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A 'panoptical' or 'synoptical' approach to monitoring performance? Local public services in England and the widening accountability gap

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ABSTRACT

This article highlights how recent reforms to the auditing and assessment of local public services in England suggest there will be a shift from panoptical to 'synoptical' monitoring approaches. This is because the UK Government has abolished its centralised monitoring regime and instead required local authorities to publish a range of financial and performance datasets online, ostensibly so that citizens can hold organisations to account directly. However, the complexity and raw nature of these data, along with the sidelining of professional auditors, will result in most citizens being either unable or unwilling to undertake this task. As such, the proposed 'synoptical' approach will not materialise. Indeed, other legislative changes will mean that outsourcing firms effectively become the new, unaccountable observers of local public sector bodies within an enduring panoptical system. In many cases these companies will then assume responsibility for delivering the same services that they have assessed.

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1. Introduction

In a previous issue of this journal, Vaughan Radcliffe posited that public auditors often collude in 'public secrets' by withholding from their reports the real reasons why organisations may not have achieved optimal outcomes (Radcliffe, 2008). Radcliffe's view was countered by Funnell (2010), who held that auditors should not comment on matters of policy and instead restrict their enquiries to operational issues. Radcliffe responded to Funnell by highlighting that public auditors in the USA are often directly elected and are therefore explicitly political actors. In contrast, in most Commonwealth countries they are appointed and therefore potentially more independent (Radcliffe, 2011).

This article does not take sides in the debate between Radcliffe and Funnell. Instead, it highlights how their debate will be transcended by the emergence of a new approach to performance auditing in England, which raises significant concerns for the accountability of local public services.¹ Using the surveillance metaphor that was developed by Jeremy Bentham and popularised by Foucault (1977), it illustrates how the UK's Coalition Government has claimed that decisions such as the

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¹ The article concentrates on those services for which English local authorities are responsible. The nature of panoptical performance monitoring systems in other parts of the public sector, such as health and central government, remain largely unchanged.

abolition of the Audit Commission mean that it is moving away from a 'top-down', panoptical approach to monitoring the performance of English local authorities.

Following this line of argument, policy initiatives such as the 'transparency' agenda (which requires public bodies to make financial and performance data available online) should herald a shift towards what Mathiesen (1997) termed a 'post-panoptical' or 'synoptical' model of surveillance. For Mathiesen, modern technologies and the mass media have led to the development of a 'synoptical' situation in Western societies, because they allow the wider public to watch and monitor the behaviour of the powerful few, who are then encouraged to moderate their activities to prevent citizens from identifying misconduct. In this way, it is the polar opposite of Bentham's Panopticon, which encouraged the masses to act 'normally' in the knowledge that someone in power may be observing them.

However, the sheer volume and nature of the data that public bodies are being asked to publish, together with the impact of other policy initiatives that aim to encourage other providers to deliver public services on behalf of the state, mean that this new model will be nothing but a mirage. As this article will demonstrate, we are more likely to see private sector companies become the observers (the *de facto* performance auditors of local authorities) within an enduring panoptical system, as publicly funded watchdogs such as the Audit Commission are sidelined and/or abolished. These developments run counter to the Government's claims that its new approach will enhance the democratic oversight of public services, and exacerbate the existing accountability concerns of various new public management scholars. They will also result in the debate between Radcliffe and Funnell on auditor independence and upholding 'public secrets' taking off in an entirely new direction.

As the context used is very current, this paper employs an explanatory study methodology (Scapens, 1990) to set out how a new model of surveillance is likely to develop. It examines government publications such as the Open Public Services white paper (Cabinet and Office, 2011) and Localism Act (HM Government, 2011), as well as ministerial announcements, to identify policy objectives and how these initiatives are likely to influence the delivery of public services. In addition, it also reviews the extant literature on panoptical control approaches, auditing and accountability, and new public management to inform a discussion around how these policy initiatives will shape the future scenario.

The remainder of this paper discusses the following in turn: theories of visibility, Panopticism and Synopticism; the role of the public auditor; new public management; the Open Public Services white paper; the requirements and potential impact of the UK Government's 'transparency' agenda; and how the 'right to challenge' will provide a bottom-up lever to transform local public services.² These disparate strands are then brought together in the discussion and conclusion to show how the surveillance model for local public services in England is set to develop, and its implications for accountability.

2. Background

2.1. Visibility, panopticism and synopticism

The idea of a *Panopticon*, a disciplinary system that incorporates an agent who can observe others without them knowing that they are being watched, was first publicised by Jeremy Bentham in the late eighteenth century (Bentham, 1995). Bentham argued that prisons and other institutions should be designed so that people in these buildings could be observed at any time, but not be able to see the watcher themselves. He held that if people knew they might be under surveillance, they would discipline themselves and conform to societal and behavioural norms – regardless of whether someone was watching them or not. As such, they could be controlled without using excessive force. Although no prison was ever built that conforms exactly to Bentham's design, Michel Foucault embraced the concept of the Panopticon as a metaphor for discipline and control in *Discipline and Punish* (Foucault, 1977).

Foucault's arguments heralded a new interest in the analogy, which has continued until the present day. In particular, the increasing prevalence of data-capturing technologies such as closed-circuit television, smart cards and the internet has increased the popularity of the Panopticon as a way of describing contemporary life in developed countries. According to this line of argument, modern technologies can monitor the behaviour of individuals and make it visible. Since people are aware that their activities may be monitored, they will not wish to be singled out as being somehow abnormal and therefore choose to act responsibly.

In addition, the metaphor of constant surveillance can be extended to organisations as well as individuals. For example, managers can record and measure the activities of their staff, business units and organisations, ostensibly to inform decision-making and improve performance (Covaleski et al., 1998; Brivot and Gendron, 2011). These concepts have proven particularly popular in accounting literature, because of the way in which quantification can make people, business units and organisations comparable (Mennicken and Miller, 2012). Moreover, in recent decades Western governments have established watchdogs and extensive monitoring frameworks specifically to oversee the activities of publicly funded bodies. Several scholars have compared these systems to the Panopticon, arguing for example that they monitor public bodies to try and ensure 'corruption-free government' (Anechiarico and Jacobs, 1994), or to improve financial management and performance (Perryman, 2006).

² Responsibility for local government lies with the devolved administrations in Scotland, Wales and Northern Ireland. As a result, the Localism Act and transparency requirements, as well as most of the Open Public Services white paper, only apply to authorities in England, despite emanating from the UK Government. Therefore this article refers to the UK-wide Government as the source of policy initiatives, but to England as the area in which they take effect.

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