



Accountability in modern government – directions for change

This document is a call for evidence in response to the Institute for Government's April 2018 discussion paper *Accountability in Modern Government*.¹ We want to hear your views on the potential directions for change we propose.

To respond, please contact accountability@instituteforgovernment.org.uk by 21 May 2018.

Background

In areas where accountability is weak, the risk of failure increases – for example financial mismanagement, chronic under-performance or the collapse of services. Our discussion paper sets out three factors underpinning the weak accountability that is perpetuating failure.

There are several possible types of reform which could improve accountability, reduce the risk of failure and support cultural change within government. Below we outline potential changes, which are discussed in more detail in our paper, to start a discussion which will inform our work.

1 Guerin B, McCrae J, Shephard M, *Accountability in Modern Government: What are the Issues? A discussion paper*, Institute for Government, 2018, www.instituteforgovernment.org.uk/publications/accountability-in-modern-government-issues

1. Fundamental accountability gaps in Whitehall

Firstly, there are fundamental gaps in accountability at the heart of Whitehall. Here accountability is governed by a set of historic conventions, which have evolved slowly over time. While these sometimes reinforce accountability, more often they actually undermine it.

Clarifying the fundamental accountability of the civil service

While officials are formally accountable to ministers, ministers' powers are limited by the fact that the civil service should be politically impartial. As such there is no clarity over the consequences for good or bad performance for civil servants. Options for filling these gaps include better performance management for the senior civil service and meaningful oversight of civil service reform.

In practice this might mean:

- Strengthening formal accountability for officials by building on performance assessments for permanent secretaries, expanding the role of non-executive directors, and developing a board to provide oversight for the civil service.
- Ensuring that civil service reform has meaningful political oversight – appoint a minister who actively owns the issue of accountability and civil service reform and can stay in post long enough to deliver his or her agenda.

Improving Whitehall's transparency to enable meaningful scrutiny

The doctrine of ministerial responsibility combined with the opaque relationships between ministers and permanent secretaries makes it hard to scrutinise decision-making. Accountability would be improved by greater transparency in this area, for instance by:

- Requiring ministers and civil servants to publish the evidence base used by senior officials and ministers when making decisions; building on accounting officers' assessments of major projects to clarify the thinking behind decisions.
- Enabling honest discussions between Parliament and senior civil servants about the projects they oversee. This could be done by updating the Osmotherly Rules that frame the interactions between Government officials and Parliament.

Establishing cross-departmental accountabilities

By convention the accountabilities of officials and ministers are confined to departmental silos. This makes it difficult to establish meaningful responsibility for issues that span multiple departments. The Government could address this by establishing better, and more clearly visible, structures for cross-cutting accountabilities. In practice, this might mean:

- Establishing standard approaches for organising and accounting for cross-cutting projects – such as the arrangements used to deliver the 2012 Olympics.

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- Bolstering accountability mechanisms for cross-departmental issues – such as commercial and contracting or HR capability – by improving the formal accountability of the civil services’ functions to Parliament and providing greater clarity on how this integrates with the departmental structures such as the accountabilities of permanent secretaries.

2. Weak accountability beyond Whitehall

Secondly, successive administrations have failed to ensure that accountability has kept pace with the increasing complexity of modern government. This complexity makes it difficult to maintain accountability links, especially where functions and responsibilities span central and local government and are subject to frequent ‘churn’ of both people and policy.

Developing mechanisms to prevent gaps in accountability in public services

Government lacks the capability to run its formal accountability system for public services in an effective way. This weakness is compounded by frequent shifts in policies and oversight arrangements. Better mechanisms are needed to make sure that issues don’t fall between the cracks. Ways this might be achieved include:

- Develop better tools to diagnose and highlight accountability gaps across the public sector. These could build on system statements published by departmental accounting officers.²
- Classify arm’s-length bodies in a more consistent way which clearly outlines their relationship with central departments. This would build on recent work by the Cabinet Office and could incorporate changes to oversight mechanisms for arm’s-length bodies.

Providing impartial information on public sector performance

Currently there is no official body charged with providing an independent overview of financial and performance data for public services. This information, and the robust conclusions about the implications of trends in these data, should be readily available to both Government and the public to support good accountability. To enable this, the following changes could be implemented:

- Mandate that all Government contracts should oblige public service providers to publish data relevant to performance. This would make public scrutiny easier by possibly building on efforts to implement the Open Contracting Data Standard and open book accounting.
- Set up an independent body responsible for interpreting information on trends in performance and efficiency of public services and then making this available to Parliament and the public.

² HM Treasury, Accounting officer system statements: guidance, April 2017, retrieved 18 April 2018 www.gov.uk/government/publications/accounting-officer-system-statements

Ensuring more systematic scrutiny of issues that matter to the public

The public cares that government delivers on its commitments – such as housing supply targets, or A&E waiting times. Yet weak accountability means that objectives that matter are often missed, sometimes repeatedly, with no explanation why and no proposals for remedy.

Governments across the UK could make better use of existing forums to scrutinise what is happening across complex systems, as well as establishing new ones where needed. This type of scrutiny could involve:

- Ensuring that parliamentary select committees take on a greater role holding the Government to account for the implementation of recommendations made by inquiries. When done well, as in the Macpherson and Mid Staffs inquiries, this can deliver real improvement.
- Establishing new forums such as local public accounts committees³ to examine the value for money and impact of the public services delivered by public, private and voluntary organisations.

3. Changing the culture of accountability

Finally, accountability is too focused on blame when it needs to focus on improvement. While accountability certainly involves apportioning blame when something goes wrong, it should also foster an environment that leads to improvement.

Moving towards a better culture of accountability

The culture of blame permeates government at every level and makes accountability harder. It creates perverse incentives and limits the willingness of individuals to take risks and innovate. Those holding others to account need to get better at encouraging appropriate risk-taking and innovation. Meanwhile, individuals with responsibilities need to bet better at using accountability to work effectively. These ends could be achieved by:

- Encouraging parliamentary committees to focus more on long-term improvement; and to systematically follow issues over time, rather than just investigating failures after the fact. This could involve committees making better use of data to have more effective discussions about government performance, rather than using it as an instrument of blame.
- Build on the Leadership Academy to help government leaders develop the skills they need to perform. Re-focus conversations on performance rather than blame.

For more information about our accountability work, see www.instituteforgovernment.org.uk/accountability-modern-government

³ Hammond E, *Local Public Accounts Committees*, Centre for Public Scrutiny, February 2018, retrieved 18 April 2018, www.cfps.org.uk/local-pacs

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