

PRESS RELEASE

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‘Shaping up: A Whitehall for the Future’ – study shows more ‘corporate endeavour’ at the heart of government is needed to solve future challenges

The Centre of Government – No 10, Cabinet Office and Treasury – must do more to improve its strategic capacity to be able tackle the UK’s future challenges, a report by the Institute for Government says today.

Based on interviews with over 60 top civil servants and a year’s analysis by the Institute for Government, the report *‘Shaping Up: A Whitehall for the Future’* makes recommendations to improve long-standing issues about governance at the centre and in departments. The report says:

“The office of the British Prime Minister holds a concentration of formal power greater than that of almost any other country in the developed world. In contrast, the fragmentation and lack of coordination at the centre of the civil service – the Treasury, Number 10 and the Cabinet Office – leads to an administrative centre that is relatively weak. This curious situation has created a strategic gap at the heart of British government, which inhibits the ability to set overall government priorities and translate them into action.” These are long-standing issues, the report says.

“Departments are powerful, but the quality of their leadership is variable and civil servants often find it difficult to work across boundaries. This means the ministries of state are not coordinated as effectively as they should be. The daunting financial and managerial challenges now facing British government heighten the need for change.” It continues. The report identifies three key challenges – and argues these apply regardless of political complexion:

Strategic: At the centre there should be more of a role for coordination and priority setting.

Governance: A more strategic centre requires departmental boards able to hold themselves to account better.

Collaboration: In Whitehall long –standing efforts to join up departments on cross-cutting issues must become more mainstream, supported by new governance and budgetary arrangements.

How to tackle the new challenges - summary

There is a strong case for reforming the Cabinet Office to help join up at the centre to provide leadership: Interviews with top civil servants revealed almost a consensus that there is a lack of clarity about its role. The report recommends that the Cabinet Office is streamlined into a ‘department for strategy and capability’. A

revamped Cabinet Office would work collaboratively with the Prime Minister, Cabinet and departments to help develop and implement a 'whole of government' framework which would be owned and implemented collectively by all permanent secretaries.

Departments must however be able to govern themselves effectively: The Institute for Government found that many departmental boards have yet to grasp a clear role in leading their ministries. They could be improved through a greater focus on performance management. Ministers rather than permanent secretaries should chair new strategy boards to improve the connection between the political and administrative leadership and to shape and scrutinise policy.

Ministers with cross-cutting briefs with budgets: The organisation of Whitehall and its departments means vital, cross-cutting issues such as social exclusion or childhood obesity can fall through gaps. The resulting duplication of efforts can waste resources, and citizens can suffer from fragmented public services. The report recommends a certain number of senior ministers 'sans frontières' to take ownership of the top cross-cutting issues, with dedicated budgets, who can work outside the traditional departmental boundaries.

Sir Michael Bichard, Executive Director at the Institute for Government, said:

"The civil service and politicians must work better together to deliver a plan with priorities for the whole of government. There is still a lack of corporate endeavour, despite great efforts to change that. Siloed thinking makes it difficult to manage cross-cutting policy issues and work together.

"Permanent secretaries must take a greater responsibility for ensuring those priorities are owned and implemented. But departments have their own set of challenges too - they need to work more closely with their ministers and boards in shaping convincing policies if not they risk inviting too much interference from the centre. These issues have been apparent for decades now, signs show that the capability reviews and the PSAs have helped departments focus on priorities, but it's not yet enough. Our recommendations aim to help government prepare for the future now."

Dr. David Halpern, Director of Research at the Institute for Government, said:

"*Shaping up* is the result of a year of detailed analysis. It draws on the full range of published data; international comparisons; unprecedented new analysis, such as our work on Departmental boards; and extensive interviews with Senior Civil Servants, Ministers and others who deal with government on a regular basis.

"UK administration isn't bad compared with others, particularly in terms of its flexibility and honesty, and perhaps this makes us complacent. But it still has significant weaknesses, including a 'responsibility gap' between political leadership and day-to-day management – a gap that has dogged British governments for decades. These weaknesses will be tested severely by the challenges we will face in the next couple of years."

Notes for editors

The full report, *Shaping up: a Whitehall for the future*, by Simon Parker, Jonathan McClory and Akash Paun, can be found on the Institute for Government's website:

<http://www.instituteforgovernment.org.uk/news/article/83/shaping-up-a-whitehall-for-the-future>

The Institute is an independent charity with cross party and Whitehall backing working to improve government effectiveness.

It undertakes high quality research, primarily focused on the mechanics and processes of government, producing recommendations for change.

It provides tailored development opportunities for senior decision makers and their teams to support the delivery of change. The Institute offers consultancy and advice to departments and political parties, leading and shaping opinion on improving performance and effectiveness.

Based at Carlton Gardens, London, the Institute for Government provides a meeting place where senior officials from across Whitehall can discuss the challenges of making government work and access practical insights from some of the world's most innovative public servants, leading academics and opinion formers.

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