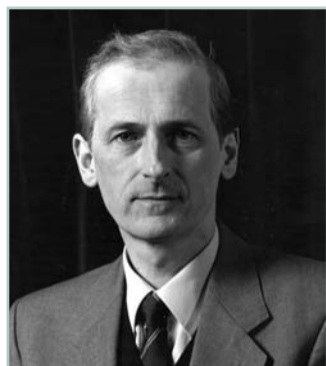


2006 was a turning point for the Programme. We published our first book (*Transparency* – see next page) and produced our first set of research results. How to get our discoveries across to busy people in and around government? In a meeting of Programme researchers early in 2006, we hit on the idea that a poster exhibition would be a time-efficient way of letting people know what we found out in the first round and what we hope to discover in the second round.

Like many good ideas, that proved to be harder to put into practice than we had bargained for, and we toiled and sweated in the hot summer days to produce 29 posters that could get our message across. Since September I have been exercising my puny muscles carrying these posters to meetings of practitioners in the Treasury in London (the first time that a research poster exhibition has ever been held there), the Scottish Executive in Edinburgh, the National Economic and Social Forum in Dublin and the Finnish Association for Administrative Sciences in Tampere (I'm still hoping for invitations to present them in the Seychelles and Barbados!).

I'm glad to say that this novel approach to dissemination has been well received everywhere. For instance, Nick Macpherson, Permanent Secretary of the Treasury, said in September that the research tackled the key issues of public services and significantly extended the research base available to inform policy. And, in response to overwhelming popular demand, these posters are now available online at http://www.publicservices.ac.uk/Results_Pages/PosterSummaries.asp. They will soon be accompanied by further discussion papers that describe the findings of the completed projects in more detail.



I'd welcome any ideas on other innovative ways to communicate the Programme's findings as they start to build up.

Happy New Year

Christopher C. Hood

Christopher Hood
Gladstone Professor of Government
and Fellow of All Souls College,
Oxford Programme Director

The Programme at-a-glance

2004

ESRC Public Services Programme established; Professor Christopher Hood appointed as Programme Director; 1st Projects Call; first 14 Projects commissioned

2005

Programme launches; first 14 Projects begin research; two further Projects commissioned in May to begin research in October; 2nd Projects Call

2006

First 14 Projects report results; 2nd Call Projects commissioned in spring to start 2006; 3rd Call for fellowships and research on medical regulation and performance

2007

Some 2nd Call projects report results; fellowships and 3rd call projects begin

2008

First 2nd Call Projects complete

2009

Remaining Projects complete; fellowships complete; Programme Publication; Programme ends November

Third Call for Projects and Fellowships

Attention all researchers!

The Programme has issued a third call for research projects and fellowships.

The call is in two parts: the first, in collaboration with the General Medical Council, will fund nine or ten high quality small grant research projects exploring the links between medical regulation and performance, including:

- the effects on performance of different regulatory policies and practices;
- public and stakeholder views about regulation and medical performance;
- risk factors in professional performance;
- the links between 'transitions' and medical performance.

The second part is for fellowships to draw out cross-cutting themes in the Programme's work, link its work to other relevant research and, if possible, fill some of the gaps in the themes of the original programme specification. Fellowships can be full or part time and can run for 3-18 months, but must be complete by mid-2009.

For further details (including the call specification and guidance notes) and events related to this call, check the programme website: www.publicservices.ac.uk.

The closing date for applications for both projects and fellowships is 4pm, Wednesday 31 January 2007



The
Public Services
Programme

Quality, Performance & Delivery

www.publicservices.ac.uk

New research projects

These are only the projects newly commissioned in April. For a full list of all our projects visit http://www.publicservices.ac.uk/our_research.asp.

● Exploring the Impact of Public Services on Quality of Life Indicators

Dr Rowena Jacobs (University of York), rj3@york.ac.uk

● Responding to Evidence of Poor Performance: Explaining Public Organisations' Capacity to Deal with Failure

Professor Kieran Walshe (University of Manchester), kieran.walshe@mbs.ac.uk

● Targets and Waiting Times: Exploring a Quasi-experiment to Evaluate the use of Targets in the Provision of Health Care in the UK

Professor Frank Windmeijer (University of Bristol), f.windmeijer@bristol.ac.uk

● Leadership Change and Public Services: Reinvigorating Performance or Reinforcing Decline?

Professor George Boyne (Cardiff University), Boyne@cardiff.ac.uk

● Public Attitudes and Public Service Responsiveness

Professor John Curtice (National Centre for Social Research) j.curtice@strath.ac.uk

● International Comparison of Responsiveness using Anchoring Vignettes

Dr Nigel Rice (University of York), nr5@york.ac.uk

● Error, Blame and Responsibility in Child Welfare: Problematics of Governance in an Invisible Trade

Professor Susan White (University of Huddersfield), s.white@hud.ac.uk

● Performance Indicators in Health Care: A Comparative Anglo-Dutch Study

Professor Stephen Harrison (University of Manchester), s.r.harrison@man.ac.uk

● The Design and Use of Local Metrics to Evaluate Performance: A Comparative Analysis of Social Care Organisations

Professor David Challis (University of Manchester), d.j.challis@man.ac.uk

● Exit and Voice as a Means of Enhancing Service Delivery (Stage 2)

Professor Keith Dowding (London School of Economics), k.m.dowding@lse.ac.uk

● The Effect of Ownership and Regulation on British Railway Performance, 1850-2006

Dr Timothy Leunig (London School of Economics), t.leunig@lse.ac.uk

● Comparing for Improvement: The Development and Impact of Public Services Audit and Inspection in UK Local Government

Professor Stephen Martin (Cardiff University), martinsj@cardiff.ac.uk

● Historical and Longitudinal Small Area Analysis of the Effects of Market-Orientated Reform on Equity of Access to NHS Care from 1991-2001

Dr Richard Cookson (University of East Anglia), rc503@york.ac.uk

● The Police under Public Scrutiny: Experiences, Perceptions and Reactions to a Public Service Institution 1982-2003

Mr Andreas Cebulla (National Centre for Social Research), a.cebulla@natcen.ac.uk

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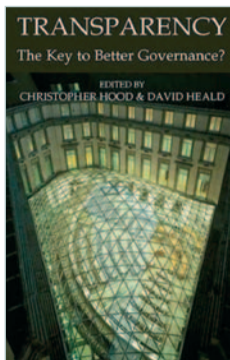
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Publications

PROGRAMME AND RELATED PUBLICATIONS

Transparency:
The Key to Better Governance?
Christopher Hood and David Heald (eds).
Oxford University Press
ISBN: 0197263836 £30



In September of this year the Programme, in conjunction with the British Academy, published its first book, *Transparency: The Key to Better Governance*. Below is an extract from a review of this book by former Cabinet Secretary, Lord Wilson of Dinton.

"I confess I have given a number of talks recently in which I have endorsed, I thought rather cogently, the case for openness in government. Having read this [Onora O'Neill's chapter] and some of the other excellent essays in this book, I have a strong desire to go away into a corner by myself and have a quiet think about what I actually do believe. And that illustrates exactly why in my view scholarship matters when considering issues of government."

"The essays in *Transparency*... analyse clinically and from every angle the concept and practice of open government, not only in this country but elsewhere. Reading it may depress the reader. They demonstrate many things one feared, and a few which one knew: for instance, the costs which may flow from meeting transparency requirements, the techniques which those required to be transparent may use to defeat those requirements and the disappointment in store for those who hope that the Freedom of Information Act will inaugurate a new era of trust. Alasdair Roberts' chapter on 'Dashed Expectations: Governmental Adaptation to Transparency Rules' includes particularly compelling evidence from other countries of such tactics as 'raising fees to squelch demand'; and James Savage's account of the problems of disclosure by Greece in the context of EU Budgetary Surveillance is, well, downright shocking."

Special Issue of Public Money and Management

We hope that the Programme's second publication will appear later this year as a special issue of the journal *Public Money and Management* that focuses on what the Programme has learned about performance indicators. More details will follow!

Formula Funding of Public Services

Peter Smith, Director of the Centre for Health Economics and a researcher on several of the Programme's projects has recently published *Formula Funding of Public Services* (Routledge). The use of formulae has become widespread in recent years across most developed countries. In the UK, a conservative estimate is that annually £150 billion of public service expenditure is distributed using formulae, in services such as health care, local government, social security and higher education. Peter's book offers a comprehensive introduction to the theory and practice underlying the use of such formulae as a basis for funding public services.

News and events round-up

Programme Researcher Awarded PMSU Fellowship.



One of the most effective ways to link research to practice is by people moving between those two spheres, and this applies to a number of the people involved in the Programme. The latest example is Dr. Dirk Haubrich who has been awarded an ESRC Academic Placement Fellowship at the Prime Minister's Strategy Unit, at the heart of the Whitehall machine. Dirk worked with Iain McLean on the project *Correlates of Success in Performance Assessment*, which investigated the efficacy of the Comprehensive Performance Assessment as a measure of local government in England. In his new role at the PMSU Dirk will use his expertise primarily to advise on the functions, responsibilities and assessment of local government in England, and will be able to act as a bridge between the Programme and the work of the Strategy Unit.

Analysing Performance Indicators: Data, Behaviour, Results.

Two-day workshop, 15-16 March 2007, Erasmus University, Rotterdam – invitation only

The Netherlands School of Government and the Public Services Programme are hosting a joint, two-day workshop to gather together British and Dutch scholars for an expert debate on performance indicators. The workshop will focus mainly on research methods in this field and allow scholars to share current Anglo-Dutch research on:

- the 'technics' of data collection, including issues such as what data is already available, how far it can be tested for validity and reliability, and what are the most promising techniques for data analysis;
- what behaviours seem to be caused by performance systems (including gaming and perverse behaviour as well as behaviour that points to improved performance);
- what evidence do we have about the actual impacts of performance systems and which kinds of methods could be deployed to produce more reliable knowledge about attributable impacts of performance systems.

International Public Management Network Workshop

Three-day workshop, 7-9 August 2007, Worcester College, Oxford – invitation only

The Public Services Programme is bringing the International Public Management Network to Oxford for the first time this summer for a three-day workshop on

rating and ranking public services. As can be seen from the 'Project Spotlight' below, ranking public service organisations within national borders is fraught with difficulties. Making international comparisons of public service provision often multiplies or exacerbates methodological difficulties, yet international public service rankings remain popular among international organisations such as the World Bank and the OECD.

Following on from the Programme's successful 'International Public Services Rankings' conference in December 2005, this event aims to gather experts from across the World for an in depth discussion of the difficulties of ranking public services and how to get beyond them. How do organisations like the OECD and World Bank select and use rankings and ratings? How can countries be ranked across a range of public services? And, what is the relation between policy elites and front-line staff, such as teachers and doctors?

Risk and Public Services

Day conference, 13/14 December 2007, with Centre for Analysis of Risk and Regulation, LSE

Risk is fundamental to the provision of public services. Yet the links between risk and public services have not received the attention they deserve. Transport, health, education and the control of crime are among the most publicly visible and politically sensitive public services, even in the current era of markets and quasi-markets. Organizations that provide such services both respond to risks in their environment, and create risks to others. MRSA infections, prison escapes, and the abuse of children or the elderly are just some of the most prominent recent examples. But debates about public services across at least the past two decades have tended to frame the issues wholly or primarily in terms of markets and monitoring. This conference seeks to redress this neglect, and to reframe the debate about public services in terms of risk. More details later!

Unintended Effects in Public Policy and Public Service Reform

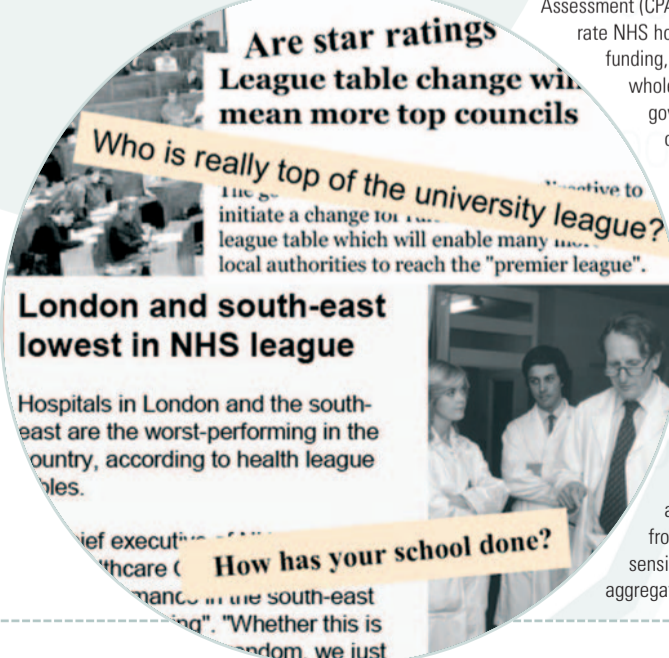
Lunchtime workshop, January – March 2007, Oxford.

Public Policy interventions and public service reforms do not always turn out as planned. So how do unintended effects come about and what different forms do they take? Christopher Hood, Programme Director, and Helen Margetts, Professor of Internet and Society at the Oxford Internet Institute, are convening a lunchtime workshop from January to early March in the OII to examine this phenomenon. Everyone is welcome - for more details visit the Programme website.

Project spotlight

Full details of all our projects are available at www.publicservices.ac.uk.

To learn more about the project and how to contact the researchers, please visit http://www.publicservices.ac.uk/our_research/Composite_Measures.asp



Project: Composite Rankings for Public Services – Can we trust them?

Research team: Rowena Jacobs, Maria Goddard, Peter Smith (Centre for Health Economics, York)

The current trend for rating and ranking public service organisations, especially in England, means newspapers are almost as likely to contain league tables comparing schools, universities and hospitals as league tables for sports teams. Supporters of such league tables think they help users to assess public services in the same way as sports teams. But while in the world of sport there is an adage that "the league table never lies", does the same maxim apply to public service league tables?

To rank organizations we either have to boil down many different performance indicators into a single composite number, or have a large number of separate rankings. Familiar examples of composite rankings are the Human Development Index used by the UN, or within England, the Comprehensive Performance Assessment (CPA) used to rate local authorities and the 'star ratings' used to rate NHS hospitals from 2001 to 2005. Even when it is not directly linked to funding, league table position can have major implications, for instance; wholesale changes in leadership or greater freedom from government control. But we do not know how far rankings based on composite indicators reflect real differences in performance, rather than differences due to random variation or measurement error, and how far rankings are sensitive to small changes in the aggregation method.

Rowena Jacobs and her team have been investigating how robust these composite performance measures are and, as Rowena explains, this involved an innovative methodology. "To assess the extent of uncertainty in performance indicators making up a composite, we used simulation methods. We produced a scaled-down generic version of the main available composite measures in England, the CPA and star ratings. We produced a composite for 117 NHS hospitals consisting of 10 indicators from the star ratings and a composite for 97 local authorities drawing on 35 indicators from the CPA. Then we could test these composite scores for their sensitivity to random variation, uncertainty and alternative aggregation rules, including changes in weightings."

There are several ways that performance indicators can be combined into a composite measure, such as applying different weights according to the perceived importance of different performance indicators, or decision rules to ensure minimum standards on some indicators. The results of the team's inquiry were compelling. "We found that even relatively minor alterations to the way in which performance indicators are aggregated into a composite can have a substantial impact on results. Some local authorities and hospitals could jump more than half the league table in rankings. Decision rules also introduced a high degree of uncertainty, although there was greater stability in the ranking of the worst hospitals. So for example one can see from the graph below that hospitals H1 and H2 (originally 0-star performers) achieve a 0-star in 100% and 82% of the simulations respectively; whereas hospitals H9 and H10 (originally 3-star performers) receive 3-stars only 61% and 56% of the time respectively. Indeed, hospital H9 suffers a catastrophic relegation to a 0-star 38% of the time."

Policy implications: casual use of composite measures is beguiling but can be dangerous.

