progress. For example the latest review of the Department for Innovation, Universities and Skills did not include evidence of progress in the further education sector. The Better Regulation Executive believes that its routine reviews are not intended to be comprehensive and focus heavily on the administrative burdens reduction programme.
- The Better Regulation Executive seldom seeks to challenge Departments on the calculation of their data stream reductions or their reported cost savings in their simplification plans. Departments did not report any scrutiny or challenge about the accuracy of such claims or the assumptions and methods used. The Better Regulation Executive told us that they do not see their oversight of the strategy to include validating Departments' cost savings or data stream reductions. They did report that Departments often have Boards or gatekeeping bodies comprised of key stakeholders which scrutinise claims of reduced bureaucracy. In addition the Better Regulation Executive is represented on a cross-Government Reducing data burdens steering group and on the Department of Health's Streamlining Board.

## External validation and evaluation of the programme

**3.6** External scrutiny encourages Departments to be robust in their claims and provides reassurance to the Better Regulation Executive on the accuracy of its reported progress against targets. For the Administrative Burdens Reduction programme for business Government set up an external validation panel to test claimed savings and any assumptions and processes underpinning the claims<sup>9</sup>. But for the public sector strategy there is no process of external validation for Departments claims. The Better Regulation Executive feels that such a process is not necessary for public sector savings as strong incentives for efficiencies already exist.

**3.7** Measuring achievements and assessing outcomes is essential in order to determine if the programme is delivering its intended objectives. Reducing data streams is of limited use if it does not free up the time of frontline workers to deliver public services. Monitoring the cost or time savings achieved through reducing unnecessary bureaucracy provides some insight into the impact of the strategy. But elsewhere there has been little attempt to assess the actual impact of data stream reductions on the efficiency or effectiveness delivery of public services by frontline staff. Some Departments have limited survey sources which will give some insight such as the annual survey of teachers. But there is scope for much more attention to whether claimed savings are delivering real world benefits.

## Next steps in reducing frontline bureaucracy

**3.8** The Better Regulation Executive is due to report final progress against its targets in 2010. Given the current economic climate, increasing debt and reducing budgets, it is likely that a programme to reduce administrative costs and unnecessary bureaucracy will remain highly relevant in the future. The next steps are still under discussion but it will be important to co-ordinate any future work within HM Treasury's wider value for money and efficiency programmes and the Cabinet Office's work on public sector reform.

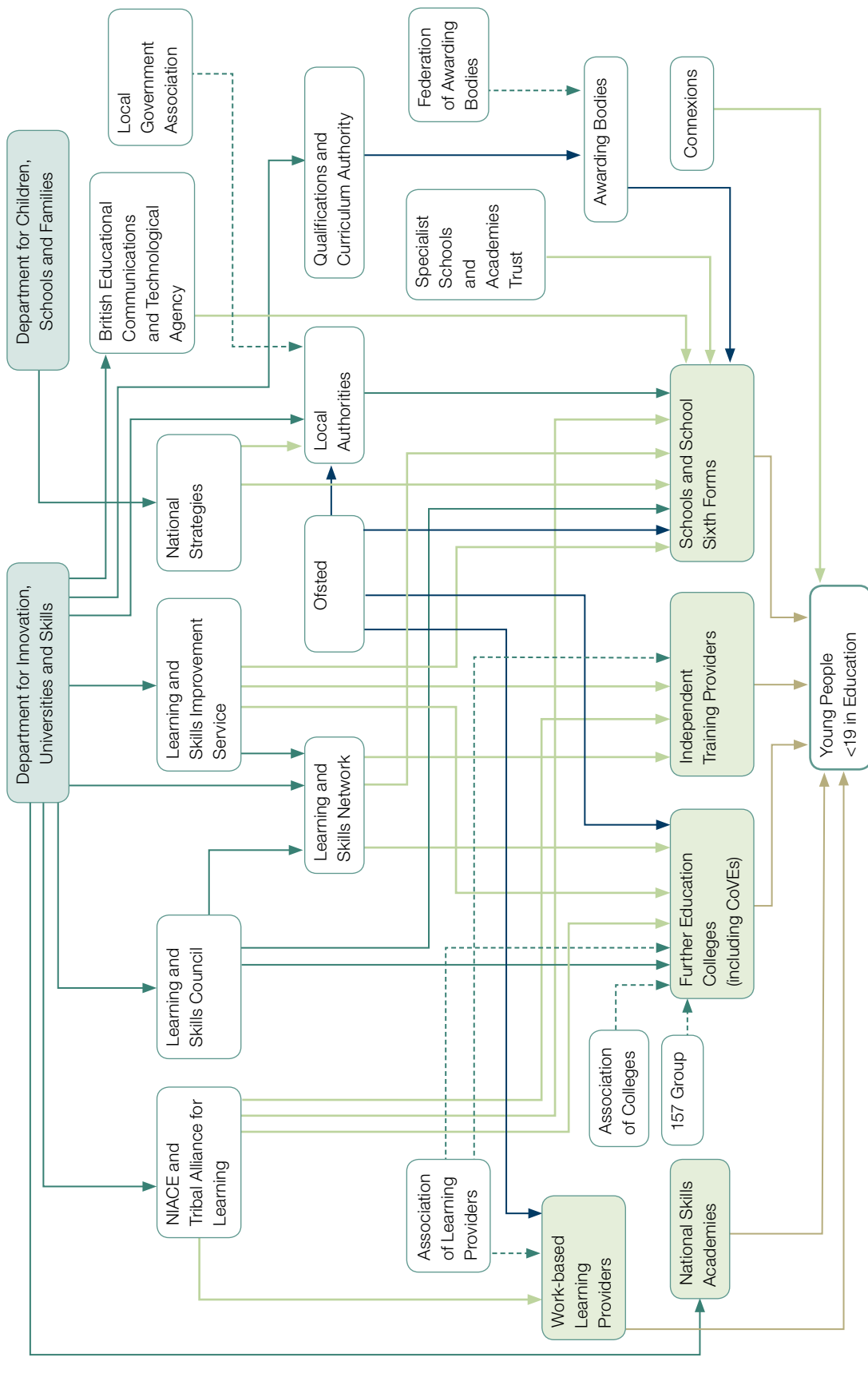
9 National Audit Office: The Administrative Burdens Reduction Programme, 2008 (HC 944, 2007-08).

# Appendix One

Organisations involved in delivering the skills agenda to young people (< 19) in education



Organisations involved in delivering the skills agenda to young people (< 19) in education



Source: House of Commons Innovation, Universities, Science and Skills Committee: Re-skilling for recovery: After Leitch, implementing skills and training policies, First Report 2008 HC48-1