

Revamping government reform

Assessing the government's latest plans
for the civil service



Introduction

Two years after the publication of the *Declaration on Government Reform*, the government has set out a long-awaited refresh of its civil service reform programme. Cabinet Office minister Jeremy Quin detailed his priorities for the civil service on 19 July, focusing on:

“specialisation, more access to outside voices and fresh ideas, staying longer in post, delivering certainty on what we are seeking to achieve and benefiting from crisp evaluation on whether we have, while embracing the digital future which will transform all our working lives”.¹

At the same time, five ‘reform missions’ were announced, with little fanfare, on GOV.UK. They are summarised below.²

Table 1 **The government’s ‘reform missions’**

Mission	Description
Capability	a skilled civil service that is able to adapt to the needs of the public we serve
Place	representative of the communities we serve and that provides a thriving presence across the country
Delivery	collaborative, routinely working across organisational barriers, with a culture of excellence in service delivery
Digital and data	able to harness the power of digital and data to make better decisions, improve service delivery and enhance user experience
Innovation	rewards and encourages our staff to find innovative solutions to problems in order to deliver better outcomes for citizens

Source: Cabinet Office, ‘A modern civil service: the next steps on our journey’, 16 July 2023.

The reform agenda has been sidelined for a while – particularly during Jacob Rees-Mogg’s time as Cabinet Office minister, when more ministerial attention seemed to go into deliberately inflammatory statements about working from home than fixing the very real problems with the way the civil service actually works. Despite some progress – for example, on relocating civil servants outside of London and improving the civil service’s learning and development offer – the *Declaration* did not deliver as much change as was hoped.

Measured against the scale of the *Declaration's* ambition, Simon Case's concern that government reform after Covid would fall victim to the "curse of the missed opportunity" has come to pass.^{3,4}

Against this backdrop, Quin's speech and the government's missions are positive steps and provide a much-needed reinvigoration of the reform agenda – although the government still needs to better align ministerial and official energy and make it clearer how change is going to be embedded in the civil service.

A focus on specific and pragmatic changes is positive

The context of this latest round of reform is inescapable. The civil service has emerged from a bruising period dealing with Brexit, Covid and ministerial criticism with low morale, made worse by the current cost of living pressures and real-terms pay cuts that have led to some officials taking industrial action.⁵ It is also at most 18 months until the next general election, giving ministers limited time to drive through changes before the country goes to the polls and at least raising the possibility that some civil servants might try to 'wait out' any controversial reforms.

Doing so would be a big mistake: creeping inertia in government helps no one, and the best thing officials can do to reinforce their standing with ministers of any political party is to embrace changes that make the civil service more effective. But as is the case with any large change programme – in government or the private sector – there will be people who find changing their ways of working a painful process and so fail to fully engage with reform.

With the challenges the civil service and country face, and at this point in the electoral cycle, it would have been unrealistic to propose a wide-ranging and disruptive agenda. So it is welcome that this latest attempt at reform focuses on specific, pragmatic initiatives that would make the civil service work better.

This is not to say that the civil service does not need radical reform: it does. The Institute has proposed ideas, including that more policy advice and analysis should be published and that the civil service should be placed on a statutory footing with an explicit 'stewardship' function to safeguard the capability of the service now and in the future.^{6,7}

But big changes like these require time, patience, consultation and political capital. For the moment the government is short on all of them and so is right to recognise in the short term that it will have more success making targeted interventions at specific problems.

Quin has chosen the right problems to address

The government's reform missions are broad and contain many specific actions within them. Quin's speech touched on a subset of those actions, targeting the specific areas where he wanted to give ministerial impetus. His areas of focus and proposed solutions were sensible – although on staff churn he should have gone further.

Quin's focus on a more open civil service – with better digital and data skills – is the right one

Much of Quin's speech was dedicated to committing the civil service to being more open to external recruits and outside ideas. It is good that he did so. Previous Institute for Government research has shown that the civil service stands to substantially benefit from better drawing on the talent of people in the wider economy, both by hiring people with specialist knowledge that it is hard to acquire in government, and increasing the cognitive diversity of officials. At present the civil service is shutting itself off from too many capable people outside government.⁸

The reforms that Quin announced – giving departments and professions more flexibility in the way they recruit, encouraging them to place job adverts free from civil service jargon, and speeding up recruitment and vetting so that it takes weeks not months for external candidates to take up their post – are not headline-grabbers, but are nonetheless important. Basic HR practices that are not up to scratch are a big disincentive for talented people thinking of joining the civil service.⁹

It is also a positive sign that he talked up the opportunities that public service can offer, drawing on his own experience as an official during the 2008 financial crisis. The civil service's 'employer brand' has suffered substantially in recent years and to attract the best people into the civil service, going into government must seem an attractive proposition.¹⁰

On digital and data specifically, Quin announced a new secondment scheme for experts in the field. If it works it will be an effective way to get the best external talent into government for a 'tour of duty', but such schemes are notorious for failing to gain traction and it will require close attention from ministers and senior officials to get off the ground. A new cross-government digital apprenticeships programme, formalising the incubator for automation and innovation (i.Ai) as a permanent unit and standardising the recruitment and retention of digital professionals across 32 unnamed organisations are all sensible.

Where Quin missed a trick was in failing to address one of the core problems that prevents specialists, including those with digital and data skills, coming into government – that there are too few roles that suit their skill set. It is hard to make the best use of talented people if they do not have the right jobs to go to. While many private sector companies – and some public sector organisations, like the Bank of England – have a formal career track that allows people with technical expertise to grow more senior without having to take on management responsibility, the civil service

does not. Our report *Opening Up* identified this as the single biggest barrier to bringing technical experts into the civil service. If recruiting more specialists is one of the government's aims, this ought to have been one of its solutions.¹¹

There are signs the government is thinking more seriously about civil service efficiency

Between the publication of the *Declaration on Government Reform* and this latest round of reforms, the government set a target of cutting around 20,000 jobs, subsequently revised the target upwards to 91,000 – also cancelling the Civil Service Fast Stream – before then reinstating the Fast Stream and abandoning headcount reduction targets entirely.^{12,13,14} This last step, a decision taken early in the Sunak government, did not signal an end to the drive for greater efficiency – but rightly recognised that arbitrary headcount targets were not the best way to achieve it.

Quin's speech cemented the government's more considered approach by focusing on efficiency beyond raw staff numbers. The newly published Government Efficiency Framework provides a more sophisticated view of what efficiency means – saying that not only can government "achieve efficiency gains by carrying out activities with fewer resources" but also that it can do so by carrying out activities "to a higher standard without additional resources".¹⁵ It also encourages departments to engage in strategic workforce planning – something the Institute has long argued should happen more in government.¹⁶

The announcement of a new digital platform that will hold civil service workforce data in one place and so make it "easier to move the people with the right skills and experience to the right roles in government" should help to facilitate this planning across the civil service.¹⁷ And Quin's emphasis on investment in digital infrastructure – including restating the commitment to the GOV.UK One Login programme and talking up the potential for civil servants to use AI tools – recognised that steps forward in this area could unlock productivity gains across the public sector.¹⁸

In the spirit of the government's expanded definition of efficiency, the announcement of new training, in particular to equip more senior leaders to understand digital and data, is also welcome. Too often, work by the analytical professions is undermined by decision makers who do not know how to engage with it. The key will be for this training to be taken seriously – previous attempts at digital training for the senior civil service have had mixed results.

That said, the launch of a single day's data training for every civil servant is unlikely to make a meaningful difference. Getting all civil servants focused annually on upskilling "one big thing" will help signal to officials the competencies they need – and data literacy is a good choice – but the programme could have been rolled out in a better targeted way. The resources spent on hands-on training for all officials could have been better deployed, with more intensive training for those most likely to benefit – for example, private secretaries and policy generalists, who often have no background in digital and data but need to be able to recognise when analysis is useful to decision

making and translate any work done into language ministers recognise. Those already competent with data, or who rarely need to engage with it during the course of their work, could have participated in a different way instead.

Quin re-emphasised previously announced reforms that are still important to deliver

Restating the commitment to an evaluation registry (a store of information for policy evaluations) is a welcome step and should help the government get better at 'failing fast' and iterating policies that are not working more quickly, while also providing a deeper evidence base as to what does work to help avoid failures in the first place. Similarly, following through on the previously announced 'data marketplace' to share information inside government – and perhaps eventually outside of it – should help data to flow between departments, although there are few details about the scheme. However, establishing a new data service should not come without also reforming some of the other fundamental components of the government's data architecture as per the National Data Strategy, like encouraging all departments to store their data in shareable formats as default.¹⁹

Quin missed an opportunity to more substantively address staff churn

One of the five areas Quin identified at the start of his speech was the need for officials to stay longer in post, but he offered little on the subject. This was a missed opportunity. Previous Institute research has shown that the largely unplanned and excessive turnover of civil servants is detrimental to the civil service's effectiveness, meaning that officials lack subject-specific knowledge and departments lose institutional memory. It also costs government up to £74 million a year in recruitment, training and lost productivity.²⁰ The latest data shows that between March 2021 and March 2022, some 13.6% of civil servants either moved between departments or left the civil service entirely – the highest level in at least a decade.²¹ That number is small compared to the unrecorded numbers moving jobs inside departments.

While more radical changes – like restructuring civil service contracts to reward people for staying in post longer – would probably be beyond the current reform programme, Quin could have committed to more. Previous Institute suggestions have included holding permanent secretaries personally accountable if their department experiences excessive levels of churn and appointing HR directors to departmental boards, ensuring that HR can do more to intelligently manage the way the workforce moves around Whitehall.²²

Recent Institute research into the Darlington Economic Campus also showed the benefits of co-locating related departments in a single thematic campus to manage officials' movement more productively around a single subject area.²³ Quin praised the relocation agenda but missed the opportunity to make the point that unproductive churn could be reduced by structuring future relocations in a similar way to Darlington.

The government needs to do more to embed change in the civil service

One of the strengths of the *Declaration on Government Reform* was that it was a collaboration between ministers and senior civil servants, being signed off at the first ever joint meeting of the cabinet and departmental permanent secretaries by the prime minister and cabinet secretary.²⁴ Even as enthusiasm drifted over time, it was something that those charged with implementing the reforms could point to as an agreement between politicians and officials on how things should change. And, even if it was not implemented with the vigour that was hoped, it was clear what the government wanted to achieve. This new round of government reform is far lower key. The political and economic context makes this a difficult time to make progress on the rewiring of government. But that does not mean the latest attempt at reform is futile.

Quin has chosen sensible areas to lend his ministerial authority and wisely limited the scope of his plans to what can be achieved before the election. And behind the scenes, there has been a conscious effort inside government to generate buy-in from departments for the reform missions. This includes more emphasis on trying to hold departmental permanent secretaries to account for the progress their department has made, and more engagement with departmental chief operating officers to make sure the cross-government missions feature in their departmental plans.

But one of the criticisms of the *Declaration* is that it was more a statement of intent than a fully worked-up plan and the same criticism could be levelled at the latest reform programme. The government needs to do more to show how Quin's priorities, the reform missions and existing departmental initiatives cohere, and – crucially – how stakeholders ranging from secretaries of state to junior civil servants will be mobilised behind an overarching plan to embed change in the civil service. For example, how does Quin's emphasis on bringing in more specialists align with the 'capability' and 'digital and data' missions, and the Department for Science, Innovation and Technology's work in this area, such as its 'expert exchange' programme?

Any successful reform plan needs leaders across government to be invested in it. Constructing an overarching narrative, publishing success criteria and making it clear who is accountable for achieving them would be a good first step towards achieving this. If the government is serious about making change before the election it needs ministers and officials across government reinforcing the same messages for maximum impact.

It will be hard for the government to realise its ambitions in the difficult context the civil service and country finds itself in – as Quin acknowledged in his speech: "Talk is easy, delivery is hard." If change is to happen, serious ministerial and official energy needs to be united under one banner. Because, as always when it comes to civil service reform, coming up with the right ideas is less than half the battle.

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