Trust in the public sector
Trust is at the heart of the relationship between citizens and government. It is particularly important in relation to services which influence life and liberty – health and policing. But it also matters for many other services – including social services and education. In these cases, even if formal service and outcome targets are met, a failure of trust will effectively destroy public value.


There is a growing debate about an apparent loss of trust in public life. There has been extensive coverage of the effect of corporate governance failures in the private sector on public trust and confidence, with accompanying declines in share value, investor confidence and the general public’s trust in economic well-being and stewardship of the economy. But as the quote above illustrates, trust in public institutions can have a wider significance. Increasing the public’s engagement with public services is a cornerstone of the modernising government agenda, but this could be affected by a decline in trust. Other social trends also suggest a decline in trust; for example, poor and decreasing electoral turnout in both local and national elections respectively.

Not everyone does believe that polling evidence proves that trust is declining. In the 2002 BBC Reith Lectures, for example, Onora O’Neill suggested that, rather than a ‘crisis of trust’, we have now in the United Kingdom a ‘culture of suspicion’, fostered in part by accountability to regulators based on judgements of performance against targets, rather than the ‘intelligent accountability’ of professionals to the public. She suggests that claims of a crisis in trust are mainly evidence of an unrealistic hankering for a world in which safety and compliance are total, and breaches in trust totally eliminated.

Trusting is not a matter of blind deference, but of placing – or refusing – trust with good judgement. So we need social and political institutions that allow us to judge where to place our trust. Yet some fashionable ways of trying to make institutions and professionals trustworthy undermine our abilities to place and refuse trust with discrimination... We set detailed performance targets for public bodies, but are complacent about the perverse incentives they create. We try to micro-manage complex institutions from the centre, and wonder why we get over-complex and inadequate rather than good or effective governance. We try to judge quality by performance indicators rather than by seeking informed and independent evaluation. We aspire to complete transparency in public life, but neglect the more fundamental goal of limiting deception. We endorse a version of press freedom that is not supported by the reasons why we need a free press.

The need for Strategic Regulation

Our research among chief executives, chairs, elected leaders, non-executive directors and senior managers suggests that they accept that performance management and the use of performance indicators has brought improvement to public services. At the same time, to varying degrees, they believe the use of targets has gone too far and

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local and national services for the public. Our work covers local government, housing, health and criminal justice services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we monitor spending to ensure public services are good value for money.

express a desire for rationalisation, for simplification and for a change in the balance of central control and local autonomy.

4 They are concerned about being multiply accountable for different aspects of performance to different regulators. Many speak of the plethora of regulators that come through their door, all looking at performance against a range of indicators. Tensions and even conflicts can arise as their organisations attempt to meet different nationally set targets.

5 The Audit Commission accepts that regulation needs streamlining. Centralist command and control supported by a plethora of targets is counterproductive. But at the same time, complete delegation of responsibility to the front line would not lead to the consistently high standards of performance the public expects. The Commission is increasingly working to apply the principles of Strategic Regulation across all its work. Strategic Regulation will still provide basic assurance to the taxpayer, but in having a lighter regulatory regime for high performers, will allow the Commission to focus its efforts on helping poorer performers improve. Comprehensive Performance Assessment in local government is a good example of this. Strategic Regulation is:

- a proportionate, risk-based approach to regulation and an appetite for de-regulation;
- a focus on improving outcomes for users rather than concentrating on auditing processes;
- a participative approach with providers in which the Commission contributes to their improving capacity; and
- a partnership with other public service regulators to provide comprehensive assessments that align with user experiences.

6 Regulation will therefore still be a part of life in the public sector and will play its part in promoting greater accountability. But this raises a further question: does greater accountability of public organisations increase the public’s trust in them? Public organisations are accountable in different ways; to central government and its regulators, to partners and stakeholders, and to the public and service users via public reporting and the media. The latter are often – but not always – seen by public sector leaders and managers as helping to create a negative public perception of their organisation.

The Audit Commission’s research into public trust

7 We commissioned the research to inform a broader project on the quality of corporate governance arrangements and the link to service performance. MORI was asked to review their own and other research and to undertake original qualitative and quantitative research into this important issue. The quantitative research looked at the public’s perceptions of the most visible local public bodies and ones that are of most
interest to the Commission: local councils, local NHS hospitals and local police forces. This briefing paper presents the main messages from this work and addresses their implications for public organisations seeking to promote greater trust and confidence in them and their services.

8 Some of the main quantitative results are given in Table 1 at the back of this paper. The detailed analysis underpinning this paper’s conclusions can be found in MORI’s reports for the Audit Commission which are on the Commission’s website.

9 It is important to note that the research did not ask the public directly to compare its levels of trust in councils, hospitals and police forces. It asked the public for its perceptions of trust in public sector organisations in general, then sought to explore the factors affecting trust in the specific local services and organisations mentioned. While the results for different organisations and services can be contrasted, the public’s experience of them and the situations and ways in which it interacts with them vary enormously. Local councils provide a range of services that, while undoubtedly important to improving the quality of people’s lives, are not usually critical to life itself for most people. Hospitals and the police, on the other hand, provide services that clearly are.

Main findings

10 Members of the public have relationships with people who provide a service, not with the organisation behind them. This provides the context for an important finding from the research: that trust in individual service providers like doctors and police officers has remained consistently high over the past twenty years, but trust in the organisations and institutions they work for is lower and has declined in recent years.

11 The qualitative research carried out by MORI for this project suggests that the public has an inherent distrust of organisations. The ‘system’, its leaders, managers and ‘bureaucrats’ can be seen as incompetent, or worse, acting against the best interests service users.

You trust the staff but you don’t trust the bureaucrats behind them, and you probably don’t trust bureaucrats anywhere.

White Male, 45-60, Bristol focus group (source: MORI 2003)

12 So what drives the public’s trust in public organisations and what issues or challenges does this pose for public bodies? In summary, MORI’s qualitative research for the Audit Commission suggests the public understand trust in relation to organisations in two linked ways:

1. the quality of their services; in other words, trust is gained when the experienced quality of services and satisfaction with them is high; and

2. organisations’ perceived honesty and competence; telling the truth, being open about mistakes and being seen to take steps to learn from those mistakes.
But within these broad areas are a number of interrelated themes. For example, the public’s perception of the quality of services is affected by:

- the quality of information provided about them and in particular the availability of independent information evaluating their performance; and
- the direct contact experienced by members of the public, or reported by their friends and family.

Perceptions of organisational honesty and competence, on the other hand, are intricately bound up in perceptions of the honesty and competence of leaders and managers. Research by MORI for the Cabinet Office has shown that honesty and trustworthiness are the most often identified attributes that the public feel are important in senior public managers and politicians.

The main findings from both the qualitative and quantitative research under these two broad headings is given below.

Quality of services

- Public services investigated in this research are rated more positively than negatively by the public, although local councils notably score lower ratings than hospitals or the police.
- The public trust these organisations more highly than they rate the quality of their services, although again, local councils are more likely than hospitals or the police to attract lower trust ratings (Exhibits 1 and 2, overleaf).
- Customer care is important: the NHS scores particularly well on this driver of trust and may help to explain why its overall ratings on trust and service quality are higher than for other services.
- Independent scrutiny is important: the public’s desire for independent assessment of performance means that it is less likely to accept organisations’ own attempts at communicating with the public. Here, however, there is a challenge for regulators such as the Audit Commission, Her Majesty’s Inspectorate of Constabulary, and the Commission for Health Improvement: public awareness that they exist is low (as the Commission’s own research has shown) and where there is awareness, there are doubts that public bodies are monitored or controlled by them. Either way, this has implications for the way in which regulators communicate their role and their findings.
- Negative media coverage (which the public acknowledges) is not as direct an influence on public perceptions as leaders and senior managers think. The public believes the NHS suffers most from adverse media attention, but places greatest trust in this part of the public sector. The public does not simply rely on the media for information about the quality of services or management and leadership. MORI’S analysis suggests the media are not a particularly strong driver of trust in public bodies, either negatively or positively, although they do help to create the general impression of what organisations are like.

Exhibit 1
Ratings of public agencies
Question: In general, how would you rate the following services?

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage poor</th>
<th>Percentage good</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your local NHS hospital</td>
<td>14%</td>
<td>70%</td>
</tr>
<tr>
<td>Your local police force</td>
<td>15%</td>
<td>60%</td>
</tr>
<tr>
<td>Your local council</td>
<td>30%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Exhibit 2
Trust in public agencies
Question: And in general how much, if at all, would you say you trust the following services?

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage not very much / at all</th>
<th>Percentage great deal / fair amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your local NHS hospital</td>
<td>18%</td>
<td>79%</td>
</tr>
<tr>
<td>Your local police force</td>
<td>24%</td>
<td>74%</td>
</tr>
<tr>
<td>Your local council</td>
<td>48%</td>
<td>48%</td>
</tr>
</tbody>
</table>

Honesty and competence
- The public understands that public sector organisations make mistakes, but will accept this, providing responsibility for them is taken and accountability is open and honest.
- The quantitative research shows that the public strongly believes that organisations find it difficult to admit mistakes, but local councils are particularly poorly rated by the public on being open about errors. Local police forces and hospitals are seen, on balance, as organisations that learn from mistakes, although public support for this view is not strong.
- On balance, the public sector is seen as less efficient than the private sector, but not as having less fraud and corruption (although many respondents have no opinion on either issue). Although these results do not suggest the public is
opposed to public-private partnerships on these grounds, the qualitative research provided evidence that the public is nonetheless concerned about a possible lack of accountability in partnerships where the private sector plays an active part, unless the public sector retains managerial control.

- Few public sector leaders and managers are seen as honest, trustworthy or competent (the main drivers of trust as noted earlier). But there are significant variations in the public assessments of the quality of leadership and management in different parts of the public sector. The police score well on this issue, but the NHS and local councils score poorly.

- The public are not sure whether public service managers are good communicators. The largest group (44 per cent) are neutral, with the remainder evenly divided. But in any case, MORI’s research on national politicians shows that there is not a straightforward relationship between communication and trust: the public’s ratings of MPs as good communicators are much higher than their ratings of their trustworthiness.

- Organisational and service failures in the public sector, as identified, for example, in the Climbie, Alder Hey and Bristol Royal Infirmary cases have a mixed effect on trust (Exhibit 3). Analysis shows that those who are predisposed to trust the public sector are more likely to see such events as ‘one off’. For those who trust less, such events reinforce their existing views.

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**Exhibit 3**

**Impact of high profile incidents**

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**Impact of high profile incidents**

There have been some high profile incidents in the past few weeks that have raised questions about the quality and reliability of public services. For example, the death of Victoria Climbie in London, the murder of the black teenager, Stephen Lawrence, and the use of organs from deceased patients without consent at Alder Hey Hospital in Liverpool. Thinking about these, which of the following best describes the impact they have on you?

- I consider them to be rare, ‘one-off’ events that do not really affect my trust in public services: 28%
- They undermine my trust in specific public services involved: 36%
- They undermine my trust in public services in general: 28%

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Note: Base: 1,708 adults, 15+, Great Britain, face-to-face, in-home, March 2003

**Source:** MORI
A summary of the positive and negative factors influencing trust is shown below (Exhibit 4).

Exhibit 4
Six core influences on levels of trust

Key issues for each sector

For local councils, the quality of leadership is a significant issue: of the services and organisations considered in this research, the public is most likely to associate them with having poor quality leaders and managers. It is also clear that informal accounts of local councils between family and friends do not tend to increase trust in this part of the public sector. The public agrees that there is negative coverage of local councils in the media, but to a lesser extent than for the police or the NHS. The public also believes that local councils are less likely than either the NHS or the police to admit when they are wrong or learn from mistakes (although none score highly on these attributes). Neither does it think local councils keep their promises. Overall, the public has a poor view of local councils on several dimensions, believing them not to be interested in its views, while the public itself is unwilling to be more closely engaged with them. Awareness of an independent regulator working in local government is the lowest of all three services and organisations in this research.
The key issues for the police are slightly different. The public rates their leadership relatively highly and are more satisfied they are controlled by an independent body. However, many agree the police do not keep them informed about services and do not think they are likely to admit when they have made mistakes. The public also does not think the police treat people equally irrespective of race, religion or colour.

The public is very positive about local NHS hospitals treating people equally and well. It acknowledges negative press coverage of hospitals, more so than with the police or local councils, but this appears not to affect its often otherwise comparatively favourable perceptions of the NHS as a whole. Although NHS hospitals are seen as not to admit readily to mistakes, they are thought to be more likely to learn from their mistakes. The public is also more likely to dispute the suggestion that the NHS is not interested in its views.

One notable result of this research, however, is that different levels of trust do not appear to affect willingness to engage with public bodies. For both councils and NHS hospitals, which have varying ratings on these key issues, the evidence from MORI’s research shows that the public is not generally interested in helping them to plan the delivery of services. More encouragingly for the police, there is widespread agreement from members of the public that they will help the police as witnesses and in reporting incidents.

Exhibit 5
Performance on key influences

<table>
<thead>
<tr>
<th>Key influences of trust</th>
<th>Public perception of organisation’s performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Local councils</td>
</tr>
<tr>
<td>Staff treat people well</td>
<td>✓</td>
</tr>
<tr>
<td>Keep their promises</td>
<td>✗</td>
</tr>
<tr>
<td>Learn from mistakes</td>
<td>✗</td>
</tr>
<tr>
<td>Friends and family positive</td>
<td>✗</td>
</tr>
<tr>
<td>Quality of managers</td>
<td>✗</td>
</tr>
<tr>
<td>Interested in views</td>
<td>✗</td>
</tr>
</tbody>
</table>

Note: Base: 1,708 adults, 15+, Great Britain, face-to-face, in-home, March 2003
Source: MORI
Commentary

21 The results contain both reassuring and challenging messages both for public bodies and for regulators as we all seek to learn more about this complex issue. Satisfaction and trust appear to be reasonably high in general, but there are indications of concern.

22 Accepting that direct comparison of the public perceptions of different public bodies is fraught, there is nonetheless an identifiable paradox that emerges from this research on trust. It is that the part of the public sector with direct accountability to the public, through local elections, is the one that so clearly is less trusted on a range of issues. Why should this be? It seems possible that the political process itself – of debate, charge and rebuttal – appears to turn voters off. Even though councillors are more trusted than national politicians, who attract among the lowest ratings of trust of any group, there is likely to be an effect.

23 All these bodies fail the public’s test of trust in not being open and transparent in acknowledging mistakes. Total transparency in the process of reaching decisions is rarely possible in any aspect of organisational endeavour: there are times when early consideration of options, say, to close a hospital, school or library or where to place a young offenders’ hostel may perhaps unnecessarily alarm the public, making it more difficult to reach the right solution. Arguably, meeting the requirement of greater openness and transparency in acknowledging mistakes or poor performance is harder for local councils that operate in a political environment, where mistakes can be seized on by opposition parties and used in debate conducted through the local media.

24 All public organisations deliver services locally to meet national performance targets and standards. In all cases, this requires them to make difficult decisions about where to allocate scarce public resources. Perhaps councils face an additional challenge here in that their role as community leaders means that they operate more in the public eye. While their decisions may rarely be ‘life or death’, they often directly affect proportionately more people, more frequently than most decisions about deployment of resources do in the NHS or the police. They are perhaps more prone, therefore, to creating exasperation among that part of the public that inevitably loses out, with a consequent effect on the public’s overall perception.

25 Individual council services and service practitioners attract generally high satisfaction ratings. This is itself more reassuring, but corporately, local councils are seen as less than the sum of their parts. This finding may have implications for councils’ role as community leaders and champions.

26 Does it matter if public sector leaders and managers are regarded as poor? Again, this doesn’t seem to affect the public’s perception of services. Perhaps there is another reason why this is important, however: the Audit Commission’s recent report on Recruitment and Retention showed that these perceptions, as reflected in negative media coverage, have the effect of lowering staff morale.
What can the public sector do about these findings? As noted in this paper, it is not just a question of being good at communication, but within the bounds of what is realistic, of communicating in ways that the public perceives as honest – acknowledging mistakes or poor performance and the action to improve them and being better at communicating the reality of the difficult choices in the allocation of public resources.

Hopefully, the results from this research can contribute to the debate about how best to engage users. The public generally wants organisations to run often complex and specialist services on its behalf, rather than be directly involved themselves. At the same time, it wants to understand better how organisations are performing and to know that public bodies are being effectively held to account by independent organisations for that performance. Even if the public expresses no great desire to be engaged directly itself, it is striking that so few members of the public believe organisations are willing to listen to their views. Although user engagement is difficult, organisations must be seen as willing to pursue this and to use information from the public to inform service planning.

There is also a clear challenge to the Audit Commission and to other regulators in these findings. The public generally does not know about the role of watchdogs in local government, although they strongly support the principle of independent scrutiny and assessment, providing it can help organisations to improve.

Strategic Regulation should have as one of its outcomes a better way of communicating organisational performance to citizens and service users. This is already important, given the public’s disinclination to trust what organisations say about themselves. It will become even more important as new organisational forms are created and new public-private partnership arrangements are entered into. These will be allocated substantial public resources, but their governance and capacity are untested.

The Audit Commission does not claim a monopoly of wisdom on trust and how it can be improved. This is a complex issue that will undoubtedly benefit from further research and one we may wish to return to in the future. A report on corporate governance and service quality will be published by the Audit Commission in the summer. Some of the findings from this research will be set in that context.
Table 1
Key perceptions of public services

<table>
<thead>
<tr>
<th>Perception</th>
<th>Local council</th>
<th>Local police</th>
<th>Local NHS</th>
</tr>
</thead>
<tbody>
<tr>
<td>They have poor quality leaders and managers</td>
<td>+28</td>
<td>-6</td>
<td>+19</td>
</tr>
<tr>
<td>There is a lot of negative coverage in the media</td>
<td>+32</td>
<td>+47</td>
<td>+65</td>
</tr>
<tr>
<td>My friends and family say positive things about them</td>
<td>-37</td>
<td>+3</td>
<td>+22</td>
</tr>
<tr>
<td>Their staff treat people well</td>
<td>+18</td>
<td>+35</td>
<td>+67</td>
</tr>
<tr>
<td>They treat all people equally, irrespective of race, religion or colour</td>
<td>+18</td>
<td>-4</td>
<td>+56</td>
</tr>
<tr>
<td>Their activities are strictly controlled by an independent watchdog</td>
<td>-9</td>
<td>+17</td>
<td>+14</td>
</tr>
<tr>
<td>They keep their promises – that is, they do what they say they will do</td>
<td>-36</td>
<td>+4</td>
<td>+2</td>
</tr>
<tr>
<td>They are not interested in my views</td>
<td>+21</td>
<td>+8</td>
<td>-3</td>
</tr>
<tr>
<td>They do not keep me informed about the services they provide</td>
<td>+5</td>
<td>+26</td>
<td>+13</td>
</tr>
<tr>
<td>They always admit when they’re wrong</td>
<td>-62</td>
<td>-48</td>
<td>-39</td>
</tr>
<tr>
<td>They learn from the mistakes they make</td>
<td>-33</td>
<td>+5</td>
<td>+14</td>
</tr>
</tbody>
</table>

Note: Base: 1,708 respondents

Source: MORI