

Institute for Government Essay Competition 2016

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and Stephanie Mitcalf

A decorative graphic consisting of several parallel diagonal stripes in a vibrant blue color, set against a white background. The stripes originate from the bottom left and extend towards the top right, creating a sense of movement and modernity.

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Foreword

If you were made Head of the Civil Service tomorrow, what would your priorities be?

When young people talk about wanting to run the country one day, they are usually talking about becoming an MP, or even Prime Minister. With this year's Institute for Government Essay Competition, we wanted to get our student entrants to think about what life might be like on the other side of the fence: running the government machine, as Head of the Civil Service.

We received a wide range of truly impressive essays, and although it was not an easy decision for the judges, these three essays came out on top.

Our first-prize winner, Roger Lewis, set out a clear and varied agenda, including a more hands-on role for the Cabinet Office in policy development, and statutory protection for departments to prevent unnecessary machinery of government changes. Matt Hitchens, who won second prize, approached our question through the lens of the ageing society, making 'intergenerational impact assessments' a key part of policymaking, and ensuring that over-65s remain a part of the Civil Service workforce. And Stephanie Mitcalf, who won third prize, said she would direct her attention to the gender pay gap, to openness, and to making government digital.

The Institute for Government does not endorse their recommendations – although we are in sympathy with many of them. The great strength of the winners' essays is their engagement with the real workings of government, and some of the biggest challenges faced today.

We would like to thank everyone who entered the Institute for Government Essay Competition 2016. And we look forward to seeing how next year's entrants will respond to the very different challenges now facing government after the EU referendum.

A handwritten signature in black ink, reading "PJR Riddell" followed by a long horizontal stroke.

The Rt Hon Peter Riddell CBE
Director, Institute for Government

Roger Lewis

If you were made Head of the Civil Service tomorrow, what would your priorities be?

Reform of the Civil Service will only be successful if it is instigated by its own leadership.¹ Since British institutions develop by evolution rather than revolution,² innovations may take a decade or more to embed. But the foundation of success will rest on protecting and enhancing the Civil Service on the basis of law. As Head of the Home Civil Service, a priority would be the promotion of a series of bills, a set of Civil Service acts, intent on achieving statutory foundation for: merger of the Home and Diplomatic Services under the leadership of one combined 'Head of Her Majesty's Civil Service'; the role and constitutional status of permanent secretaries; statutory reorganisation of departments following review of their purpose; the creation of a new Department for the European Union; centralisation of policy development in a reconstituted Cabinet Office; and the creation of ancillary 'back office' services serving all departments. The limitations of this package of reforms are the obvious requirement to ensure cross-party political consensus is secured, and that mechanisms are implemented to ensure amended structures are subject to parliamentary oversight and scrutiny.

A single leader for the Civil Service

The strategic management of the Civil Service is confused. A clumsy quadrumvirate, subject to endless and ad hoc tinkering by governments of all colours, has encompassed in varying degrees of status or influence: the Head of the Home Civil Service, Head of the Diplomatic Service, Cabinet Secretary, and Permanent Secretary of the Cabinet Office. (This fourth position received the suffix 'Chief Executive of the Civil Service' in 2015; the consequences of which remain uncertain, given this position co-exists with the Head of the Home Civil Service.) Role innovations arrive and depart almost as frequently as governments; between just 2010 and 2012 a new senior leadership position was created – a Permanent Secretary of Downing Street – and disappeared almost as swiftly as it appeared.³ Half-a-million-or-so civil servants should expect not only the permanence of positions which have longevity, but the clarity of a single and absolute authority by the man or woman in control of their employer. This applies as much to civil servants at home as it does abroad, in an age when diplomatic relations between all of the UK's immediate neighbours are superfluous within the European Union, and the development of instant means of communications obviate a requirement for separate (and therefore, more costly) institutional structures. The creation of a new all-encompassing post – a Head of Her Majesty's Civil Service – would unify executive decision making under one person, and act as the co-ordinating authority for further reform.

The role and constitutional status of permanent secretaries

The Permanent Under-Secretary of State (PUS) is the *de facto* Chief Executive of a government department. *De facto* since, under the myriad constitutional guidance in which they exist, their legal status (and protection) remains undefined.⁴ A PUS has authority over the budget, headcount and operational management of their department – with policy remaining the scope of ministers. Yet their constitutional status by convention is equivalent to a parliamentary under-secretary of state,⁵ or the most junior

1 Panchamia, N. and Thomas, P., *Civil Service Reform in the Real World: Patterns of Success in UK Civil Service Reform*, Institute for Government, London, 2014.

2 Bogdanor, V., *The New British Constitution*, Hart Publishing, Oxford, 2009.

3 House of Commons Public Administration Select Committee. *Leadership of Change: New arrangements for the roles of the Head of the Civil Service and the Cabinet Secretary*, Nineteenth Report of the Session 2010-12, The Stationary Office Limited, London, 2012.

4 Paun, A., Harris, J., and Magee, I., *Permanent Secretary Appointments and the Role of Ministers*, Institute for Government, London, 2012. The paper also notes role profiles do not exist for permanent secretary positions.

5 Williams, S., *Climbing the Bookshelves*, Virago Press, 2009, p. 166.

ministerial rank. Under existing norms, where evidence exists to suggest the advice of a PUS is frequently ignored or overruled,⁶ the occupier of the post can reveal opposition by preparing, and publishing, a *Letter of Direction*. This states, explicitly, that a minister is acting contrary to their advice. In the 2010-15 Parliament, only a single letter was prepared.⁷ For salary purposes, too, they are deemed the equivalent of an army general or a High Court judge. These details pose conundrums: evidentially a junior minister, such as a minister of state, has power to overrule a PUS who has executive responsibility for the department as one whole. Pay does also not seem to sync. A new Civil Service act would provide the PUS with constitutional equivalence to a secretary of state, and upgrade salaries to those of a chief of the defence staff, or Supreme Court judge. Attempts to enhance the status of the PUS have been attempted before, notably under Sir Richard Wilson's tenure as Head of the Home Civil Service in the 2000s,⁸ meaning such reform is long overdue.

Reorganisation on a statutory basis

Government departments are a chameleon both by name and nature. One critical function of the state, the provision of schooling, has been managed by a government department with six different names since 1992: the Department for Education restored in 2010 the same name the department had in 1992.⁹ The capacity for a government to manipulate the structure of the country's administrative machine at will is immense: decisions are made by a small group including the Prime Minister and typically no representative of the department(s) in question. This can only lead to a state of continuous flux and reorganisations with uncertain consequences, not least in relation to constitutional matters. Tony Blair's ill-fated attempt to abolish and unwind the role of the ancient office of Lord Chancellor was shambolic. His creation of a Department for Constitutional Affairs, in 2003, was another short-lived manipulation of the Whitehall machine which demonstrated the ill-feeling generated by decisions made in haste.¹⁰ In the words of one commentator, it is legitimate to say: 'The truth is that some of the departments are created as a form of party management rather than a contribution to good governance'.¹¹ Under this new Act, government departments would have statutory protection similar to that enjoyed by the present-day Ministry of Defence, under the Defence (Functions Transfer) Act 1964. Thus, no longer at the mercy of merger or abolition by some or other Cabinet reshuffle with political outcomes in mind, the departments would be better able to focus on their responsibilities than the niceties of names, or name plates.

A Department for the European Union

Whitehall and the diplomatic service have never adapted structurally to the UK's 40 years of EU membership, with one former Chief of Staff to the Prime Minister arguing such an innovation would assist the flow of government and the speed of decision making.¹² No department can ignore European legislation and there is a very strong case for concluding that EU member-to-member relations should no longer be described as 'diplomatic' at all.¹³ For the Department for Business, Innovation & Skills (BIS), or Department for the Environment, Food and Rural Affairs (Defra), meetings of the Council of Ministers are almost their *raison d'être*. In total, 53% of legislation requiring administrative implementation originates at a European level.¹⁴ As such, the Foreign and Commonwealth Office (FCO) might be recast as an extra-

6 Off-record discussion with a former Permanent Secretary.

7 The letter was in relation to payments the Cabinet Office was ordered to make to Kids Company.

8 Rawnsley, A., *The End of the Party: The Rise and Fall of New Labour*, Penguin, London, 2010, p. 291.

9 In between, it was named successively: the Department for Education and Employment (DfEE); the Department for Education and Skills (DES); and the Department for Children, Schools and Families (DCSF). Going further back, it was known as the Board of Education, and in the 1960s and 1970s, the Department for Education and Science.

10 O'Brien, P., Blog: *Does the Lord Chancellor Really Exist?*, UCL Constitutional Unit, London, 2013, <http://ukconstitutionallaw.org/2013/06/26/patrick-obrien-does-the-lord-chancellor-really-exist>.

11 McTernan, J. and Cameron, S., *The Duel: Are there too many government departments?*, *Prospect Magazine*, London, November 2015.

12 Powell, J., *The New Machiavelli: How to Wield Power in the Modern World*, Vintage, London, 2011, pp. 148; 245

13 This would be by no means unprecedented. The UK's historic role in Commonwealth countries means a distinction is made between ambassadors and high commissioners; and diplomatic representation was, as late as the 1960s in the case of the 'old' Commonwealth dominions, separate via the Commonwealth Relations Office.

14 House of Commons Library, 2010, https://fullfact.org/europe/eu_make_uk_law-29587.

European function, with part of its London headquarters and British diplomatic property in member states being allocated to a new Department for the European Union (DEU).¹⁵ Joined by the EU Secretariat, presently (and idiosyncratically) part of the Cabinet Office, the department would have responsibility for co-ordinating relations with EU member states and affecting the flow of information, regulation, and legislation from EU institutions. In consequence, there would be a 'single point of entry' for other member states; the European Commission; Council; Parliament; Courts of Justice, and all layers of UK, devolved and local government for whom European matters are more relevant than ever. A new department would also refocus the European debate, signalling the UK's commitment to Europe and helping to consign 'awkward partner' rhetoric to the past.¹⁶

Re-casting policy development

Prime ministers and others have recorded their struggle to affect manifestos with the urgency they might expect to see in the Civil Service.¹⁷ Although the Civil Service does need to be stronger, the development of policy and the implementation of a political party's manifesto remains a paramount expectation of a politically neutral and efficacious civil service. Numerous attempts to strengthen a prime ministerial or Downing Street policy unit – for policy design, implementation or otherwise – have tried and usually failed to provide the expectations demanded of them.¹⁸ Where policy passes that crucial evolution into law, the literature bemoans rudderless development of new legislation at risk of being uninterpretable by courts. In *Laying Down the Law*,¹⁹ a Parliamentary Counsel explains the haphazard approaches they witnessed drafting new legislation, as trench warfare-style chaos descended over what is viewed by outsiders as surely a condition of sound government. Lord Bingham noted frustration in *The Rule of Law* with obfuscating statutes developed by Whitehall and passed by Parliament,²⁰ such as New Labour legislating to end child poverty.²¹ Both policy development, and the Office of the Parliamentary Counsel, should be co-located with headcount extracted from departments to form a part-reconstituted Cabinet Office. This department would in future own the stewardship of new bills, departments would retain responsibility for implementation, and rotation between the two would be a prerequisite for career progression.

Unitary ancillary services

Waste and inefficiency are evils referenced time again by reformers of the state, but rarely is application of basic organisational principles, long established in corporate theory, effected in the Civil Service. Although HM Treasury was once responsible for cross-departmental overheads, this ceased largely with the creation of the Civil Service Department in 1969 (abolished in 1981). Government departments and a myriad of quangos²² presently provide back-office services for one another on an inconsistent and, no doubt, costly basis. Some departments use the Ministry of Justice's payroll, for instance, and the Treasury-based Government Legal Service provide internal advice to some government departments and associated bodies, but not all.²³ A modern conglomerate, along the lines of the horizontally integrated 'M' corporate form

15 For a discussion on this proposal, which the author can find proposed once in the literature (in Buller, J. and Smith, M., *Civil Service Attitudes towards the European Union*, in Baker, D. and Seawright, D., (Eds) *Britain For and Against Europe: British Politics and the Question of European Integration*, Clarendon Press, Oxford, 1998, pp. 165-86) see Oliver, T., *The British State and the World: How the core executive manages foreign policy in an era of Governance, Europeanisation and Globalisation* (Unpublished PhD thesis), London School of Economics, London, 2009, p. 247.

16 George, S., *An Awkward Partner: Britain in the European Community*, Oxford University Press, Oxford, 1990; 1994.

17 Thatcher, M., *The Downing Street Years*, HarperCollins, London, 1993; Blair, T., *A Journey*, Arrow Books, London, 2011; Mullin, C., *A View from the Foothills: The Diaries of Chris Mullin*, Profile Books, London, 2010 and Adonis, A (Lord), *Education Education Education: Reforming England's Schools*, Biteback Publishing, London, 2013.

18 Davis, J., *Prime Ministers and Whitehall 1960-74*, Hambledon Continuum, London, 2007.

19 Greenberg, D., *Laying Down the Law: A Discussion of the People, Processes and Problems that shape acts of Parliament*, Sweet and Maxwell, London, 2011.

20 Bingham, T. (Lord Chief Justice), *The Rule of Law*, Allen Lane, London, 2010.

21 An admirable ambition, but something which is not in the gift of Parliament.

22 Quasi Autonomous Non-Government Organisation.

23 The Department for Work and Pensions, for instance, has its own legal team. The Government Legal Service was known as the Treasury Solicitors' Office until April 2015.

championed by Alfred Chandler in 1962,²⁴ will at the very least share *all* human resources, technology, legal, finance and communications functions – if not established as one centralised team, then at least based in a subsidiary/legal entity but with headcount employed and accountable to the Director of said function. This innovation could transform the effectiveness of government, extract expensive overheads from London or the south of England, and ensure a leaner Whitehall maximises the economies of scale available to it. Over time, the new functions could be utilised by other public sector organisations including local authorities, schools and NHS trusts.

Through a combination of legislation and innovations based on organisational theory, the strategic management of the Civil Service could be transformed. Since reform of the Civil Service only ever appears to fail when led top-down by political forces,²⁵ the above demonstrates successful change will only be achieved once its leadership is enhanced and protected from political interference. Central departments have an ethos distinct from other public services – they even have differing values when examined individually – and thus application of methods that succeed in other environments will fail if the leadership, and will to change, is not found internally. The creation of a Head of Her Majesty's Civil Service, enhanced status for the PUS, and the reorganisation of the central departments, must however be placed on a statutory footing. At a time of discomfiting uncertainty, the risk of a future balkanised UK outside of the EU has the power to overwhelm an administrative bureaucracy which is not empowered to evaluate and confront the challenges it faces. Organisational meddling and casual, *ad hoc* changes seldom evaluated robustly, are arguably part of the explanation for why the UK may well be dissolved within a generation. A series of Civil Service acts, codifying structures and conventions which have never been subject to public scrutiny or design, will ensure the country is subject to ever-better standards of administration.

24 Chandler, A. D., *Strategy and Structure: Chapters in the History of the Industrial Enterprise*, MIT Press, Cambridge MA, 1962.

25 The most recent attempts to reform the Civil Service, led by Rt. Hon. Francis Maude MP over 2010-15, now Lord Maude of Horsham, are widely regarded to have failed. *Ibid.* Panchamia N. and Thomas. P., 2014.

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Matt Hitchens

Greying Britain: why our ageing population should be our top priority

Introduction

To say that Britain's ageing population represents its biggest challenge has become commonplace, and yet our institutions are still failing to respond adequately. 16% of Britons are over 65, rising to 25% by 2050.¹ The Civil Service must take a lead on this issue. The NHS funding crisis, the black hole in the pensions accounts, and increasing levels of intergenerational unfairness leave it no choice. But an ageing population is not simply a problem to be solved. It is also an opportunity to be seized: in the form of a new cohort of healthy, skilled retirees eager to contribute, and in the possibilities that digital connection of the elderly opens up. In this essay, I focus on the medium to long term, assuming that the Head of the Civil Service can and should look beyond managing austerity after 2020 and onwards. If I were made Head of the Civil Service tomorrow, then, my priority would be getting into a position to both meet the challenges and make the most of the opportunities that an ageing population will present.

Three challenges

NHS funding

A greying Britain needs more healthcare; and the NHS does not have the resources, or structures, in place to deliver it. The current funding model for the NHS is unsustainable. Even with the new £8 billion promised by the Conservative Government, NHS trusts in England ran a deficit of nearly £1 billion in the first three months of this financial year.² NHS England has been effective in making cutbacks since 2010 but, as The King's Fund argues, it is now coming 'to the end of the track'.³ The answer to this problem cannot simply be 'more money'; we need to find innovative ways of funding the NHS for the long term.

As Head of the Civil Service, I would have two aims. First, I would be looking to turn the one resource the NHS has in abundance – public support – into the kinds of material resources it needs. Though the political climate is not favourable for tax rises in general, 59% of the public are in favour of tax rises to pay for the NHS.⁴ A hypothecated income tax, with the proceeds ring-fenced for healthcare spending, is an idea worth careful consideration. It would balance the public's general desire for a low-tax Britain with their specific desire for a financially secure NHS, and go a long way to providing the necessary funding. Second, I would work towards integration of health and care services. A joined-up approach to the needs of older generations is the only efficient way in which they can be looked after in the long term: I would create Civil Service positions with a specific remit of mediating health and social care, tasked with building on Monitor's recent recommendations and working from the local to the national and back again.⁵

1 2011: 10.4m in population of 63.2m, 2050: 19m in population of 77m. ONS, *2011 Census*, 27 March 2011; Cracknell, R., *The Ageing Population*, House of Commons Library Research, retrieved 7 January 2016, www.parliament.uk/documents/commons/lib/research/key_issues/Key-Issues-The-ageing-population2007.pdf; Population Reference Bureau, *World Population Datasheet 2010*, retrieved 7 January 2016, www.prb.org/pdf10/10wpds_eng.pdf.

2 Donnelly, L., NHS faces biggest financial crisis 'in a generation', *The Daily Telegraph*, 9 October 2015.

3 The King's Fund, *Is the NHS Heading for Financial Crisis?*, 26 March 2015.

4 Trigg, N., 'NHS Funding: Public 'back tax rises for healthcare'', *BBC News*, 4 April 2015, retrieved 8 January 2016, www.bbc.co.uk/news/health-32151444.

5 Monitor, *Delivering better integrated care*, 27 May 2014, retrieved 10 January 2016, www.gov.uk/guidance/enabling-integrated-care-in-the-nhs.

Pension liabilities

An ageing population means eyes will increasingly be on pensions policy; public sector pension liabilities, of which the Civil Service makes up a significant proportion, are a crisis waiting to happen. Unfunded and underestimated, and with civil servants living longer and longer, the pensions pot will become an ever-heavier drag on public services unless it is addressed. The Chancellor will work to address the general issue of pensions in the March Budget; as Head of the Civil Service, I would be looking to build on those changes.⁶ Neil Record has argued that the Government underestimates the liability by £600 billion, and even at current estimates no money is being put aside to meet these commitments.⁷ Not only is the current system short-changing civil servants of the future; it is also putting at risk the pensions of those currently in their 40s and 50s. The pensions system is short-termism at its worst.

The current system of defined-benefit pensions needs to change. Ideally, this would happen at the national level, but as Head of the Civil Service, I would lead from the front, and enter into (difficult) negotiations to change the way our pensions are structured. My preference would be for a collective system, in which the service funds itself and does not need to borrow from the future; but I would be open to more individualised money purchase schemes. Pressure in this direction would be politically unpopular, but it is a fight very much worth having. Reforming public sector pensions would be good for the economic health of the Civil Service, but more importantly would pave the way for other organisations, in the public sector and the wider economy, to begin thinking about reform of their own pensions system.

Intergenerational fairness

The focus of the Civil Service should be the growing number of older Britons, but it cannot lose sight of the interests of younger cohorts. The pensions system is one example of policy geared towards the interests of the older generations; policy around housing, with rising prices sucking money up the housing ladder, is another. The Civil Service has a duty to make and execute policy with the interests of all Britons, present and future, in mind. But this is hard to do. We need systems in place to make people think for the long term.

I would push for two changes in this direction. First, I would introduce intergenerational impact assessments (IIAs) as a standard part of the policymaking process. Just as policymakers weren't doing enough to consider environmental impact before Environmental Impact Assessments, so they currently aren't meeting required standards in considering the interests of future generations. IIAs would make such consideration normal – and would lead to better policymaking overall. Second, I would implement a civil servant exchange programme with countries that have a better intergenerational record than we do: Hungary and Norway, for example. A process of exchange and learning, strengthening our practices and those of our European colleagues, would help us understand what kinds of intergenerational challenges an ageing population will produce in future, and how best to deal with them.

Two opportunities

It's not all doom and gloom, however. Most importantly, the fact that Britons are living longer is a good thing in itself: a sure sign of progress. And our greying population, more spritely than ever, creates two large opportunities of which we must try and take advantage.

Healthy, skilled retirees

The Civil Service model of 'lifetime employment, secure retirement' suited the 20th century population very well, but it is becoming outdated as our demographics change. Over-65s are more numerous and healthier, and have a wealth of experience to contribute. They present a massive untapped resource that, handled in the right way, could prove a shot in the arm to the British economy. And it would be good for

6 Cumbo, J., Pickard, J., and Parker, G., Pension tax perks for higher earners are set to be abolished, *Financial Times*, 15 January 2016.

7 Record, N., *The £600 Billion Question: How public sector pension liabilities are being undervalued at the expense of future generations*, Intergenerational Foundation, London, May 2014.

older people too: there is evidence to suggest that working longer is good for your health.⁸ The Civil Service should lead Britain's organisations in reshaping itself with the ageing population in mind.

As Head of the Civil Service, I would lead a new approach to all aspects of human resources, including older Britons in the labour force as my primary objective. I would rethink recruitment, doing more to make the Civil Service attractive to people who have come to the end of a traditional career and are looking for part-time, but still challenging and interesting, work. I would rework training, putting more time and effort into training programmes designed to keep people productively engaged in their work well into their 60s and 70s. And I would re-imagine working patterns, being more flexible with part-time work – not only across the week but across the year, allowing older people to enjoy leisure time in their later years while still contributing as part of the team. This would allow the Civil Service to enter the 21st century in the right shape, prepared for the kind of work and workers it will have.

Digital connectivity

Ageing and digitisation, two historic shifts of our time, look at first glance like uncomfortable bedfellows. But these seemingly opposing forces should be made to work co-operatively. Gov.uk has been a great success since its introduction in 2012, winning awards for its design and effectively putting users at its core.⁹ But more can and should be done with older generations in view. Digital technology opens up intriguing possibilities for bringing ageing Britons into the national network, improving their lives and, in turn, giving them space to make national contributions. Older people, however, are less dextrous with new technology; less able to intuitively understand how the digital age works and where they fit into it. There is fertile space for the Civil Service to help our ageing population connect with the rest of Britain in ways that wouldn't have been possible even ten years ago.

Young people can be given a tablet and off they go; older generations need more coaching, and more integration between the digital and analogue worlds. But they have just as much potential to contribute. As Head of the Civil Service, I would have three objectives. I would push for digital hubs, in places like local post offices, to be established, allowing older Britons both the physical resources and the advice they need to connect effectively. I would get the Civil Service ready to take advantage of the internet of things (when physical devices, like your heart monitor, can talk directly to institutions, like your pharmacy), allowing more personalised and higher quality interaction with older Britons. And I would prioritise digital service design for older users, making their interactions with government more open and accessible. Digital should be used to enable more fruitful connections across generations.

Conclusion

The Head of the Civil Service has to respond to Britain's situation as they find it: they can only be effective if they build their initiatives on what Britain actually wants and needs. But that does not mean it is a job where vision is optional. Success can only come from a combination of responding to imperatives and simultaneously building on possibilities. The ageing population presents many of both: addressing the NHS funding crisis head on, and taking a lead on pensions reform, are proactive responses to unavoidable challenges; making the most of a new, vibrant workforce an open-ended opportunity. There is only so much the Head of the Civil Service can do, rightly directed by government and with limited options available. But if I was able, once my time was up, to say that I had made significant progress in the face of the most pressing societal change of our time, then I could say with confidence that it was a job well done.

⁸ Sahlgren, G.H., *Work Longer, Live Healthier*, Institute of Economic Affairs Discussion Paper 46, May 2013.

⁹ BBC, 'Gov.uk wins Design of the Year award', *BBC News*, 17 April 2013, retrieved 10 January 2016, www.bbc.co.uk/news/entertainment-arts-22164715.

Stephanie Mitcalf

If you were made Head of the Civil Service tomorrow, what would your priorities be?

Burnham and Pyper (2008: 4) have observed that the 'historical development of the British civil service has been based on a steady, gradual accommodation of change, and organic growth, even if the sheer scale and volume of changes during the last years of the twentieth century and the early part of the twenty first were without precedent'. By its very nature, the priorities of the Head of the Civil Service should be viewed as components of a process of gradual change. This change needs to be reflective both of government-led reform efforts and shifts in the population at large and in the wider world. This has been the path of the Civil Service since its origins.

The Northcote-Trevelyan report of 1854 advocated recruitment through an open, competitive examination and promotion on the basis of merit. In the modern context, this is especially relevant in relation to the gender pay gap. The Civil Service outperforms private sector averages in this regard, but there is still more to do. If I was to be made Head of the Civil Service tomorrow, I would work to rectify the structural imbalances to enable women to achieve their full potential based on merit. In more recent history, the Fulton report of 1968 recommended that there should be further investigations into how 'unnecessary secrecy can be removed' (Burnham, Pyper, 2008: 18). Encouraging openness should be a core priority of all public institutions, especially in the face of growing public disengagement with the political process. Building on these two, furthering the move to digital to aid members of the service in all possible areas is imperative. Finally, I would make it a priority that the Civil Service is fully prepared in case Britain leaves the European Union following the referendum, which could occur as early as the summer. Whilst the departure looks unlikely with reference to recent opinion polls, the Civil Service should remain prepared and should not take the risk for granted.

Working on the gender pay gap

The gender pay gap illustrates the difference between the average earnings of men and women as a percentage of men's earnings. This difference does not arise because of pay discrimination. Instead, the gap may usually be attributed to the higher concentration of women in lower paid jobs and more women taking part-time work by comparison to their male colleagues. The overall UK gender pay gap stands at 19.1%, meaning that the average woman earns 80p to every £1 earned by the average male. Britain has achieved a steady decline since 2006, when the gender pay gap stood at 24.3%. The gender pay gap issue is not unique to Britain, with great levels of variance visible across the continent. Germany's success has been much slower, with the gap at 22.7% in 2006, and 21.6% in 2013. Other states have been more successful, such as France, where the gender pay gap has hovered at around 15% over the same period, excluding a sharp increase in 2007-08 (Eurostat, 2015). Many high achievers are not making it to the top and organisations are losing out as a result.

In order to tackle this, the Secretary of State for Education and Minister for Women and Equalities, Nicky Morgan, has claimed 'tackling the gender pay gap is an absolute priority' for the present Conservative Government (Government Equalities Office, 2015). However, despite having a significantly better record than the UK as a whole, the Civil Service is still not there yet. For all employees, the Civil Service has seen an impressive decline, from 18% in 2007 to 12.8% in 2016. The figures are even lower for full-time employees, down from 15.2% in 2007 to 9.8% in 2015. However, beneath the averages, the disparity is exceptionally acute in the Cabinet Office, where annual earnings of a female employee stands at £35,370, compared to £46,000 for men (Institute for Government, 2016).

The main issue needing to be addressed lies within the large concentration of women at the bottom of the pay scale and the disproportionate few who make it to the top. This is as true, if not more true, in the private sector as in the public sector, as work by the 30% Club clearly demonstrates. The reasons for this are vast and complex, and many exist independently of employers. However, this is not to say that the institutions are powerless. What matters is culture, as Eric Schmidt observed: 'Most companies' culture just happens; no one plans it. That can work, but it means leaving a critical component of your success to chance' (Schmidt, Rosenberg, 2014: 29). Creating flexible structures for male and female employees to work around their family is imperative and should continue to be encouraged wherever possible. As Head of the Civil Service, I would seek to make the structural changes necessary to allow capable women to occupy the positions where they are most able to fulfil their potential.

Ensuring openness

Secondly, I would work to ensure openness. Ipsos MORI trust scores for the Civil Service compare favourably to those of politicians and journalists, doubling over the past two decades to 50% (Kamarck et al, 2010: 165). The Civil Service principles of honest and impartiality no doubt reinforce public trust. However, in an era of disengagement, more should be done to ensure the lines of communication are as open to the public as the law allows. The electorate look to government 'as a whole' for information, and so the role of the Civil Service is also crucial. As Howell James CBE writes: 'communication needs to be built into the policy process from conception to implementation defining a wide and more ambitious remit for government communication in the 21st century, but one which retains core civil service values of honesty and impartiality' (Kamarck et al., 2010: 172).

The Civil Service already conducts a pre-legislative consultation process online, such as one on the issue of the gender pay gap referenced above. However, this initiative should be extended, and all efforts should be made to make this more open and accessible to all. Furthermore, David Cameron has urged civil servants to make communications with the electorate 'human, clear, simple, helpful and professional' (Civil Service World, 2016). These points were reasserted in the recent government consultation principles published by Oliver Letwin, Minister for Government Policy in the Cabinet Office, at the start of the year, urging the Civil Service to use 'clear and concise' language and to be 'clear what questions you are asking and limit the number of questions to those that are necessary. Make them easy to understand and easy to answer. Avoid lengthy documents when possible and consider merging those on related topics' (Foster, 2014). Communication should be as straightforward and accessible as possible, and the Civil Service must reflect that.

Investing in digital

The means for achieving more open government lies in expanding capacities on the digital side. As Elaine Kamarck, Professor of Public Policy at Harvard, has observed: 'the real frontier is in using the internet to provide government with real time interactions between citizens and the civil service. This is a potentially deeper and more profound democratisation than that offered by periodic elections. Lip service is often given to this goal but only in Canada have officials attempted to use the internet to increase citizen input and improve official decision making' (Kamarck et al., 2010: 194). The pre-legislative consultation process is an example of such outreach in Britain, but the online space for these interactions is vast and should be expanded creatively to continue to engage a populous who are increasingly likely to align with single issues.

Kamarck further points out that the quality of government is crucial in garnering trust in government and public institutions across the globe. Britain is cited here as an example, serving as 'a model of service delivery' adopted 'throughout most of the world' (Kamarck et al., 2010: 187). The British Civil Service has been successful in utilising technologies to improve productivity, which is especially important in the face of mounting pressure for the organisation to do more with less. Today, many people apply for their

student loans and add themselves to the electoral register through Civil Service-operated websites. A large proportion of self-assessment returns (85%) were filed online through HMRC's Online Payments Gateway. On deadline day, the service processed almost four payments per second (Lowcock, 2015).

The shift to newer technologies will continue to contribute to the growing need for the thorough and effective education and training necessary to fulfil these new roles. The Digital Academy, managed by the Department for Work and Pensions, is a great example of this in practice. In November, it was reported that 300 people completed a foundation course, whilst an additional 750 took part in Discover Digital awareness days (Lowcock, 2015). This training is not only a great opportunity for the Civil Service to train present staff, but also a way to recruit others by offering skills development opportunities. The expansion of such programmes should be supported.

Preparing for the potential of 'Brexit'

My final priority would be to be appropriately prepared for the various possible outcomes of Britain's referendum on the European Union. The EU referendum may be tabled to take place as early as June this year. Current trends suggest that Britain will remain in the EU. In September, YouGov polling found that 50% of respondents leaned more towards a pro-EU position, whilst 10% had 'No Idea' and 40% leaned more on the side of exiting the EU (Wells, 2015). Consistently over the last few years, Ipsos MORI has found that a relatively low portion of the population support 'Britain leaving the EU altogether', standing at only 18% in October 2015 (Ipsos MORI, 2015a). A spokesperson for the Cabinet Office said the Civil Service was 'working round the clock to support the prime minister's strategy of renegotiating key elements of the UK's relationship with the EU' (Civil Service World, 2016).

However, British attitudes to the EU are not entirely positive. Ipsos MORI also found that between November 2014, when the records on the issue began, and December 2015, the most popularly selected answer to how confident respondents were that David Cameron would create a good deal in EU negotiations was 'Not very confident'. The figures for this response ranged from 36% to 40% (Ipsos MORI, 2015b). Speaking to the *Financial Times*, Gavin Williams, a mergers and acquisitions partner at Herbert Smith Freehills, stated: 'What happens if you unplug our legal system from the EU? It's an enormous regulatory burden, a massive rulemaking job, for government, for parliament, for lawyers' (Fortado, 2016). Given the potential far-reaching implications if the Prime Minister does not get his way, the Civil Service should be prepared.

Conclusion

Due to the nature of the Civil Service, priorities for the organisation should be viewed as components of a process of gradual change. The leader of the Civil Service must ultimately guide this change in the face of political pressures. Today, this means embracing an inclusive working environment. In line with an increasing move to open government, the Civil Service should also play its part; opening up the lines of communication between the electorate and government wherever possible. Furthermore, digital technologies should be maintained at the highest standards, both to ensure openness and to improve productivity across departments. Finally, the head of the organisation must be prepared for upcoming political challenges which may increase the workload of the Civil Service. In the context of 2016, with the general election a distant memory, the upcoming referendum on Britain's relationship with the European Union should be appropriately prepared for.

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