



House of Commons  
Public Administration  
and Constitutional Affairs  
Committee (PACAC)

---

**Government Response  
to the Committee's  
Fifth Report: The  
Minister and the  
Official: The Fulcrum of  
Whitehall Effectiveness**

---

**Eleventh Special Report of  
Session 2017–19**

*Ordered by the House of Commons  
to be printed 28 February 2019*

## Public Administration and Constitutional Affairs Committee

The Public Administration and Constitutional Affairs Committee is appointed by the House of Commons to examine the reports of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England, which are laid before this House, and matters in connection therewith; 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 to consider constitutional affairs.

### Current membership

[Sir Bernard Jenkin MP](#) (*Conservative, Harwich and North Essex*) (Chair)

[Ronnie Cowan MP](#) (*Scottish National Party, Inverclyde*)

[Mr Marcus Fysh MP](#) (*Conservative, Yeovil*)

[Dame Cheryl Gillan MP](#) (*Conservative, Chesham and Amersham*)

[Kelvin Hopkins MP](#) (*Independent, Luton North*)

[Dr Rupa Huq MP](#) (*Labour, Ealing Central and Acton*)

[Mr David Jones MP](#) (*Conservative, Clwyd West*)

[David Morris MP](#) (*Conservative, Morecambe and Lunesdale*)

[Tulip Siddiq MP](#) (*Labour, Hampstead and Kilburn*)

[Eleanor Smith MP](#) (*Labour, Wolverhampton South West*)

### Powers

The committee is a select committee, 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).

### Publication

© Parliamentary Copyright House of Commons 2019. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at [www.parliament.uk/copyright](http://www.parliament.uk/copyright)

Committee reports are published on the Committee's website at [www.parliament.uk/pacac](http://www.parliament.uk/pacac) and in print by Order of the House.

Evidence relating to this report is published on the [inquiry publications page](#) of the Committee's website.

### Committee staff

The current staff of the Committee are Libby Kurien (Clerk), Dr Sarah Thatcher (Clerk), Ian Bradshaw (Second Clerk), Dr Patrick Thomas, Dr Philip Larkin, James Comer and Moonisah Iqbal (Committee Specialists), Gabrielle Hill (Senior Committee Assistant), Iwona Hankin (Committee Assistant), Ben Shave and Nina Foster (Media Officers).

### Contacts

All correspondence should be addressed to the Clerk of the Public Administration and Constitutional Affairs Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 3268; the Committee's email address is [pacac@parliament.uk](mailto:pacac@parliament.uk).

You can follow the Committee on Twitter using [@CommonsPACAC](#)

## Eleventh Special Report

---

The Public Administration and Constitutional Affairs Committee published its Fifth Report of Session 2017–19, *The Minister and the Official: The Fulcrum of Whitehall Effectiveness*, as HC 497 on 18 June 2018. The Government's response was received on 8 February 2019 and is appended to this report.

## Appendix

---

The Government welcomes the work that the Public Administration and Constitutional Affairs Committee (PACAC) has done in considering how we can improve Civil Service effectiveness.

We are glad to have facilitated Andrew Kakabadse's detailed study in this area. The report has clearly informed the Committee's findings and we are pleased to have enabled a rich discussion of the relationships that are the cornerstone for Civil Service effectiveness.

The Civil Service has made great strides in improving how we support civil servants to deliver government priorities and public services as effectively as possible. The functional model, supported by twenty six professions, has provided structure to how we deliver public services as well as how our people develop their skills. Our new overarching Civil Service Leadership Academy brings together people across government. The Academy represents a modern approach to learning, delivering both digital and face to face learning, with programmes delivered nationally, and a working base for the important 'base camp' courses at Beckett House in Shrivenham. Our 'leaders teaching leaders' approach is embedded throughout all our learning, enabling the facilitation of learning based on experience rooted in the Civil Service.

However, the Civil Service faces many challenges as an organisation. In addition to exiting the European Union, we are experiencing fiscal pressures, an ageing population, an increasingly digital society, as well as heightened expectations for delivery of public services. However, we remain committed to addressing these challenges. We are focused on reshaping the workforce around new career pathways and the government functions, working smarter for greater efficiency and effectiveness, and delivering a more inclusive and delivery-focused approach to leadership. In support of this agenda the Government has set out detailed responses to each of the Committee's recommendations below:

### Civil Service Responsiveness

**Recommendation 1 (Paragraph 23):** *We welcome the Minister's commitment to investigate ways of establishing a Parliamentary Civil Service Scheme. We recommend and expect proposals and plans for this to be set out in the Government's response to this report.*

We welcome the commitment shown from PACAC in increasing the understanding of the work of the Civil Service across political parties.

Drawing on learning from the Armed Forces Parliamentary Scheme, we are scoping a scheme which provides members the opportunity to spend time in our operational centres

and gain greater understanding of the work of civil servants. It will enable them to see the connection between policies/strategic implementation and customer focussed activity and cover the full end-to-end process, involving key departmental individuals at both a strategic and tactical level.

A major emphasis of the programme will be around giving a real and connected link to the impact of delivering policy in the operational arena, and highlighting the impact on the frontline colleague and the citizen.

We will update the Committee after the scoping period completes in early 2019.

**Recommendation 2 (Paragraph 27):** *Newly appointed ministers should be required to hold structured discussions with their permanent secretaries in the days and weeks following appointment to establish a clear understanding of priorities and ways of working. No.10 should ensure that these have taken place. Ideally, coaching and facilitation by a third person of sufficient standing and experience should be made available to facilitate a clear working relationship between a minister and his or her permanent secretary as quickly as possible. The necessary advice, support and resource should be provided by the Cabinet Office, and should not be refused by a department without the Cabinet Secretary being satisfied that there is good reason.*

The Government welcomes the focus from the Committee on ways to provide increased support to new Ministers.

It is already the case that many Permanent secretaries meet with Ministers in the early weeks to discuss priorities, ways of working and the operation of the Department and we welcome the ideas for providing additional structure and clarity on what should be covered during this process. The Government has since explored ideas about what elements should be part of a more structured induction programme. This has included discussions with the Institute for Government given their previous involvement with Ministerial induction programmes. Permanent Secretaries are also being consulted about their experiences of new Ministers and for thoughts about how a more structured and comprehensive approach could be implemented.

The Cabinet Office will continue to develop options for improving the induction of Ministers in their first few weeks, including how to facilitate discussions around preferred ways of working, and immediate priorities. Induction sessions could also be an opportunity to provide focus on the more generic aspects of Ministerial roles including their role in Boards, working with Private Offices etc. These matters are ultimately a decision for respective Prime Ministers about how they wish to support their Ministerial teams and will need to evolve with the context of each Government.

## Capability and Priorities

**Recommendation 3 (Paragraph 38):** *For effective workforce planning, it is vital that the Civil Service has a comprehensive picture of its stock of skills and expertise. It is more than two years since our predecessor Committee reported on this matter. Progress towards this is welcome but there are still significant gaps in this knowledge. The Government must set out the measures being taken to gather the necessary information on the state of the Whitehall Professions and then to keep this information up to date.*

***This should be set out in its response to this report, with targets and dates for achieving this, and how this will be done, or there can be little confidence that this will ever be achieved.***

The Government agrees that robust strategic workforce planning is vital to ensuring that the Civil Service understands the skills and expertise required to deliver government priorities in a changing environment. To support this the annual Workforce Projections Exercise, completed by all Departments, ALBs and agencies, provides details of civil servants by profession and grade for the current financial year and projected requirements for a further two years. The 2018 Annual Workforce Projections report was released in September 2018.

As recommended in the NAO's 2017, 'Capability in the Civil Service' report, Functional Leaders and Heads of Profession continue to work with departments to ensure that strategic workforce plans are integrated and aligned across both functional and single departmental plans. To support this objective and the development of improved strategic workforce planning capability across the Civil Service, a structured learning programme is being developed for HR, finance and operations. Pilots are expected to take place in early 2019 with the full learning programme due to be rolled out from the Spring.

To facilitate the determination of the current stock of skills and expertise, there is a cross-government programme of activity into standardising data and workforce reporting. This forms a core strand of the 2018 Shared Services Strategy for Government: HR and Finance process and data convergence. Departments' HR data experts have been consulted and within 2018–19 every department will be required to implement standard fields on profession, function, professional body membership and level of qualification, among other fields, within their core HR records. This will enable coherent, efficient reporting by Departments, Functions and Professions. Combined with improved strategic workforce planning capability across the Civil Service, this reporting will improve the accuracy of our workforce projections exercise at a macro level. Further, as the Professions build their strategic workforce planning capability, the Civil Service as a whole will be able to better articulate the demand for future skills and expertise.

***Recommendation 4 (Paragraph 45): In its report on Accounting for Democracy, our predecessor committee reiterated criticisms of the Single Departmental Plans (SDPs) process made by bodies like the National Audit Office and Institute for Government. The Committee concluded that the SDPs "contain too little detail on either spending or performance". In spite of this criticism, that report concluded that SDPs should be developed and improved rather than abandoned. It also recommended that, subject to the omissions on grounds of national security or commercial confidentiality, full SDPs should be published. We reiterate these recommendations and expect the government to respond positively.***

The Government agrees that Single Departmental Plans should continue to be developed and improved, but disagrees that department's more detailed business planning should be published.

Single Departmental Plans were introduced in 2015 to improve the quality of departmental planning and performance management and are now central to how government plans its business and manages its performance. They were revised in December 2017 and

May 2018 to align with the financial and business planning cycle; a consistent format for objectives across all departments was also introduced. The 2018 revision also integrated every department's equality objectives into their plans. This means that they will be reviewed every year and, if appropriate, updated; going beyond the statutory requirement for equality objectives to be updated every four years.

For the next iteration, the Government intends to strengthen Single Departmental Plans so that performance against each objective is clearly aligned. Work is also underway within the Treasury and Cabinet Office to ensure that Single Departmental Plans are integrated with the 2019 Spending Review process.

The Government remains committed to the principle that detailed business planning should remain internal to government. This often relates to ongoing policy development, or is secure or commercially sensitive. The Government considers that, with the continued improvement to the Single Departmental Plans, the right balance is struck between improving the transparency around government business planning and maintaining the best environment for frank advice, decision-making and management through keeping detailed business planning private.

**Recommendation 5 (Paragraph 57):** *We welcome the commitment made to address the recommendations of the Baxendale Report. But better monitoring of this is needed. At a minimum, external hires should be included as a sub-category in the Autumn 2018 Civil Service People Survey.*

The Government is committed to addressing the recommendations of the Baxendale Report and agree that monitoring can be improved through the inclusion of external hires in the People Survey. In order to understand the best method to do this, a test question on external hires was added to the 2018 Civil Service People Survey. Test questions are asked to a representative proportion of respondents and provide an opportunity to test different wording for questions that could be added to the main survey in the future. By testing questions prior to their inclusion in the main survey, we ensure that responses provide the most useful insights.

**Recommendation 6 (Paragraph 58):** *The Civil Service must maintain and renew its capacity to generate its own talent and future leadership, which reflects the experience of the vast majority successful organisations.*

The Government agrees that the Civil Service must remain committed to generating and developing talent and we are working to develop world-class leaders who are inspiring, confident and empowering, to address the complex and challenging demands facing the UK. Our centrally led accelerated development schemes (the Future Leaders Scheme, Senior Leaders Scheme, High Potential Development Scheme and Individual Development Programme) are the primary means to strengthen the internal talent pipeline to the most senior and complex roles in government. The schemes are aimed at individuals showing the greatest potential and are designed to build leadership capability, focusing increasingly on the need to operate in a rapidly changing environment.

The Civil Service Workforce Plan (2016) set the action to expand the reach and quality of these schemes. As well as increasing the size of the intake to its largest to date in 2018, scheme participants are from more diverse backgrounds, in terms of protected characteristics and professional background, in comparison to current representation

at grade. Scheme participants feedback is monitored throughout the programmes and building on this will ensure that we are developing a diverse range of leaders required across the Civil Service.

The Civil Service Leadership Academy is also part of our strategy to support and develop world-class leaders. Among a range of activity, it runs basecamp programmes aimed at inducting and supporting people who are transitioning into the Senior Civil Service from internal promotion or external hire.

**Recommendation 7 (Paragraph 66):** *The Government must complete its review of the Pivotal Role Allowance and we look forward to the next steps in this process being set out in the Government's response to this report.*

The Government has completed its review of Pivotal Role Allowance and will put proposals to Ministers shortly for improving and streamlining the process.

PRA will be kept under review as the Government implements a new long term SCS pay framework including the move to pay ranges by profession. Proposals for 2019/20 were submitted in the Government Evidence to SSRB in January.

90 PRA cases have been agreed since 2013. 46 are currently in payment and 44 have been removed with the funding recycled back into the pot. The average individual annual payment has been around £14,000. Four cases are currently pending.

**Recommendation 8 (Paragraph 76):** *Just as the Civil Service as a whole needs to concentrate more on developing its own talent and future leadership, so departments need to do so as well. We expect the government to demonstrate it is giving this aspect of Civil Service effectiveness some fresh thinking in its response to this report.*

We continue to develop our approach to learning and talent management, with an emphasis on functions and professions taking responsibility for the development of their people. The creation of Career Pathways, and the related learning, provides a clear route for Civil Servants to build their technical, and leadership and management expertise. Many functions and professions have also established their own talent schemes, including tailored Fast Stream schemes and programmes designed to support talented individuals to progress to senior functional leadership roles.

Departments also continue to deliver their own talent schemes to complement the centrally managed Civil Service offer. All departments across Government have Talent teams within HR which are brought together by the cross-Government Talent Board. The Talent Board, chaired by Claire Moriarty (Permanent Secretary for the Department of Environment, Food, and Rural Affairs), sets standards for central Civil Service talent management, shares good practice and ideas and drives the talent agenda forward - recently developing a standard template for senior succession planning, for example, based on inputs from the annual Departmental and Functional Talent Reviews.

**Recommendation 9 (Paragraph 80):** *We are concerned that the system of cross-government Professions is insufficiently developed to provide the basis for the strategy contained in the Cabinet Office's submission to the SSRB. Before any strategy introduced*

*[sic], we recommend the Cabinet Office undertake a review of the readiness and embeddedness of the Professions to address churn, and how they will also address the need to strengthen experience and expertise relevant to each government department.*

The Government agrees that the readiness and development of professions must continue to be monitored. As part of our evidence to SSRB, we will be engaging the professions on any proposals for SCS pay before decisions are taken, and will work in partnership with professions to ensure the governance is in place and they are supported and able to respond.

## Functional Leadership

**Recommendation 10 (Paragraph 93):** *We recommend that the cross departmental Functions develop statements setting out their principles of collaboration with the departments. This should include agreements on sharing of data and the mechanisms by which they agree deliverables with their departments. There should also be a general statement about how a conflict between a cross department Function and a government department should be resolved. These should be agreed by the Civil Service Board, and reflected in the response to this report.*

We agree with the Committee's recommendation to improve the principles of the Functions. Building on existing best practice, the Functions are developing a new, consistently presented suite of management standards (statements setting out principles of collaboration - what needs to be done, and why). This work aims to create shared expectations, in a consistent language: a mutually understood government way for doing business that transcends organisational barriers.

The suite will cover what should be in place for functions to work effectively with the rest of the government system, including governance (cross-government, for each function and within departments), accountabilities, and meeting the needs of departments. Functional Standards will be trialed during 2018 and early 2019, and will all be widely available by Autumn 2019.

## Departmental Boards

**Recommendation 11 (Paragraph 111):** *At the minimum, all boards should meet the threshold of four meetings a year.*

The Government agrees with the Committee that all boards should meet at least four times a year. The Corporate Governance in Central Departments Code of Good Practice (para. 2.4) recommends that there is a minimum of four meetings per year.

In 2017/18, 101 departmental board meetings were held across 18 central government ministerial departments and 3 Territorial Offices. The average number of meetings has increased from 2016/17 (which also improved on 2015–16). The frequency of meetings is collated centrally and each department undertakes an annual Board Effectiveness Evaluation. Work is underway to support departments who are not achieving the recommended number.

**Recommendation 12 (Paragraph 112):** *The role of the board and of board members should be included in any induction for ministers new to a department. New ministers should establish with the permanent secretary and the lead non-executive clear goals against which board performance can be evaluated. Secretaries of state should, on a comply-or-explain basis, relinquish the chair for those parts of board meetings involving evaluation of the department's plans or performance.*

As outlined in the response to 'Recommendation 2', the Government welcomes the focus from the Committee on ways to provide increased support to new Ministers.

Departmental priorities are set out in Single Departmental Plans and performance is monitored against them. This monitoring includes other key performance, financial and workforce data needed to ensure a well managed organisation.

Responsibility for departmental performance and fiduciary oversight and control lies with Ministers, Permanent Secretaries and Accounting Officers, with clear roles for boards, Internal Audit, Audit and Risk Committees, the National Audit Office and the Public Accounts Committee. The role of a non-executive is to provide challenge rather than monitor performance. When asked by the lead minister, there is a remit for lead non-executive board members to chair elements of the board's discussion, but this should remain at ministerial discretion.

**Recommendation 13 (Paragraph 119):** *Guidance should be clarified to ensure that non-executives can offer advice to ministers and officials about the overall design of policy where that is likely to impact on its delivery.*

The Government believes that the Corporate Governance in Central Departments - [Code of Good Practice](#) is clear that the role of the non-executive is to support the Secretary of State in their role as chair of the Departmental Board. Whilst the Code of Good Practice makes it clear that Departmental Boards do not provide policy advice, we agree with the Committee that non-executives should challenge policy on the grounds of implementability and should also play a key role advising on the operational implications and effectiveness of policy proposals.

Non-executives are appointed to government departments from the public, private and voluntary sectors and are appointed by Secretaries of State. Their role is to provide advice and challenge to their respective department whilst offering an external perspective. They are also required to ask detailed questions about the assessment of performance, and the effective management of the department, mainly through the Departmental Board.

**Recommendation 14 (Paragraph 120):** *We acknowledge that the lack of a clearly defined role for non-executives outside their formal role on departmental boards allows them to be used flexibly. However, if non-executives are typically providing most of their value, and spending most of their time, on other areas, clearer acknowledgement of that should be included in the Corporate Governance Code, including a clearer statement of the limits to their activity.*

As referenced in response to 'Recommendation 13', the role of non-executives is defined by the Corporate Governance in Central Departments - [Code of Good Practice](#). Specific examples of activity outside Departmental Boards are agreed with the relevant Permanent Secretary and Secretary of State. These agreements are based on individual departments'

approaches, rather than existing as consistently managed activity across all departments. Therefore, adding a statement with regard to non-executive activity would not be applicable for all roles, depending on the systems in place.

**Recommendation 15 (Paragraph 121):** *A stronger statement of the duty of non-executives to challenge what they see as flawed policy design or planning should be added.*

As outlined in response to 'Recommendation 13', whilst the [Code of Good Practice](#) makes it clear that Departmental Boards do not provide policy advice, we agree with the Committee that non-executives should challenge policy on the grounds of implementability and should also play a key role advising on the operational implications and effectiveness of policy proposals.

However, the Government disagrees with the need to add a stronger statement of duty as there is sufficient opportunity for challenge within the current Code of Good Practice. Further, the lead Government non-executive has previously stated that giving non-executive directors of Government Departments fiduciary duties and obligations is not crucial to non-executives' ability to influence.

## Learning and Development

**Recommendation 16 (Paragraph 136):** *A body to lead and coordinate Civil Service learning and development activities should be established with its own permanent centre of operations. In addition to this "anchoring" coordination role, we reiterate our predecessor Committee's recommendation that such a body should "be a place in which Civil Service leaders can reflect and build upon their experiential learning". In establishing this academy, we recommend that the Cabinet Office consult academics to ensure that this institution provides Civil Service leaders with effective access to conceptual, reflective and experimental learning. It must address the unique challenges faced by public service leaders, which conventional business training cannot.*

The Government believes that the body the Committee recommends is already in existence through Civil Service Learning (CSL) and the Civil Service Leadership Academy.

CSL is the central organisation responsible for identifying cross-Civil Service learning and development requirements, and determining the most effective solutions that will build civil service capability and deliver value for money for the taxpayer.

To strengthen its central coordination role, from July 2018, CSL has convened a group of senior leaders from across government to share best practice and innovation in learning, and agree collectively the learning priorities to support centrally-led capability-building across departments and professions. Strategic oversight of leadership and learning across the Civil Service is provided by the Leadership and Learning Board, a sub-board of Civil Service Board chaired by Stephen Lovegrove, Permanent Secretary of the Ministry of Defence.

The Government established the Civil Service Leadership Academy in October 2017 to sit alongside CSL, supporting senior leaders to be truly effective in the unique context of government. The Leadership Academy sits at the apex of our system of professional academies, playing a central role in maintaining and embedding institutional knowledge and values throughout the Civil Service. A flagship and core part of the Academy's offer

is an immersive learning series: through a one-day or residential event, participants are fully immersed in responding to a recent, relevant, real-life situation in which there is no right answer. The Academy took an innovative approach to the design of the first series of case studies and engaged with academics and expert practitioners to build a series of events that are experiential and foster reflection. Reflective practice is a thread through the Leadership Academy's development offer at every level - deputy director, director and director general.

In the 2018 Budget, Government committed £21m over a three year period to establish the new Centre for Public Services Leadership. The vision is for the Centre to become an internationally recognised hub of best practice and cutting-edge research, leading the way in deepening the understanding of the links between productivity and leadership.

The creation of the Centre was prompted by the work of the Public Services Leadership Taskforce, chaired by Sir Gerry Grimstone. The Taskforce was established to advise the Government on the best way to ensure that outstanding public sector leaders have the support that they need to be effective in a complex and challenging environment.

The Taskforce conducted detailed research, supported by the Behavioural Insights Team, to understand the challenges faced by the most senior leaders across each of England's public services. The Taskforce concluded that public service leaders need more support. Recent years have seen weak productivity growth in UK public services. Leaders say the scale of decisions, changing technology, demands for efficiency, growing demand for better services and the pressures of an aging population are placing them under significant stress. The Taskforce also found that better collaboration between services can improve delivery and create new efficiencies. The Taskforce recommended that a new Centre be established to develop a cross-service programme and professional network that will enable leaders from across the public sector to do the best possible job.

The new Centre for Public Services Leadership is creating a programme that will accept approximately 120 senior public sector leaders each year from across the UK. The curriculum will be informed by evidence, rigorous academic research, and feedback from leaders across multiple sectors on the challenges they face. The Centre will identify senior public sector leaders who are on the cusp of taking on principal executive responsibility for a large public service organisation for the first time. These individuals will benefit from attending this programme, sharing their expertise, and developing their professional contacts.