Meeting the Challenge?

A response to the Civil Service Capabilities Plan

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1. Summary

The publication of the Civil Service Capabilities Plan, *Meeting the Challenge of Change*, fulfilled one of the actions in the *Civil Service Reform Plan* from June 2012. The document has moved away from its original billing, but it brings together a range of work underway on capability, in particular in four priority areas: leading and managing change, commercial and procurement; project and programme management; and digital delivery.

In this report, we look at the Capabilities Plan in light of our recent research into improving capability within the Civil Service, which identified four broad lessons from past experience and three deeply-rooted tensions that cannot be resolved but do need to be actively managed.

Lessons have been learned

The plan has recognised that a tightly-focused corporate approach has greater leverage than trying to solve capability across the board. Although the capabilities they focus on could be more closely tied to a diagnosis of the needs of departments, the plan goes some way towards strategic prioritisation (Lesson 1) and makes big strides in the way that energy and resources are focused on areas where value can be added from the centre (Lesson 3).

The signalled willingness to develop key capabilities more corporately has the potential to move departments' expectations towards high-quality central support through specialist units like the Government Digital Service or the Major Projects Authority. Progress in delivering depth of expertise rather than operating a wide and shallow model may provide the cover for departments to drastically reconfigure their own capabilities in these areas, as the plan encourages them to do for procurement.

Having a corporate platform that is stronger than the consensual model of professional networks could significantly improve the specialist challenge that departments face when building up their internal capability, and provide a reservoir for learning and evaluation. Lesson 2 in our discussion paper highlighted this as an historic weakness for the Civil Service and emphasised their importance for maintaining and extending capability over time.

Moving the development schemes (Fast Stream and High Potential Development Stream) from departmentally-driven to corporately managed should strengthen the oversight of internal pipelines into the Senior Civil Service (Tension 2). And while it may be called the 'Generalist Fast Stream', co-ordination at this level may help to ensure the route to top positions includes suitable stretch and experience across government, rather than a random walk (Tension 3).

But tensions remain…

However, precisely because of the boldness of some of the changes underway, implementation of the Capabilities Plan is likely to run up against tensions that we have identified in our research.

In the short term, the plan recognises that bringing people in from outside is the only way to meet demand for its priority skills. The leadership, including Sir Bob Kerslake and Stephen Kelly, have publically acknowledged that this runs up against controls currently in place on external recruitment, which may need to be relaxed. As Tension 2 in our research identified, this will pose the challenge of managing the politics (internally and externally) of recruiting sufficient highly-paid outsiders during a period of pay restraint and falling staff numbers for the rest of the Civil Service.

Considerable beefing-up of the central procurement function is clearly designed to consolidate and streamline the operation of buying as 'the Crown'. But some of the demands of this approach stray significantly into current wiring of accountabilities, as we warn in Tension 1. Strengthened reporting lines between commercial or procurement directors and the chief procurement officer seem intended to go beyond the 'dotted line' oversight that currently operates in finance or human resources (HR) and begins to scope out a move to integrated corporate functions – though the plan backs away from this implication, making the direction of travel more obscure than it needs to be.

Finally given the centrality of change to the experience of the Civil Service, there is confusion around whether 'leading and managing change' is a generic skillset that should be integral to all civil servants' roles, or a specialism that can be developed corporately like the others in the plan. This exposes ongoing tensions within the Civil Service around the somewhat artificial distinction between generalists and specialists (Tension 3), for which the professions model has been offered as a partial solution. However, both this and the previous point suggest that a substantial revision of how professions are used to build capabilities may be unavoidable in the future.

2. Introduction

Originally proposed in the Civil Service Reform Plan, the Capabilities Plan was intended to cover the whole of the Civil Service with a comprehensive review of skills gaps and a five-year view of how they would be filled. The plan that has been published, *Meeting the Challenge of Change*, is more tightly drawn than this, focusing on 'four key areas that are vital to delivering better public services in the 21st century':[1]

- leading and managing change
- commercial skills and behaviours
- delivering successful projects and programmes
- redesigning services and delivering them digitally.

Many of the individual actions in the plan are not new, but the document pulls together a range of work already underway in these areas and presents it as part of a coherent approach to well-known weaknesses in capability. As such, in this response we do not look at the Plan in isolation as the genesis of the current capabilities approach, but instead see it in the context of the wider Civil Service reform agenda and draw on a range of reports and strategies from the government lead non-executive to the digital strategy.

This note should be read alongside our discussion paper, *Civil Service Capabilities*, which explored the topography of what can be a complex and ill-defined organisational landscape. In that paper we set out four broad lessons distilled from past experience of tackling capability problems in government, and insights from an extensive cross-sector literature on organisational capability. We also outlined three 'tensions' which bedevil the Civil Service, arguing that these are often integral to the nature of government and, while they cannot be resolved with finality, they can be managed more or less intelligently as part of reform.

These lessons and tensions provide a frame through which we look at the Capabilities Plan in Sections 2 and 3. In Section 4 we pose some questions for further consideration, both by the leadership of the Civil Service. It is not an exhaustive review of the work currently underway, but should be indicative of the overall approach currently being taken.

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[1] HM Government, Meeting the Challenge of Change: A Capabilities Plan for the Civil Service, Cabinet Office website, April 2013, accessed 17 June 2013,
http://engage.cabinetoffice.gov.uk/capabilities-plan/wp-content/uploads/sites/3/2013/04/Capabilities-Plan.pdf

3. Learning the lessons

Lesson 1: Identify and focus on mission-critical capabilities

In our discussion paper, we identified that the greatest return on investment in capabilities requires a tight connection between clearly-defined strategic priorities and the operating model to deliver them. Despite earlier suggestions that it would deal comprehensively with the skills challenges across government, the Capabilities Plan has put prioritisation at the heart of its approach. There is a strong focus on four priority areas, which are offered as the biggest challenges and are therefore where the most effort will need to be devoted.

This may reflect the difficulties encountered under the previous government in trying to produce a corporate people strategy. Considerable work undertaken by the sector skills council, Government Skills, was still largely underway at the time of the last election and centred around an extensive machinery of skills audits and strategies from departments.[2] Government Skills was disbanded at the same time that the new training gateway, Civil Service Learning, was created. There does not seem to have been an appetite to push on with its process-heavy approach.

Given the high-level at which the Capabilities Plan seeks to intervene, the priorities may have benefitted from being tied more clearly to the nature of the need being addressed. In the case of commercial skills and major projects, figures are given for the sheer scale of government's commitments in these areas (£45bn on procurement of goods and services, 185 major projects with a value of £414bn) but little time is spent unpacking the status quo. Other reports provide some of this detail, such as Lord Browne's review of the Major Projects Authority[3] and the Government Digital Strategy[4] but bringing together diagnosis and prescription in a single document would help to focus minds on the operating model required.

The high-level priorities are clear in the plan and, as it brings together a number of actions which have already gained momentum under a strong corporate framework, there are good reasons to think the focus will be maintained. When it gets down to the long list of particular actions at the back of the plan, however, a crucial role for the team charged with implementation will be distinguishing the non-negotiables from the nice-to-haves. As we have warned from looking at past reform agendas, momentum can quickly ebb if too much is pursued simultaneously.

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[2] See, for example, Building Professional Skills for Government: a Strategy for Delivery, Government Skills, 2008

[3] Browne, J., *Getting a Grip: How to Improve Major Projects Execution and Control in Government*, Cabinet Office website, March 2013, accessed June 2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/205209/Getting_a_grip_Lord_Browne_major_project_review_Mar-2013.pdf

[4] *Government Digital Strategy*, Cabinet Office website, November 2012, http://www.publications.cabinetoffice.gov.uk/digital/strategy/

Lesson 2: Capability is more contextual than just skills

Properly skilled staff will always be central to capability, but our research brought out the supporting conditions for maintaining and extending it over time, which are often neglected in the Civil Service. In particular areas, the recent approach to building capability has been broad minded on this point. As the Government Digital Service told us, bringing in people with specialist skills has been important in their work on the gov.uk web platform, but crucially it was also about realigning ways of working to liberate existing professionals in government.[5]

The plan's expansive definition of capability as 'the coming together of structures, processes and skills to deliver outcomes' is an important recognition of our lesson that capability cannot be built by skills alone. But the core of the plan still focuses on 'people and skills' and the dominant language in the rest of the document equates capability with 'talent', reducing its analysis to a three-pronged strategy of 'build, buy, borrow'. This emphasises the pipelines of skilled employees but downplays the supporting conditions and systems for enabling them to succeed.[6]

Beyond the plan itself, progress being made on the management of major projects provides a ready example of how other factors make a difference. The operating model of the Major Projects Authority (MPA) highlights the important role that external review and challenge plays in ensuring that the Civil Service is deploying its skilled people to best effect and pre-empting the risks from under-investing in capability. Lord Browne's review of the MPA urged government to strengthen this role and join it up better with the flow of funding from the Treasury, but the Authority has already built strongly upon the experience of gateway reviews run by the Office of Government Commerce.

Following on from the Browne review, there has also been a renewed emphasis on the MPA's role in capturing and sharing the lessons from past experience of major projects. The Authority now hosts the London 2012 'Learning Legacy' website, which should help government learn the lessons for major projects that the Institute set out in our report on the Olympics.[7] Creating – and adequately resourcing – centres of excellence that provide valuable external challenge and organisational memory, is an important complement to getting people with the right skills, and one that is being improved in government.

Lesson 3: Maximise the leverage of corporate action

Our discussion paper explored the relative merits of greater integration and concluded that those areas identified as benefitting from a corporate frame should be carefully chosen to support outcomes rather than control processes. The actions surrounding the Capabilities Plan have given the idea of integration across government a dramatic shift forward. Sir Bob Kerslake

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[5] Private discussion, Institute for Government.
[6] HM Government, April 2013, op.cit., p.3-5
[7] Norris, E., Rutter, J. and Medland, J., *Making the Games*, Institute for Government, January 2013

has gone on-record saying, 'The default will be sharing services across departments and you can envisage a world where the bulk of services are shared, not just a few of them.'[8]

Although there has been little elaboration, the appetite for integration has been floated as extending to some policy functions; the Civil Service Reform Plan used the examples of the Behavioural Insights Team and the Shareholder Executive as a possible model for providing analysis across departments.[9] This has so far been framed as a reaction to the shrinking of departments. To give civil servants confidence in the new operating model there will need to be mainstream examples of where shared policy and analysis has increased quality, not just reduced cost.

Talent management is another area where Sir Bob's vision of a 'unified Civil Service' is being addressed by actions in the Capabilities Plan. Moving the Fast Stream from departmentally-driven to corporately-managed is a potentially significant shift which will see high potential entrants to the Service employed by the Civil Service rather than a particular department. Rather than the fast-streamers being groomed for particular roles within their parent department, the new Generalist Fast Stream is intended to encourage a breadth of view across government and emphasise stretching those on the way up to prepare them for senior roles.

Similarly, the High Potential Development Stream (HPDS) that is being relaunched puts the onus on departments to identify those who could make the transition to the Senior Civil Service, who will then be put through a corporate programme to test them for more senior roles. Like the Fast Stream, staff on the HPDS are employed by Civil Service Resourcing, not the department who nominated them, encouraging a broader perspective on their career trajectory.

Sir Bob Kerslake has lamented the fact that managing civil servants corporately 'is not made any easier by the fact now that every department is an individual employer',[10] alluding to the delegation of powers over recruitment, pay and grading we outlined in our related discussion paper. While these schemes only cover a small part of the workforce, breaking down the departmental focus for those likely to occupy senior positions in the future could have a slow but significant effect. In particular, choosing not to tackle the thorny issue of reconciling differing pay and grading directly seems to be an acknowledgement of the lesson learnt after the Fulton Report proposed unified grading – that these areas potentially contain the most frustration and the least tangible reward.

Lesson 4: Treat culture as a consequence not a cause

The role of culture in improving capability is recognised in Section 4 of the plan, with the claim: 'We want to create a new culture in the Civil Service'.[11] The Civil Service Reform Plan provided a more fulsome critique of the culture, which is not repeated in the Capabilities Plan but forms

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[8] Public Accounts Committee, Civil Service Reform, Uncorrected oral evidence, Parliament UK website, HC 1080-I, Q97, 15 April 2013, accessed 17 June 2013,
http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpubacc/uc1080-i/uc108001.htm
[9] HM Government, The Civil Service Reform Plan, UK Civil Service website, June 2012, p.12-13, accessed 03 June 2013,
www.civilservice.gov.uk/wp-content/uploads/2012/06/Civil-Service-Reform-Plan-acc-final.pdf
[10] Sir Bob Kerslake, speech at the Institute for Government, 19 June 2012. Video at:
http://www.instituteforgovernment.org.uk/publications/civil-service-reform-0, accessed 17 June 2013
[11] HM Government, Meeting the challenge of change, p.15

the background to it. The Reform Plan defined the culture as 'cautious and slow-moving, focused on process not outcomes, bureaucratic, hierarchical and resistant to change' – all of which have implications for capability.[12] But, as we argue in our discussion paper *Civil Service Capabilities*, neither the sweeping statement of intent, nor the standard tools of HR are reliable means for shifting the way people behave and think about their roles.

Both plans link the objective of culture change to the introduction of a new Competency Framework to cover the whole of the Civil Service, replacing the frameworks that had grown up and multiplied around the Professional Skills for Government agenda.[13] As we argue in our discussion paper, these management tools have only limited direct impact on culture, but they can be used to enable other changes to capability, of which culture and behaviour change are a consequence. As Mervyn Thomas from Civil Service Resourcing told us, a single framework being used by all departments has provided a shared language that allows HR to be joined up between departments. A concrete example is that in future secondees who are promoted on placement will need to have that promotion agreed by their parent department, but will be able to return from secondment at their new grade.

A number of the other changes offered in the Capabilities Plan are almost certain to have indirect effects on the culture of those parts of government that they affect. The integrated publication of government information facilitated by gov.uk, which presents progress not by department but against particular government policies, forces increased collaboration and communication between departments with a shared interest in the policy. Pursuing similar digital approaches for government services opens up a range of possibilities for taking this further.

Our research on capabilities suggests that tying desired cultural traits to concrete new ways of working outlined in the plan – rather than resorting to exhortation about a 'new culture' – may provide a more encouraging and sustainable approach. In the same way, acknowledging the enabling role that tools like the Competency Framework play, rather than over-promising on the change they alone can catalyse may reduce resistance, or passive cynicism, about yet another iteration of familiar approaches.

[12] HM Government, *The Civil Service Reform Plan*, UK Civil Service website, June 2012, p.9, accessed 17 June 2013 http://www.civilservice.gov.uk/wp-content/uploads/2012/06/Civil-Service-Reform-Plan-acc-final.pdf.
[13] The Civil Service Competency Framework is available here: http://resources.civilservice.gov.uk/wp-content/uploads/2011/05/Civil-Service-Competency-Framework-Jan2013.pdf

4. Managing the tensions

Tension 1: Central co-ordination vs. lateral networking

As discussed above, the Capabilities Plan formalises a considerably more corporate approach to building key capabilities. In doing so, there are a number of areas which are exposed to the tensions that we raise in our related discussion paper around balancing stronger central co-ordination with the fundamentally federal nature of government.

The area that is currently being taken furthest along the lines of central co-ordination is procurement. The plan sets out how the Civil Service can improve its negotiating stance with those who supply goods and services by acting, wherever possible, as a single buyer, 'the Crown'. The recognition that skills in this area are scarce in government underpins the move towards brigading more of them in a central unit, the Government Procurement Service (GPS).

Increasingly, areas of common spend will be negotiated by the GPS and departments are encouraged to re-evaluate their need for any departmental procurement function. This throws up questions about responsibility for such transactions and who 'carries the can' if expensive mistakes are made. But this question of accountability is further exposed by the proposal that 'commercial or procurement directors in departments will have a strengthened reporting line established to the chief procurement officer (CPO)'.[14] The strengthening of the CPO role to head up a more corporate function is precisely the unresolved tension that we warned about in *Civil Service Capabilities*, leaving open some knotty questions about the interaction between the permanent secretary and the CPO's respective roles in appointing and appraising senior commercial staff.

Nor is this an isolated example. Though little detail is given – possibly pending reviews of the three largest professions – the plan includes an intention to sharpen the accountability of heads of profession over managing personnel. One of these additional responsibilities is to 'develop models for deploying people and resources across departments to share the specialist skills that departments need'.[15] Given the set-up of departments, those people and resources belong to permanent secretaries, employed and managed internally to the department – if changing this would advance capability, leaders in the Civil Service will need to remove any ambiguity about how a new model would function.

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[14] HM Government, April 2013, op.cit., p.8
[15] Ibid., p.7

Tension 2: Building capability internally vs. bringing people in

In the Capabilities Plan, the build, buy and borrow alternatives to skilling up the priority areas, sketch the outline of the choices facing the Civil Service, which we raised as a potential area of tension in our paper. As it stands, however, there will need to be more evaluation of how to strike the most appropriate balance between them. Inevitably, this will vary by capability, but if the plan is intended to influence the behaviour of departments which may have previously turned to interim staff or consultants – or outsourced much of the capability, as with IT – then clearer messages are needed.

The move by Francis Maude to restrict spending on consultants does not rule out the use of outside advice, but it does raise the burden of proof for departments to justify spending.[16] For example, the controls have not prevented the Department for Education making extensive use of Bain & Company to provide external challenge and input to their zero-based review.[17] But given the extra commitment and up-front resource required to maintain internal capabilities, restricting access to short-term fixes through consultancy may help to tip the balance of expectation towards internal pipelines.

However, while the same could be argued of the controls around external recruitment, there have already been suggestions that meeting commitments in the Capabilities Plan will require more of a willingness to flex the rules that have been put in place.[18] For example, the claim for the Government Digital Service that in 'the long term, our aim is to build our capability across and within departments' is set against the necessity of rapidly meeting current skills needs through outside recruitment. In this and other areas, it is unclear whether the requirements to prove that external recruitment meets an 'urgent need for front-line operational staff' or 'is deemed business-critical' will be easily met or will require generous interpretation by the Cabinet Office.[19]

In each of the four priority capabilities, the plan presents an intention to build them up internally, relying on critical mass from the corporate approach to overcome the well-known barriers that the Civil Service faces in maintaining these competitive skillsets when it has run a wide, shallow capability at departmental level. The Major Projects Leadership Academy (MPLA) for instance, set up in partnership with Saïd Business School in Oxford, is explicitly designed to 'reduce the need for expensive professional advice from outside government, while strengthening skills within the civil service'.[20] There will inevitably be a lag in equipping all major project leaders with these qualifications, but the direction of travel is clear.

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[16] Cabinet Office, *Cabinet Office Controls: Guidance Version 3.1*, p.36, Gov.UK website, accessed 17 June 2013
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/205750/Cabinet_Office_Controls_guidance_v3_1_2_full_doc.pdf

[17] Department for Education, *The Department for Education Review*, Department for Education website, November 2012, p. 4, accessed 17 June 2013
http://media.education.gov.uk/assets/files/pdf/t/dfe%20review%20report-external.pdf

[18] Public Accounts Committee, Civil Service Reform, Uncorrected oral evidence, Parliament UK website, HC 1080-I, Q43-51 15 April 2013, accessed 17 June 2013,
http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpubacc/uc1080-i/uc108001.htm

[19] Cabinet Office, *Cabinet Office Controls*, p.34-35

[20] Gov.UK website, accessed on 19 June 2013, https://www.gov.uk/government/policies/managing-major-projects-more-effectively

Making this commitment strategically, corporately and with sufficient backing to carry it through may be crucial to avoid the many risks of having to depend on outside support in these areas, as evidenced in our discussion paper, *Civil Service Capabilities,* by the historic reliance on consultants.

Tension 3: Generalism vs. specialism

Reading the Civil Service Reform Plan one would suppose that this tension is resolved: 'The old idea of a Civil Service "generalist" is dead'.[21] But the Capabilities Plan revives the label in its actions section, where it outlines plans to launch the new Generalist Fast Stream. As discussed above, the rationale of this corporately managed graduate programme is to provide entrants with a cross-government view rather than encouraging them to identify narrowly with the first department they work for. This view skirts close to an endorsement of the 'all-rounder' view of being a civil servant, which has come in for much criticism since the *Fulton Report*.

However, taking a more active approach to co-ordinating both the Fast Stream and the HPDS may make it easier to ensure that as talented civil servants progress through the grades, they develop professional skills through postings that build on experience rather than shuttle through disconnected jobs. This will require setting clear expectations for the skills needed to deliver in a particular role (possibly over and above more generic competencies) and then making the most of the full range of opportunities in the Civil Service to deploy and develop staff. Part of the expectation must be that the new breed of 'generalist' understands how the full range of specialists in government complement their work, and the extent to which they will rely on these contributions to deliver results, such as making transactional services 'digital by default'.

Each of the priority areas addressed in the plan, except leading and managing change, is consistently referred to as a 'specialist' skill that the Civil Service must invest in further. We argued in *Transforming Whitehall* that 'the current model for building capability needs to change to recognise and reward specialist change expertise', which seems to be vindicated by its treatment in the plan.[22] Unlike commercial, digital and project management capabilities, change management does not have a professional infrastructure that underpins it across the Civil Service. Instead, the leadership and management of change section of the plan includes actions that focus on developing future leaders, and in particular 'identifying, assessing and sharing our top talent across all departments'.

As we set out in our discussion paper, the inclusion of generic competencies such as 'change management' is a conspicuous feature of the UK approach to developing senior civil servants, imported from private-sector management schools. The treatment of this in the plan exposes the apparent tension between generalism and specialism. On the one hand there may be a requirement for change management expertise that ministers and senior officials should draw on when faced with a pressing transformation agenda – in which case the Civil Service should decide whether this is best maintained inside or brought in ad hoc through consultancy. On the other, it is a part of the 'generalist' leadership package and should be built into the development of leaders, not just through training, but through stretching roles in teams undergoing change.

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[21] HM Government, Civil Service Reform Plan, p.23

[22] Page, J. et al, *Transforming Whitehall*, Institute for Government, November 2012, p.46, http://www.instituteforgovernment.org.uk/sites/default/files/publications/Transforming_Whitehall_Departments_0.pdf

5. Questions for the future

Meeting the Challenge of Change provides a snapshot of considerable work underway corporately within the Civil Service to bolster some long-running weaknesses in capability. As the preceding sections have shown, the lessons and tensions we drew from our wider research into Civil Service capabilities provide a useful and challenging frame through which to assess the agenda. We have not tried to offer a prediction for the success or failure of the proposals, but to bring to the fore some challenges that inevitably attend this complex issue and should be kept constantly in mind during implementation.

In light of these, we conclude by posing some broad questions about the approach that has begun to emerge for improving capability in government. These are offered as the starting point for further discussion by the Institute for Government and the Civil Service itself.

Question 1: What is the overall vision?

The theme which dominates the capabilities plan and ties it into the broader reform agenda is the intention of taking a more corporate approach to the organisation of the Civil Service. The plan is unequivocal in its opening chapter that there is a pressing need to break out of the 'departmental silos regarded as getting in the way of organisational capability**.** The language of a 'more unified Civil Service' has been consistent from Sir Bob Kerslake, but on its own could be underestimated. However, the Head of the Civil Service has gone further, saying, 'It's going to require very strong corporate leadership and I think actually a willingness to challenge what we mean by a department in government.'[23]

The corporate agenda has economics on its side. At a time of budget cuts continuing well into the next parliament, it is easier to make the case that departments will only be able to guarantee the specialist expertise and support they need to deliver their programmes if they are willing to pool it with others.

However, this potentially radical revision of the operating model for central government departments has not been fully or consistently fleshed out. There are certainly risks to framing an overarching vision for the Civil Service when so much authority currently resides with departments rather than the centre. But a coherent rationale for the myriad changes that nudge the Civil Service towards a more integrated corporate model could make it easier for other actors in the system to understand where it is being steered.

Nonetheless, given the wariness of centrally mandated plans, it may be that underplaying the destination on this journey is a deliberate strategy rather than a failure of vision. As one senior

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[23] Sir Bob Kerslake, speech at the Institute for Government, 19 June 2012. Video at: http://www.instituteforgovernment.org.uk/publications/civil-service-reform-0, accessed 17 June 2013

official told us, the way you make progress is to 'do it like a guerrilla war' and build momentum through 'a coalition of interest across the silos'.[24]

Question 2: Where do professions go from here?

The capabilities plan does not address the model of cross-government professions in detail, but a number of its most eye-catching actions will have an effect on how they are seen and operate in government. We have discussed above the implications of crossing the Rubicon from a lateral network of procurement professionals to an empowered chief procurement officer. There are other professions including finance and HR where the direction of travel also raise those questions.

In particular areas, the professions model makes sense and these issues do not arise. Across distinctive specialisms such as tax collection, school inspection, veterinary and medicine, for instance, the corporate role is necessarily limited to making these professionals feel part of the 'unified Civil Service'. They are not universal enough to be candidates for corporate functions. Others, such as policy and operational delivery, have elements of both. And it may be that the professions model has reached a stage of maturity where a substantial revision and recalibration of how professions are used to build different capabilities may be unavoidable.

A review by the Cabinet Office soon after the general election identified large gaps in knowledge of, and esteem towards, professions – with policy and operational delivery having some of the highest levels of ambivalence.[25] Making these very broad 'communities of practice' an effective vehicle for improving standards – and clarifying career paths for civil servants – poses some particular challenges. Not least among these is how you bring policy and delivery 'seamlessly together' while also encouraging staff to increasingly identify these roles as distinctive professional groups.

This concern also surrounds the Professions Council that is proposed as 'a co-ordinating body, bringing professions together to work as a coherent force and maximise their overall contribution to capability building'. Whether this is a forum for new thinking on how to promote better professional collaboration or a planning function to commit professionals to new expectations or projects, is unclear at this stage. Similar to how working groups of permanent secretaries used to drive civil service reform programmes, the council will likely succeed or fail on the strength of personalities and the clarity of purpose that can be distilled for the group. Past experience would recommend – as discussed in Lesson 1 of our related discussion paper – that a keen sense of priority and focus, tackling issues that are meaningful and visible, will be a crucial element.

Question 3: What does 'good' look like?

As one academic that we spoke to remarked, the plan is full of sensible recommendations but 'floats free' of the current situation due to the lack of evidence offered for the scale, or importance of, the priorities identified – something we referred to in Lesson 1 above.[26] A simple response may be that the deficiencies in the priority capabilities listed are so well known by

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[24] Institute for Government interview, May 2013
[25] Unpublished document, Cabinet Office
[26] Institute for Government interview, May 2013

those within government that trying to quantify need is almost redundant. Each is the subject of National Audit Office (NAO) critiques, select committee broadsides and media scrutiny and they have all featured prominently in past reform plans and skills strategies.

But the point is less the need to show that these capabilities matter than to get a handle on what 'good' would look like, to put the challenge into context and provide some 'success criteria' to gauge progress concretely rather than anecdotally. Important though it may be politically, avoiding another West Coast Mainline fiasco is not a useful indicator that commercial capability is going in the right direction – the absence of a newsworthy failure may mask more general deterioration just as surely as a new calamity may belie overall improvement. This is why robust processes for learning and evaluating experience are so valuable, as we discuss in Lesson 2.

The plan itself does address some of these concerns in section five, where it provides a battery of potential success measures, including the Civil Service People Survey, management information, data from Civil Service Learning, HR figures on aggregate competencies, and data from the professions. But the list makes little distinction between input and outcome measures of progress. And, as the Institute has argued elsewhere, a number of the management information data sets are notoriously weak and under-developed at present, though there are encouraging signs that this is being taken seriously.[27]

Furthermore, this question is closely linked to the earlier query about the overall vision. By focusing on the four priorities in the plan, the Civil Service leadership has staked out some high-profile challenges around integrating capability internally. There are other areas which may be candidates for similar treatment in the future, but where the traditional silos may be less easily weakened – notably around policy making. Robust evaluation of this wave of corporate capability-building therefore, is an opportunity to explore certain fundamental principles in how Whitehall operates. Evidence of success and an honest assessment of limitations will be essential to proceeding with sceptical departments on the basis of a consensus that can endure.

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[27] An independent report for the Minister for the Cabinet Office and the Chief Secretary to the Treasury (Read, M. *Practical Steps to Improve Management Information in Government*, July 2012, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/206869/Read_Review_2013-06-12.pdf), describes its conclusions as 'strongly aligned' with the findings of an Institute for Government report on management information (McCrae, J. et al, *Improving Decision Making in Whitehall*, Institute for Government, May 2012, http://www.instituteforgovernment.org.uk/publications/improving-decision-making-whitehall)

6. Conclusion

The Capabilities Plan offers a welcome glimpse at a quite different way of building capability in the Civil Service. In the past, capability has often been regarded as a property of departments – hence the focus of Capability Reviews – even where there were clear interdependencies, and potential economies of scale, from developing functions across these boundaries. This has too often reduced the role of the centre to checking on and chivvying departments towards better ways of working, rather than adding value.

But the plan is only a glimpse at this stage. Although the actions it contains have the potential to deliver better value for money and higher quality in some areas of historic weakness, the logic of its approach is not taken into other areas where traditional silos are strong, such as policy making. Nor does it fully confront what it might mean for lines of accountability to move towards the model of a full corporate function in a capability like procurement – despite hinting at that direction of travel.

Based on our analysis of the Capabilities Plan, and the various reforms that it incorporates, we think that the Civil Service leadership could be more explicit about the model that is being developed. Optimal ways of working may vary between particular capabilities, but it is already becoming clear that in places it is straining against the limits of lateral co-ordination exemplified by the professional networks in government, a tension that we argue must be actively managed.

The Institute for Government, through its work with departments and our wider research into a more effective Whitehall, will track the progress of the areas in the plan with interest. The capability of the Civil Service goes to the heart of effective government, and there are some valuable experiments underway, the results of which must be captured and built on if government is going to move the discussion forward from where it has been since at least 1968.