

## **Developing a New Tool for Measuring the impact of Scrutiny**

Overview and scrutiny activity typically produces recommendations about subjects reviewed, but practitioners have not always focused on measuring their impact. The idea of looking at what is the impact of overview and scrutiny is challenging – identifying what is its ‘rate of return’ on the investment made – is one that has been met with enthusiasm as a way to develop best practice.

In the spring of 2011, a small team of Centre for Public Scrutiny (CfPS) Expert Advisers, and CfPS staff considered how concepts of ‘rate of return’ on investment might usefully be transferred from the world of economics, business and commerce to the world of overview & scrutiny. The concept of ‘return on investment’ is typically used in commercial decision-making, to determine which project(s) have the highest rate of return financially (the highest % return), or will pay back the initial investment the fastest.

It is the view of the CfPS that focusing on the ‘return on investment’ of scrutiny activity can revolutionise the way topics are chosen and the way outcomes of recommendations are measured, utilising a variety of tools across **4 stages** of a ‘scrutiny journey’

### **Stage 1 – Identifying a short list of possible topics:**

- Identify the best ways to access information, data and experience about each topic.
- Identify the time and resources required to complete a review of each potential topic.
- In cases where all the topics are high priority, identify the ones where the overview and scrutiny process can add most value – this will be an estimation at this point of perceived value to the council, partners or the community.
- Consider any previous work of the council, scrutiny committee or partner organisations on each topic.

**Stage 2 - Prioritisation:** to make a good final decision on which topic to choose, assess the impact that a scrutiny review could have by completing an impact statement for each topic. Impact Statements help to focus decisions about prioritisation - the focus on impact and measures at this early stage will help to make later conclusions and recommendations more influential. Assessing the impact could include:

- Considering how best to measure the difference made by the scrutiny review?
  - Assessing the value of doing the review - Is this high, medium, or low? - consider the value to the council, its partners and/or the community.
  - Questions to ask are:
    - If we put time and/or money into overview and scrutiny activity, what will it change, improve, increase or reduce?
    - What's the "payback" from scrutiny, how fast do we get it and who will experience it?
    - If we can't answer these questions, why are we doing it?
- see example Impact Statement at Appendix 1.

Prioritisation concludes with the use of a scoring matrix to help understand where overview and scrutiny would have the most relevance. The matrix helps to compare and review all of the impact statements together; enabling a structured and transparent final choice of which topic to review - see example Matrix at Appendix 2.

Having agreed which topic to proceed to review, a good quality outcome needs to be defined for the review. Having identified the desired outcome you can begin to explore what is known about the topic already and how the potential benefits of conducting this review might be measured – the 'return on investment'. The measurements that you select now may be refined over the life of the review and particularly within the next stage (stakeholder engagement). However it is worth investing time at this stage to consider what information is available or what needs to be created to make an estimate/forecast of the review's impact at the end.

### **Stage 3 - Stakeholder engagement and scoping:**

Stage 3 helps Members to understand what is already happening with regards to the topic and what angle the investigations should take. The purpose of a stakeholder event is to:

- Ensure that all those involved understand exactly the impact statements and the reasons why the review topic was chosen, and what are the desired outcomes.
- Build relationships.
- Gather views on what aspects of the topic it would be most valuable to pursue - emphasise that this is an innovative approach. Overview and scrutiny has previously chosen the topic and decided the focus of the review, so asking for ideas on areas of focus for the review, is a new approach.
- Identify other people to talk to or further sources of information.

Involving the right people is key to success. Undertaking a stakeholder analysis will help work out who you need to attend the event. To ensure that you invite representatives from across the whole system, consider using a matrix to identify a good mix of people for the subject. For example invite a cross section from the public, private, voluntary, community and faith sectors (depending on your topic) who have:

**Authority** – i.e. decision makers or community champions.

**Resources** - i.e. commissioners.

**Expertise** – i.e. professionals and local people.

**Information** – i.e. data and intelligence.

**Needs** – i.e. people or groups you are trying to help.

At the event, consider:

- What works and what doesn't - what's the evidence?
- What more can be done to tackle the issue and by whom?
- What appears important to the Council, partners and other stakeholders?
- What actions would make the most difference? Would this be a radical difference or by a small incremental step(s)?

#### **Stage 4 - Undertaking the review - designing measures and measuring impact – processes and outcomes:**

Stage four is carrying out the review, simultaneously estimating and evaluating the impact of overview and scrutiny and testing the ways in which a potential “return on investment” may be calculated. This is the stage where you will need to decide on what and how to measure and evaluate.

To do this, the work done to prepare the initial Impact Statement during the prioritisation stage, and the research and information gathered from the stakeholder event, will need to be reflected on.

This information and evidence can be used to help councillors agree:

- What should be reviewed in regard to ‘what works or what doesn't’?
- What actions, activities and outcomes could the review influence?
- The ‘Key Lines of Enquiry’ –the questions you want to ask during the review.

#### **Measuring the Impact of a Review**

There are two ways to do this:

- i) Measuring the review **process** itself – what has the review achieved that can be hard to measure (‘soft’ outcomes).

- ii) Measuring what has or will change as a consequence of the review – the **outcomes**.

Here are some examples of **process** and **outcome** measures that might be developed:

Process	Outcome
<ul style="list-style-type: none"> <li>• Improved networking.</li> <li>• Increased awareness of the chosen topic by all and the value of better communication.</li> <li>• A shared understanding of a problem and possible solutions.</li> <li>• Clear recommendations created on what can be measured and for which groups.</li> <li>• Recommendations valued and adopted by Cabinet, Health and Wellbeing Board, Commissioning Groups and providers.</li> </ul>	<ul style="list-style-type: none"> <li>• Short-term change in a proxy measure.</li> <li>• Aspirations for long term improvements and commitment to measured progress over time.</li> <li>• A movement along the social determinants “wheel”.</li> <li>• % improvement or reduction (subject to topic)</li> <li>• % Increase in community activity.</li> </ul>

There are a number of things to bear in mind:

- It is OK to have a mix of process benefits and outcomes.
- It can be difficult to define “currencies” – other than money – that could be used to value impacts and also to value “softer” outcomes such as the creation of new networks, so consider different categories of measurement, such as:
  - social value – community value
  - time and effort
  - values
  - quality of life
  - self esteem
  - health
- Value relationships, networking, partnerships, stakeholder engagement and softer outcomes.