



National Audit Office

2024/25 Value for Money Review - Hubs and Insights

March 2025

HC 1253

Audit / Tax / Advisory / Risk

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National Audit Office

2024/25 Value for Money Review – Hubs and Insights

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This report is prepared solely for the use of the Board and senior management of the National Audit Office and presented to The Public Accounts Committee. We accept no responsibility for any reliance that any additional third parties may place upon the report. Where this report refers to matters of law, it should not be taken as expressing any formal opinion whatsoever.

Glossary of terms

Term	Definition
Centres of Expertise	Groups of technical experts within the NAO responsible for supporting financial audit.
Audit Transformation Programme (ATP)	The programme provides a technological platform allowing the NAO to improve significantly the quality of its audits in a sustainable way. The ATP encompasses three interdependent projects: - Audit Methodology Review - Audit Software Review - Audit of the Future
Hubs	Teams of subject matter experts in functional areas such as financial and risk management tasked with supporting the NAO ‘in improving their expertise in skills that are important across government’ ¹
Hub Pathways	Structured steps/training programmes set up by hubs to help guide those working within the NAO to develop expertise in hub specialisms.
Good Practice Guide ²	Publications intended to provide guidance and make it easier for others to understand and apply the lessons from NAO’s work.
Lessons Learned Reports ³	Published reports examining lessons learned from NAO’s work which draw together insights from audits into public sector projects and programmes to help government improve in the future.
VFM Study ⁴	Reports produced by the NAO which provide independent and rigorous analysis on the way public money has been spent to achieve government objectives.

¹ [NAO strategy: Progress update and estimate memorandum for 2021-22](#)

² [Good practice guides Archives - National Audit Office \(NAO\)](#)

³ [Lessons learned Archives - National Audit Office \(NAO\)](#)

⁴ [Value for money Archives - National Audit Office \(NAO\)](#)

Background

1. The National Audit Office (NAO) supports Parliament in scrutinising the government's performance, providing high quality, objective evidence and analysis. The NAO's current strategy (2020-2025) focuses on providing effective support to Parliament whilst providing insight to those responsible for public services.
2. As part of its own external scrutiny, acting as proxy for the Public Accounts Commission (TPAC), the National Audit Office (NAO) Board commissions its external auditors, Crowe U.K. LLP, to undertake a VFM study annually on areas which will:
 - be worthy of TPAC interest
 - be of benefit from external involvement and validation
 - provide assurance internally
 - be evidenced based using robust data
 - lead to SMART recommendations.
3. This review has focused on NAO's Hubs and Insight model. The model was set up in 2021 as part of the delivery of the 2020-2025 strategy. The NAO set up six hubs covering different specialist areas: analysis; commercial; digital; financial and risk management; major project delivery; and people and operations management. A seventh hub for environment and climate change was added in 2024. The aim of these hubs is to support the NAO 'in improving their expertise in skills that are important across government'⁵.
4. The overall objective of the review is to provide assurance that the investment in the hub model and associated expertise is effective, in line with best practice and ensures value for money in the utilisation of resources.
5. The primary driver for the review is that the model has now been in place for sufficient time to allow an assessment of the value for money in respect of the additional investment in the hubs and how this has been realised.
6. The findings from the review and any associated recommendations are to be aligned to the NAO 2025-30 Strategy which is currently in development. The hubs remain a critical enabler of a number of aspects of the strategic priorities to be delivered during the 2025-30 period.

⁵ [NAO strategy: Progress update and estimate memorandum for 2021-22](#)

Approach

7. Our review has been informed by the following questions:

- i. Does the investment in hub expertise achieve value for money?
- ii. Impact of the hubs:
 - a. Have hubs led to the development, awareness, and use of insights from NAO's work?
 - b. Has the investment enhanced the quality of work and expertise available to NAO teams?
- iii. Managing the hubs:
 - a. Has the investment in the hub model been managed efficiently?
- iv. Looking ahead:
 - a. Have lessons been learnt and applied in developing the hub model?
 - b. Does the hub model support the ongoing development of NAO expertise?

Conclusion on Value for Money

Summary of Key Findings

1. **We consider that the investment and ongoing expenditure committed to Hubs and Insights represents value for money for the organisation.** Our assessment relates to the development and implementation of the hub model, insights provided through the hubs and the wider impacts being realised.
2. In supporting this conclusion, we have considered the key questions set out at (7) above. Overall, we have evidenced a range of impacts from the work of the hubs, referenced within this report. This has involved recruitment and engagement of specialist skills that were either not in place or not established to work in the manner being realised by the hubs. Wider success factors have included securing additional budget for the hubs and recruitment of focussed subject matter experts to lead the hubs rather than delivering teams delivering this project alongside their as business as usual activities. Adopting a more systematic approach to implementation of the hubs has proved successful in delivering the programme.
3. Six hubs have been set up, (Analysis, Commercial, Digital, Financial and Risk Management, Major Project Delivery and People and Operations Management) with a seventh (Environment and Climate Management) in the development stage at the point of reporting (March 2025). We have evidenced examples of the hubs in supporting teams across the NAO, providing specialist advice to NAO teams, producing specific VFM studies and good practice guides and engaging externally. We have also cited examples of external references to the hubs and the realisation of a number of the envisaged benefits.
4. The investment has been managed in terms of the use of resources, with external spend in line with budget and internal time costs within 5%. This is in the context of a new area of

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activity under development and as such, our conclusion is that, given the impacts realised, represents value for money in resource use.

5. The hubs have provided a wider development opportunity to staff across the NAO, thereby building and developing skills and further supporting retention of staff. There are a series of pathways in place across a range of skills which would not previously have been as readily available to staff. This was a further area that evidenced the hub model has been successful in enhancing the NAO's expertise and ongoing development.
6. Whilst not of the same scale as the Audit Transformation Programme (ATP), the Hubs and Insights model has parallels to the ATP in the effectiveness of its management of the implementation. A critical success factor has been the strategic priority assigned to the programme, a lesson learnt from prior initiatives and a parallel to the ATP. As a result, whilst the concept itself is not new to the organisation, the hubs have proved more successful than previous models. This is driven by executive engagement and sponsorship of the individual hubs, with the specific role of a designated Executive Director in leading the initiative also key in ensuring focus and effective use of resources.
7. Whilst it is not possible to apply a control baseline (i.e. what the NAO would have produced if the hubs had not been introduced), quantitative outputs, qualitative measures and feedback indicate that the hub model has delivered in terms of insights to the wider VFM work programme and in audit quality. There has been the benefit of introducing subject matter experts and new skills, with a wider objective to upskill staff across the NAO through the Hub Pathways.
8. The hubs have supported the NAO in building relationships across government, with examples including the willingness of audited bodies to share information with subject matter experts and discussion of potential risks and improvements, which is viewed as a significant step forward. The hubs are also viewed as supporting the NAO in their relationships with the public sector both in providing auditors with the confidence and knowledge to engage in wider conversations on specific topics and in being able to introduce experts to Audit and Risk Committees across the public sector.

Looking Ahead

9. Given the context of the on-going development of the hubs, the points raised in this report should be considered within the wider context of ongoing improvements to what has been a successful change programme. Lessons are being learnt and applied, with this review providing an opportunity for development, reflected in the points below.

Prioritisation

10. Going forward hubs should prioritise activities and streams of work in accordance with the new 2025-2030 Strategy and the Influence and Quality strategic priorities.
11. As the next step in the development of the hubs, they should determine a common strategic framework to inform decision making and build output, outcomes and impact measurement.

Hub Pathways

12. Within this approach there is a need to align the strategic framework with the Hub Pathways to ensure that skills are embedded across the wider organisation. There should be a differentiation between activities the hubs undertake in support of organisational objectives and how these are delivered across the organisation. There is a risk that wider expertise development at the NAO is hindered by subject matter experts being relied on primarily to deliver reports or analysis for other teams. Hub Pathways are an opportunity to ensure that skills are developed across the organisation.
13. As part of the new strategy, consideration should be given to the messaging and tone with regards to staff engaging in Hub Pathways. Whilst this is a development opportunity, the NAO should consider whether greater expectations or requirements should be set for specifically identified roles/ activities . This should be linked to the new Learning and Development offer defined as part of the 2025-2030 strategy, aligned with the greater opportunity for developing external secondments.
14. There should be clarity on the expectations of the level of engagement and progression required within the Hub Pathways. This should include how individuals are supported through the use of the Hub Pathways to support the achievement of their individual development plans and requirements for their roles. There is also an opportunity to consider the benefits of ringfencing and holding time for allocated hub activity in workplans.

Impact Assessment

15. Within the new strategy there is an opportunity to further the assessment of the impact of the hubs work. Whilst elements of this can be undertaken retrospectively to determine impact over the recent period, a wider pilot of the operational impact measurement model should be undertaken.
16. There are impact elements which would require an attribution assessment but in line with a number of impact models in place, where an impact can be recognised (particularly non-financial), it should be assessed if it can be supported by data, such as reference to the hub being quoted/ sourced. There is the potential to more systematically track hub impact as part of the existing NAO impacts process.

Organisational Alignment

17. There is the potential opportunity to consider how the hubs (which have in practice largely supported VFM work) can work effectively with the Centres for Expertise (technical experts supporting Financial Audit) to bring the skills together.

Resource tracking

18. As the hubs mature there should be a consistent methodology and approach to tracking of hub time and detailed resource allocation, though it is recognised that the approach to time charging will be different to that within a professional services firm. It is recommended to develop detailed activity based costings rather than overall time booking. Without a consistent and granular set of data, the assessment of prioritisation against the Hubs strategic priorities is inherently reduced.
19. In line with the new strategy which states that 'corporate services will provide excellent business support and high standards of efficiency' the NAO should consider options as to how the support functions can further engage with the hubs to free up SME resource.

Detailed Findings

1. Impact of the Hubs

1.1 The NAO set up six hubs covering different specialist areas:

- ▶ Analysis
- ▶ Commercial
- ▶ Digital
- ▶ Financial and risk management
- ▶ Major project delivery
- ▶ People and operations management.

A new seventh hub, Environment and Climate Change was added in 2024 and is in the early stages of development. This aligns with the ambition element of the NAO Strategy as an area where government needs to innovate.

1.2 The aim of the hubs, when initially set up, was to support the NAO ‘in improving their expertise in skills that are important across government’⁶.

1.3 In practice, from interviews across the NAO and review of outputs, the hubs have undertaken various wider responsibilities and streams of work. These include supporting teams within the NAO, providing expert advice to NAO teams as subject matter experts, undertaking their own VFM studies, designing and producing good practice guides, delivering training and seminars, and attending external events to promote the work of the NAO and building networks with expert communities. In addition to this the hubs have been responsible for creating and delivering their own training pathways.

Prioritisation of Hubs work

1.4 All hubs have documented “Hub themes” which set out the hub priority areas. In addition, some hubs have documented aims which have been developed. Hub experts have also supported or led in the development of wider NAO priorities, such as the recent reports on resilience to cross-government risks.

1.5 However, given their development over time, based on the current size of the hub teams and potential scale of activities there needs to be clearer prioritisation of activities. Stakeholder interviews were positive regarding the impact of the hubs which has inherently led to wider use and resource pressures. Given limited resources, there is an increased risk of future disengagement with the hubs if prioritisation results in hubs not responding to requests for support in a timely manner without clear strategic reasons.

⁶ [NAO strategy: Progress update and estimate memorandum for 2021-22](#)

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- 1.6 Anecdotally it has been reported that the hubs are spending more time on direct delivery of audit work than had been expected. Whilst beneficial to audit quality, this may suggest there is a need to upskill staff more quickly through the Hub Pathways model, as discussed in Section 3.. Given the limited capacity of the hubs' subject matter experts, the NAO should set out more clearly where delivery activities can be better supported by existing VFM teams and corporate services.
- 1.7 Going forward, there is an opportunity to ensure that the Hubs prioritise in accordance with the new Strategy in order to provide a framework for resourcing prioritisation, aligned to the Influence and Quality strategic priorities.
- 1.8 The next step in the development of the Hubs, should be to determine a strategic framework for the hubs which can be used to inform decision making and build output, outcomes and impact measurement.

Impact Tracking

- 1.9 The hubs produce a variety of outputs including published work (VFM studies and good practice guides), speaking engagements, as well as providing support to NAO teams and engagement with wider government as subject matter experts. For the period through to January 2025 published knowledge outputs, either led by hub staff or substantially supported by hub staff included: 51 good practice guides and data visualisations; 18 lessons learned reports; and 14 hub-led VFM reports. Hubs also contributed expertise to a lesser degree to most other reports published each year.
- 1.10 We have viewed samples of the work outputs including cross government collaboration that may not have been possible without the work of the hubs. We were provided with numerous examples of work the hubs contributed to or published being referenced in the press or within civil service communications and received positive feedback.
- 1.11 As an example, we have cited the People and Operational Management Hub case study for the Civil service work [kforce](#) VFM report published 29 November 2023 impact⁷. This included reference to engagement by Minister and senior officials, Select Committees, wider policy forum downloads and external press coverage (refer to Appendix 3). The NAO receive departmental feedback on VFM reports but currently the hubs do not systematically collect feedback or analyse data on work undertaken. The Central Communications team is able to provide data on published work which can demonstrate access and engagement. The events summary for the period April 2023 to February 2024 details that the hubs participated in or held 60 external events (e.g. roundtables, webinars, workshops, panel discussions, etc.). The

⁷ For other case studies examples please refer to Appendix 4

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Digital and Major Project Delivery Hubs were most active in the external engagement with 12 and 10 events respectively. There were also 17 events not allocated to any specific hub.

- 1.12 Hubs produce a range of published work; the ease of tracking impact is dependent upon the type of output. Tracking future impact, in accordance with wider considerations of the impact of the NAO, needs to be balanced against the level of resources required to track the impact. Measuring the outcomes and impacts of a VFM study is inherently more measurable than assessing the impact of a good practice guide.
- 1.13 There are wider impacts of the work of the Hubs in terms of influencing and training provision, both within the NAO and with public sector bodies.
- 1.14 There is the potential opportunity going forward to consider how the Hubs (which focus on VFM work) can work effectively with the Centres for Expertise (technical experts supporting Financial Audit).
- 1.15 During our interviews it was noted that it would be beneficial for there be more synergy between the work of the hubs and centres of expertise for better alignment in ways of working and delivery of expert outputs. With hubs taking a more pro-active role in ensuring that centres of expertise are included where their technical advice would add value.
- 1.16 The NAO undertakes annual feedback surveys of audited bodies covering all of the NAO's work. Whilst not directly referencing the hubs the survey asks about the NAO's contribution to insights and this can be used as a proxy measure for where the hubs have provided additional value and the quality of hub insights.
- 1.17 Though not specifically related to hub outputs, elements of the NAO client feedback survey specifically relate to sharing insight and knowledge which hubs contribute to. Analysis of the NAO Client feedback Survey- 2023, stated that 'the majority of online survey participants agreed that:
 - the NAO provides insight (78%)
 - they can easily access the NAO's insight and knowledge (69%)
 - the NAO teams share relevant insights and knowledge that help their organisation improve (60%)
 - they get insights from the NAO that they don't get from anyone else (54%).
- 1.18 Most of those who accessed NAO insight-sharing products agreed that they were clear (93%), useful (91%), high-quality (86%), engaging (75%) and worthy of a recommendation to others (86%).
- 1.19 The Operations element of the People and Operations Hub has developed a methodology for impact measurement. This includes developing impact statements at the planning stage of work, tracking impact using lead and lag measure throughout the work and undertaking an after action review. The level of detail used is tailored to the type of review completed.

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- 1.20 Within the new strategy there is an opportunity to further the assessment of the impact of the Hubs work. Whilst elements of this can be undertaken retrospectively to determine impact over the recent period, a wider pilot of the operational impact measurement model should be undertaken.
- 1.21 There are impact elements which would require an attribution assessment but in line with a number of impact models in place, where an impact can be recognised (particularly non-financial) as being attributed to the hubs it should be considered how this can be more systematically captured as part of the wider NAO impacts process. This aligns with the NAO Strategy in terms of Ambitions (more productive and resilient public services) and Influence (work well with all of our stakeholders so that we make the most of our opportunities to influence improvement).

2. Managing the Hubs

Ways of Working

- 2.1. The majority of hubs in their current format were established in 2021 with others having a longer history having been part of different iterations of good practice groups or communities of practice, with more experience and information available to them.
- 2.2. Each hub has adopted different models for delivery and tracking of work at a detailed activity level. Whilst not the current approach at the NAO there is the potential to more clearly track subcode activity for the hubs.
- 2.3. The Hubs produce a wide spectrum of work (as referenced in section 1, including specific VFM studies, good practice guides, wider influencing work and the provision of training through the delivery of the Hub pathways) alongside providing specific advice and support to specific VFM and Financial Audit work.
- 2.4. As an exemplar organisation quality of work and outputs is a critical factor for the NAO. At the start of the strategy (2020-25) there was a shift to streamline and focus the quality assurance process within VFM to ensure information from experts was being consistently applied. This involved moving from a process driven approach to adopt a more risk based approach considering specific risk and additional assurance requirements. Consideration of expert requirements is now an established step in the scoping and planning of VFM studies.
- 2.5. As part of the NAO-wide review of VFM quality and risk management, the NAO has adopted equivalent risk-based processes for ensuring the quality of new products such as good practice guides. Given the level of external recruitment, an education piece regarding the need for standards to be followed in order to be able to evidence published work was required which has been delivered.
- 2.6. To track support given to wider teams, the majority of hubs maintain spreadsheet lists of work completed, including correspondence and responses to queries, however these records are not up to date in all cases.
- 2.7. Although all hubs track time spent on hub-related activities, each Hub uses a different method for tracking the breakdown of time spent on different tasks, resulting in data which is not comparable. In some cases, hubs use one general time code for all hub related work, whereas in others multiple sub codes have been set up to allow more granular analysis of time spent.
- 2.8. There are also different approaches to tracking time charged to wider support given to studies in other areas of the NAO, with a recognition from the majority of hubs that it is difficult to track this time as it is not charged against a budget managed by the hub themselves.
- 2.9. In an attempt to monitor assistance given to wider teams, whilst using the systems available to them, the Analysis Hub introduced a tracking methodology requiring those within the Hub

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charging time to non-hub codes to mark the time entry with a hashtag (#AH – type of support). This allows the hub to run a report from Financial Force showing all time spent against the non-hub codes⁸.

- 2.10. As a result of the lack of detailed and uniform time tracking, there is no standard way or reporting or consistent ability to compare the balance of activities of the hubs.
- 2.11. Time tracking and the ability to analyse where time is spent is important for Hubs to gain an understanding of where time is being spent to help to inform strategy and ways of working moving forward, as well as to help demonstrate impact.
- 2.12. As the hubs mature there should be a consistent and more detailed methodology and approach to tracking of hub activities and resource allocation. The principal focus of this is to review value for money (focussing on efficiency) against resource use for different priorities and to inform future resourcing allocations. Without a consistent set of data, the assessment of prioritisation against the Hubs strategic priorities is inherently reduced.
- 2.13. At the point of drafting the emerging findings report a project to consider how the Hubs charge time had been initiated.

Support from NAO core teams

- 2.14. The Hubs are small teams of circa 1.5 to 4 FTEs, generally including the Hub Director. The exception is the Analysis Hub which currently has 23 staff members⁹. This is a long-standing hub which existed in a similar form before the current hub model.
- 2.15. The members of the hubs are subject matter experts and were recruited into their roles as experts in their particular field.
- 2.16. Currently, there are a number of areas where the hub teams are delivering end to end work which could potentially be more efficiently supported by central support functions to allow the hub teams to spend time on areas where they are subject matter experts especially given the resourcing constraints of core hub teams.
- 2.17. Instances have been reported where members of certain hubs who regularly speak at external speaking engagements have been responsible for organising all aspects of this, including administration and planning for attendance.
- 2.18. This has also been the case for delivery of Hub pathways. Though the hubs are Subject Matter Experts and best-placed to determine requirements, going forwards the Hub Pathway

⁸ The Analysis Hub provided support to 80 corporate and audit projects (16 and 64 respectively) in 2023/24 with the total of 1,512 hours spent.

⁹ To note that the 23 Analysis hub members are largely operational support for areas including financial audit data analysis, Audit Transformation Programme, AIMS and other applications. Insight only staff was 7.8 FTE for 2024.

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model could be more effectively scaled-up with additional support by the Learning and Development team. Given the hub model is relatively new (with a number of new members of staff) there is the potential barrier that longer term relationships and engagement has not yet developed in terms of the support offer when compared to the longer term mature service lines.

- 2.19. In line with the new strategy which states that 'corporate services will provide excellent business support and high standards of efficiency' the NAO should consider options as to how to maximise the potential of the hubs through utilisation of the support functions to deliver services for the hubs
- 2.20. Tables 2.20 and 2.21 on the following pages detail a breakdown of the cost incurred in respect of the hubs. In terms of financial management, external expense and expenditure has been in accordance with budget (with a minor variance of >£2,000 against external spend of £130k. The principal costs of the hubs relate to staff time with spend of £1.98m against a budget of £1.88m representing a budget overspend of 5%. All hubs exceeded internal budget with the exception of the MPD hub. Given this is a relatively new initiative and this is an internal decision making process in terms of resource allocation we have not raised a further recommendation for consideration. However, from a VFM perspective this supports the rationale for more granular analysis of hub activities in order to assess the work undertaken and delivery of impacts.

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Table 2.20 Breakdown of Budget vs Costs 2023/24

Hub name	Expense Budget	Expense Costs	External Budget	External Costs	Internal Budget	Internal Costs	Total Budget	Total Costs
Digital Hub	£0	£0	£41,340	£41,340	£298,000	£307,141	£339,340	£348,481
People and Operations Hub Management 2023-24	£4,000	£3,632	£0	£0	£240,000	£298,156	£244,000	£301,788
Analysis Hub	£5,100	£4,426	£29,788	£28,418	£448,827	£469,117	£483,715	£501,961
MPD Hub	£3,520	£3,520	£1,797	£1,338	£332,722	£249,467	£338,039	£254,325
Financial and Risk Management Hub	£0	£1,654	£0	£0	£300,000	£304,511	£300,000	£306,165
Commercial Hub	£2,000	£1,405	£42,500	£42,557	£260,000	£343,791	£304,500	£387,753
Total	£14,620	£14,637	£115,425	£113,653	£1,879,549	£1,972,183	£2,009,594	£2,100,473

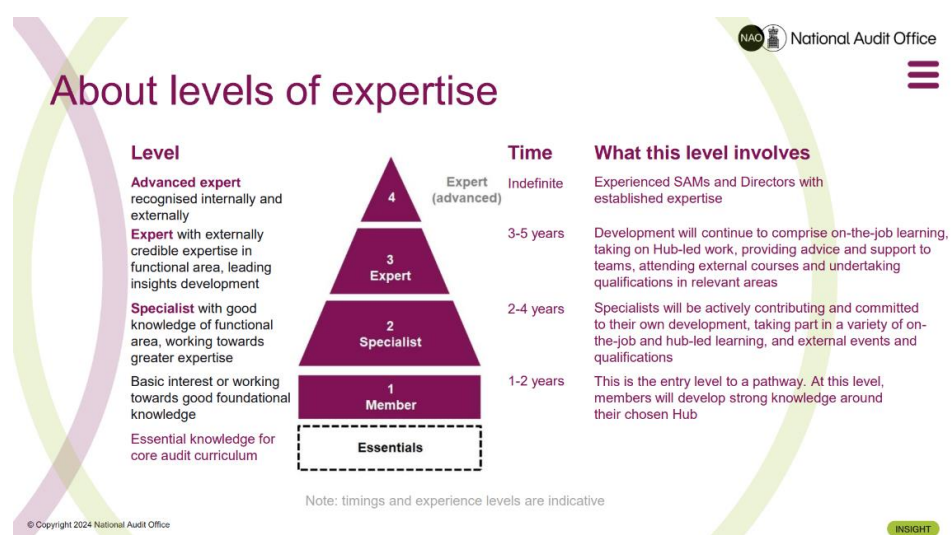
Table 2.21 Summary of budget variance

Hub name	Expense Variance	External Variance	Internal Variance	Total Variance
Digital Hub	£0	£0	- £9,141	- £9,141
People and Operations Hub Management 2023-24	£368	£0	- £58,156	- £57,788
Analysis Hub	£674	£1,370	-£20,290	- £18,246
MPD Hub	£0	£459	£83,255	£83,714
Financial and Risk Management Hub	- £1,654	£0	- £4,511	- £6,165
Commercial Hub	£595	- £57	- £83,791	- £83,253
Total	- £21	£1,722	- £92,634	- £90,879

3. Looking ahead

Hub Pathways

- 3.1. Hubs have developed pathway training offers for those working at the NAO. This is part of the wider upskilling agenda to provide knowledge and training to those working within different areas of the NAO to help to develop skills and knowledge in certain areas. At this point, the Hub Pathways approach has been rolled out with the aim of gradually increasing uptake over time. There are signs that Hub Pathways have not yet been fully engaged with across the organisation and this is an area which requires further development.
- 3.2. Within the Pathways model there is the potential aim for all members of staff to develop a hub specialism, which makes a positive contribution to skills, staff retention and development and wider quality of the NAO's work. This will further the impact of the hubs as the core resourcing for the hubs cannot meet the demand – it will be key to maximise impact by upskilling and embedding the approaches and knowledge/ skills across teams.
- 3.3. Pathways have been structured to have different levels of membership, from Member to Expert (please refer to a picture below). All hubs have established a number of pathways but it is recognised that there may be multiple “sub” and/or additional pathways to be developed.



- 3.4. Hub Pathways are designed to be flexible to individual needs and development. However, during stakeholder interviews some respondents were not clear about how far members of the pathways are expected to move through the levels from Member to Expert and how quickly, or the extent it would be acceptable for a member to join and simply attend seminars

- and take advantage of training materials provided as and when suits the individual and their individual development.
- 3.5. Providing clarity as to the expectations should support the individuals engaging in the Hub Pathways and tailoring their engagement in line with their development plans. For example, it may be defined that to undertake “X¹⁰” role requires an individual to progress to “Expert” level in a specific Pathway but in a number of other use cases the Member level is sufficient as part of more general professional development.
 - 3.6. It was cited that in some cases pathways can be seen as something to be undertaken if an individual has capacity. In some cases, hubs have spent time planning work for a Pathway member to be integrated into a hub study or allocated to support wider studies in their subject areas for them to be reallocated back to their day-to-day role at short notice. As such, this reinforces the need to consider how assigned engagement within the hubs can be factored into workplans.
 - 3.7. Approaches to implementing pathways have varied significantly with some hubs looking to partner with individuals and give practical experience, for example placing individuals within a study in the particular subject area, to other hubs who provide induction materials and place the onus on individuals to use available information. This was partly linked to the subject area and maturity of the hubs, for example the Analysis Hub had evolved from a previous good practice group and already had training materials available to them.
 - 3.8. It was stated by members of the hubs that the hubs themselves have not yet fully developed an understanding of what joining a pathway means as it is early in the process.
 - 3.9. It should be noted that with resourcing constraints for the majority of the hubs, it may not be realistic for members of the hubs to independently create and manage the pathway offer. Currently hub members are undertaking all work related to developing the pathway offerings including production of learning materials, the overall structure and processes for the hubs and communication with members. If this was mandatory there is a concern that there would not be the resource for it to be delivered. To enhance the offering and help to drive forward the agenda some respondents felt it would be valuable for the hub teams to receive additional support from central L&D functions.
 - 3.10. When Hub pathways were initially launched an expectation was set (but not mandated) that almost all VFM staff should be members of hubs (with exceptions for those with an alternative specialist area or commitment). Follow up took place via reminders but this was not enforced as mandatory training.

¹⁰ During the close out process and in drafting the recommendation/ action in this area we will determine if there are relevant examples to provide here.

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- 3.11. The expectation of all staff in the NAO is that they develop their skills to support high quality and excellence in their work. Some of that is mandated but even beyond those core requirements it is expected that everyone focus on their development and demonstrate the steps they are taking. Hub Pathways therefore provide a pathway for people to show how they are developing their skills.
- 3.12. As part of the new strategy consideration should be given as to the messaging and tone with regards to expectation of staff engaging in Hub Pathways. Whilst this is a development opportunity, it should also be assessed whether identified roles/ activities necessitate external assistance from support functions being engaged. This should be linked to the new Learning and Development offer defined as part of the 2025-2030 strategy.
- 3.13. As the Analysis Hub is more established and has a larger resource pool, they have previously developed a large quantity of materials and have developed an app to provide access to information for pathway members. This approach can serve as a potential framework for other hubs.

Appendix 1 – Recommendation Schedule

The following table summarises the recommendations raised as part of this review.

Action for consideration	Agreed / partially / rejected	Management response	Implementation date
Prioritisation The Hubs should prioritise streams of work in accordance with the new Strategy in order to provide a framework for resourcing prioritisation, aligned to the Influence and Quality strategic priorities. As the next step in the development of the Hubs, determining a strategic framework for the individual Hubs can then be used to inform decision making and build proportionate output, outcomes and impact measurement is key.	Agreed	As part of a wider NAO review of its performance framework, the Hubs will develop a framework for prioritising activities to align with the new NAO Strategy 2025-30. To be clear, we will not build individual Hub strategies, but will develop an overarching measurement framework that will cover all the Hubs' core activities and be included in corporate reporting; each Hub may also develop bespoke measures for particular areas of work.	October 2025 (to inform Operational Planning)

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Action for consideration	Agreed / partially / rejected	Management response	Implementation date
Hub Pathways Within the new strategy consideration should be given to the messaging and tone with regards to staff engaging in Hub Pathways. It should also be assessed whether specifically identified roles/ activities necessitate being engaged. This should be linked to the new Learning and Development offer defined as part of the 2025-2030 strategy. To provide clarity as to the expectations of the level of engagement and progression required within the Hub Pathways. The benefits of protecting staff time allocated to specific Pathway projects should be considered.	Agreed	The Executive Team supports Hub Pathways and the development of functional expertise within the NAO. Expectations on staff and the time available for undertaking L&D are well-established. We need to develop a new articulation of the purpose of the Hub Pathways, being clear of the 'offer' available, and who is required to participate. Support from the NAO Learning & Development Team will be key, and the Team as part of their wider review of L&D requirements across the NAO, will review their support to the Hub Pathways programme as a core part of the wider NAO L&D offer. People's ability to protect their time to be able to undertake Hub Pathway activities will be reflected in ensuring their allocations as forward planned and up to date.	March 2026

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Action for consideration	Agreed / partially / rejected	Management response	Implementation date
Impact Assessment A wider pilot of the Operational impact measurement model should be undertaken to assess if this can be applied across the Hub model. Where an impact can be recognised (particularly non-financial), it should be assessed if it can be supported by data and potentially subject to audit. It should be assessed as to how to more systematically track hub impact as part of the existing NAO impacts process.	Agreed	We agree that the impact of Hubs can be tracked more closely and systematically and that the contribution of Hubs is leading to wider impacts, and in some cases financial impacts, for government. The current NAO approach to tracking and measuring impacts can be expanded to suit the activities of Hubs. We will work in conjunction with the NAO's Strategy Team to develop a Hub-specific version of the Operational Impact Measurement Model, including the ability to track Hub impacts with the same rigour as other impacts that the NAO claims as part of our annual process	March 2026
Organisational Alignment Across the medium term, to develop potential opportunities for the Hubs to work effectively with the Centres for Expertise.	Agreed	The NAO is reviewing its specialist expertise requirements to support financial audit in light of plans to reduce our reliance on contracting out, and in anticipation of the adoption of new audits over the coming years. We will consider the role of Hubs and explore the synergies between relevant Hubs and Centres of Expertise to work more closely on financial reporting and other opportunities	March 2026

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Action for consideration	Agreed / partially / rejected	Management response	Implementation date
Resource tracking As the Hubs mature there should be a consistent methodology and approach to tracking of Hub time and resource allocation. It is recommended to develop detailed activity based costings rather than overall time booking. The principal focus of this is to review value for money (focussing on efficiency) against resource use for different priorities and to inform future resourcing allocations. Options as to how to improve overall engagement of the support functions with the Hubs and what this support should look like.	Agreed	We agree that now that the range of activities undertaken by Hubs is well-established, and to support better assessment of how future work is prioritised, we will adopt a comparable approach to allocating and tracking time across Hubs for the new financial year. We can then use this to develop activity-based costing of Hub workstreams and utilise this for prioritising future resourcing allocations. Separately, we will work with relevant support functions to ensure clarity around the support needed by the Hubs. This will also need to link into Operational Planning and annual service planning.	April 2025 (already underway) April 2026 January 2026 (to link to the service planning cycle)

Appendix 2 – Our Approach

The objective of the NAO

The overall objective of the review is to provide assurance that the investment in the Hub Model and associated expertise is effective, in line with best practice and ensure value for money in the utilisation of resources.

How this will be achieved

Through the production of transparent and accurate reporting which demonstrates the impact of the Hubs on the NAOs work covering both internal and external perspectives.

This will include consideration of whether there are areas which could be further developed and more generally, whether the Hub model is keeping pace with the increasing and changing demands for expertise.

Our review

Our review will consider two critical aspects of the Hubs covering both internal and external perspectives. The internal perspective will include engagement across the NAO and how the Hubs are utilised.

Our evaluative criteria

The review has sought to address the following key questions:

- ▶ Does the investment in Hub expertise achieve value for money?
- ▶ Impact of the Hubs
 - Have Hubs led to the development, awareness, and use of insights from the NAO's work?
 - Has the investment enhanced the quality of work and expertise available to NAO teams?
- ▶ Managing the Hubs
 - Has the investment in the Hub model been managed efficiently?
- ▶ Looking ahead
 - Have lessons been learnt and applied in developing the hub model?
 - Does the hub model support the ongoing development of NAO expertise?

Our evidence

We assessed the Hub model at the NAO through:

- ▶ Desktop review of a sample of outputs of the Hubs including review of published work and seminar materials.
- ▶ Interviewed Directors responsible for each Hub to gain insight into their ways of working and views on areas where further enhancements could be made.
- ▶ Utilising insights gained from our desk based review and interviews, we undertook walkthrough meetings with Senior Audit Managers from each Hub to get a detailed understanding of sample information provided as well as hub specific processes.
- ▶ Structured meetings selected stakeholders to gain their views.
- ▶ Met with a cross section of individuals from support functions to understand support provided to the Hubs.
- ▶ Meetings with the Executive Team and a member of the NAO Board to assess their views on the hubs current work and structure.
- ▶ Identified any recurring themes in the views of stakeholders regarding the impact of the work of the hubs.

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Our value for money conclusions

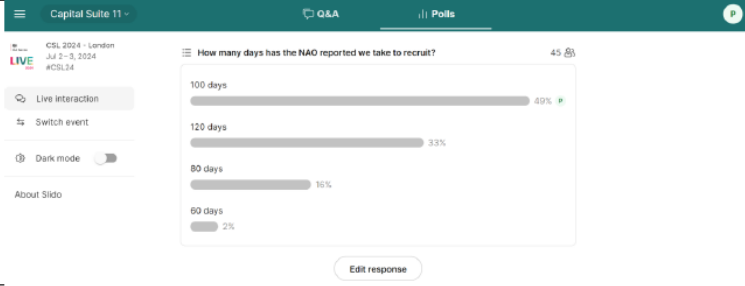
We consider that the investment and ongoing expenditure committed to Hubs and Insights represents value for money for the organisation. Our assessment relates to the development and implementation of the Hub model, insights provided through the Hubs and the wider impact that the Hubs are realising.

Appendix 3 – People and Operational Management Hub case study

The following details the assessment of impacts from People and Operational Management Hub case study in respect of Civil Service workforce VFM report:

CIVIL SERVICE WORKFORCE REPORT – PUBLIC REFERENCES TO REPORT INSIGHTS		
Who	Where/when	What
Ministers and senior officials		
1. Rt Hon John Glen MP, Minister for the Cabinet Office	Written answer to parliamentary question , 'Civil servants: Recruitment', 17 January 2024	John Glen's answer (as responding minister) to a parliamentary question on civil service recruitment from Geraint Davies MP specifically referred to our report: "Information on the average time to hire across departments can be found in the recent National Audit Office report published on 'Civil service workforce: Recruitment, pay and performance management', found here: https://www.nao.org.uk/reports/civil-service-workforce/ ".
2. Rt Hon John Glen MP, Minister for the Cabinet Office	Ministerial speech , 'Minister for Cabinet Office's keynote at Reform's 'Reimagining Whitehall' conference', 9 May 2024	John Glen's ministerial speech included a specific reference to our report: "The National Audit Office's recent 'Civil Service Workforce' report highlighted that less than 1% of the total Civil Service pay in 21 - 22 was performance-related".
3. Sir Alex Chisholm, Cabinet Office Permanent Secretary and Chief Operating Officer for the Civil Service	Institute for Government event , 'In conversation with Alex Chisholm', 14 March 2024	Sir Alex was asked at an Institute for Government event on his imminent departure from the civil service about recent Civil Service People Survey findings. He said the two things he was most concerned about in terms of People Survey scores were: (1) pay – including a reference to the NAO and our report's analysis of changes in civil service pay over time; and (2) leadership and change.
4. Fiona Ryland, Government Chief People Officer	Civil Service Live session on the Civil Service People Plan, 2 July 2024	Fiona Ryland included a question on our report's findings on length of time to recruit civil servants in her Civil Service Live session on the Civil Service People Plan – see image of the interactive quiz question below:

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Select committees		
5. Public Accounts Committee (PAC) evidence session on civil service workforce	PAC civil service workforce inquiry page – evidence session 5 February 2024	The PAC evidence session examining our report was held on 5 February 2024, with the following witnesses: Sir Alex Chisholm, Cabinet Office Permanent Secretary and Chief Operating Officer for the Civil Service; Fiona Ryland, Government Chief People Officer; Mark Adam, Ministry of Justice Chief People Officer; Esther Wallington, HM Revenue & Customs Chief People Officer.
6. Public Accounts Committee report on civil service workforce	PAC report , <i>Civil service workforce: Recruitment, pay and performance management</i> , 22 March 2024	The PAC report on its evidence session on the civil service workforce was published on 22 March 2024. Its conclusions on civil service recruitment, pay and performance management built on our report's findings to recommend that government take stronger measures to improve how the civil service conducts these activities.
7. Government response to PAC report on civil service workforce	Treasury Minute response to PAC report, May 2024	The government's formal response to the PAC report's recommendations was published in May 2024. The government accepted four of the five recommendations and did not accept one recommendation.
8. Home Affairs Select Committee (HASC) – Tim Loughton MP, HASC Member	Home Affairs Select Committee evidence session with Sir Matthew Rycroft, Home Office Permanent Secretary, 29 November 2023	At a Home Affairs Select Committee evidence session on the work of the Home Office, Tim Loughton MP asked Sir Matthew Rycroft (Home Office Permanent Secretary) about recruitment times for civil servants in the Home Office. The exchange referred specifically to our report: "Q230 Tim Loughton: The National Audit Office says it is 120 days before security clearance. That is the second worst record of any Government Department. Sir Matthew Rycroft: It has improved since then. We have put a huge amount of effort into improving it because of the need to get these extra people in, including in order to operationalise the Illegal Migration Act."
Wider policy community		
9. Reform thinktank	Reform report , <i>Making the grade: Prioritising performance in Whitehall</i> , 1 May 2024	Report published by the thinktank Reform which made several mentions of our report's findings on civil service performance management and recruitment.
10. PCS (Public and Commercial Services Union)	PCS news release , 6 February 2024	News release from the largest civil service union PCS, which flagged our report's findings on pay and the Public Accounts Committee session on our report.
11. Prospect	Prospect news release , 29 November 2023	News release from the civil service union for specialist staff, Prospect, which highlighted our report's findings on civil service recruitment and pay.
12. Mike Clancy, General Secretary, Prospect union	Institute for Government event , 'How can public sector strikes be solved more effectively?', 21 March 2024	Mike Clancy, the General Secretary of the Prospect union, noted at an Institute for Government event that there were significant issues for the civil service on pay, recruitment and retention, and recommended that the audience read our report's coverage of these issues.
Media coverage (see also NAO press office summary of media coverage below)		
13. Civil Service World – Charlotte Pickles, Director of Reform thinktank	Civil Service World opinion piece , 'Whitehall has a people problem', 30 November 2023	Charlotte Pickles, the Director of the thinktank Reform, wrote an opinion piece for Civil Service World on our report the day after it was published, directly highlighting the report's findings on civil service performance management and recruitment.
14. Civil Service World – Sir Alex Chisholm, Cabinet Office Permanent Secretary and Chief Operating Officer for the Civil Service	Civil Service World interview , 'Alex Chisholm on his time as civil service COO', 20 March 2024	The interview with Sir Alex Chisholm in Civil Service World referred to our report's discussion of civil service pay responsibilities being delegated to individual government departments and Sir Alex's views on the case for delegated pay.

NAO press office summary of website hits and media coverage:

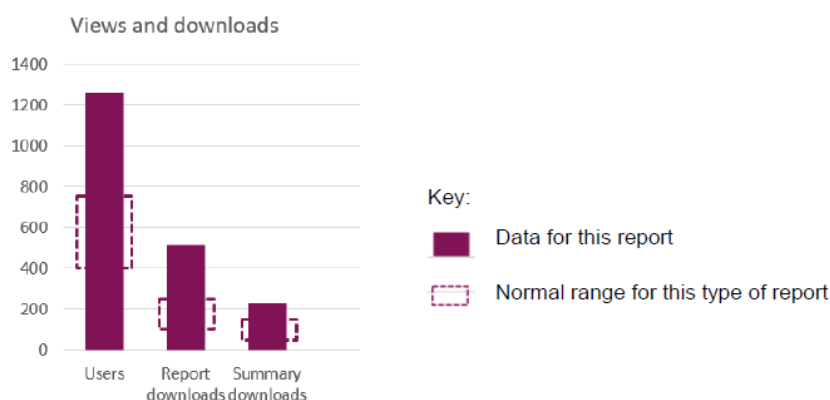
Civil service workforce

Date: 29/11/23

We recorded 1,260 users visiting the report webpage in the first 7 days from publication. This is above the expected range for a report of this type.

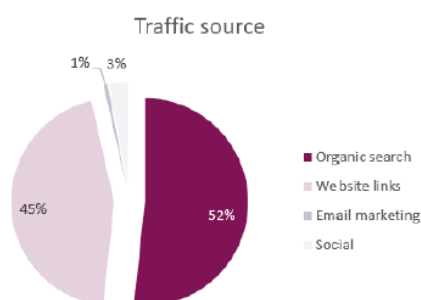
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516 users downloaded the full report, and 264 users downloaded the summary report. This is above the normal range for a report of this type.



No email bulletin was sent out for this report, which explains the very low traffic from email marketing. Most traffic for which we could determine the source came from organic search (52%). The second biggest source of traffic was links from other websites (45%). These were much higher than we usually expect – even if an email had been sent out, we expect that search and web links would still have made up most of the traffic. 3% of traffic came from social media.

26% of the traffic for which we could determine a source came from civilserviceworld.com.



The combined impressions and engagement for all social posts are summarised below.

	Impressions	Engagement	Comparison with normal range for this type of report
Twitter	4,494	4.0%	Impressions are within normal range of 4–10k Engagement is above the normal range of 1.5–2.5%
LinkedIn	2,943	28.2%	Impressions above the normal range of 900–1600 Engagement above normal range of 2.5–4.5%

Generally, as a post's impressions increase, its engagement rate will fall (and vice versa).

Media Coverage summary

Nationals

Telegraph: [Civil Service doesn't know how many staff are underperforming, says report \(msn.com\)](#)

Times: [40% of civil servants 'consider quitting' over WFH edict \(thetimes.co.uk\)](#)

Guido Fawkes: [Two-Thirds of Civil Service Departments Don't Know What Happens to Underperforming Staff – Guido Fawkes \(order-order.com\)](#). Incidentally, the website referred to the report as being 'riveting'. It's unclear whether this was sincerely meant.

Independent: [Government departments 'do not know how many underperforming staff they have' | The Independent](#) (using Press Association copy)

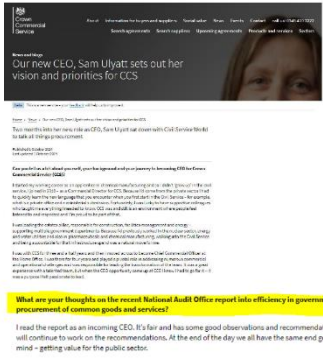
Press Association:

Trade

CSW news story: [NAO: Cabinet Office should do more to stop departments competing for the same staff \(civilserviceworld.com\)](#)

CSW NAO oped: [Civil service reform is back on the agenda: and there's plenty to be done \(civilserviceworld.com\)](#)

Appendix 4 – Additional Case Studies

Hub name	Example given	Comments
Analysis Hub	Media monitoring which shows the - : NHS England's modelling for the Long Term Workforce Plan - NAO report	Example of wide variety of press coverage for a report which the hub contributed to The report states the work ‘ under the direction of Hub directors. This provides an example of cross government work • Press coverage included: • Press association press release • Mail online, The I and the guardian • Trade sector press
Commercial hub	Efficiency in government procurement of common goods and services - NAO report 	Example of wide variety of press coverage for a report which the hub contributed to The report was under the direction of a hub director. Press coverage included: FT, ICAEW, Civil Service World, HCSA, CCS, Local Government Association, etc. The Hub director was invited to a round table by the Business Services Association to discuss the findings from the report
Digital and data	Invitation to speak at Public Sector Learning and Development online conference	Example of hub work resulting in NAO expertise being sought by external party
Digital and data	Self-evaluation undertaken by the hub of the success of “Use of AI in government” report.	Use of artificial intelligence in government Report under the direction of Hub director

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		Seven pieces national press coverage 17 trade outlets covering report
	Request from MP to TPAC citing report	Request from MP to TPAC requesting request make an assessment of the adequacy of National Audit Office resources to scrutinise the cost of AI in government. States ‘ In March the National Audit Office produced an important report examining the use of AI in government.’
FARM	Good practice guide - Overcoming challenges to managing risks in government together with Assessment template	From December 2023 to November 2024 both parts of the Guide were downloaded 873 times. The guide was cited in several public events, LinkedIn posts and social media. Examples of direct citations in published work: • Lessons learned: a planning and spending framework that enables long-term value for money • Achieving environmental improvement and responding to climate change: enablers for success • Decommissioning Sellafield: managing risks from the nuclear legacy
MDP	Lessons learned: competition in public procurement	This report was under the direction of Matthew Rees hub director and was presented to TPAC Further example of cross government work
	Tripartite workshop – Auditing and assuring Government projects	Involved the GIAA, IPA and NAO – further example of cross govt working with hubs

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MPD	Resetting major programmes - NAO , systemic insight project	Hub participated in this cross-departmental work and in breakfast seminar launch for the report attended by SROs, and audit and assurance professionals from government, where Comptroller and Auditor General presented/ Afterwards there was a Resetting government programmes - Committees - UK Parliament. Report was referenced at various conferences, and with the Infrastructure and Projects Authority and HM Treasury. Linked outputs: • HMT has changed its Treasury Approvals Process for projects and programmes - GOV.UK (www.gov.uk) to include guidance on Resetting. • IPA has launched IPA Resetting Major Programmes (HTML) - GOV.UK
People	Civil service workforce: Recruitment, pay and performance management - NAO report referenced in par.1.11	



Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained herein.

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