



‘Delivery’ Reform in the Civil Service

An Outsiders View

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# Context

- 1980s were about the reform of old industrial structures.
- In 2001, Blair-Brown Government set out to reform the public service: *‘Choice, Contestability and Competition’* - but at what financial cost?
- The challenge to reform public services will define politics for the next ten years:
  - and this starts with the Civil Service.

*"The next Labour government will face massive fiscal challenges including having to cut spending.*

*That is why it is all the more necessary to get every pound of value out of service, and show we can do more with less, including by doing things in a different way."*

**Ed Miliband - Hugo Young Lecture Feb 2014**



# Policy & Delivery Myths

## Policy:

- Provides the ideas, options and analysis for ministers to take decisions
- Is about Strategies, Laws and Regulations
- Is prestigious, involving matters that are complex and special
- Requires the best and brightest, with a bias for 'Generalists'

## Delivery:

- Implements the Regulations and the decisions of government
- Is about service delivery to the whole country
- Is important, not especially intellectual and often routine
- Requires some 'Specialists' - best kept on 'tap' rather than on 'top'

# Delivery Reform in the Civil Service

- What is going wrong ?
- ‘Delivery’ - Scale, Complexity and Importance?
- Civil Service history, scale and past reforms
- What are the issues?
- Current Alternatives
- Some Proposals

**More than a quarter of NHS and social care services in England are failing to meet all the essential standards they should, the regulator says.**

BBC - 28 June 2012

## **A Crisis of Delivery?**

**UK Border Agency 'not good enough' and being scrapped.**

BBC- 26 March 2013

***Weapons procurement a 'mess', says former Labour defence secretary***

***Lord Robertson*** Daily Mail 11 September 2009

**£12bn NHS computer system is scrapped... and it's all YOUR money that Labour poured down the drain**

Daily Mail 22 Sept 2011

**Undercover report reveals staff failures in 111 call centres**

Independent 29 July 2013

**Risk of UK blackouts has tripled in a year, Ofgem warns.**

Telegraph 27 June 2013

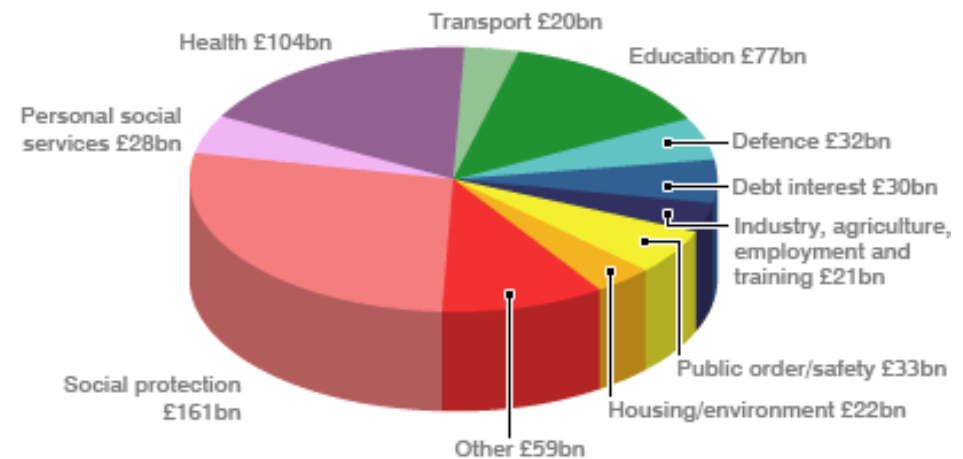
**Rail deal 'was biased against Branson's West Coast bid' and wanted 'anyone but him'**

Mail online 29 Oct 2012



# Why is Civil Service Delivery Important?

- In Western democracies much is expected of the state - 45% of UK GDP;
  - About 1/3 (£200bn) of this is redistributed - the benefits 'safety net';
  - Over £500bn linked to the delivery of Service, Infrastructure & Projects;
- Public paying & expects individual, high quality and varied services
  - Adding volume & scale;
- Pervasive nature of the internet & of computing:
  - Multiplying complexity;
- Government projects are economically important:
  - Delivering welfare strategy
  - Development of technology;
  - Leading IT scale and use;
  - Provider of infrastructure.



SOURCE: HM Treasury

# Example of Delivery Failure - Universal Credit

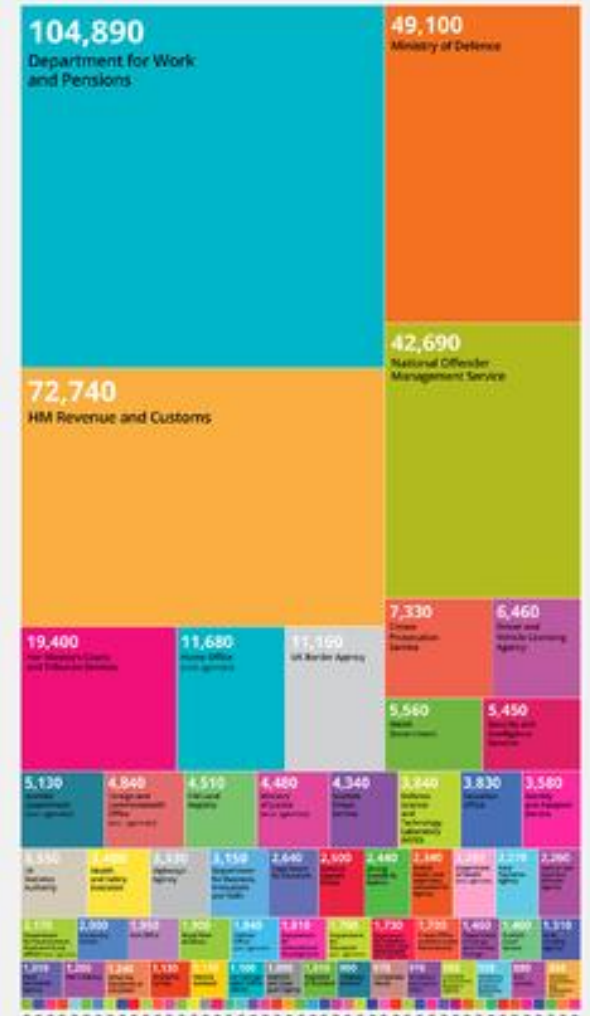
- Universal Credit is a new benefit to replace existing benefits with a single monthly payment;
- Policy has broad cross-party support;
- In the press because of major delays - perhaps 3 years - £300m spend by DWP/Accenture with little to show, part of £2bn project;
- Highlights:
  - Opposition making 'politics' out of something they support;
  - Secretary of State attacked for not being a good system developer or programme manager;
  - £300m spent but no new system, scant public accountability;
  - Poisoning the well of creative new public service developments.



# Civil Service Perspective

- Modern Civil Service origins in the Northcote-Trevelyan report 1853
  - Professional administrative civil servants;
- Fulton committee in 1968:
  - Administrators were not sufficiently professional;
- Rayner & Ibis in 1980:
  - Focus on efficiency and established 'Next Steps' agencies

The number of civil servants employed in 2013 is 448,840





# Civil Service Delivery

- Is the Civil Service already reforming?
- No. 10-led - 'Deliverology'.
- What are the continuing issues?
- Options & proposal for modernising delivery.

# ‘Transforming Whitehall’ & ‘MyCivilService’

- Current programmes of change - driven by the Cabinet Office and by budget cuts (2010-14):
  - 20% departmental cuts (ex Health, Education & Overseas Dev) with administrative savings of 33% across the board;
- Ministers have described the changes as cutting waste from the ‘back office’.
- Departmental leaders have emphasised delivering ‘**more for less**’,
- **MyCivilService** - starting to explore more systemic issues - Capabilities, Culture, Leadership;

We can say that current programmes are mainly about **efficiency**, not about **effectiveness**.

# PMDU & Deliverology

- Second Blair Government in 2001, on the back of large majority, sought to reform public services

- set out to deliver: **“More for More”**  
i.e. **better services** for a significant **increased in spend on:**

- **Health**
- **Education**
- **Transport**
- **Criminal Justice**

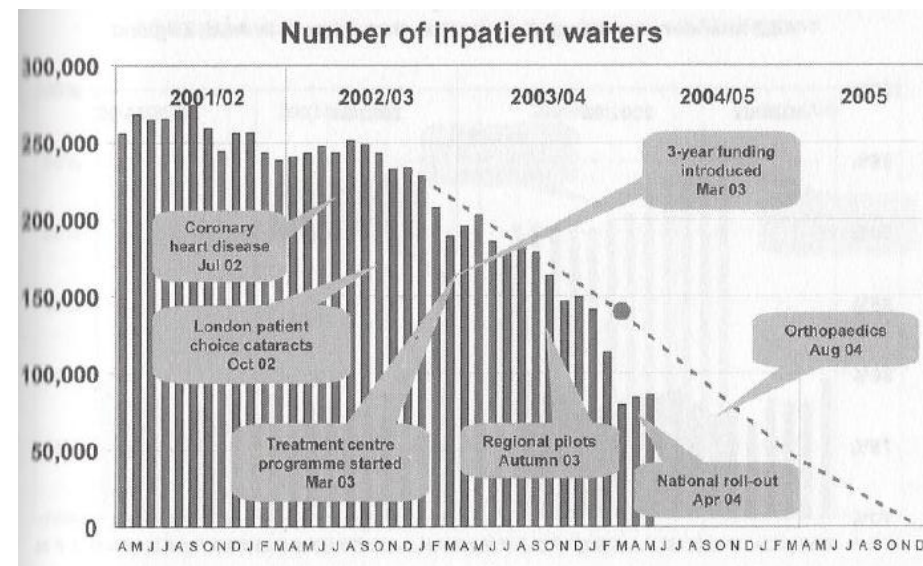
## INSTRUCTION TO DELIVER

### Deliverology:

Setting numerate time-boxed specific goals;

1. Mapping the delivery;
2. Having detailed plans;
3. Addressing the whole delivery chain that is required to achieve the targets;
4. Measuring and reporting progress;
5. Stock-takes of the delivery & trajectory of programmes with the PM, senior Ministers and civil servants.

# PMDU Performance



## PMDU own assessment in 2005

- Almost all the indicators were better than at the outset, and were heading in right direction.
- Some targets were already achieved by 2005 and others were in line to achieve the aim in the longer term.
- Status of other targets was either unclear, or for some such as road congestion, was worse than in 2001.
- Broader view is that the Government delivery agenda was in much better shape in 2005 than in 2001 ... much of this was due to the focus and impetus of the Delivery Unit.

# Problems with Civil Service Delivery?

## Three main issues :

1. Unrealistic ambitions of leaders:
  - ‘Plans: shaped by rhetoric, untested by experience’
2. Delivery timescales are often longer than the parliamentary cycle of 5 years;
3. Weak delivery capability lacking:
  - Professionalism, accountability and competence.

# Are there Alternatives? - Planning



*‘For decades successive governments have all too often ducked and delayed the vital decisions..on long term infrastructure.’*

Labour Infrastructure review - 2013

**Sir John Armitt**

*‘Take the politics out of long-term infrastructure planning’*

Industrial Competitiveness and Short-termism - 2013

**Sir George Cox**

# Are there Alternatives? - Planning

Retaining parliamentary approval of both direction and budgets;

1. Separate the identification of national needs, from approval with open debate about the priorities;
2. Set a public planning horizon for major projects which is longer than the four year Spending Review period;
3. Require open review & audit of all major programmes - practical viability at the outset and at major milestones, by a professionally competent team.



# Are there Alternatives? - People

- Civil Service recruits more than its fair share of top graduates, trained as if destined to be Permanent Secretaries;
  - **‘Delivery’** versus **‘Policy’** divide;
  - Frequent moves of staff and lack of development of professional skills;
  - Absence of a ‘culture of consequences’ for good and for weak performance;
1. Separate ‘Delivery’ structures from ‘Policy’ throughout the Civil Service;
  2. Seek the very best functional & delivery leaders and retain them with full, professional & prestigious career opportunities;
  3. Managers remain in post long enough to experience results - **good or bad**;





# Are there Alternatives? - Delivery Structures?

- Executive Agencies have had mixed effect;
- Wholesale outsourcing - questionable success.

1. Redefined agencies with more autonomy and more responsibility, as Public Service Companies (PSCs);
2. Create diverse outsourcing contracts:
  - 'quasi markets' - rather than monopoly outsourcing;
  - more emphasis in outsourcing contracts on quality above price, as the key criterion of selection;
3. Open review & audit of major programmes/PSCs by professionally competent bodies, or teams.

## Public Service Co. Reforms

- Boards with responsibilities similar to Non-exec plc - not the current advisory role;
- Multi-year contracts & targets set allowing managers to operate;
- Hold managers to account for achieving the targets, rather than the means of operating;
- Increased transparency - Culture of Consequences for performance;
- Encourage two-way movement between Government and the private sector.

# Some Proposals

- Separate Policy from Delivery:
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- Professionalise Delivery:
- Transparency & Accountability for Performance:

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- Transparency & Accountability for Performance:
  - Delivery organisations to operate to public and quantifiable objectives and targets, negotiated as part of Public Spending Review;
  - Redefined accountabilities - Ministers & Civil Servants - ‘Haldane Rules’;

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## Delivery:

- Includes implementation, but also it creates the solutions which deliver government strategy
- Not only service delivery but also designing new services without which strategy is moribund
- Is extremely difficult and requires the brightest and best specialists
- Domain knowledge and specialist skills are both essential for the success of Delivery.

# References

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7. It takes more than Mr Targets to get results - Simon Caulkin - Observer, 8 July 2007.
8. The Heart of Power, Anthony Seldon - Prospect, 28 April 2010.
9. The Cabinet Office and the Centre of Government - Parliamentary Constitution Committee, Fourth report Chapter 2. 2009-10.
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11. Labour party Infrastructure Report - Sir John Armitt - September 2013
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The image features a light blue background with a large, stylized white '7' graphic on the right side. The word 'acumen' is written in a dark blue, italicized serif font, with a white swoosh underline that extends to the right, ending in a small '7' shape. The overall design is clean and modern.

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