

Triennial Reviews and Public Body Reform in the UK

A report produced as part of the ESRC 'Shrinking the State Project' by

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Triennial Reviews were created in 2011 in the wake of the Coalition Government's Public Bodies Reform agenda. They provide a mechanism for the government to continually monitor and control public bodies, offering an ongoing means by which to deliver reforms. This paper offers a background to the 2010 reform programme and the subsequent Triennials process, drawing on documentary analysis, meeting observations and interviews with civil servants, public body representatives and external figures. It seeks to offer a contextual overview of this initiative and an evaluation of the scheme in its first two years.

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Executive Summary

- Triennial Reviews were created in the aftermath of the 2010 public bodies reform programme to secure the legacy of reform
- Whilst widely seen as a new process Triennial Reviews stand in a well established tradition of reviewing public bodies episodically. Triennials share many of the same stylistic traits as past episodic review mechanisms and have also replicated some of their challenges
- Since the creation of Triennial Reviews in 2011 departments have announced reviews for 119 individual bodies, many of which have been conducted on a joint basis. For example the 13 Veterans Advisory and Pensions Committees were reviewed together, as were Natural England and the Environment Agency, hence the number of Triennial Reviews is lower than the number of individual bodies reviewed.
- Of the 84 individual bodies for which reviews have been completed 38 have been subject to substantial organisational change such as abolition or transfer of functions to other models. This figure arises from the outcome of 4 separate Triennial Reviews as 35 Probation Trusts were reviewed together and recommended for reform.
- Triennial Reviews are widely perceived to be a positive thing as they produce valuable data for departments and public bodies and direct attention to previously unconsidered aspects of public body management. They also provide a means for ongoing challenge and rationalisation in the public bodies landscape.
- Five main areas of concern have, however, emerged in interviews. These relate to:
 - The Form of Triennials
 - Resource
 - Timetabling
 - Procedure
 - Politics

These aspects are each seen to require improvement if the Triennials process is to operate effectively and deliver ongoing change

- There are signs that the Cabinet Office, through its lesson learning process, is taking steps to address these concerns. New guidance due to be issued in March 2014 is designed to address some of these issues, but continual monitoring and reappraisal will be required to ensure that ongoing reform is secured through these means.

Public Bodies Reform and the Context of Triennial Reviews.

Prior to the 2010 General Election there was a remarkable degree of consensus amongst political parties that public bodies reform was a key objective for any future government. In opposition David Cameron in particular advanced this point, asserting that: 'We need a more sophisticated approach. Yes we need to reduce the number, size, scope and influence of quangos. But we also need to recognise that there are circumstances where functions of the state do need to be carried out independently of elected politicians' (Cameron, 2009). Once in office the Coalition sought to act on this imperative and swiftly outlined a commitment to reducing 'the number and cost of quangos', to increasing accountability and to achieving 'efficiency, effectiveness and economy in the exercise of public functions' (HM Government, 2010a, p.16; 2010b).

In the first months of the new government the Minister for the Cabinet Office, Francis Maude, set about conducting a cross-departmental review of just over 900 non-departmental public bodies (NDPBs), a small number of public corporations and non-ministerial departments. It did not consider executive agencies, since these are seen by government to have less autonomy from ministers and thus not to exhibit the same kind of accountability problems as NDPBs.

Within 5 months, civil servants across 16 departments had reviewed 904 individual organizations and agreed proposals for reform with ministers. Each body was subject to an 'existential test': does the body actually need to exist or is its role/function now superfluous? If the function was deemed necessary it was then assessed against three criteria to establish whether the function needed to be undertaken outside a department. These questions were: Does it perform a technical function? Does it need to be politically impartial? Does it act independently to establish facts?

The results of the review were announced by ministerial statement in October 2010 wherein Francis Maude presented proposals to retain, retain but reform, merge, transfer to another sector or abolish bodies, or – in a small number of cases – to defer any decision while additional reviews and consultations were completed. Ministers were able to commence reform to some public bodies using existing powers, but in most cases they had to wait, first, for the *Public Bodies Act*, which received Royal Assent in December 2011 after a particularly difficult passage through the Lords, and, second, for the subsequent laying and approval of necessary secondary legislation under this Act, or specific departmental legislation (as in the case of the Audit Commission). At the time of writing, Parliamentary approval is outstanding for only a small number of bodies, although there have also been some changes from the original proposals.

Through these means the government has abolished over 150 bodies and merged more than 160 merged into fewer than 70 (an overall current reduction of over 250).

Progress is still ongoing in implementing reforms ahead of 2015, but steps have already been put in place to ensure the legacy of this initial process.

As early as 2009 Francis Maude outlined his determination to 'lay out clearly what quangos do and how much they cost, and ensure that the Cabinet Office and Departments carry out *a full review of the purpose and expenditure of each quango every three years*.' (Maude, 2009 emphasis added). As such Triennial Reviews accord with the logic that 'state activity, if needed at all, should be undertaken by bodies that are democratically accountable at either national or local level' (Maude, 2011). They are designed to deliver a 'UK public bodies landscape [that] will look radically different and be substantially smaller...The landscape will be more accountable, with Ministers taking strategic policy decisions and controlling core costs and releasing the front line to deliver services. Public bodies will no longer be seen as confusing, distant and impenetrable to the public, and ministers will be clearly and transparently accountable for decisions that should be taken by elected representatives' (ibid). For this reason Triennial Reviews should be seen as an extension of the existing reform process.

Triennial Reviews: An Overview

Triennial Review guidelines were published in June 2011. They laid out a two stage review process which built upon the methodology used to conduct the 2010 review of public bodies – focusing on 'whether a function was required and, if it was, whether it should exist at arm's length from Government' (Maude, 2011). The Cabinet Office's guidelines outlined the following process:

'The first stage of the review should identify and examine the key functions of the NDPB. It should assess how the functions contribute to the core business of the NDPB and the sponsor Department and consider whether the functions are still needed. Where the Department concludes that a particular function is still needed, the review should then examine how this function might best be delivered. When assessing how functions should be delivered, the review should examine a wide range of delivery options. This should include whether the function can be delivered by the local government, voluntary or private sectors. It should also include an examination of different central government delivery models, including whether the function can be delivered by the sponsoring Department, by a new or existing Executive Agency or by another existing central government body. It is Government policy that NDPBs should only be set up, and remain in existence, where the NDPB model can be clearly evidenced as

the most appropriate and cost-effective model for delivering the function in question....

Where the outcome of the first stage of the review is that the NDPB will remain, the Department, working with the Chair and CEO of the NDPB concerned, should then review the control and governance arrangements in place to ensure that the public body is operating in line with recognised principles of good corporate governance. This includes requirements on openness, transparency and accountability.' (Cabinet Office, 2011, pp.7-8)

In addition the Cabinet Office presented departments with a set of principles designed to shape reviews, asserting they should be:

Proportionate. Reviews must not be overly bureaucratic and should be appropriate for the size and nature of the NDPB in question.

Timely. Reviews should be completed quickly – the first stage ideally within three months – to minimise disruption to the NDPB's business and reduce uncertainty about the NDPB's future.

Challenging. Reviews should be robust and rigorous. They should evidence the continuing need for individual functions and examine and evaluate as wide a range as possible of delivery options.

Inclusive. Reviews should be open and inclusive. Individual NDPBs must be engaged in reviews. Key users and stakeholders should have the opportunity to contribute to reviews. Parliament should be informed about the commencement and conclusions of reviews.

Transparent. All reviews should be announced and all reports of reviews should be published.

Value for Money. Reviews should be conducted in a way that represents value for money for the taxpayer (Cabinet Office, 2011, pp.4-5).

These six principles were left deliberately broad to allow departments to conduct reviews in the manner they viewed most appropriate. The only additional guidelines were a requirement to involve stakeholders and to notify the relevant Parliamentary select committee. The process only applied to NDPBs and was seen as a means to enable further rationalisation of the public bodies landscape and secure

improvements in accountability, efficiency and effectiveness. No extra funding was provided for this work.

A Triennial Review network has been set up to enable cross-governmental lesson learning and the sharing of best practice, and some departments have developed their own internal guidance on this process (Defra). An extensive lesson learning exercise was also undertaken in 2013 by the Cabinet Office which evaluated good and bad practice in the implementation of reviews. This exercise has prompted a review of Triennial Review guidance which is due to be published in March 2014.

Where do Triennial Reviews fit in the Existing Review Cycle?

Triennial Reviews stand in a well established tradition of reviewing public bodies. Three different types of review can be identified (Table 1).

Table 1: Types of Review Process

Type of Review	Examples
Ongoing	<i>External:</i> NAO Audits; Parliamentary Scrutiny <i>Internal:</i> Corporate Plans, Quarterly Performance Returns, Annual Reports, Framework Agreements
Periodic	Pliatzky Review; Maude Review
Episodic	Quinquennial Reviews; Landscape Reviews; Light-Touch Reviews; Triennial Reviews

At the first level NDPBs are regulated through a range of *ongoing review mechanisms* conducted both externally by bodies such as the National Audit Office (NAO) and internally by government. These processes are vital for holding bodies accountable as:

‘Departments must have sufficient information to assess cost effectiveness and make evidence-based decisions when allocating and prioritising resources to NDPBs. Departments also need reliable and timely data on performance where NDPBs are the main vehicle for delivering departmental objectives and make a significant contribution to Public Service Agreement targets’ (NAO, 2010, p.4).

The NAO provides an external check on public body performance; auditing accounts and providing a cross-governmental evaluation of public body management (for example see NAO, 2000). Whilst internally departments request data on financial and performance measures and conduct regular meetings to ensure that bodies are operating effectively.

In large part information is provided to departments in the form of Corporate Plans, Annual Reports, Framework Agreements and Quarterly Performance Returns. These texts include data such as the finance cost as percentage of running cost, human resources cost per employee, and percentage of spend with third-parties routed through established contracts (NAO, 2010, p.22). In addition the Treasury and Cabinet Office have, since 2010, introduced a range of additional requirements aimed at increasing accountability and transparency. Departments now have to report how much senior officials are paid, every line of government spending above £25k and every contract worth over £10k (for more see Flinders and Tonkiss, 2013). Through these means it becomes possible for departments to monitor public bodies and detect problems over time.

At the second level public bodies experience *periodic reviews* designed not to consider operational effectiveness, but rather the value and need for the organisation itself. Such reviews are usually initiated by governments after an election or in the wake of a scandal and place significant pressure upon bodies to justify their role and need for independence.

Recent examples include the Pliatzky review conducted in 1979-80 which aimed to monitor and reduce the size of the public bodies' landscape, and the Blair administration's 1998 paper *Quangos: Opening up the Doors* which committed the government 'to reducing the number of NDPBs' (Cabinet Office, p.5). The Coalition Government's 2010 review also falls into this category. Such reviews are relatively infrequent and usually claim to have reduced the number of public bodies (for example see Cm. 7797, 1980; Pliatzky, 1992; Cabinet Office, 2012).

At the third level are *episodic reviews* established to examine the operation and existence of individual public bodies. This form of review was initiated in 1981 following the Pliatzky report's assertion that 'fringe bodies should not be allowed to continue indefinitely in set ways without a fresh look being taken from time to time at the need for their continued existence and at the success or otherwise of their form of organisation and method of operations' (Cm.7797, 1980 p.21). Quinquennial reviews, landscape and end-to-end reviews, and light-touch reviews were all created to either protect the legacy of a reform programme or to react to an increase in public body numbers. Triennial Reviews also fall within this category.

What Preceded Triennial Reviews? Quinquennial, Landscape, End-to-End and Light-Touch Reviews

Quinquennial reviews were created in 1981, but attention here is paid to the substantially updated guidance produced by the Labour Government in 1999 (as earlier guidelines are not publically available). This update presented 'a radically new approach to the way in which Government Departments should review Agencies and

executive NDPBs so that they deliver better services to the public, [are] easily accessible and simple to use' (Cabinet Office, 2003).

It was advised that reviews should be conducted at least every five years to provide an 'opportunity to make a step change in the delivery of Central Government services to the public' (Ibid) and to give consumers, staff, trade unions and parliament (through the relevant select committee) the chance to comment on the work of the body (Clark, 1997). They were seen to be 'a major component of a programme of continuous improvement based on five principles: challenge; compare; consult; compete; and collaborate' (Ibid.) and were underpinned by three aims:

1. 'To ensure that NDPBs are subject to regular and challenging review, taking into full account the views and needs of their customers, staff, and other stakeholders;
2. To ensure that the right structures for these bodies are put in place, so that they deliver the Government's agenda effectively, and work in an efficient and integrated way; and,
3. To provide a strong focus on improving their future performance, including the scope for more partnership working, and better use of technology' (Cabinet Office, 1999, p.22).

Quinquennials adopted a two part structure. The first aspect considered the organisational options for the body, examining:

'whether the function is required at all, and if it is, whether an NDPB is the best option for its delivery. This reflects the Government's aim of keeping the number of NDPBs to a minimum. If abolition is dismissed then reviews should consider all other options including the status quo, privatisation, market testing, contractorisation, rationalisation or merger. Each of these options should be assessed equally on its merits' (Ibid., p.22).

Reviews did not simply focus on whether to abolish, alter or keep an NDPB (or Agency) but considered a wide range of measures to assess each organisation. Having completed stage 1 analysis reviews either took steps to alter an organisation or to conduct a 'forward looking examination' on how to improve performance (Ibid.). As such reviewers considered the aims and objectives of bodies, their performance targets, their responsiveness, evidence of partnership working, their use of new technology and their governance and reporting arrangements.

Quinquennials were designed to maximise the opportunity for independent scrutiny. Reviews were conducted by either an independent member of departmental staff, individuals with public sector backgrounds (including retired civil servants,

prominent members of relevant professional associations and local government officials), academics or external consultants. This broad recruitment strategy was designed to give reviewers 'sufficient standing and expertise to win the respect of the Agency or NDPB being reviewed' (Ibid.), ensuring that reviewers would have the personal capital to recommend sweeping changes when deemed necessary. Larger reviews were also advised to adopt an external scrutiny board to examine progress, however departments were provided with no extra resource to fund these provisions or the review itself.

The value of quinquennial reviews as a whole has been highly contested. Whilst on the one hand their ability to increase the parent department's understanding of their bodies' work, to strengthen relationships between sponsors and public body managers, and to reinforce positive changes in culture were praised, even documents citing the value of quinquennials acknowledged a range of failings. Officials argued, for example, that quinquennials produced only 'modest changes in the organisational structure of agencies to support greater efficiency and/or greater stakeholder involvement in the agency' and were seen to result in only limited changes to the agency's Framework Document.

Elsewhere it was argued that they were of limited interest to Ministers (Limb, 2001), induced 'a period of uncertainty that tended to have negative effect on staff morale' and had 'not always been robust in their dismissal of arguments as to whether functions should be abolished or delivered outside government' (HM Treasury and the Prime Minister's Office of Public Service Reform, 2002, pp.15-16). Chief Executives labelled the reviews 'bureaucratic and inflexible, with a damaging impact on organisational morale and hugely distracting of management time and energy' (Ibid., p.36).

The Public Administration Select Committee also criticised quinquennials, arguing that departmental administration meant that reviews failed 'to provide challenge to ministers on decisions to set up and retain specific bodies. In addition, they did not assess how departmental practices might be inhibiting public bodies' effectiveness' (2010). These critiques were encapsulated by the view that 'an estimated £5 million per annum is spent on quinquennial reviews, yet there are few examples of the quinquennial review process itself producing significant business change. More often, although sometimes linked to quinquennial reviews, major change is the result of political initiatives or individual organisations' business re-engineering' (Ibid., p.37).

In light of these critiques in 2002 the government review *Better Government Services: Executive Agencies in the 21st Century* recommended that: 'departments should replace organisation-specific quinquennial reviews with end-to-end reviews of the business processes needed to achieve specific outcomes: strategic policy, legislation, operational processes and delivery' (HM Treasury et al, 2002, p.11). This

reflected the ongoing perception that 'it is vital that agencies are subject to external review and challenge and [that] there are obvious benefits in the principles of the quinquennial review process' but diagnosed a weaknesses with quinquennials 'in the practice and in the separation of delivery from other aspects of the overall picture' (Ibid., pp.36-37). Accordingly the Cabinet Office Minister Douglas Alexander reported to the House of Commons that: 'The Government no longer require quinquennial reviews of executive agencies and non-departmental public bodies. Because our focus is on the effectiveness of delivery of public services rather than on individual structures, Departments are now being asked to look holistically at the contribution that agencies, NDPBs and others make to achieve their delivery objectives' (Hansard, 2003, Column 677).

In their place departments established 'landscape' reviews and 'end-to-end' or 'business' reviews which were not focused on NDPBs per se. Landscape reviews were designed to address the need for better strategic alignment of objectives, improved targeting of services and customers and better governance arrangements across a department's entire delivery 'landscape'. Having conducted a one-off high level evaluative review departments were encouraged to conduct end-to-end or business reviews, a further one-off in-depth study of a specific outcome from policy making through to service delivery. The need for end-to-end reviews was identified at directorate level in departments and aimed to achieve a specific benefit or make a particular improvement.

By focusing on one policy area it was felt that departments could 'assess the effectiveness of the business processes involved in achieving specific outcomes [as] [b]y starting with outcomes rather than organisations, departments can identify the processes and behaviours needed and assess the capabilities and capacities available, in order to support them and to address any shortfall' (Cabinet Office, 2002, p.37). As such end-to-end reviews examined the extent to which structures and processes were effective in contributing to specific departmental outcomes.

Whilst helping to facilitate a more holistic study of government's ability to deliver programmes this form of review was critiqued because 'small NDPBs would generally fall outside these proposed review processes' (Cabinet Office, 2006, p.1). In response the Cabinet Office updated its guidance *Public Bodies: A Guide for Departments* in 2006 to specify the scope of 'light-touch' reviews of smaller NDPBs. In presenting this guidance the government restated its commitment to 'quality and continuous improvement' arguing that as part of this 'it is important to regularly review whether individual NDPBs continue to be the best way to deliver the services for which they are responsible and if they are, how delivery of these services can be improved in the future' (Ibid., p.2).

Unlike quinquennials light-touch reviews no longer contained 'a rigid requirement for departments to carry out these reviews every five years nor is the centre stipulating any other minimum period between reviews' (Ibid., pp.1-2). Rather it was stated that because 'NDPBs remain accountable to their sponsor department and Minister, reviews should be carried out with sufficient frequency to give the department confidence that the NDPB is delivering high quality services, efficiently and effectively' (Ibid.).

The guidance directed departments to consider 'whether the function is required at all, and if it is, whether the existing NDPB model is the best option for delivery'. If NDPB status was confirmed as most appropriate the review then looked at 'how services and functions could be provided more effectively in the future, and whether the current accountability arrangements are appropriate given the role and risks associated with the NDPBs work' (Ibid., p.2). The guidance as a whole was designed to be 'intelligent and proportionate', allowing departments to tailor reviews to their specific needs (Ibid., p.2). In many ways light-touch reviews were similar to quinquennials but unlike the former mechanism there was no imperative to perform light-touch reviews.

On this analysis Triennials can be seen to lie in a well established model of review. Table 2 reveals significant similarities between these mechanisms but also some differences.

Table 2: Comparing forms of Episodic Review

	Quinquennial Reviews	Landscape and End-to-End Reviews	Light-touch Reviews	Triennial Reviews
Frequency	Every 5 Years	One off reviews	Departmental Discretion	Every 3 Years
Remit	Executive NDPBs and Executive Agencies	NDPBs with lead responsibility for, or a key role in, delivering a Public Service Agreement target	Advisory, tribunal and small executive NDPBs	Executive, Tribunal and Advisory NDPBs
Resources	No extra resources	-	No extra resources	No extra resources
Format	2 Stages	Policy focused review	No formal structure but based around two sets of questions	2 Stages
Consideration of abolition, merger or other reform	Yes	Yes	Yes	Yes
Analysis of Organisational form and function^P	Yes	Yes	Yes	Yes
Analysis of performance^P	Yes	Yes	Yes	No*
Analysis of stakeholder views^P	Yes	Yes	Yes	Yes

*Although no formal requirement for an analysis of performance was made in the Triennial Review guidelines, the analysis of governance was seen by the Cabinet Office to address this concern.

Progress to Date

Progress on reviews is summarised in Table 3 below. Many of these reviews were conducted jointly, for example, in year 1 35 Probation Trusts were examined together, as were 13 Veterans Advisory and Pensions Committees, in year 2 the 7 Research Councils were similarly examined under a single review. Hence the number of Triennial Reviews is substantially lower than the number of individual bodies reviewed.

Table 3: Progress on Triennial Reviews June 2011- December 2013

	Number of individual bodies announced as under review	Number of individual bodies with completed and published reviews
Year 1	62	60
Year 2	32	18
Year 3	25	6
Total	119	84

This timetabling was formulated in consultation between departments and the Cabinet Office. Departments were encouraged to review bodies in the first year which were small or performed a simple function in order to allow them to get used to the process, yet some reviews did look at more complex bodies (such as HS2 and ACAS). Departments were also encouraged to look at bodies which hadn't been subject to substantial reform in the 2010 review process. In formulating this timetable around 280 bodies were exempt from review before 2014-16 because of wider government agendas or reorganisations.

Triennial Review reports are fairly short documents of between 30-40 pages (much of which is appendixes). Each report is briefly composed of background of the Triennial Review process, details of the body's past and function, a review of its necessity, a review of the most apt form of the body, and a review of governance and control procedures. Different styles of presentation and analysis are in evidence across the reports produced thus far, reflecting the different scale of bodies being reviewed and the resource devoted by department to reviews.

Evaluating Triennial Reviews

Evaluating Triennial Reviews is by no means simple, but numerically of the 84 bodies for which reviews have been completed and published 38 individual public bodies have been subject to substantial change. This outcome has resulted from 4 separate reviews. Equality 2025 and the Central Advisory Committee on Pensions and Compensation are due to be abolished, the Criminal Injuries Compensation Authority is to be reclassified as an Executive Agency and the 35 Probation Trusts are to be replaced with a new public body and a range of voluntary, community and private sector providers. Given the recent advent of the Public Bodies Reform Programme (conducted in 2010) limited change was expected in the initial cycle of Triennial Reviews.

The other 46 bodies have been retained in their current form and have been subject to varying degrees of recommendations in relation to governance. To give some examples of the kind of recommendations made, reviewers have requested that:

- The role and responsibilities of the Chairman and board to be set out clearly and formally defined in writing (Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest).
- Regular meetings between the Chair and the Minister be formally arranged at least annually (Industrial Injuries Advisory Council).
- Sponsors ensure that the frequency of the appraisal of the CoRWM Chair is increased to annually (Committee on Radioactive Waste Management).
- A working group is established to revise the current guidance and improve its accessibility and usefulness. The group should include representatives of both customers and panel members and make full use of customer insight in recasting the existing guidance (Panel for appeals lodged with the Rural Payments Agency (Independent agricultural appeals panel)).
- The Committee is bolder in picking topics, looking ahead to emerging problems, rather than reacting to scandals and allegations of ethical abuses which have already emerged (Committee on Standards in Public Life).

In further evaluating the Triennials process interviews offer a range of insights. Interviews were conducted in five case study departments: the Department of Business, Innovation and Skills, the Ministry of Justice, the Department for Environment, Farming and Rural Affairs, Department for Culture, Media and Sport, and the Home Office. Bodies reviewed in year 1 and 2 were examined, with interviews occurring with civil servants, public body representatives and challenge board members.

In general, departments and bodies are satisfied with the process of implementing Triennial Reviews and report that completed reviews have (generally) gone well. Particularly positive aspects are reported to include:

- Very clear and easy to follow guidance from the Cabinet Office, with additional support seen to be easily accessible.

- The production of valuable data for departments

Reviews were seen to provide a positive opportunity for departments to appraise their internal public body landscape. Some interviewees expressed support for the compulsion to conduct reviews, asserting that 'some of the discipline associated with the Triennials has been quite good'. Triennials were seen to be particularly useful because reviewers were recruited from beyond the sponsorship team. As one civil servant put it, 'it's really good to have a fresh pair of eyes because they are fresh they don't know stuff. The sponsor team has to have an agenda for how it can make things better. That agenda could be wrong, so it's good to have it tested against evidence by other people.' In addition Triennials were seen to produce useful information that demonstrated the need for action in certain areas. For example one review led to the

conclusion that the department needed 'to be clearer around how we spend our money in the relationship to outcomes'. In addition reviews were seen to improve the sharing of information on public bodies by pulling data together in a new and accessible way. These outcomes were seen to be positive, but one reviewer did express reservations as to whether Triennials justified 'the amount of legwork that's gone in' as 'in terms of resource terms, this has been a very significant commitment for them [the body] and for us [the department]'.

- The production of valuable data for bodies

Reviews were seen by many bodies to offer a range of benefits. The consultation process in particular was seen to be useful as it provided a fruitful way in which to engage with and hear from stakeholders. As one public body interviewee commented: 'I was actually quite surprised at how well that worked. My initial view was that there may not be a high degree of interest because you have campaign groups, a lot of practitioners who are terribly busy, but it was really good to see that people did want to get involved... That I think was really useful, extremely valuable. I think that worked very well'. In addition, the governance review was seen to have value as it forced bodies to, as one public body interviewee put it, 'check that our house was in order', a process which allowed gaps to be identified in a way that 'was actually quite reassuring'. Another public body interviewee also reported that the process afforded 'an opportunity for an organisation to blow its own trumpet', as it spotlighted 'the really good work, good practices a body does' and facilitated sharing of best practice. Elsewhere it was argued that reviews had the positive side effect of giving a well-run body 'departmental endorsement for another few years', removing the threat of imminent closure and facilitating positive relationships with stakeholders.

- For many individual reviewers the process of conducting a Triennial was also seen to be beneficial because, as one reviewer put it, it was 'a good opportunity for me to put into practice some of the project-management skills that I'd learnt but not actually had a chance to do in practice'. As such the process provided an opportunity to enhance individual development, yet as seen in later analysis (p.18), some interviewees felt junior staff lacked the experience necessary to deliver change.

- Institutional learning around the Triennials process has helped to strengthen departmental knowledge and develop cross-departmental links. Many departments already have highly developed lesson learning processes in place for Triennials, and those that do not are aware of the need to capture their experiences. There is also evidence that public bodies have found the process useful, with Chief Executives praising the fact that the review process gave them the opportunity to talk to other bodies (about their experiences of Triennials).

However, concerns have also been voiced by interviewees which are summarised below.

- **Form of Triennial Reviews**

- Too rigid

In rolling out the Triennials process the Cabinet Office produced guidelines for the format and remit of review. Whilst departments found this guidance to be exceedingly useful in explaining the process, some reviewers expressed concerns about the lack of flexibility in both the review itself and the subsequent reporting process. Indeed, certain interviewees reported that the guidance from the Cabinet Office put a 'straightjacket' upon them. In many cases Departments reported being called on to supplement review reports to, as one interviewee put it, include literally all of the answers to all of the questions they [Cabinet Office] required'. Despite an emphasis upon proportionality in the Cabinet Office guidance, some interviewees reported that review requirements meant they were disproportionate for smaller bodies. As one interviewee asserted, 'it costs £400 a year to run this thing and we've got a [member of staff] that's been working on it for months, so the review's cost more than this body's cost in the last few years'. Whilst interviewees understand the rationale for initially limiting the flexibility of this process, it was felt that guidelines will have to be relaxed if Triennial Reviews are to be of use in the future.

- One Size Fits All

Despite attempts to recognise the diversity of the public bodies landscape through guiding principles such as proportionality and value for money, Triennial Reviews are seen by some departments to impose a uniform process. As one reviewer commented: 'it's pretty odd really to say that a committee that has sort of half a civil servant supporting it...plus some people doing something for nothing every once a month, requires the same review process as Companies House or ACAS or the research councils'. In this sense reviews are seen to lack flexibility, as one civil servant commented 'it's too Stalinist, all this five year plan stuff'. In such circumstances it was felt by a number of interviewees that 'having something that was more adaptable to particular circumstances, and perhaps had a menu of things that you could look at might be more sensible'. Such comments reveal a disjuncture between the Cabinet Office's desire for proportional reviews and departments' enactment of this principle.

- No analysis of performance

A handful of interviewees, particularly those with experience of having undergone quinquennial reviews expressed surprise at the lack of direct attention paid by Triennials to bodies' performance. This was often accompanied by a critique of Part 2, particularly in relation to smaller bodies, where the process was seen to be of little added value. As one interviewee commented 'it was like a not very good internal audit

of your governance arrangements. That wasn't evaluated either. It was 'Have you got?' rather than 'Does this deliver effective governance?' Such concerns were often expressed in relation to the ongoing value of Triennials. Whilst no overt attention is paid in the Cabinet Office's guidance to performance, the flexibility of the process is seen to allow departments to explore performance, efficiency and effectiveness where deemed appropriate. This occurred, for example, in the review of the Youth Justice Board which examined and made recommendations to improve financial management and communication and engagement.

- **Departmental Interest**

Whilst many departments (such as the Ministry of Justice) have embraced the Triennials process there is concern voiced from certain departments that the initiative is centrally driven and often lacks the interest of departmental ministers. Whilst agreement for NDPB reform was gained from all Ministers as part of the 2010 Reform Programme, one interviewee commented 'ministers are kind of interested...it's just Francis Maude that's really interested and the other ministers are "yeah that's lovely, but I've got all this to do as well"'. This apparent lack of ministerial interest is seen to be significant as Triennials are seen to 'become meaningful or not depending on whether the political whim or civil servants think there's a political whim in one direction and they'll follow it'. As such there are concerns in some quarters that Triennial Reviews will not deliver change as they lack ministerial interest.

- **Three Yearly Timetable**

- **Frequency**

The requirement to review bodies every three years was seen by all interviewees to be too frequent, with many describing this timetable as 'silly', 'quite tricky to do', and 'too often'. Whilst there is recognition that regular reviews ensure consistently good sponsorship arrangements, three years was not seen to allow enough time for recommendations and changes to be implemented and have an impact. In this way a three year cycle was perceived to be 'like 'pulling up the radishes all the time to see if they're growing', this led to a preference for five yearly reviews in order to prevent the process being reduced to a 'box ticking' exercise. However, it should be noted that timetabling criticisms (citing frequency/infrequency) were also raised around quinquennials.

- **Timetabling**

The issue of timetabling is also seen to raise difficulties. Whilst all departments negotiated their own timetable with the Cabinet Office some have expressed concerns over their capacity to deliver reviews because appointment cycles and legislative changes which have prevented reviews from occurring. Indeed, one interviewee reported that their department was 'not convinced that we're going to

be able to review many of them. Certainly not until the end of the year because there's so much going on'. There is currently uncertainty within departments of the consequences of failing to review organisations in this timescale. It should be noted, however, that not all departments had experienced such difficulties, and that many (but by no means all) reviews were delivered in the designated year.

- **Appointments**

Some departments and public bodies described how the Triennials process had caused delays in appointments. For example, the appointment of a new Chief Executive for Natural England was reportedly delayed because instability arising from the Triennial process was seen to act as a disincentive for strong candidates to apply for the post. Other departmental interviewees also raised concerns in relation to the impact of the frequency of reviews on appointments, asserting that strong, quality candidates were likely to be put off by the perpetual threat of review and reform.

- **Resource Implications**

- **Experienced Reviewers**

The inexperience of reviewers is seen to be raising some difficulties. Some departments have reported problems in identifying and 'training up' reviewers. As one interviewee reported, the department was 'pretty desperate to find somebody who would do it', leading to the appointment of reviewers who often lacked 'operational experience, an ability to do a certain amount of helicoptering, a certain amount of personal authority, so they can get the information'. There is an awareness amongst many civil servants that to effect change there is a need to recruit somebody experienced and therefore likely 'to have an idea about what would make things better', but most continue to use 'amateurs' who 'can't get to know the business quickly enough'. This is seen to be detrimental because, as one interviewee reflected, the success of a review is 'an ad hominem thing' dependent on 'the experience and the approach of the people that you choose to be on it'.

- **Part-time Reviewers**

Interviewees also expressed concern about recruiting staff to conduct reviews in their spare time. As one interviewee commented of their department's approach, we are undertaking reviews 'in our spare time and it's voluntary alongside everything else...[it] is a ridiculously stupid way of doing it if you wish to achieve real, serious reform...if basically you've got a bunch of people doing it in their spare time, they're not gonna have a lot of time to go into a huge amount of detail and spend a huge amount of time considering it'. Resourcing is therefore seen to have affected departmental capacity to deliver ongoing change.

- **Resource from department's perspective**

Many interviewees reported that a lack of resource was constraining reviews as departments did not have the capacity to staff Triennials or to devote significant enough resource to them to make them more than a 'box ticking' exercise. As one interviewee lamented 'just seeing the sheer level of people [some departments] put into these things. It must be lovely, having challenge groups with lawyers, senior people on them, I can't imagine ever getting a group like that to come together. I'd love to be able to, and obviously that's what I'll try and do for our next ones, but having that kind of dedicated resource, they're lucky they can do that'. Without more resources many interviewees have speculated that Triennials will deliver little change.

- Resource from bodies' perspective

Many public body representatives expressed surprise at the amount of resource required. Most had anticipated a heavy burden but found it light in reality. There was a tendency for bodies to try and pre-empt departmental data requests by studying the Triennial Review guidance because, as one interviewee stated 'the last thing we wanted was to have officials come and sit in the office and audit us by going through our files. It would have taken them forever'. A standardised data request sheet from public bodies either developed by departments or the Cabinet Office was seen as useful in helping to minimise the workload placed upon public bodies.

- **Procedure**

- Consultation

Some interviewees within public bodies expressed dissatisfaction at the consultation process, arguing that stakeholder input should be made public. One interviewee argued: 'Consultation should be visible. If there are organisations who aren't prepared to be held to account for what they say, frankly they don't deserve to be listened to'. It was felt that making responses public would lessen the tendency for Triennial consultations to draw out critiques of the body concerned and would instead produce more constructive feedback. Notably Cabinet Office do not provide specific guidance on the publication of consultation responses, but encourage departments to promote transparency where possible. Accordingly it appears that departments may not be aware of their ability to exercise discretion in this area.

- Recommendations

Whilst the Cabinet Office has signalled an expectation that all recommendations from reviews be implemented, departments and public bodies have different perceptions of whether and by when recommendations should be implemented and who is responsible for this process. Whilst some bodies have taken it upon themselves to implement recommendations, others (such as the Legal Services Board) have dismissed them. There is little clarity as to whether bodies' sponsorship teams should oversee recommendations, and what happens if recommendations are deemed to be inappropriate or unfeasible by the body concerned. Whilst the Cabinet

Office guidance specifies that NDPBs 'must absolutely have the chance to comment on emerging conclusions and recommendations (2011, p.9) some interviewees reported that they had not been given advance sight. As such additional clarification around recommendations appears necessary.

- Joint reviews

Joint reviews appear to be progressing in different forms, whilst some departments are reviewing bodies with similar remits or focus, others are reviewing dissimilar bodies together to maximise reviewer resource. There are concerns that reviews conducted in tandem may have unforeseen consequences. Whilst joint reviews can save resources, they can also raise difficulties when bodies do not share objectives or face the same context; making the Triennial Review process more time consuming. For example, the Natural England/Environment Agency review was conducted jointly but the bodies were of differing size, shared different political contexts (with Natural England perceived to be more vulnerable as the smaller body), and had different objectives. This meant that Defra had to invest significant time in sharing information between the bodies in order to maintain positive relationships. As more bodies are reviewed simultaneously this issue may recur, having resourcing implications for departments. However, for other reviews the process of conducting them jointly is reported to have been exceedingly beneficial.

- **Politics**

Finally, and significantly, there are emerging questions over the role of politics in the Triennial Review process. The recent example of the Environment Agency/ Natural England review has revealed the significance of political will. This review was conducted in year 2 and received significant resource, involving not simply an extensive consultation exercise but also an external economic analysis by KPMG costing £98,686. Upon completion the report was sent for ministerial sign off where its approval and publication was significantly delayed. Nick Clegg's 2013 conference speech offers the first public indication of the role of politics in this review, as he asserted: 'They wanted to scrap Natural England, hold back green energy...No, no and no' (Clegg, 2013). In this case coalition tensions appear to have overturned an original preference for merger – an occurrence confirmed in interviews. In this context it appears that political will is instrumental in the outcomes of Triennials and can overcome the weight of evidence gathered by the departmental review team. This poses questions about the capacity of Triennial Reviews to deliver change without ministerial support.

Conclusion

This paper has sought to show that whilst Triennial Reviews are a new initiative, they are by no means a new idea but stand as the latest incarnation of an episodic review mechanism. As such they replicate many of the traits (and indeed challenges) of

previous review mechanisms such as quinquennial, landscape and light-touch reviews. In outlining and evaluating the current system of reviews this paper has highlighted the perceived value of the scheme, but has also sought to bring to the fore concerns voiced by interviewees in departments, public bodies and beyond over the form, resource and timetabling of Triennial Reviews. It has highlighted a range of issues which suggest ongoing tensions between the role of the Cabinet Office in designing Triennials and that of departments in delivering reviews. Whilst some departments have embraced this process and tailored reviews to their own needs it appears that others have adopted a prescriptive approach which does not recognise the capacity for flexibility in implementing this process.

It therefore appears that Triennial Reviews do not face a terminal threat, but require greater flexibility from the Cabinet Office and engagement from departments (and Ministers) if they are to succeed. There are promising signs that the Cabinet Office are actively engaging with and responding to these challenges. For example, a recent lesson learning exercise highlighted a range of challenges around reporting and integration which are due to be addressed in new Triennial Review guidance. However, it appears that resourcing Triennials will be key to their success and given recent departmental budget cuts of on average 19 per cent there are concerns that Triennials may lack the resource necessary to deliver ongoing change. This indicates that future adaptations will be required if this mechanism is to deliver ongoing reform to the public bodies landscape.

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