

Westminster Advisers White Paper

The Reinvigoration of Whitehall?

Date

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Executive Summary:

- This paper summarises a breakfast discussion, hosted by Westminster Advisers - a public affairs and communications management consultancy, on the future role and power of Whitehall.
 - The nature of the Civil Service has changed significantly in the past 13 years. The growing role of special advisers has led to accusations that senior civil servants' powers have been reduced, whilst there has been a trend towards seeing the Civil Service as an agent of delivery rather than a policy-maker.
 - The result of the 2010 election is far from certain, with a hung parliament being a potential outcome. In such a scenario the power and influence of the permanent government is likely to increase.
 - The UK's budget deficit will need to be tackled whoever comes to power. Measures are likely to include efficiency savings and cuts within government departments. Rather than being viewed as a threat, the situation could act as a catalyst for radical change within Whitehall transforming the way the Civil Service operates.
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Introduction:

Westminster Advisers, a leading public affairs and communications management consultancy, hosted a breakfast discussion meeting in Westminster on 22nd April 2010 to consider future changes in the way the Civil Service works.

The meeting brought together representatives from business and the voluntary sector, who discussed how these changes will impact on the way their organisations work with government after the forthcoming election.

A keynote presentation was given by Simon Parker, a Fellow at the Institute for Government, and author of *Shaping Up: A Whitehall for the future*. His presentation, and subsequent discussion, covered several topical areas of concern:

- Political context to Civil Service reform
- Changing role of the Civil Service
- Role of the Civil Service under a hung parliament
- Future direction of the Civil Service

This paper provides an overview of discussion on each of these areas.

The political context of Civil Service reform:

The outcome of the 2010 general election remains uncertain. A Conservative victory is no longer assured, with recent polls showing a Liberal Democrat ‘bounce’ in recent weeks. The prospect of a hung parliament looms large. It is also not inconceivable that the translation of votes into seats will enable Labour to form a minority administration.

The election, of course, is taking place against a backdrop of a huge budget deficit, with the need to tackle the country’s finances the biggest issue facing whoever comes to power. Cuts in Whitehall’s running budgets are inevitable, and all parties have emphasised the need to create efficiency savings within government departments.

Labour have promised savings of £100m per annum from producing greater efficiencies in the way the Civil Service operates. The Conservatives are looking at creating efficiencies alongside reform, planning to reorganise the way Whitehall is managed, putting the running of departments more firmly into ministers’ hands and strengthening the role of non-executive directors on departmental boards.

On the one hand, the efficiencies agenda points towards a Civil Service working “with one hand behind it’s back” - struggling to fulfil its role in policy creation and implementation whilst managing cuts to its operational budgets. On the other, a hung parliament could mean the Civil Service has a lot more power, as it will act as a broker between different parties.

The changing role of the Civil Service:

There is an emerging consensus that the way the Civil Service works will have to

change, regardless of the outcome of the 2010 general election.

The need to cut back the powers of special advisers has been one of the main focuses of debate on Whitehall reform in recent years. The increasing use of special advisers, particularly since 1997, has led to fears that the role of civil servants has weakened. In reality, the issue is less clear cut. Whilst concerns over the expansion of special adviser powers over permanent civil servants are reasonable, it is recognised that special advisers can act as an important line of communication between civil servants and their ministers. For these reasons, the role of special advisers is likely to remain important under future governments.



Instead, the main debate in government circles is whether Whitehall should be more of a policymaker than a policy implementer. In recent years the Civil Service has been strengthened as an agent of delivery, acting in a more managerial capacity. Some say that its role in policy formulation has been eroded. This has led to accusations that the Civil Service is too eager to please its political masters, rather than seek longer term policy goals. Along with rapid ministerial reshuffles this can be seen to hamper the ability of government to act strategically and consistently.

A change in government will be an opportunity for the civil service to reassert its traditional role in strategic policy

formulation. Senior civil servants are already thought to be favouring a greater emphasis on Whitehall as policymaker. Such moves will give a lot more power to individual civil servants, rather than just being centred in the hands of ministers and special advisers.

Another area of interest is the move to involve more experts from business and the voluntary sector in Whitehall through secondments and non-executive positions on Whitehall boards. The drive to improve greater efficiency and delivery has driven up the use of secondments in recent years. This has brought new ways of thinking into the Civil Service and has increased its effectiveness. But there are concerns over whether the use of secondments will ever play a significant role, as it does in other democracies. The view is that the Civil Service will continue to prefer a “careerist” model of developing talent from within.

The Civil Service & a Hung Parliament:

A hung parliament after the election on May 6th is a strong possibility. If this scenario materialises, it will have huge implications for the way the Civil Service works.

Majority government is not the sole form of government in the UK. Whilst we have had a period, since 1979, of strong majority government this has not always been the case. The Lib-Lab pact of 77-79, and, further back, the 1923 Labour Government are just some examples of the UK’s experience of minority and coalition governments. Furthermore, the experience of Scotland since devolution can act as a guide to how coalition government can work relatively smoothly in practice.

Across western democracies majority government is often the exception rather than the norm. Yet most countries are not crippled by paralysis and governmental machinery operates perfectly well - as demonstrated by New Zealand.

Despite this, a coalition government, or indeed a minority administration, is likely to be less stable than a government with a clear majority. From the outset, questions will be asked about how long the government can last without strong and steady parliamentary backing.

The advent of a hung parliament will give the civil service much greater powers in three different ways.

Firstly, if a hung parliament or minority administration is returned, the Civil Service will have a key role in helping the Prime Minister to establish a workable basis for government. The Cabinet Office in particular will be relied upon to foster agreement between the partners in a coalition government or between a minority administration and those from minor parties who are willing to support it.

Secondly, the Civil Service will have a major role in supporting a coalition or minority government on an ongoing basis. They will act as brokers, alongside political party representatives, proposing different options for agreement in many different policy areas. If there are prolonged negotiations or disagreements between the different parties, the Civil Service will be expected to continue running the government without ministerial attention, perhaps for a period of months.

Thirdly, a coalition it will be a new experience for the political parties. But senior civil servants perhaps have greater historical experience, from which they can reassert their advisory role vis-à-vis special advisers and other party politicians.

The future direction of the Civil Service:

During the discussion a number of proposals were put forward as ways of building on the changes already underway in the Civil Service.

Given the current economic situation, new ways of obtaining value for money will be

of paramount importance. One option gaining credence is prioritisation of fewer key goals, cutting across different departments, upon which an administration will be judged. These shared goals will reflect the nature of challenges facing government, which are often broad and require the attention of several departments. Having identified the problem, the Treasury would set aside funding and it would be up to individual departments to bid for money and put forward innovative ideas on how they could help contribute to achieving such cross-cutting goals.

Such a system of pooling and then allocating public money may act as an incentive for individual governmental departments to change the way they work.



It may be possible for a government to introduce ‘ministers without departments’ who then act as commissioners to individual departments in allocating available resources. For example, should a

Conservative government emerge after the election, Iain Duncan Smith could take up a position as “Minister for Social Justice” and then allocate money to individual departments who demonstrate how they will contribute to the goal of social justice in a range of areas.

Under this approach, there is scope for outsourcing the policy role of government and even introducing a collaborative system involving think-tanks and research bodies.

Such an approach does not mean the obsolescence of individual departments. The administration of departments would remain and would need to be funded. Core departmental spending roughly accounts for 80% of spending. A further 20% of spending could then be freed up to aid a ‘game-changing’ and ‘strategic’ cross-governmental approach, focussed on long-term policy objectives.

Regardless of which system is introduced, there is consensus on the need for more joined-up government. The current system of individual departments acting with a silo mentality needs to be replaced by a more joined-up approach.

Conclusions:

- The Civil Service is likely to change after the election. It will be reformed and streamlined but is likely to become more powerful.
- Senior Whitehall figures and associated think tanks have been vocal about the need for the Civil Service to reassert its policymaking and advisory role after the election, rather than just being seen as an instrument of ministerial will.

- Under a hung parliament, officials will have a crucial role in brokering a power sharing deal between political parties and helping to create policy from an amalgam of competing political party priorities.
- Civil servants will also be relied upon to take charge of the work of government if political parties cannot agree on a clear power-sharing basis, before a further election is called.
- Traditionally, organisations working closely with government and Parliament in order to inform policy development have focussed on working with politicians and party political personnel, including ministers and their special advisers, MPs and Peers. Given the strong likelihood of a hung parliament, with a coalition or minority government, civil servants will become a more important target audience for public affairs or government relations activity.

About Westminster Advisers

Westminster Advisers is a public affairs and communications management consultancy helping clients to work with government and develop goodwill from groups and individuals that impact on their organisations.

Do contact us at any time for a discussion on how we can help your organisation with its public affairs or communications strategy.

Contact:

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