Durham Research Online

Deposited in DRO:
04 April 2017

Version of attached file:
Accepted Version

Peer-review status of attached file:
Not peer-reviewed

Citation for published item:

Further information on publisher’s website:
https://doi.org/10.1080/03003930.2017.1329251

Publisher’s copyright statement:
This is an Accepted Manuscript of an article published by Taylor & Francis Group in Local Government Studies on 19/05/2017, available online at: http://www.tandfonline.com/10.1080/03003930.2017.1329251.

Additional information:

Use policy

The full-text may be used and/or reproduced, and given to third parties in any format or medium, without prior permission or charge, for personal research or study, educational, or not-for-profit purposes provided that:

- a full bibliographic reference is made to the original source
- a link is made to the metadata record in DRO
- the full-text is not changed in any way

The full-text must not be sold in any format or medium without the formal permission of the copyright holders.

Please consult the full DRO policy for further details.
A History of British National Audit: The Pursuit of Accountability

By David Dewar and Warwick Funnell

Oxford, Oxford University Press, 320 pages, £60


Published: 22nd December 2016

This book accomplishes its aim of setting out how British national audit has evolved in the pursuit of accountability, which is no surprise given the complementary skills of the respective practitioner and academic involved. David Dewar served for over 40 years in British national audit, and was Assistant Auditor General of the National Audit Office (NAO) between 1984 and 1994. He has therefore lived the pursuit of accountability in his everyday practice, and now through this book is reflecting upon what that meant in a broader sweep of history. On this journey to write the book he is joined by Professor Warwick Funnell, one of the most respected historians on public accounting and accountability. Together they have weaved an interesting account of the UK’s long history of trying to hold officials to account for spending public money. Its publication is also very timely: the combined factors of austerity, localism, devolution and Brexit mean that we need better ways of ensuring financial sustainability and assuring value for money of our local public services.

Since its creation in 1983 from the former Exchequer and Audit Department (founded in 1866), the National Audit Office (NAO) has been a central institution in this pursuit of accountability, traditionally by auditing central government departments and focusing on financial stewardship and providing an overview of value for money. Initially, the Audit Commission had responsibility for auditing English local government in a similar way. However, its abolition by the coalition government elected in 2010, along with the scrapping
of centralised performance management systems, means there are now very limited formal institutional arrangements for accountability at the subnational level. Although the NAO now has responsibility for examining local public expenditure and value for money, it focuses on the whole sector of local government and does not assess individual councils. This situation has led to concerns about a gap in accountability, as responsibility for an increasing range of services and functions are being devolved to local areas (Ferry and Murphy, 2017).

Given this context, it is important for local government academics and practitioners to understand the NAO’s history and its current position if they wish to analyse local accountability arrangements and/or predict how they might develop in future. For example, considering that the Audit Commission paid the ultimate price after its remit was extended beyond the auditing of local government accounts, we should not be surprised to learn from the book that the NAO is reluctant to expand its responsibilities into assessing performance. Similarly, although the NAO may have a firm idea of how local accountability arrangements should develop in the new context, we should not necessarily assume that it will put its head above the parapet to make the case for reform. Indeed, Meg Hillier, Chair of the House of Commons Public Accounts Committee (for which the NAO conducts much of its work), referred to this when she hosted the launch of this book in Parliament at the end of 2016.

Overall, Dewar and Funnell do a nice job of outlining the move from medieval beginnings to Victorian reform and a modern state, which is followed by the impact of the world wars and post war strengths and challenges, and brings us to the more contemporary period of New Public Management. At the end there is a recurring themes and continuing themes section. Among other things, this highlights the importance of audit independence and a clear remit, rights of access and inspection, and the NAO’s relationships with the Public Accounts
Committee, Parliament, Her Majesty’s Treasury and Departments, all of which are important issues for policy makers to consider. The book also highlights more recent attempts to clarify and strengthen accountabilities, which have become key concerns in contemporary debates regarding changes in departmental management and service delivery.

Dewar and Funnell’s main focus is on how formal British institutions have developed in order to try and ensure accountability for public expenditure at the national level. However, due to the UK’s long history of this pursuit, their book will appeal to academics and practitioners with these interests in all levels of government across the globe.

Dr Laurence Ferry
Professor in Accounting
Durham University, UK
laurence.ferry@durham.ac.uk

References