



THE CIVIL SERVICE

Vol. 1
Report of the Committee
1966-68

Chairman: Lord Fulton

*Presented to Parliament by the Prime Minister
and the Chancellor of the Exchequer
by Command of Her Majesty
June 1968*

LONDON
HER MAJESTY'S STATIONERY OFFICE
17s. 6d. net

Cmd. 3638

MEMBERS OF THE COMMITTEE

LORD FULTON (*Chairman*)

SIR NORMAN KIPPING, G.C.M.G., K.B.E., J.P.⁽¹⁾

SIR PHILIP ALLEN, K.C.B.

MR. W. C. ANDERSON, C.B.E.

RT. HON. SIR EDWARD BOYLE, BART, M.P.

SIR WILLIAM COOK, C.B., F.R.S.

SIR JAMES DUNNETT, K.C.B., C.M.G.

DR. NORMAN HUNT

MR. R. R. NEILD

MR. R. SHELDON, M.P.⁽²⁾

PROFESSOR LORD SIMEY

SIR JOHN WALL, O.B.E.

⁽¹⁾The Committee appointed Sir Norman Kipping to be their Vice-Chairman.

⁽²⁾Mr. Sheldon succeeded Mrs. Shirley Williams, M.P., on her appointment as Parliamentary Secretary, Ministry of Labour, in April, 1966.

PREFACE

1. We were appointed on 8th February, 1966, to "examine the structure, recruitment and management, including training, of the Home Civil Service, and to make recommendations". We describe the scope of our inquiry at Appendix A.

2. In producing our report we are greatly indebted to a large number of people—for their evidence, both written and oral, and for the research they have done on our behalf. We have thought it best to reserve most of our very many acknowledgements for Appendix L, where we also indicate the methods and procedures we have followed in the course of our inquiry.

3. In order to keep the main body of our report short and, we hope, readable, we have confined it to a statement of our main proposals and the reasons for them. We have thus, with very few exceptions, deliberately refrained from summarising, debating or even referring in the course of the argument to the many points that have been put to us, both orally and in writing. The evidence has been so voluminous that we could not have done justice to it without multiplying the length of our report many times. We decided that we must avoid this. We hope that this will not lead those who gave evidence to us to feel that what they said has been ignored; it should be clear from what we have written how greatly we have been influenced by it.

4. Some of the appendices, printed in this volume, deal more fully with certain topics than was practicable in the main body of our report, and make further, more detailed recommendations. In these we discuss some of the evidence that has mainly influenced our thinking on these topics; and Appendix K gives a more general account of the evidence that has made an especially positive contribution to our work.

5. Our main findings are summarised at the end of the report and before the appendices. A detailed list of our recommendations is at the end of this volume.

6. We are publishing four further volumes containing the written evidence that has been put before us and the reports of various investigations and surveys. These are listed in the table of contents and briefly described in Appendix L.

7. We have reached a very wide measure of agreement. Some of us have reservations on certain points, which are indicated in the text. For the rest, we would not all put the same emphasis on every statement; some of us would have wished to go further, and others less far. But except where explicit reservations are made, this is the report of us all.

8. In addition to the many acknowledgements of help that we make in Appendix L, we wish to record here two special debts. The first is to our staff. Our secretary, Mr. R. W. L. Wilding, has been throughout our task invariably indefatigable, firm, patient and resourceful. He takes with him, on

his return to more normal duties in the Civil Service, the warm thanks and good wishes of us all. We also wish to express our appreciation of all the help we have had from our assistant secretary, Mr. M. A. Simons, and from their staff, Mr. J. A. Lewry, Miss B. J. Fearn and Mrs. E. J. Baker. Individually and collectively, we have received from them constant support and unfailing kindness and courtesy. Secondly, his colleagues wish to acknowledge how much they owe to Dr. Norman Hunt. He led the Management Consultancy Group whose report illuminated so much of our discussions; he also, together with Mr. Wilding, bore the heavy burden of preparing the successive drafts of our report. He brought to bear on this task not only his own great knowledge and enthusiasm but also a sensitive awareness of the views of his colleagues, for which they are very grateful.

TABLE OF CONTENTS

VOLUME 1: REPORT AND APPENDICES

REPORT

Page

CHAPTER 1

The Civil Service today	9
---------------------------------------	---

CHAPTER 2

The tasks of the modern Civil Service and the men and women they need	15
-------------------------------------------------------------------------------------	----

CHAPTER 3

Recruitment, training and career management	24
The responsibility for recruitment	24
Recruitment procedures and the problems of delay	25
The principles and methods of recruitment	27
The recruitment of graduates, post-graduates and their equivalents	27
The recruitment of non-graduates	32
Late entrants and recruitment for short-term appointments ...	33
The management of new entrants	33
Training	35
Career management	40

CHAPTER 4

Mobility, pensions and a career service	43
Late entry	43
Temporary appointments	44
Short-term loans and secondments	45
Personal appointments by Ministers	45
Movement out of the Service	45
The Civil Service as a career	46
Terms of service and pension arrangements	47

CHAPTER 5

The structure of departments and the promotion of efficiency	50
Accountable and efficient management	51

The departmental management services unit	5
Policy planning	5
The overall direction of departments	5
The delegation of responsibility to autonomous public boards ...	6

CHAPTER 6

The structure of the Civil Service	6
The objectives	6
The present structure	6
Defects of the present structure	6
The new structure we propose	6
Pay in the unified grading structure	7
Advantages of the unified grading structure	7
Priorities in the establishment of the unified grading structure ...	7

CHAPTER 7

The central management of the Civil Service and relations with staff associations	7
The task of central management	7
The new Civil Service Department	8
Relations between the Civil Service Department and other departments	8
Relations with the Treasury	8
Whitley Council machinery and the role of staff associations ...	8

CHAPTER 8

The Civil Service and the community	9
Consultation and secrecy	9
The Civil Service and Parliament	9
The anonymity of civil servants	9
Ministers and civil servants	9
Serving the community	9
Complementary reforms	9
Manpower	9
The implementation of our proposals	9
Reservation by Lord Simey on Chapter 1	10
Summary of main findings	10

APPENDICES

Page

APPENDIX A

The scope of our inquiry ...	107
-------------------------------------	-----

APPENDIX B

Text of the Northcote-Trevelyan and Macaulay Reports ...	108
-----------------------------------------------------------------	-----

APPENDIX C

Impressions of the Civil Services in France, Sweden and the United States ...	132
The French Civil Service ...	133
The Swedish Civil Service ...	138
The United States Civil Service ...	140

APPENDIX D

Problems of three specialist groups: Accountants, Lawyers and Research Officers ...	150
Accountants ...	150
Lawyers ...	152
Research Officers ...	154

APPENDIX E

Recruitment procedure ...	157
Present procedures ...	157
Proposed changes in recruitment procedure ...	158

APPENDIX F

The recruitment of graduates ...	163
-----------------------------------------	-----

APPENDIX G

Interchange of staff with other employments ...	166
--------------------------------------------------------	-----

APPENDIX H

Pension arrangements and early retirement ...	168
Pensions for temporary staff ...	168
Preservation of pension rights on voluntary leaving ...	168

	<i>Pag</i>
Compulsory early retirement	17
The question of a contributory pension scheme	17
Improved pensions for short service	17
The retiring age	17
The statutory basis of the pension scheme	17
APPENDIX I	
The working environment	17
APPENDIX J	
The supporting grades	17
APPENDIX K	
Main evidence on important topics	17
APPENDIX L	
Procedure and acknowledgements	18
List of recommendations	19

OTHER VOLUMES

Volume 2: Report of a Management Consultancy Group
(published with the Report)

Volume 3: Surveys and investigations
(to be published later)

1. Social Survey of the Civil Service
2. Profile of a Profession: the Administrative Class of the Civil Service
3. Civil Service Unsuccessfuls: fifteen years later
4. Administrative Class Follow-up Survey
5. Executive Class Follow-up Survey
6. School Background of Members of the Administrative Class
7. Interim Report on a Survey of Wastage of Executive and Clerical Officers
8. Study of Ability, Efficiency and Job Satisfaction among Executive and Clerical Officers
9. Recruitment of Graduates to the Civil Service: Survey of Student Attitudes
10. Reports on the Civil Service since the Northcote-Trevelyan Report

Volume 4: Factual, statistical and explanatory papers
(published with the Report)

- Section I Introductory Factual Memorandum
- Section II Manpower
- Section III Recruitment
- Section IV Terms of Service
- Section V Structure and Staff Representation
- Section VI Training
- Section VII Careers and Career Management
- Section VIII Management Services

Volume 5: Proposals and opinions
(published with the Report)

- Part I Government Departments
- Part II Staff Associations (with some comments from H.M. Treasury)
- Part III Organisations outside the Civil Service
- Part IV Individuals

CHAPTER 1

THE CIVIL SERVICE TODAY

1. The Home Civil Service today is still fundamentally the product of the nineteenth-century philosophy of the Northcote-Trevelyan Report. The tasks it faces are those of the second half of the twentieth century. This is what we have found; it is what we seek to remedy.*

2. The foundations were laid by Northcote and Trevelyan in their report of 1854. Northcote and Trevelyan were much influenced by Macaulay whose Committee reported in the same year on the reform of the India Service. The two reports, so remarkable for their bluntness and brevity (together they run to about twenty pages in the original printing), have had such a far reaching influence that we reproduce them in full in Appendix B.

3. These reports condemned the nepotism, the incompetence and other defects of the system inherited from the eighteenth century. Both proposed the introduction of competitive entry examinations. The Macaulay Report extolled the merits of the young men from Oxford and Cambridge who had read nothing but subjects unrelated to their future careers. The Northcote-Trevelyan Report pointed to the possible advantages of reading newer, more relevant subjects, such as geography or political economy, rather than the classics. But as the two services grew, this difference between the two reports seems to have been lost. There emerged the tradition of the "all-rounder" as he has been called by his champions, or "amateur" as he has been called by his critics.

4. Both reports concentrated on the graduates who thereafter came to form the top of each service. They took much less notice of the rest. In India, the supporting echelons were native, and the technical services, such as railways and engineering, were the business of specialists who stood lower than the ruling administrators. At home, the all-round administrators were to be supported by non-graduates to do executive and clerical work and by specialists (e.g. Inspectors of Schools) in those departments where they were needed. A man had to enter the Service on completing his education; once in, he was in for life. The outcome was a career service, immune from nepotism and political jobbery and, by the same token, attractive for its total security as well as for the intellectual achievement and social status that success in the entry examination implied.

5. Carrying out the Northcote-Trevelyan Report took time; there was long debate. Over the years other committees and commissions have considered various aspects of the Civil Service. Many new specialist classes have been added to the system, notably the scientists, engineers and their supporting classes. There is now an impressive amount of detailed training. Many other modifications have been made. The reports of the main committees and commissions are summarised and discussed in a note published in Volume

*Lord Simey enters a reservation on this chapter. It is printed on page 101.

6. Nevertheless, the basic principles and philosophy of the Northcote-Trevelyan Report have prevailed: the essential features of their structure have remained.

7. Meanwhile, the role of government has greatly changed. Its traditional regulatory functions have multiplied in size and greatly broadened in scope. It has taken on vast new responsibilities. It is expected to achieve such general economic aims as full employment, a satisfactory rate of growth, stable prices and a healthy balance of payments. Through these and other policies (e.g. public purchasing, investment grants, financial regulators) it profoundly influences the output, costs and profitability of industry generally in both the home and overseas markets. Through nationalisation it more directly controls a number of basic industries. It has responsibilities for the location of industry and for town and country planning. It engages in research and development both for civil and military purposes. It provides comprehensive social services and is now expected to promote the fullest possible development of individual human potential. All these changes have made for a massive growth in public expenditure. Public spending means public control. A century ago the tasks of government were mainly passive and regulatory. Now they amount to a much more active and positive engagement in our affairs.

8. Technological progress and the vast amount of new knowledge have made a major impact on these tasks and on the process of taking decisions; the change goes on. Siting a new airport, buying military supplies, striking the right balance between coal, gas, oil and nuclear-powered electricity in a new energy policy—all these problems compel civil servants to use new techniques of analysis, management and co-ordination which are beyond those not specially trained in them.

9. The increase in the positive activities of government has not been solely an extension of the powers and functions of the State in an era of technological change. There has also been a complex intermingling of the public and private sectors. This has led to a proliferation of para-state organisations: public corporations, nationalised industries, negotiating bodies with varying degrees of public and private participation, public participation in private enterprises, voluntary bodies financed from public funds. Between the operations of the public and the private sectors there is often no clear boundary. Central and local government stand in a similarly intricate relationship; central government is generally held responsible for services that it partly or mainly finances but local authorities actually provide. As the tasks of government have grown and become more complex, so the need to consult and co-ordinate has grown as well.

10. The time it takes to reach a decision and carry it out has often lengthened. This is partly because of technological advance and the resulting complexity e.g. of defence equipment. Another reason is that the public and Parliament demand greater foresight and order in, for example, the development of land, the transport system and other resources, than they did in the past.

11. Governments also work more and more in an international setting. The improvement in communications and the greater interdependence of nations enlarges the difficulties as well as the opportunities of government.

12. To meet these new tasks of government the modern Civil Service must be able to handle the social, economic, scientific and technical problems of our time, in an international setting. Because the solutions to complex problems need long preparation, the Service must be far-sighted; from its accumulated knowledge and experience, it must show initiative in working out what are the needs of the future and how they might be met. A special responsibility now rests upon the Civil Service because one Parliament or even one Government often cannot see the process through.

13. At the same time, the Civil Service works under political direction and under the obligation of political accountability. This is the setting in which the daily work of many civil servants is carried out; thus they need to have a lively awareness of the political implications of what they are doing or advising. The Civil Service has also to be flexible enough to serve governments of any political complexion—whether they are committed to extend or in certain respects to reduce the role of the State. Throughout, it has to remember that it exists to serve the whole community, and that imaginative humanity sometimes matters more than tidy efficiency and administrative uniformity.

14. In our view the structure and practices of the Service have not kept up with the changing tasks. The defects we have found can nearly all be attributed to this. We have found no instance where reform has run ahead too rapidly. So, today, the Service is in need of fundamental change. It is inadequate in six main respects for the most efficient discharge of the present and prospective responsibilities of government.

15. First, the Service is still essentially based on the philosophy of the amateur (or "generalist" or "all-rounder"). This is most evident in the Administrative Class which holds the dominant position in the Service. The ideal administrator is still too often seen as the gifted layman who, moving frequently from job to job within the Service, can take a practical view of any problem, irrespective of its subject-matter, in the light of his knowledge and experience of the government machine. Today, as the report of our Management Consultancy Group* illustrates, this concept has most damaging consequences. It cannot make for the efficient despatch of public business when key men rarely stay in one job longer than two or three years before being moved to some other post, often in a very different area of government activity. A similar cult of the generalist is found in that part of the Executive Class that works in support of the Administrative Class and also even in some of the specialist classes. The cult is obsolete at all levels and in all parts of the Service.

16. Secondly, the present system of classes in the Service seriously impedes its work. The Service is divided into classes both horizontal (between higher and lower in the same broad area of work) and vertical (between different skills, professions or disciplines). There are 47 general classes whose members work in most government departments and over 1,400 departmental classes†. Each civil servant is recruited to a particular class; his membership of that class determines his prospects (most classes have the

*See Chapter 2, paragraph 26.

†These figures, and those quoted throughout our report, relate except where otherwise stated to non-industrial staff excluding the Post Office (see Appendix A).

own career structures) and the range of jobs on which he may be employed. It is true that there is some subsequent movement between classes; but such rigid and prolific compartmentalism in the Service leads to the setting up of cumbersome organisational forms, seriously hampers the Service in adapting itself to new tasks, prevents the best use of individual talent, contributes to the inequality of promotion prospects, causes frustration and resentment, and impedes the entry into wider management of those well fitted for it.

17. Thirdly, many scientists, engineers and members of other specialist classes get neither the full responsibilities and corresponding authority, nor the opportunities they ought to have. Too often they are organised in a separate hierarchy, while the policy and financial aspects of the work are reserved to a parallel group of "generalist" administrators; and their access to higher management and policy-making is restricted. Partly this is because many of them are equipped only to practise their own specialism; a body of men with the qualities of the French *polytechnicien*—skilled in his craft, but skilled, too, as an administrator—has so far not been developed in Britain. In the new Civil Service a wider and more important role must be opened up for specialists trained and equipped for it.

18. Fourthly, too few civil servants are skilled managers. Since the major managerial role in the Service is specifically allocated to members of the Administrative Class it follows that this criticism applies particularly to them. Few members of the class actually see themselves as managers, i.e. as responsible for organisation, directing staff, planning the progress of work, setting standards of attainment and measuring results, reviewing procedures and quantifying different courses of action. One reason for this is that they are not adequately trained in management. Another is that much of their work is not managerial in this sense; so they tend to think of themselves as advisers on policy to people above them, rather than as managers of the administrative machine below them. Scientists and other specialists are also open to criticism here: not enough have been trained in management, particularly in personnel management, project management, accounting and control.

19. Fifthly, there is not enough contact between the Service and the rest of the community. There is not enough awareness of how the world outside Whitehall works, how government policies will affect it, and the new ideas and methods which are developing in the universities, in business and in other walks of life. Partly this is a consequence of a career service. Since we expect most civil servants to spend their entire working lives in the Service, we can hardly wonder if they have little direct and systematic experience of the daily life and thought of other people. Another element in this is the social and educational composition of the Civil Service; the Social Survey of the Service which we commissioned suggests that direct recruitment to the Administrative Class since the war has not produced the widening of its social and educational base that might have been expected.* The public interest

*We commissioned a survey of the social and educational background of the main general-service classes. It was carried out by Dr. A. H. Halsey, Head of the Department of Social and Administrative Studies at the University of Oxford, and Mr. I. M. Crewe, Assistant Lecturer in Politics at the University of Lancaster. Their report which will be published in Volume 3 in a few months' time, will contain a full discussion of this subject.

must suffer from any exclusiveness or isolation which hinders a full understanding of contemporary problems or unduly restricts the free flow of knowledge and ideas between the Service and the outside world.

20. Finally, we have serious criticisms of personnel management. Career planning covers too small a section of the Service—mainly the Administrative Class—and is not sufficiently purposive or properly conceived; civil servants are moved too frequently between unrelated jobs, often with scant regard to personal preference or aptitude. Nor is there enough encouragement or reward for individual initiative and objectively measured performance; for many civil servants, especially in the lower grades, promotion depends too much on seniority.

21. For these and other defects the central management of the Service, the Treasury, must accept its share of responsibility. It is unfortunate that there was not a major reform in the post-war years when the government took on so many new tasks and the Service had been loosened by war-time temporary recruitment and improvisation. There was then a great opportunity to preserve and adapt to peace-time conditions the flexibility which war had imposed. For a number of reasons, not all of them internal to the Service, this opportunity was not taken. In the 1950s the old ways reasserted themselves. The nature of the task was changing and the Service was left behind. Only recently has any attempt been made to introduce significant reforms. Despite the recent improvement in its management services the Treasury has failed to keep the Service up to date.

22. To some extent the urgent need for fundamental reform has been obscured by the Service's very considerable strengths, notably its capacity for improvisation—aptly demonstrated by the speed with which new departments have been set up in the last four years. There are exceptionally able men and women at all levels. There is a strong sense of public service. Its integrity and impartiality are unquestioned. We believe that the country does not recognise enough how impressively conscientious many civil servants are in the personal service they give to the public. It is of high importance that these and other qualities should be preserved.

23. In making our proposals for reform we have been influenced by what we have seen of foreign civil services—the emphasis on training and professionalism in France, the way young men of thrust and vigour in France and Sweden quickly reach posts of high responsibility where they are directly advising Ministers, the contributions the “in-and-outers” make to government in the United States and the role played by specialists in both the United States and France. Our impressions of the visits we paid to these three countries are recorded in Appendix C.

24. One basic guiding principle should in our view govern the future development of the Civil Service. It applies to any organisation and is simple to the point of banality, but the root of much of our criticism is that it has not been observed. The principle is: look at the job first. The Civil Service must continuously review the tasks it is called upon to perform and the possible ways in which it might perform them; it should then think out what new skills and kinds of men are needed, and how these men can be found, trained and deployed. The Service must avoid a static view of a new idea

man and structure which in its turn could become as much of an obstacle to change as the present inheritance.

25. We have sought to devise a form of management for the Civil Service that will ensure that it is better run and able to generate its own self-criticism and forward drive. One of the main troubles of the Service has been that, in achieving immunity from political intervention, a system was evolved which until recently was virtually immune from outside pressures for change. Since it was not immune from inside resistance to change, inertia was perhaps predictable.