



House of Commons  
Public Administration Select  
Committee

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# **The Work of the Committee in 2003**

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**Second Report of Session 2003–04**





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**Second Report of Session 2003–04**

*Report, together with formal minutes*

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## The Public Administration Select Committee

The Public Administration Select Committee is appointed by the House of Commons to examine the reports of the Parliamentary Commissioner for Administration, of the Health Service Commissioners for England, Scotland and Wales and of the Parliamentary Ombudsman for Northern Ireland, which are laid before this House, and matters in connection therewith and to consider matters relating to the quality and standards of administration provided by civil service departments, and other matters relating to the civil service; and the committee shall consist of eleven members.

### Current membership

Tony Wright MP (*Labour, Cannock Chase*) (Chairman)  
Mr Kevin Brennan MP (*Labour, Cardiff West*)  
Annette Brooke MP (*Liberal Democrat, Mid Dorset and Poole North*)  
Mrs Anne Campbell MP (*Labour, Cambridge*)  
Sir Sydney Chapman MP (*Conservative, Chipping Barnet*)  
Mr David Heyes MP (*Labour, Ashton under Lyne*)  
Mr Kelvin Hopkins MP (*Labour, Luton North*)  
Mr Ian Liddell-Grainger MP (*Conservative, Bridgwater*)  
Mr Gordon Prentice MP (*Labour, Pendle*)  
Hon Michael Trend, CBE MP (*Conservative, Windsor*)  
Mr Brian White MP (*Labour, Milton Keynes North East*)

The following members were also members of the committee during the parliament.

Mr John Lyons MP (*Labour, Strathkelvin and Bearsden*)  
Mr Anthony Steen MP (*Conservative, Totnes*)  
Mr Anthony D Wright MP (*Labour, Great Yarmouth*)

### Powers

The committee is one of the select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 146. These are available on the Internet via [www.parliament.uk](http://www.parliament.uk).

### Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at [www.parliament.uk/parliamentary\\_committees/public\\_administration\\_select\\_committee.cfm](http://www.parliament.uk/parliamentary_committees/public_administration_select_committee.cfm). A list of Reports of the Committee in the present Parliament is at the back of this volume.

### Committee staff

The current staff of the Committee are Philip Aylett (Clerk), Clive Porro (Second Clerk), Chris Carrington (Committee Specialist), Jackie Recardo (Committee Assistant) and Jenny Pickard (Committee Secretary).

### Contacts

All correspondence should be addressed to the Clerk of the Public Administration Select Committee, Committee Office, First Floor, 7 Millbank, House of Commons, London SW1P 3JA. The telephone number for general enquiries is 020 7219 3284; the Committee's email address is [pubadmincom@parliament.uk](mailto:pubadmincom@parliament.uk)

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## Report

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1. In 2003 the Public Administration Select Committee has continued to pursue the two central themes which underpin its work: reform in public services and machinery of government developments.

2. This is the second report of the Committee following the guidance set out by the Liaison Committee, which aims to establish a common set of objectives and tasks for all departmental Committees. This Committee is not strictly a departmental committee, but rather takes a broad policy perspective on developments concerning public administration. During this year the Committee held a session with the Cabinet Secretary based upon the Cabinet Office Annual Report. We intend to continue to monitor the reports and estimates laid before the House by the Cabinet Office, and to hold officials to account for their performance.

3. While one of the core tasks for Select Committees is to scrutinise draft legislation from the Government, the Committee went one step further by committing itself to producing draft legislation of its own. Task 2 of the Committee core tasks calls for Committees to “identify and examine areas of emerging policy, or where existing policy is deficient, and make proposals.” The Committee has identified two areas where it believes legislation would improve our public administration.

4. Firstly, the Committee has recently published a draft Bill on the Civil Service.<sup>1</sup> Such a Bill was first mooted in the middle of the nineteenth century, and is the current policy of the Government, but, as yet, has failed to reach the Statute book. We held a number of private seminars with expert advisers to ensure that our draft Bill is as complete and technically correct as possible. A number of public evidence sessions have also been held, including one with the last three former holders of the post of Cabinet Secretary. Production of draft legislation by a Select Committee in this way is a major parliamentary innovation.

5. In addition, the Committee co-hosted a major public conference to highlight the issues surrounding civil service reform. Organised jointly with the Committee on Standards in Public Life, Office of the Civil Service Commissioners, Constitution Unit at University College, London and FDA (the union for senior civil servants), the conference was very well attended, attracting nearly 200 people. The Cabinet Secretary, Sir Andrew Turnbull, Baroness Prashar, the First Civil Service Commissioner, and Sir Nigel Wicks, Chair of the Committee on Standards in Public Life were among a number of senior figures to make presentations and answer questions.

6. The Committee also conducted an inquiry into Ministerial Powers and the Royal Prerogative. Some of the major executive powers emanate from the monarchy, but have been transferred through historical precedent and are now effectively wielded by the Prime Minister. In many instances prerogative powers are exercised without any reference to Parliament. Some of the powers are very necessary if the Executive is to govern effectively. However, some prerogative powers are merely useful to an Executive which already has much in the way of power in order to get its own way.

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<sup>1</sup> First Report 2003–04 HC128–I

7. As part of this inquiry, the Committee organised a number of private seminars with expert advisers and has held public evidence sessions with senior Parliamentarians including Rt Hon Tony Benn, Rt Hon William Hague MP and Rt Hon Lord Hurd of Westwell, and other interested parties, including Sir Hayden Phillips GCB, Permanent Secretary, Department for Constitutional Affairs. At the Committee's request, Sir Hayden provided the first Government statement on Prerogative powers and, subsequently, submitted the Committee the papers which resulted from the Wilson Review on the honours system. Both sets of papers have now been published<sup>2</sup>. We intend to hold a separate inquiry into the honours system in the coming Session.

8. In line with its desire for greater transparency and accountability, the Committee will publish a draft Bill setting out those prerogative powers which it believes Ministers need in order to carry out their executive functions, and will propose an enhanced role for Parliamentary oversight.

9. In the last Session the Committee conducted an inquiry into the '*unfortunate events*' which arose in the then Department for Transport, Local Government and the Regions (DTLR), which ultimately led to the Secretary of State, his special adviser and the DTLR's head of communication losing their jobs. One of the main recommendations of our report was the establishment of a "*radical review of Government communications*".<sup>3</sup> In February 2003 the Government accepted this recommendation in its response, and set up an independent review to be chaired by Mr Robert Phillis.<sup>4</sup> Mr Phillis published an interim report on 27 August 2003. The full report is due to be published very soon and we will take evidence on its findings. The Committee's report, along with the Government's Response, were the subject of a debate in Westminster Hall on 8 May 2003.<sup>5</sup>

10. The Committee also undertook during the year the first major Parliamentary examination of the system of public appointments. It held 13 evidence sessions with witnesses ranging from Ministers and the Commissioner for Public Appointments to members of the public serving on National Lottery boards and other bodies.

11. The report contained 36 recommendations which aimed to limit ministerial patronage, while strengthening the role of Parliament over major appointments and opening up the system in order to encourage greater diversity and innovation. Among the recommendations were; a central review of public bodies, an extension of the remit of the Commissioner for Public Appointments, changes in benefits and processes, experiments in direct and indirect election for public bodies, and the creation of an independent Public Appointments Commission accountable directly to Parliament.<sup>6</sup> For the first time the full list of appointments which involve the Prime Minister was published as an annex to the report.

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<sup>2</sup> See press notices 19 and 22, Session 2002/03

<sup>3</sup> Eighth Report, 2001/02, HC 303

<sup>4</sup> Cm 5756 2003

<sup>5</sup> Official Report, Col 285-328 WH

<sup>6</sup> Fourth Report 2002/03, HC 165-I



12. The Government responded to this report in December 2003.<sup>7</sup> It accepted 20 of our 36 recommendations (and noted a number of others). It agreed to a review of the definition and scope of public bodies, which should make the system more transparent and less complicated. The remit, funding and staffing of the Office of the Commissioner for Public Appointments (OCPA) will be included as part of this review, which will also look at ways of improving the promotion of diversity. The Government also accepted a number of other recommendations designed to increase diversity of office holders. We regret that the Government rejected our call for an enhanced role for Parliament in the scrutiny of key public posts and the establishment of a Public Appointments Commission (based on the model of the independent NHS Appointments Commission). However, it agreed that the NHS Commission had been a success and agreed to look at ways of expanding the Commission's remit through legislation. We hold regular sessions with the Commissioner Dame Rennie Fritchie, at which she is held to account for the work of her office.

13. The Committee continued its major inquiry into Public Service Reform. Having previously examined the 'public service ethos', we conducted an inquiry into the targets regime set by Government for the public services. We took evidence from representatives from many public services, from private sector managers, and from Ministers from HM Treasury and the Cabinet Office. We visited Canada and Bristol in order to gain a different perspective on the issue of targets and delivery. We also conducted our own survey of government performance by assessing Public Service Agreements (PSA) across each of the Government's Spending Reviews.

14. The Committee's report applauded the Government's aspirations in using targets to promote common standards and their important role in improving public services. However, we identified a number of failings of the targets regime which, if ignored, would hamper any improvement. We called for fewer national targets with more focus placed upon local delivery and greater involvement of front line staff and for independent validation of the performance of government targets to reduce the extent to which targets had become a political and media football.

15. The Government welcomed the Committee's report as a recognition of the important role played by targets and performance measurement in improving public service delivery. The response added that many of our recommendations were in line with the Government's own thinking ahead of the 2004 Spending Review, especially concerning further devolution from the centre of government, improved reporting of performance, and greater transparency. However, the Government did not agree with some of the Committee's more critical points, and in particular, the need for independent validation of targets.

16. The Committee commented on the Government's Response, saying that the Government was moving in the right direction, but needed to increase the momentum. We agreed with the Government that it was an evolutionary process, but that more needed to be done in respect of devolving responsibility and increasing the involvement of local providers. The Committee has often made innovative use of the opportunity to comment on Government responses in this way

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<sup>7</sup> Cabinet Office, Cm 6056, December 2003

17. The Pre-Budget Report, published in December 2003, set out the Government's latest thinking on the role of targets.<sup>8</sup> In the document the Government announced that it would remove a whole tier of targets (Service Delivery Agreements) and replace them with local targets with more input from front line staff. The report also said that fewer key national targets would be announced as part of the 2004 Spending Review. These were key aspects of the Committee's original report and are warmly welcomed. The next stage of our Public Service Reform inquiry will consider the issue of choice and equity in public services.

18. In addition, the Committee has continued to monitor the work of the Parliamentary Commissioner for Administration (or Ombudsman). In this Session Ms Ann Abraham was appointed as Parliamentary Commissioner for Administration and Health Service Ombudsman. We held an early session with Ms Abraham to discuss her approach to the issues concerning the work of her office. We questioned her on a number of issues including the potential legislative changes to the work of the Ombudsman, the operation of the Code of Practice on Access to Official Information, and her inquiry into Equitable Life.

19. The Committee publishes a report into 'Ministerial Accountability and Parliamentary Questions' in relation to each session of Parliament. In the new year we will publish a report covering the sessions 2000-01 and 2001-02. A number of Members have contacted the Committee following our commitment (set out in Ninth Report 2001-02) to seek more adequate responses from Ministers. We will publish our initial findings in our forthcoming report and a debate was held on our report of Session 2001-02 in Westminster Hall on 8 January 2004.<sup>9</sup>

20. The Committee will continue to follow the twin themes of machinery of government developments and public service reform. In the new year we will hold an inquiry into the implications for the civil service of the Hutton Inquiry (concerning the events surrounding the death of Dr David Kelly). We will also be examining the questions raised by inquiries into administrative failure.

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<sup>8</sup> HM Treasury Cm 6042, December 2003

<sup>9</sup> Official Report, 8 January 2004, Col 151-186WH

# Formal minutes

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**Thursday 15 January 2004**

Members present:

Tony Wright, in the Chair

Mr Kevin Brennan  
Annette Brooke  
Mrs Anne Campbell  
Sir Sydney Chapman  
Mr David Heyes

Mr Kelvin Hopkins  
Mr Ian Liddell-Grainger  
Mr Gordon Prentice  
Mr Brian White

The Committee deliberated.

Draft Report (The Work of the Committee in 2003), proposed by the Chairman, brought up and read.

*Ordered*, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 20 read and agreed to.

*Resolved*, That the Report be the Second Report of the Committee to the House.

*Ordered*, That the Chairman do make the Report to the House.

*Ordered*, That the provisions of Standing Order No. 134 (Select committees (reports)) be applied to the Report.

[Adjourned till Thursday 22 January at 9.15am

# Reports from the Public Administration Select Committee since 2001

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## Session 2003–04

First Report	A Draft Civil Service Bill: Completing the Reform	HC 128–I
Second Report	The Work of the Committee in 2003	HC 229

## Session 2002–03

First Special Report	The Public Service Ethos: Government's Response to the Committee's Seventh Report of Session 2001–02	HC 61
First Report	Ministerial Accountability and Parliamentary Questions: The Government Response to the Ninth Report from the Committee (Session 2001–02)	HC 136
Second Report	The Work of the Committee in 2002	HC 447
Third Report	Ombudsman Issues	HC 448 ( <i>Cm 5890</i> )
Fourth Report	Government By Appointment: Opening up the Patronage State	HC 165–I
Fifth Report	On Target? Government By Measurement	HC 62–I ( <i>HC 1264</i> )
Sixth Report	On Target? Government By Measurement: the Government's Response to the Committee's Fifth Report	HC 1264

## Session 2001–02

First Report	Public Participation: Issues and Innovations: The Government Response to the Committee's Sixth Report of Session 2000–01	HC 334
Second Report	The Ministerial Code: Improving the Rule Book: The Government Response to the Committee's Third Report of Session 2000–01	HC 439
Third Report	Special Advisers: Boon or Bane: The Government Response to the Committee's Fourth Report of Session 2000–01	HC 463
Fourth Report	Ministerial Accountability and Parliamentary Questions: The Government Response to the Committee's Second Report of Session 2000–01	HC 464
Fifth Report	The Second Chamber: Continuing the Reform	HC 494–I ( <i>HC 794</i> )
Sixth Report	The Second Chamber: Continuing the Reform: The Government Response to the Committee's Fifth Report	HC 794
Seventh Report	The Public Service Ethos	HC 263–I ( <i>HC 61</i> )
Eighth Report	"These Unfortunate Events": Lessons of Recent Events at the Former DTLR	HC 303–I ( <i>Cm 5756</i> )
Ninth Report	Ministerial Accountability and Parliamentary Questions	HC 1086 ( <i>HC 136</i> )

The response to the report is printed in brackets after the HC printing number.