



Director's Annual Lecture 2021

Bronwen Maddox

Please check the transcript against delivery.

Good evening, and welcome from me. Thank you all very much for coming.

In this talk every year, I look at the government's record and what we at the IfG think it should do better in running itself and the country. Coronavirus has brutally simplified the discussion, dwarfing even Brexit, which was the biggest challenge last year.

The grim total reached yesterday – more than 100,000 deaths of those with the disease – will stand as one measure of that record, and as the prime minister said, the bald figure does not capture the devastation that this loss of life has caused. When at least 20,000 of those deaths took place in care homes in the first wave of the disease, and half of the total has occurred since November, it is right to ask what the government could have done differently.

Boris Johnson said yesterday “we truly did all we could”. In one sense I'm sure this is true – no one thinks he and his colleagues were not trying to do everything they could in this historic crisis, which took the prime minister himself into intensive care. But his government didn't do everything it should have done. He and his team have handled some things surefootedly but some things extraordinarily badly – and they have made some mistakes again and again.

In July, the prime minister promised an independent inquiry into the government's handling of coronavirus. We argued then that an early, interim inquiry would be useful as well as one in retrospect, to enable lessons to be learned.

In the absence of that, I'll offer you our assessment. I'm going to start with three points about what the past year has shown us before turning to three challenges the government now faces.

1. Preparation pays off

For all the starkness of that headline figure yesterday, my first point is a positive one – that preparation does pay off. The things that have worked well for government in the past horrifying year are generally the ones where time and often money have gone into planning.

One of the most successful parts of the response was financial support, through the furlough scheme, the loans to businesses and the support for people through benefits. That is partly because the bald mechanics of getting money to people quickly worked well, through HMRC and the Department for Work and Pensions. That reflected a huge amount of work done over the years on the invisible but crucial technology of digital payment systems (although there are now signs that HMRC is struggling with the sheer volume). The much-maligned Universal Credit came into its own in terms of getting money to people quickly, although there is a legitimate debate about whether the actual level of benefits should be higher. Sir Keir Starmer, the Labour leader, should bear Universal Credit's performance in this crisis in mind when he vows to scrap it.

NHS capacity has also held up, in a stark sense that hospitals have kept admitting patients. Of course, treatment of Covid cases has come at a huge cost to non-coronavirus care, ratios of nurses to patients have fallen, and NHS staff have been under immense physical and emotional strain, something of great concern to hospital managers now. But that the NHS was able to handle the numbers we've seen this year at all reflects the planning of recent years.

In this list of successes in planning, I want to point, too, to government support for research and development. That includes help for the Oxford AstraZeneca vaccine. The help started well before Covid with support for developing a MERS vaccine; that in turn created the technology repurposed for the Covid vaccine. The Covid vaccine initiative then had R&D funding and, in April, £20m pounds to speed up clinical trials. The prime minister appears to have been determined from early last year to try to give the UK its own vaccine.

The UK's skill in genome sequencing has also enabled it, *The Economist* reports, to sequence as many genomes of the virus as the rest of the world combined. This has been helped by £20m pounds quickly authorised by Sir Patrick Vallance, the chief scientific officer, in March for a collaboration of UK-based scientists. And the vaccine purchasing and rollout, too, is so far a success – provided that the gamble on the delay between doses pays off.

I'd extend this point – that preparation pays off – to a few aspects of Brexit. A few. Obviously, a deal that went to the wire left no time for a lot of essential work, but in the torturous last few years, some did get done. The IT, traffic management and infrastructure at the border have held up reasonably well, although much lower traffic levels at the moment – partly because of coronavirus – have helped. There hasn't been the disruption at the Kent ports envisaged in the government's "reasonable worst-case

scenario” despite the added pressures of Covid-testing for lorry drivers, although supply chains have been disrupted elsewhere.

The new Trader Support Service – which completes new customs paperwork for goods moving between Great Britain and Northern Ireland – has also generally worked well, although the Northern Ireland protocol has brought other problems. True, there is new friction at the UK’s borders and there may be more to come. That will inhibit trade. But planning, where it took place, did pay off.

2. Government has been poor at making decisions

However, my second point about what this year has shown us is not cheerful. This crisis has exposed serious weaknesses in the way that Boris Johnson’s government makes decisions and how it works out what it plausibly can deliver. That has led to some of the worst mistakes of the past year and to many U-turns.

It is perhaps understandable, though in hindsight a point of regret, that this government was slow moving at the start as alarming reports came in from China and Italy. It was a brand-new government, fired up on a big election win to do Brexit and ‘levelling up’. No government would want to tackle this crisis, but one that had been longer in office might have found it easier to accept this brutal change of priorities. The prime minister personally also did not want to trample over civil liberties, an instinct which in normal times most people would be glad to see in a leader. But there is no such excuse for the slowness of the second lockdown – and the third.

Take, too, the discharge of infected patients from hospitals into care homes. That was one of the worst early mistakes, and one of the reasons why the UK has such a high overall death rate. There were nearly 30,000 more deaths in care homes between 28 December 2019 and 12 June 2020 compared to the same period in the year before. Of these, nearly 20,000 death certificates mentioned Covid.

The lack of communication with hospitals reflects a neglect of social care which long predates this government. But it also shows the way the prime minister was not consulting well with his ministers and they with each other.

The hesitancy of decisions and their sometimes-contradictory nature also stems from a mishandling of science. The government has made a big point of always “following the science”. But it should have been clear that it needed to weigh “the science” – that is, projections of loss of life from coronavirus – against other health risks and the economic cost. It tried essentially to abdicate responsibility for these immensely unpalatable decisions by invoking science.

That misrepresents science, which of its essence is always evolving its conclusions and sometimes does so more slowly than ministers would like. The government has pretended to certainty where it does not exist, for instance, in estimates of the R number, or the benefit of mask wearing or whether it was safe to stand at 1m or 2m from someone else. That misleads people about the nature of decisions that a

government has to take, which are of necessity judgements in the middle of uncertainty. The public might have been more tolerant of U-turns – and the government made fewer of them – if ministers had understood this point better.

The consequence of scrapping exams, the uproar over grades and university places – the whole spectacular summer mess – has been another of the worst mistakes because of the impact on so many pupils, and because the problems of the first approach to awarding grades were entirely foreseeable and unfurled almost in slow motion compared to the speed of other decisions that needed to be taken. That continues; Gavin Williamson, the education secretary, has still not said how pupils are to be graded this year, weeks after he scrapped public exams for a second time. It is clear the prime minister made some decisions quickly himself – such as the abortive direction to schools to reopen in June – without taking into account the views of the department which would have explained the problems in doing so.

The Treasury appeared to be an early exception to this record of hesitant and ill-judged decisions. It made good, early decisions very quickly on financial support, getting the right people in the room (for instance, HMRC talking directly to Rishi Sunak, the chancellor). Sunak's team were also canny enough to get businesses and unions to endorse their steps. But then they failed to use the months that followed to address the bluntness of the schemes, in targeting the most needy, diverting money away from those who didn't need support and combatting fraud.

Overpromising has been one of the government's worst mistakes, as in promising an end to lockdowns, or schools returning, or gathering for Christmas, or what a tracing app could do. It is in danger now of overpromising what vaccines can do in retrieving daily life as it was.

Overpromising might stem from the prime minister's personal desire to bring people at least some good news, but it has been damaging for public trust and parliamentary support. Ministers – and this is a point the IfG makes in our ministerial training – could do with a grounding in modelling, in statistics, in estimates and probability. And the prime minister does need to use the cabinet more in making decisions. If Boris Johnson has a reshuffle, he should bring in heavier hitters with more experience who can also tell him when they think he is wrong.

3. There is deep confusion about accountability

My third and final point about the past year is that it has exposed a deep confusion about accountability – who is accountable for results – ministers, officials, advisers, agencies or all of these.

Take the case of Priti Patel, home secretary, and the recent incident of police records inadvertently wiped. It is hard (in our view) to argue that she should be held directly responsible for the unfortunate change to the software, back in November, although she is certainly accountable to parliament in explaining what happened and what is going to be done in her department to reduce the chance of such mistakes. This is a

domain of responsibility that, in our view, falls under the permanent secretary of that department, with systems that should be assured by the Government Digital Service, and may also fall under the cabinet secretary and chief operating officer of the civil service. We are in favour of permanent secretaries having to account to parliament for a much wider range of questions than the financial ones that are part of their role as accounting officer, where constitutional responsibility is already clear.

Compare that with the case of Jonathan Slater, permanent secretary of the Department for Education last year until asked to leave just after the summer's debacle, and with that of his secretary of state, Gavin Williamson. As we argued at the time, these decisions were not just those of a permanent secretary but inescapably also those of the minister. Williamson explicitly directed Ofqual, the exam agency, to avoid inflation in grades for public exams. That was part of its remit, but the emphasis led it to propose the calamitous algorithm which delivered so many individually unfair results to pupils. In Williamson's defence (this is not going to be a big part of my talk, I should say), it is clear that some of the directions came straight from the prime minister. The education secretary was, no doubt, just trying to carry out the prime minister's orders. But that does not absolve Williamson of responsibility for the poor decisions which worsened the uncertainty and stress for pupils.

It is clear in all this that ministers have a poor grasp of the role of government agencies and arms'-length bodies, in the jargon, and their own responsibility for them. That is not easy, as the IfG has long pointed out, as these organisations were set up at different times under very different rules. Public Health England is an executive agency and directly answerable to ministers, although there is a sense that they didn't realise that at the start. In normal times, ministers unfortunately tend not to be interested in much more than who leads these bodies. Then a crisis happens and they're scrambling to work out their authority and what the agency can do.

In this case, Public Health England's focus on long-term problems such as the nation's diet did not equip it to advise on PPE (and then, the responsibility for distributing PPE rested with another body entirely, NHS Supply Chain, a company reporting to the health secretary). One of the first pieces of advice we give new ministers is to find out which agencies they control or supervise, and what those do and can be ordered to do.

The prime minister and his team have sometimes given the impression that they consider accountability and constitutional rules something to be shaped to their needs – as they did over the Internal Market Bill and their stated willingness to break international law. We could also take the case of Sir Mark Sedwill, defenestrated as cabinet secretary last year. The prime minister has every right – more than that, a need – to be sure he has a cabinet secretary with whom he can work. But people might reasonably ask why Sedwill, the head of an impartial civil service, was shown the door when Dominic Cummings, the prime minister's chief adviser, was not after his now world-famous trip to Barnard Castle.

That is not good for public trust. At a time when the government is enforcing great incursions on civil liberties and demanding great sacrifices, it matters.

The result is that public trust in government is even lower than it might be – although expectations of what government can and should do are at the same time high. That is perhaps the government's greatest challenge in the coming year, which I will come on to now.

The coming year – what government should do

There are all kinds of things in this year beyond coronavirus. Those include net zero, where Britain is hosting the COP26 climate change summit in November, and with the departure of Donald Trump from the world stage, might actually be able to broker an agreement. The G7 meeting in June, also hosted by the UK, will give a chance for the government to make clearer its still insubstantial notion of Global Britain. Relations with the EU are going to take a lot of detailed work. But coronavirus still dominates.

1. Recovery/rebuilding

So the first task is recovery and rebuilding from the devastation of the pandemic. One senior civil servant said to me that it resembled the scale of the task faced by the Attlee government after the Second World War. That is not grandiose. There is a calamity of mental health, just beginning to show up in statistics. A calamity of physical health, in alcohol use, in undetected cancer and untreated heart disease. And there is the catastrophe of what has happened to a whole cohort of pupils in school.

The government now has a chance to make big changes. It needs to try to take forwards reforms in technical education already underway and consider whether GCSEs and A-levels are the best destination for the school years or the best way to determine entry into university. It needs to consider whether the NHS should always run with hospitals nearly full, and how to integrate it with social care.

And so while it should use this recovery to make its talk of levelling up real, that should include human capital, in the jargon, not just building roads and rail and assorted big stuff, which is how people often interpret the phrase. It should also try to capture the best of the emergency – better broadband and digital access to make the most of the new steps in telemedicine, video care, working at home and indeed digital government.

There is an ongoing argument in the cabinet on the big economic questions: whether and how to pay down debt, the right level of benefits and pensions, and whether to do something about generational fairness. That is an existing problem that the pandemic has exacerbated. The younger generations have sacrificed a lot in this crisis for a disease far less likely to kill them than it would those over 80. How to make that up to them is one of the next big questions – and there should be no doubt that in the end they will devise the politics to take some kind of recompense, if political leaders do not offer it.

Perhaps hardest, government needs to explain to people where its responsibilities stop. At some point, there is a limit to what it can do. Beyond that, the normal creativity – and creative destruction, to use Schumpeter’s famous phrase – of a liberal economy needs to take over. The government is responsible for steering a course during this suspension of normal life but it is not responsible for every part of recovery when those constraints ease, one of the hardest things to explain to people.

As an illustration of the problem, contrary to what news reports might suggest, there has been a sharp fall in the number of businesses going bust– down 35% between April and November compared to the same period the previous year. That suggests that government schemes are propping up businesses that would in normal times have gone under. Government needs to get back to normal service at some point – as the chancellor keeps saying – but it will be hard politically after a year in which its spending – and responsibilities – might have seemed limitless.

2. Civil service reform

The second of government’s big tasks for the year should be the reform of the civil service. This is at the heart of what the IfG does. Dominic Cummings, the loudest advocate of these reforms, might have gone but his agenda – which we broadly welcomed – should not. The danger is that it disappears.

The problems that Cummings identified – as did Michael Gove, in a key speech in the summer – are the right ones. Knowledge and expertise are undervalued. The modern world is complex, and details take years to master to the point where you can make good decisions. Economics, finance and banking, transport, energy, defence, digital technology, medicine – it baffles me that people still think these can be mastered within a few days of taking up a new job.

Pay and promotion still encourage people in the civil service to move between jobs as much as they can. Sir John Kingman, former second permanent secretary at the Treasury, gave a speech at the IfG just before Christmas where he said that someone had to grasp the pay problem given the huge differential with consultancy or banking. The device of employing more experts and consultants in what amounts to a parallel civil service is the current way around it. There is no public appetite for paying politicians more and so a rise in civil service salaries is then probably also inaccessible. But the civil service will only get the skills it needs if it tackles this constraint. And as this year has shown, it matters that those skills and knowledge are there.

3. Devolution

My third point about the challenges the government faces this year is about devolution. As the *Sunday Times* poll showed at the weekend, independence for Scotland and a border poll in Northern Ireland have growing support, as does, at a much lower level, independence for Wales. We are publishing work questioning the record of the

devolved administrations in public services. But there is no questioning the fact that devolution is very popular.

The UK is not alone in this. Unions are strained in many places. Not just the EU itself, struggling to get a united front on vaccine purchase or travel, let alone its key democratic values or members' financial support for each other. The US has had a searingly divisive presidency and election. In Canada, separatist tendencies, long quiet, are bubbling up.

In this crisis, devolved governments have expressed resentment – in our view, justified – at not always being consulted by No.10 or given little warning of money heading their way so they can't plan how to spend it. On the other hand, those governments, particularly the one led by the SNP, have a deep political interest in demonstrating just how different they can be from England. And when they take different directions it can lead to unfortunate results for the country overall, as in the period when Wales had cancelled its public exams but England had not, threatening to render a year of school results very hard to compare for universities and employers.

If Johnson's government wants to make the case for the union of the UK to endure, as it says it does, it will have to argue much more strongly for the benefit of being part of the whole. It is, it seems to me personally, a pity if the answer to every difference is to break up a union into smaller pieces. Sometimes, when groups of people simply do not want to live with each other, of course that is the answer; some of my formative years were as a reporter in the Balkans and the Middle East. Even so, identity politics treat harshly the question of what to do with the minority that disagree with the majority – and there always is a minority.

So if the UK government wants to make its case, how does it do it? Not just with more powers, although those are one route. But more representation – and the future of the bulging House of Lords is rightly again in question. Not necessarily with more money – as our work has shown, coronavirus has diverted more money to the devolved administrations through the Barnett formula, a total of £16bn pounds in extra funding. But with more consultation and more display of what can be done in common – such as the development and purchase of vaccines. And, indeed, by showing that it is learning the lessons of this horrendously painful year, as I have been discussing.

Conclusion

I'll say this in conclusion. Coronavirus has been an extraordinarily difficult threat to combat. It strikes at people's deepest fears. What is more – and this clearly has been the prime minister's anguish – it has forced the government to override some liberties that are at the heart of this country's values.

For just that reason, though, the government's fluidity in interpreting the constitution should be of great concern. The government needs to take extra care to show that it respects institutions and principles, if people are not to wonder whether it makes up

rules to suit itself. It does not help when it appears to hold those rules – including international law – very lightly.

The hardest task now facing the government is setting expectations for people. The despair of businesses told they can't open for months more is painful. So is the desperation of parents trying to work while home-schooling their children. Or those who have lost their jobs and can't start to find others. Or those who have been alone for most of a year, or are worrying about whether they will get the virus or lose people they love to it.

Yet the government can't give them a date for the end of this, although Johnson will come under pressure from his own party to do just that. To pretend otherwise would be to fall once more into a trap that it has seemed to find irresistible so many times. It needs to explain the role it is going to play in coming out of this – including preserving the innovation that has happened – and where that responsibility will at some point end.

No UK government in our lifetimes in peacetime has faced such pressure and so many complicated choices. This year is not going to bring less pressure or simpler choices. The government has pulled off some tremendous successes, but it has on many occasions fallen short. The figure of more than 100,000 people who have died in part reflects that. Johnson has promised an independent inquiry, which is justified. In the meantime, we'll look to the coming year to see whether any lessons are indeed learned.

Ends

The Institute for Government is the leading think tank working to make government more effective.

We provide rigorous research and analysis, topical commentary and public events to explore the key challenges facing government.

We offer a space for discussion and fresh thinking to help senior politicians and civil servants think differently and bring about change.

www.instituteforgovernment.org.uk

Email: enquiries@instituteforgovernment.org.uk

Twitter: [@instituteforgov](https://twitter.com/instituteforgov)

Institute for Government
2 Carlton Gardens, London, SW1Y 5AA
United Kingdom

Tel: **+44 (0) 20 7747 0400**

Fax: **+44 (0) 20 7766 0700**

January 2021

© Institute for Government 2021

The Institute for Government is a registered charity in England and Wales (No. 1123926) with cross-party governance. Our main funder is the Gatsby Charitable Foundation, one of the Sainsbury Family Charitable Trusts.