

# **Evaluating Organizational Effectiveness**

*The Utilization and Validity of Whole Authority Assessments*

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## **Abstract**

Over the last decade external assessments of organizational effectiveness have played an increasingly pivotal role in the regulation of UK local authorities. Unlike traditional approaches to evaluation, which focus on the implementation and outcomes of specific policies, programmes or interventions, these assessments are concerned primarily with internal organizational processes. And in contrast to traditional forms of public services inspection, which focus on specific services, they seek to judge the capacity of the council as a whole. Inspectors in England, Scotland and Wales have taken different approaches to assessing local authorities, but in all three countries their assessments have excited considerable interest among policy makers, achieving a much higher level of utilization than is usual for evaluative activities and being credited with leading to significant improvements in public service organizations. But there are important questions about their impacts and doubts about the internal and external validity of the measures which they rely upon.

**KEY WORDS:** evaluation; public services improvement; validity; utilisation



## **Introduction**

Debates about the nature and role of evaluative activity in society have repeatedly returned to two key concerns: the robustness of evaluation methodologies and the utilization of evaluation findings. This paper examines these twin issues in the context of a relatively new but increasingly influential form of performance monitoring – assessments of the organizational capacity of public service providers. It draws on research, funded by the ESRC Public Services Programme, which has compared and contrasted the key features, development and impact of local government performance inspection regimes in England, Scotland and Wales using evidence from policy documents and inspection publications and interviews with senior policy makers and representatives of inspection bodies.

The first section of the paper analyzes the increasingly important role that audit and inspection have played in the UK government's approach to improving public services and the emergence of whole organization assessments as a key component of this broader reform strategy. The second section describes the way in which these assessments have been adopted in local government in England, Scotland and Wales and examines the underlying theories of public services improvement which have informed their development. The final section assesses evidence about the impacts of these frameworks, analyses the reasons for their apparent success in policy terms, and explores their validity and sustainability as a form of evaluative activity.

## **Public services inspection in the UK**

The 'audit explosion' (Power, 2003) is a cross-national phenomenon (Pollitt, 2003; Pollitt and Bouckaert, 2004), but its impact has been particularly marked in the UK. Top down performance management first came to the fore under Conservative governments in the 1980s and early/mid 1990s, but it was New Labour which placed it at the heart of its ambitious programme of public services reform. Unlike the Conservatives who lacked an explicit theory of its intended impacts (Hood et al., 2000), the Blair government was clear about what it expected inspection to achieve. The strategy combined large real terms increases in public spending with a concerted attempt to 'modernise' the management of schools, hospitals, the criminal justice system and local government. In a bid to 'drive through' change, ministers imposed targets for improvement backed by robust performance assessments and direct intervention in local service providers that failed to achieve them (PMSU, 2006). This strong emphasis on top down performance management led to an unprecedented increase in the scale, scope and intensity of external inspection of public services (Davis and Martin, 2008). Hood et al. (1999) estimate that between 1976 and 1996 spending on regulation inside government more than doubled. But this increase was dwarfed by the spiralling costs of under New Labour. The bill for inspection of public services in England for example more than doubled from £250 million to £550 million in just six years (OPSR, 2003) between 1997 and 2003. The running costs of the Office for Standards in Education and the Social Services Inspectorate each increased by 100 per cent, and the costs of the Audit Commission's inspection activities increased more than tenfold, whilst its workforce grew by almost 90 per cent. In addition to expanding the role of these existing inspectorates, ministers created a host of new inspection agencies including the

Benefit Fraud Inspectorate; HM Crown Prosecution Service Inspectorate; HM Inspectorate of Court Administration; the Care Standards Commission; the Commission for Health Improvement; National Patient Safety Agency; and National Clinical Assessment Authority. The growth in inspection has not been an exclusively English affair. The Crerar review of scrutiny arrangements in Scotland (Crerar, 2007) found that eleven entirely new inspection bodies had been created since 1999 and (as in England) existing inspectorates had seen their scrutiny functions expanded.

This unprecedented increase in inspection activity was accompanied by a fundamental shift in Government thinking about its role in the management of public services. Traditionally, inspection has been seen as a form of quality assurance, designed to alert the public and politicians to instances where services were failing to meet minimum standards (Grace, 2005). This was undertaken by experts who had usually worked in the services that they were scrutinizing and used criteria which had generally been agreed by the relevant professional bodies. Under New Labour however, inspection was portrayed primarily as an 'agent of improvement', rather than a mechanism for quality assurance. Hospitals, schools, the police and local authorities were no longer required simply to meet minimum standards. In return for the substantial new investment which they received, they were now expected to achieve continuous improvement. It was no longer acceptable simply to comply with minimum standards, public service organizations now had to be able to demonstrate that they were getting better all the time (Grace and Martin, 2008). To assist them to do so improvement agencies were to assist health trusts, the police and local government on their improvement journeys. English local authorities were for example supported by a range of programmes run by an Improvement and

Development Agency and their Scottish counterparts received assistance from the Scottish Improvement Service. In the health service, the NHS Modernisation Agency operated in England for a time and the NHS Quality Improvement Scotland (NHSQIS) fulfilled a similar role.

One of the most explicit statements of this reform strategy was heralded by the 1999 Local Government Act which imposed a new statutory duty on a range of 'best value authorities' (including local councils, the police, national parks and fire authorities) to 'make arrangements to secure continuous improvement in the way functions are exercised, having regard to a combination of economy, efficiency and effectiveness' (The Stationery Office 1999, clause 3.1). In order to enforce this legislation, the inspectorates were asked to assess whether service providers would achieve improvement in the future. This took them into uncharted waters. They were now required to make complex and multi-faceted judgements about a range of different dimension of performance. And the stakes were much higher than ever before as secretaries of state took extensive powers to intervene in services which inspectors judged to be failing. As a result inspection became a far more potent force for change. Reports could make or break an organisation's reputation and with it the careers of its senior managers. For this reason it also became a more public and sometimes contentious affair. The inspectorates therefore needed to be able to defend their judgements should an inspected body decide to challenge them through a judicial review. They no longer felt able to rely on the judgement of expert professionals who 'knew a good service when they saw one'. They needed to specify the attributes which they believed determined an organization's capacity to improve. The result was a set of criteria - mainly associated with internal

management practices such as effective performance monitoring; clear strategies and priorities; ambitious targets for improvement - which inspectors believed to be hallmarks of well run organisations which had the capacity to improve in future.

This form of external assessment represents a new and distinctive form of regulation inside government. It differs from traditional approaches to evaluation because it focuses on organizational attributes rather than the impacts of policies, programmes or interventions. And it is distinguished from previous approaches to public services inspection by a number of important features. First, whole organization assessments take a more holistic approach. They cut across established professional boundaries and service 'silos', thus weakening the link between professions and inspection. Second, they are prospective as well as retrospective, seeking to assess prospects for future improvement in addition to reporting on past performance. Third, they are expected to play a direct role in encouraging improvement. Finally, in England (though not in Scotland and Wales) they are associated with the promise tangible rewards for good performers (in the form of greater autonomy from government control) and the threat of sanctions for poor performers (in the form of tighter top down regulation of their activities).

### **Whole Organization Assessments in Local Government**

The whole organization assessments that have been developed in England, Scotland and Wales are not identical, but they share some core characteristics. They all focus on a local authority's capacity to fulfil its statutory duty to secure continuous improvement, and they all emphasise the importance of the leadership of the organization as a whole, rather than the performance of individual services. This

reflects the lessons learnt from early government attempts to intervene in failing local council services in the late 1990s. Inspectors and civil servants sent in to tackle poor performance rapidly came to the conclusion that the problems went well much deeper than they had originally suspected and were associated with weaknesses well beyond the particular services which they were mandated to deal with. As a result they came to the view that 'serious and sustained service failure is also a failure of corporate leadership' (Audit Commission, 2002: 19). Inspection of individual services, within these whole organisation assessments was therefore of limited value because 'Without clear corporate leadership for change it becomes a very negative task based process' (Audit Commission, 2001: 14).

Comprehensive Performance Assessments (CPAs), which were introduced in English local government in 2002, reflected this philosophy. Results were published annually for all 150 unitary and county councils and on a less frequent basis for district councils. The CPA methodology scored a council's performance in main seven areas (environment, housing, culture, fire and rescue, services to children, social care and benefits administration) for upper tier and unitary authorities, and four service blocks in the case of districts (housing, environment, culture and benefits administration). These scores were weighted and then aggregated to provide an overall 'performance' score which was combined with an assessment of the council's corporate capacity to provide an overall rating. Councils were categorised as 'poor', 'weak', 'fair', 'good' or 'excellent' and these assessments were published in a form which facilitated ease of comparison between authorities. Over time the methodology was refined to provide what the Audit Commission called a 'harder test'. Assessments of the main service blocks remained largely unchanged, but the

judgements about corporate capacity now also included assessments of the quality of an authority's partnerships, its effectiveness as a community leader and the way it used financial resources. The 2006 CPA also introduced an assessment of a council's overall 'direction of travel'.

In April 2009 CPAs were superseded by 'Comprehensive Area Assessments' (CAAs) which monitor all of the main public service outcomes in a locality rather than focusing exclusively on the services for which councils are directly responsible. CAAs pay particular attention to priorities set out in local area agreements made between central government departments and the key public service providers in each area. Because success in achieving these outcomes depends on the performance of a wide range of agencies (such as police, probation and health services), CAAs bring together the judgements of a total of seven different inspectorates – the Audit Commission, Commission for Social Care Inspection; Healthcare Commission; HM Inspectorate of Constabulary; HM Inspectorate of Prisons; HM Inspectorate of Probation; and the Office for Standards in Education, Children's Services and Skills. Like CPAs, they involve annual analysis of performance (in meeting the targets set out in local area agreements) and the prospects of future improvement.

Local authorities in Scotland have been subject to whole organization assessments, known as Best Value Audits (BVAs), since 2003/2004. Like CPAs, these provide an overall assessment of a council's current performance and its corporate capacity (including the effectiveness of its political leadership, internal scrutiny arrangements and corporate management team). However, unlike CPAs, they take heed of local

context. There is an explicit acceptance that needs and priorities will vary from area to area. Inspectors can not therefore adopt a 'one size fits all' approach. Because of this, unlike CPAs, BVAs are not rules-based. Councils are required to demonstrate how they are achieving continuous improvement and Best Value Audit teams provide a narrative report on strengths and areas for improvement. Audits are descriptive rather than prescriptive, and the reports on different authorities are not strictly comparable. BVAs do not therefore produce an overall score and there are no league tables of overall capacity and performance. BVAs are undertaken on a three year cycle. Following publication of a report, a council is required to produce a detailed improvement plan explaining how it proposes to address issues which have been identified as needing attention. The council's local external auditor then monitors implementation of the plan. Audit Scotland reports to the Accounts Commission on progress against the improvement plan and if it finds that insufficient action is being taken, it can hold a hearing or recommend action to Ministers in specific areas of concern. By December 2008, 26 out of the 32 councils had completed the process and all 32 councils will have received a BVA report by Spring 2009.

The next round of BVAs (BV2) will begin in 2009/10. The indications are that BV2 audits will be more proportionate, based on joint risk assessment and joint planning with other scrutiny bodies. They are also likely to make greater use of self-assessments by the audited bodies. Graded performance judgements may be introduced and, as with CAAs, there is likely to be more focus on partnerships and performance outcomes. With the intention of providing a more integrated approach to scrutiny, BV2s are to provide an overarching corporate assessment framework,

which dovetail with jointly planned service inspections. However, the framework for BV2 will continue to reflect a strong emphasis on corporate capacity and leadership in line with Audit Scotland's theory of improvement which states that: 'Effective leadership, good governance and sound management are necessary conditions for the delivery of sustainable continuous improvement and effective outcomes' (Audit Scotland, 2008 p 2).

The Wales Programme for Improvement (WPI) represents a third variant of whole organization assessments. Like CPAs, the statutory basis of the WPI lay in the duty to achieve continuous improvement introduced by the 1999 Local Government Act. And, as with CPAs, of unitary and upper tier authorities, WPI involves annual assessments of councils. In common with the BVA framework, it explicitly recognizes that needs and priorities will vary between localities and assessments can not be used to compare authorities' performance with each other. As in Scotland, there are also therefore no published league tables of overall performance. Initially each authority was required to complete an assessment of its overall capacity to achieve continuous improvement and to identify its strengths and weaknesses. The Wales Audit Office (WAO) then conducted its own assessment before agreeing with the authority a joint risk assessment which specifies the areas that will need to be addressed in order to secure improvement. This document formed the basis of a bespoke improvement and regulatory plan which is tailored to each council's priorities and 'improvement journey' and updated regularly. The WAO publishes an annual report on the overall progress being made by Welsh authorities, but unlike CPA and BVA reports, individual risk assessments are currently subject to bi-lateral confidentiality agreements between the auditors and individual authorities which

means that ministers and the wider public have no formal way of identifying which councils are considered to be at risk of underperforming.

Like CPAs, the Wales Programme for Improvement has evolved over time. Revised government guidance, issued in 2005 removed the statutory requirement to conduct annual assessments of their overall performance and capacity. It also strengthened the definition of 'risk' by emphasising that this included failure to improve services, as well as more traditional concerns such as a breakdown in delivery processes or financial losses (WAG, 2005). In 2008 the Assembly Government published a measure which proposed new powers for ministers to set national performance standards and intervene in authorities which are seen as being at risk of failing to improve. It also proposed that authorities should have to publish annual performance information and the Auditor General should be required to publish annual improvement reports for each authority. If approved, these provisions will therefore make the WPI a much more open process, bringing it more into line with practice in England and Scotland.

There are then some significant differences between the frameworks which have been developed in English, Scottish and Welsh local government. CPAs were imposed 'top down' on local authorities with relatively little discussion or consultation. The Audit Commission determined the weightings that would be attached to different services, and developed a 'one size fits all' approach to inspection which focused on national policy imperatives rather than local priorities. As a result CPA reports could be used to rank and compare authorities' performance. By contrast both the WPI and BVAs were developed through a much

more consensual process in which local government representatives played a prominent role. Both frameworks are attuned to local contexts. They allow authorities to set their own priorities and to be judged in terms of whether they are achieving what they have set out to. However, the differences are not simply between the UK government's approach to public services reform in England on the one hand and that of the devolved administrations on the other. BVAs share some important characteristics with CPAs. For example, the English and Scottish frameworks both rely primarily on external assessments of performance, whereas the WPI places authorities' own self assessments on a par with those of the external inspectors. Like CPAs, BVA reports are published, whereas WPI risk assessments remained confidential. And England and Scotland both adopted formal protocols which specified the grounds on which central government might intervene directly in the running of local authority services, whereas Welsh ministers took a 'softly, softly' approach with intervention conducted on ad hoc basis, behind the scenes and by agreement with the Welsh Local Government Association.

These contrasts between the three frameworks reflect differences in central-local relations in the three countries and the size and nature of their policy communities. What Hood (2006) calls 'English exceptionalism' - the imposition of top down targets, performance monitoring and league tables - reflects the view among many Whitehall departments that local authorities are delivery agents of national policies. There is an assumption that central government needs to set national standards and has a duty to intervene directly where local service providers fail to achieve them. CPAs were therefore designed to provide assurance that services were improving and to identify those authorities which required intervention. The theory was that

central government oversight of local service providers should be in inverse proportion to their success. Excellent local councils, hospitals, schools, and police forces should, it is argued, be subject to relatively 'light touch' inspection. But poor performers need robust, external challenge and scrutiny in order to raise self awareness and overcome any lingering complacency about underperformance (Barber, 2007).

Policy makers in Scotland and Wales reject this muscular centralism because there is a very different relationship between central government departments, audit bodies and local councils in the much smaller and relatively close knit policy communities in these two countries. In Scotland, the Accounts Commission and Audit Scotland are influential bodies which, by and large, have enjoyed good working relationships with both central and local government. As a result, 'policies in relation to the institution of local government have generally been supportive and sensitive to the democratic mandate of councils in principle' (Gallagher *et al.*, 2007: 22), and oversight mechanisms have been developed through 'a consultative style based on convention and consensus, not codification, as in England' (Midwinter and McGarvey, 2001: 842). Wales has a much stronger localist tradition than England. Government policy statements emphasise local government's independent democratic mandate and the local government lobby has been more cohesive than its counterpart in Scotland. Local authorities have therefore been able to exercise considerable influence (Laffin, 2004). The devolution settlement placed a statutory duty on the National Assembly for Wales to work in partnership with local councils and the limited capacity of the new devolved administration has meant that civil servants have depended on local government for policy input (Jeffery, 2006). The strength of this central-local axis

has left the inspectors in a weaker position than has been the case in England or Scotland.

### **Conclusion: Impacts and Implications**

Whole authority assessments are interesting from both a policy and research perspective. The UK has gone further and faster in developing improvement frameworks of this kind and may therefore offer useful insights for policy makers in other countries. Moreover, the existence of three different variants in England, Scotland and Wales provides a unique 'laboratory' in which the advantages and disadvantages of different approaches can be monitored and tested. Understanding how and why they have become such an indispensable part of the UK government's public services reform strategy is important because of what it may indicate about the nature of the interaction between policy making and evaluation.

In contrast to some other forms of evaluation, whole authority assessments pass the utilization test with flying colours. They have proved extraordinarily successful in grabbing the attention of politicians and policy makers and are credited with having helped to produce significant improvement in local government performance. Supporters of whole authority assessments can point to year-on-year improvements in CPA scores from 2002 onwards as evidence of their success. By 2004 67% of authorities were rated as 'excellent' or 'good', compared to only 51% in 2002. By 2006, when judged against the more exacting criteria of the CPA 'harder test', four out of five authorities were placed in the top two performance categories and for the first time there were none were judged to be in the lowest category (Audit Commission, 2007). It would be surprising, if some of this improvement was not

the result of gaming by councils. Authorities faced strong pressures to conform to the inspectors' template of a 'well managed' organization. The rules were made explicit and they were easy to follow. It was clear which services mattered most and it as fairly straightforward matter to put in place the kinds of managerial systems which inspectors were looking for. In these circumstances most authorities were therefore able to present themselves in a more favourable light over time. But there is evidence that there was more to the improvements in CPA scores than crafty stage management by local government or complicity by inspectors. A large-scale survey of senior local authority officers found that a very significant majority believed CPAs to be the most significant external driver of the performance of their councils, and a similar survey of chief executives found that most of them regarded CPAs as a much more effective means of supporting improvement in their councils than service based inspections (Downe and Martin, 2006). Longitudinal case study research also suggests that CPAs have played an important role in focusing councils' attention on the need for improvement (Martin, 2008).

A similar picture of reported impact is also found in Scotland and Wales. Downe *et al.* (2008) found that nearly all Scottish councils believed that BVAs had led to improvements in their corporate processes, and an independent review of the regulation of public services in Scotland (Crerar, 2007) praised the BVA methodology and recommended that it be adopted in other parts of the public sector. In Wales, the WPI has also been credited with producing improvements in business and planning assessment processes and in particular better performance management and more reliable risk assessments (WAO, 2007), although the lack of published reports makes it difficult to verify this.

The contrast between the perceived 'usefulness' of whole authority assessments and apparent non-utilisation of some other forms of evaluation is striking and it is worth exploring some of the possible reasons for this. One possible explanation is that frameworks such as CPAs, BVAs and the WPI are underpinned by simple theories of change which offer local authorities relatively uncomplicated formulae for improvement. Another key to their success has been that they yield what policy makers like to refer to as 'real time data' which provides central government (in England and Scotland) with a means of differentiating between good and poor performers and therefore of determining which councils require additional support or intervention and which can be safely left more or less to their own devices. It is argued that star ratings and aggregate measures (such as those which were provided by CPAs) are 'easily understood by the public, a simple test is immediately clear and there is no need to weigh up the effect of a large number of different indicators' (CHI, 2004: 3).

A third explanation for the high level of utilisation and perceived impact of whole authority assessments stems from the statutory basis of these assessments and the associated consequences in terms of ministerial intervention in the event of a damning assessment. This both reflects and has enhanced the institutional standing and powerful connections of the audit bodies that have been responsible for devising and implementing CPAs and BVAs. The potential reputational damage and fall out in terms of the careers of senior managers in local government have given the watchdogs 'real teeth'.

In spite of their undoubted success in having been widely used by central government and attracting an unprecedented level of attention within the local community, whole authority have their detractors. There four principal concerns. First, there have been persistent worries that the assessments are too burdensome. Second, a number of commentators have argued that they are methodologically flawed. Third, they have manifestly failed in their aspiration to attract public interest and involvement. Fourth, there are doubts about whether the methodology can be translated from focus on the competence of individual organisations which was provided by CPAs and BVAs to the evaluation of area based outcomes which CAAs and BV2 purport to offer.

In England, some ex-inspectors question the value of repeating CPAs each year. They argue that the first iteration of whole authority assessments identified the glaring gaps and easy wins. Once this 'low hanging fruit' had been harvested there were diminishing marginal returns to be gained from each subsequent round. Partly for this reason, many local authority officers who accept that CPAs have helped to improve their council's systems and practices nevertheless question whether the gains justify the on-going financial and opportunity costs associated with the process (Downe and Martin, 2007). The UK government has responded to these concerns by seeking to streamline inspection processes through mergers of inspectorates and more recently a new performance framework for English local government which promises a 'lighter touch' approach. Scotland and Wales have made similar attempts to reduce the numbers of inspectorates and introduce more 'proportionate' inspection frameworks. In Scotland, the Crerar review of scrutiny arrangements (Crerar, 2007) even went as far as to suggest that a more coherent and

proportionate system could in the long term lead to the existence of just a single national scrutiny body. Although this unlikely to happen, it is probable that some inspectorates will be merged and those which remain will have to work more closely with each other. Similar proposals to encourage closer working between the main inspectorates in Wales, which between them cover education, social care, local government and health, were announced in a recent Government policy statement (Welsh Assembly Government, 2008).

There are also fundamental concerns about the methodologies used to generate whole authority assessments. In particular critics have questioned the basis on which aggregate measures such as CPA scores are calculated, arguing that they are overly simplistic and potentially misleading. They suggest that whole authority assessments mask the multi-faceted nature of performance (Cutler and Waine, 2003); that scoring systems are highly sensitive to the weightings attached to services (Jacobs and Goddard, 2007); and CPAs failed to take sufficient account of factors (such deprivation levels and the degree of ethnic fractionalization in a local population) which lie beyond the control of local councils but are known to exert a strong influence on public service outcomes such as educational attainment and community safety (Andrews, 2004; McLean *et al.* 2007). There are also significant concerns about the basis on which prospects for improvement are assessed. Privately, many inspectors admit that judgements about prospects for improvement are subjective. And some local government practitioners question whether improvements in their organisations' corporate capacity - the quality of performance management systems and the perceived effectiveness of the organization's leadership and so forth – are necessarily associated with better service outcomes. It is

conceivable, they suggest, that CPAs, BVAs or the WPI helped councils to improve corporate processes and systems but that services were left unaffected, a risk that was illustrated graphically by the much publicised failure of Haringey Council, rated as a three star (or 'good') authority by inspectors in its 2007 CPA, to prevent the death of 'Baby P'. Conversely, there are examples of local authorities (for example Inverclyde in Scotland) that are performing well in terms of service delivery but were slammed by inspectors for their perceived lack of corporate capacity.

A third criticism of whole authority assessments is that, whilst they have engaged the interest of policy makers and local government practitioners, they have largely passed the public by. The rationale for the introduction of 'Michelin' style scoring systems which summed up the results of CPAs was that this would make inspection results accessible to citizens. But there is very little evidence that it has achieved this. While school league tables have enhanced parental choice and been widely used in recent years (Wilson, 2004), there is little evidence of high levels of public awareness of or interest in other metrics, including CPA results and BVA reports. Moreover, some argue that to the extent that the public do take any notice of 'naming and shaming' of poor performers, this corrodes rather than enhances confidence in public services (O'Neill, 2002). Equally, a damning corporate assessment can damage staff morale and become a self fulfilling prophecy as authorities that have been stigmatised by inspectors struggle to retain staff and attract new recruits.

These methodological and pragmatic objections to whole authority assessments raise important questions about the adequacy of the managerial model which underpins

the inspection routines currently in operation in the UK. In particular they highlight the importance of understanding the complex and contested nature of the concept of 'improvement' from which whole organization assessments derive both their legal authority and their moral purpose. Clearly, as suggested above, there is an important difference between improvement in processes and improvement in services outcomes, and one is not necessarily linked to the other in any straightforward way. Moreover, the kinds of improvements which are most prized will vary over time and differ between localities. It is self evident that the effective delivery of public services in remote rural areas presents very different challenges to those confronted in inner city areas with large, ethnically diverse populations. Similarly, whereas the Conservative governments of the 1980s and 1990s were primarily concerned with improving the efficiency of public services, in the early years of the Blair government the emphasis was firmly on improving the quality of services. In the changed economic conditions which prevail ten years later increasing efficiency may well come to the fore once again.

This raises important questions about the ability of whole organization assessment to adapt to changing conditions and requirements. Many of the reforms of the last decade have been concerned with improving existing services (i.e. doing the same things better). Whole authority assessments such as CPA, BVAs and the WPI, with their emphasis on achieving basic levels of competence through the application of performance management systems, are well suited to this endeavour. But if the emphasis shifts away from competence and towards innovation (doing new things and/or doing things differently), as it might well at a time when resources are tight, these frameworks may seem less useful. Moreover, there are important questions

about the relevance of whole organization assessments to attempts to tackle complex 'cross cutting' issues (such as obesity and antisocial behaviour) which require concerted action by a range of agencies. These priorities inevitably take the issue of 'improvement' well beyond questions of managerial competence and the resolution of technical challenges into new realms requiring more complex and nuanced definitions of performance improvement and the exercise of difficult political judgements between competing priorities and interest groups. The increased emphasis on the importance of partnership working among local service providers to tackle these kinds of problems implies that inspection frameworks will in future need to be able to assess inter-organizational (rather than organizational) effectiveness. There is no doubt that central government would welcome metrics which evaluate public service outcomes in this holistic way. After a decade of unprecedented growth in inspection and a certain kind of success, the challenge now facing public service inspectorates is therefore to devise methodologies which provide a valid basis for making judgements of this kind. Whether, given the doubts about the validity of existing organization assessment frameworks, they will be able to pull off this even more ambitious project, remains to be seen.

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