

House of Lords Debate

The UK Civil Service

16 January 2014

The *Hansard* record of this debate is 'must read' for all those interested in the detail of the current discussions about the future of the Civil Service. The debate was particularly noteworthy for the fact that many speakers recognized that a forthcoming parliamentary or other serious inquiry will need to look at the triangular relationship between Government Ministers, Parliament and the Civil Service.

I reproduce, below, those contributions to the debate which particularly caught my eye.

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Lord Hennessey (introducing the debate)

David Cameron has a shining opportunity to stimulate a modern Northcote-Trevelyan/Haldane equivalent, and something a bit more, either by encouraging a parliamentary commission or creating an inquiry on which non-parliamentarians could sit. It need not stymie, as some in the Cabinet argue, the Civil Service reforms that are under way—far from it. The Civil Service does not, and I am sure would not, sag back with relief if such an inquiry was established.

Can we see in the hand that history has dealt us—that extraordinary mixture of people and processes and that jumble of departments overseen by a centre which some say is too powerful and some say too weak—the ingredients of a highly functional, self-regenerating, top-flight system of government? We need the inquiry and we need it soon. David Cameron has the chance to do a Gladstone and a Lloyd George for the 21st century. I hope he seizes it.

Lord Browne

A comprehensive and independent review of the Civil Service's structures, processes and lines of accountability is long overdue. So, too, is a thorough review of the roles and responsibilities of Ministers in Parliament when it comes to their relationship with the Civil Service. That review must not distract from the current reform plan. Indeed, it does not need to; it can be part of the plan. It will ensure that we do not have to do this debate again under the next Administration.

Lord Wilson

If there is one thing that is certain about the future of the Civil Service, it is that it will always be needed but that different Governments will want different things from it from their predecessors. The Thatcher and Major Governments wanted different things from the Civil Service from the Wilson and Callaghan Governments. When Mr Blair came to power, he inherited a Civil Service that lacked the skills and people that it needed to tackle the large increase in public spending and the issue of delivery. The Civil Service must always retain the capacity to change—to adapt to the needs of the times—while remaining true to itself. To do that, it needs to operate within a sophisticated, complex political deal which everyone subscribes to and understands.

It is no secret, as the noble Lord, Lord Hennessy, rightly outlined, that there are problems with that deal now. I regret very much to have to say it. It is partly to do with problems of capability—the management of large projects, as the PAC has very roundly illustrated—but also problems with the constitutional framework, the role of Ministers in the appointment of Permanent Secretaries, the large ministerial offices, and the accountability of civil servants and Ministers to Parliament, and the problem of the large number of Permanent Secretaries leaving over the past few years fills me with considerable dismay. It is crucial for the Civil Service, for us, for Parliament and for the public that the service should go on attracting the best people.

I am convinced that the Public Administration Select Committee's report, which is a devastating critique, is the right way to go: we need a parliamentary commission. I congratulate the committee on what it has produced. I think it will become a classic of its kind. However, it needs to be agreed between the parties. It cannot be done by the Government of the day. The Civil Service is not a subject for unilateral experiment by people in power. It has to be done with cross-party support and analysis, and it needs to be a truthful analysis—good management and good politics do not always coincide. The framework within which the service operates and the standards by which it is judged must take that into account. It needs good Ministers as well as good civil servants.

All these things need to be taken together and a current Government, whatever Government, are not in a position to reach those judgments. I support the need for a parliamentary commission but it must respect what is bedrock: the non-political nature of the service and selection on merit. Provided they are secured, there is a great deal of room for original thought. It needs to be done now and the Government are missing a real opportunity if they fail to grasp that, as they seem to do.

Lord Birt

In the higher reaches of the Civil Service, well-represented here today, the sense of wisdom, experience and steeliness is tangible. They and their ancestors have been to war, literally and metaphorically, and it shows. But with the scope and extent of the modern state, the Civil Service today faces challenges of unprecedented scale and complexity; and though it has adapted, I do not think it has yet fully adapted to meet those modern challenges.

The skills found in the best-run private sector corporations are insufficiently developed still in Whitehall: for example, a forensic understanding of the total environment in which public institutions are operating; or the ability to analyse closely where in a system economic value is being created or destroyed; or the capacity to deliver, as many have mentioned, large-scale projects with multiple partners. There is a lack of clarity about governance and accountability. Where does the buck stop on long-term projects which may span the terms of office of many Ministers and officials? How can Ministers deal with under-performing or insufficiently skilled officials? How can officials be protected from inexperienced Ministers who make unmeetable demands, which they do in all Governments?

I do think it is an appropriate time to review how we can build a Civil Service fit for modern times; how we can radically improve accountability and responsibility for delivery; how we can create mechanisms which protect the impartiality, the independence and the long-term stewardship of the Civil Service, yet give Ministers the confidence that they have the tools to do their jobs. I do not doubt that we have the best Civil Service in the world. Let us make it better still.

Lord Turnbull

Do civil servants obstruct Ministers, as some have claimed? That is the cry-baby response of the weak Minister. Strong Ministers get what they want. As others have pointed out, the Civil Service has failed more often in the opposite direction—that is, in agreeing with Ministers' proposals when it should have questioned them: for example, on the poll tax, the new style rail franchises and the overambitious timetable for universal credit.

On accountability, the Institute for Government got it right when it said that,

“secretaries of state and permanent secretaries have shared accountabilities and responsibilities ... Trying to separate them is an illusion”.

It also said that the relationship is,

“impossible to express in contractual terms”.

As Tam Dalyell said of the West Lothian question, the only answer is not to ask it. The argument on accountability is more with Parliament, which wants greater scope to criticise individual officials without giving them any greater right of reply. We should concentrate on those things that bring Ministers and officials closer together and not on things like contracts, extended ministerial offices or more ministerial appointments which drive them apart.

Lord Norton

First, I very much endorse the recommendation of the Public Administration

Select Committee for a commission on the Civil Service. That case is well made in its report. The Government's *Civil Service Reform Plan* focuses on making the Civil Service more effective both in service delivery and in offering policy advice. As I said in evidence to the Public Administration Committee, it takes a narrow and one-dimensional view of the relationship between Ministers and civil servants.

Ministers depend on good civil servants. Conversely, civil servants rely on good Ministers, and Parliament relies on Ministers and officials who understand their responsibilities to Parliament. The system relies on an understanding of these relationships, but the basis on which this rests is being eroded. It is being eroded as a consequence of the turnover in senior civil servants and the lack of turnover in the party in government. Some politicians have become senior Ministers with no prior experience of government. Turnover in the senior Civil Service takes out the administrative experience and specialisation that offsets the fact that both civil servants and Ministers are generalists.

This makes the case for a major review and one that puts the Civil Service within the context of our system of government and not simply as some discrete managerial entity. Ministers see civil servants as part of the problem without acknowledging that they too are part of the problem. For that reason, the decision on how to address the problem should not be left to government.

That brings me to my second point. The Government have rejected the proposal for a commission. ... If the Government decline to support a Joint Committee, it is up to this House to establish an ad hoc committee on the Civil Service. In response to my noble friend Lord Waldegrave, that would time limit the actual inquiry. We are not short of expertise, as is so clearly demonstrated by this debate. My comments today are thus not addressed to the Minister but to the House. In my view, we should grasp the opportunity.

Lord Levene

As some noble Lords may recall, I was, at the time, one of the very few people to have been catapulted into the Civil Service from outside to become a Permanent Secretary. ... it gave me the huge privilege—I still regard it as a huge privilege—of joining the Civil Service at the top and seeing and learning for myself how the system operated. When I joined the MoD 30 years ago, I had experienced its workings only from the outside and shared the prejudices of many people in relation to civil servants that, fundamentally, they did not work very hard and were inadequately aware of the world outside of their somewhat cloistered existence.

It did not take me very long to realise how wrong I was. ... I developed a great respect for civil servants and I made the following remark to the noble Lord, Lord Hennessy, when he was writing his seminal book entitled *Whitehall* back in 1987:

“We have people within the MoD, within the Civil Service, for whom I would have

given my right arm in industry”.

Baroness Hayter (Shadow Spokesperson - Cabinet Office)

The plea for a parliamentary commission from the noble Lord, Lord Hennessy, the chairs of 17 committees and the majority of noble Lords who have spoken today should be taken seriously. We remain open-minded, as we are still examining Civil Service reform as part of our policy review, while the timing of any such commission presents its own challenge. There are changes that need implementing in 2015 and we must be sure that any such commission would not distract from, or undermine, reform efforts either in this Parliament or the next.

Lord Wallace (Lords Spokesman - Cabinet Office)

On the issue of a parliamentary commission, the Government are not persuaded of the need for a vast commission. The noble Lord, Lord Hennessy, is too young to remember some of the royal commissions of the past. When he was probably still at school, I was a junior adviser to the Crowther-Hunt Royal Commission on the Constitution. If he has the nine volumes on his shelves, he will find in volume VII a paper that I wrote. The commission took several years and almost no one now remembers it. We are hesitant about getting back to the circumstance in which, as they used to say, such commissions “take minutes and years”.

The Prime Minister did say to the Liaison Committee that he is not entirely closed to the idea of further inquiries. As the noble Lord, Lord Norton, suggested, it would be more helpful if we took one chunk at a time rather than tried to take the whole thing. For example, there is the question of the relationship among Ministers, civil servants and Parliament. The noble Lord, Lord Turnbull, talked about the role of junior Ministers and how many we may need, which is a rather fundamental issue for the future of the relationship between Executive and legislature.

...

I have heard a diversity of views in this debate about how far civil servants and senior officials should be directly answerable to Parliament for the major projects that they have been leading. That is another area that is worth examining. After all, we are light years away from the Crichton Down affair, when a Minister resigned over a failure in his department about which he knew little. We would not want to go back to that. This is another area where the relationship among Ministers, senior officials and Parliament has evolved, and it will no doubt need to evolve further.

...

How do we strengthen Civil Service accountability? That takes us to the Osmotherly rules and the question of how far Parliament and parliamentary committees should be examining officials directly. We have already gone a long way down that road, as we well know. That requires some further study and investigation because of course one wants to protect officials from too aggressive

parliamentary scrutiny. That question therefore relates to Parliament as much as Ministers.

Lord Hennessy (replying to the debate)

A final thought: the *Hansard* of today's debate could serve as a very fine submission, a very good briefing paper for the inquiry, in whatever form it comes, whenever it comes. It is just a matter of time. Today's *Hansard* will be up there, shimmering, ready.