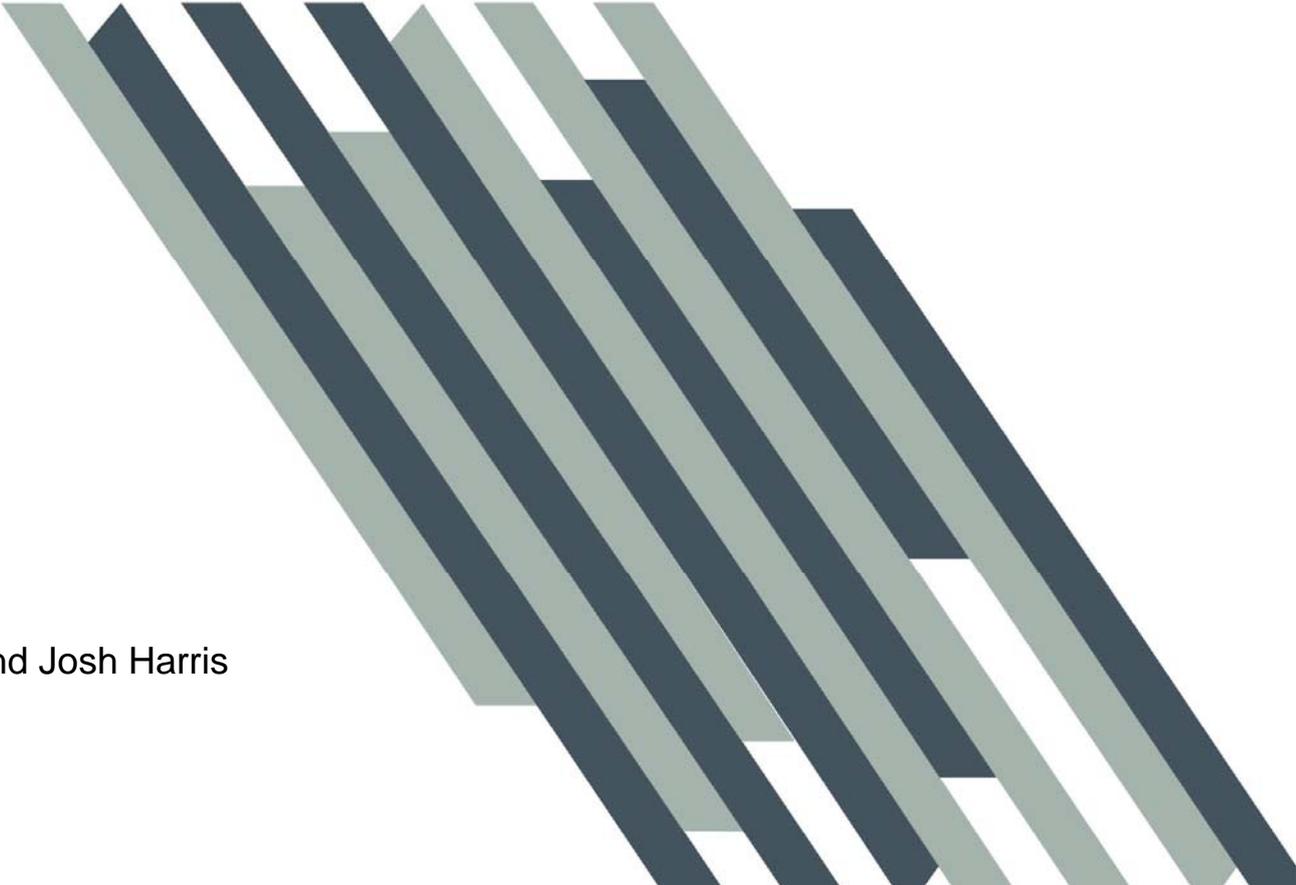


The Special Ones

How to make central government units work

Jill Rutter and Josh Harris



Contents

Introduction	1
Unit – or no unit?.....	2
How to make a unit work	6
Tip 1: Have effective support from Number 10.....	6
Tip 2: Be clear upfront about your conditions for accepting the appointment	7
Tip 3: Manage your own recruitment	9
Tip 4: Build credibility and establish your expertise – and have a strategy for dealing with departments	10
Tip 5: Plan well – have a clear timetable and plan implementation into your work.....	11
Tip 6: Ensure appropriate governance – but don't get bogged down in it.....	12
Tip 7: Plan your legacy	14
Conclusion	16
Appendix: International units	17
Prime Ministerial Priorities in New Zealand: Tackling Metaphetamine Action Plan	17
Social Exclusion in South Australia	17
Prime Ministerial Priorities in Australia: Tony Abbot and Indigenous Affairs.....	18

Introduction

In our report, *Centre Forward*, we noted that successive prime ministers had used central units for ‘incubating and catalysing change’ and challenging business as usual in Whitehall.¹ It was also notable, when we were doing research for our report, how little attempt had been made within Whitehall to capture lessons learned from more or less successful units. Indeed when we held a roundtable discussion of former unit heads in 2014, many reflected they had never before been asked what their advice would be to another unit head. In *Centre Forward* we recommend that the Cabinet Office, as part of its ‘core offer’ to prime ministers (and the Cabinet) should be able to mobilise rapidly to set up these units; advise on what works and what doesn’t; and offer other options that may be better ways of achieving government and prime ministerial objectives.

This discussion paper brings together some lessons from people who have worked in such units for their potential successors. We also draw on wider Institute for Government work, particularly Dr Catherine Haddon’s studies of the Efficiency Unit and the Centre for Management and Policy Studies, and her article for *Civil Service World* on change units.² Many of our lessons for unit heads resonate with those that the Institute identified as key elements of successful reforms in *Civil Service Reform in the Real World*.³ This paper builds on this previous work, and allows us to do better justice to the material we gathered in the process of researching *Centre Forward* than we could in our main report. It draws in particular on a roundtable with former unit heads and members we held in February 2014, and interviews in 2013-14 with some former unit heads, as well as with those in other parts of government who created, abolished or engaged with units.⁴

This is not intended to be a comprehensive study, or a full evaluation of the effectiveness of units, since the success of individual units also depends of course on external factors, for example, the extent other issues compete for prime ministerial attention and political dynamics within the Cabinet. Its prime audience is intended to be those who might run future units or work in them – but the lessons are also relevant to those who might seek to establish them or simply are interested in them as a particular (and peculiar) feature of government in the UK.

¹ Josh Harris and Jill Rutter, *Centre Forward: Effective Support for the Prime Minister at the Centre of Government*, Institute for Government, 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/centre-forward>

² Catherine Haddon, *Reforming the Civil Service – CMPS*, 2012, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/reforming-civil-service-cmps>; Catherine Haddon, *Reforming the Civil Service – The Efficiency Unit*, 2012, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/reforming-civil-service-efficiency-unit>; Catherine Haddon, ‘Changing the change-makers’, *Civil Service World*, 21 October 2010, retrieved 28 August 2014 from http://www.instituteforgovernment.org.uk/sites/default/files/civil_service_world_changing_the_change_makers.pdf

³ Peter Thomas and Nehal Panchamia, *Civil Service Reform in the Real World*, Institute for Government, 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/civil-service-reform-real-world>

⁴ All quotations in this report are from our interviewees and roundtable participants, except where otherwise referenced.

Unit – or no unit?

Our roundtable participants suggested there were two fundamental types of units set up to pursue a central agenda:

- **Methodology units**, designed to change the way government, broadly defined, works
- **Topic units**, designed to focus on a specific policy area.

But some units combine both elements, introducing a new approach to government and dealing with a specific topic. We have labelled these as a third category:

- **Hybrids**, which combine elements of both methodology and topic units.

In the table below we set out examples of each type of unit under different prime ministers since 1979.⁵

Prime Minister	Methodology Units	Topic Units	Hybrids
Margaret Thatcher (1979-1990)	Central Policy Review Staff (hangover from Edward Heath) Efficiency Unit		Next Steps Unit
John Major (1990-1997)		Central Drugs Coordinating Unit	Citizen's Charter Unit
Tony Blair (1997-2007)	Performance and Innovation Unit	Social Exclusion Unit (SEU), (moved to Office of the Deputy Prime Minister in 2001)	Centre for Management and Policy Studies
	Prime Minister's Delivery Unit	Anti-Drugs Coordination Unit (moved to Home Office in 2002)	Office for Public Service Reform
	Strategy Unit (initially Forward Strategy Unit)	Rough Sleepers Unit (based in the Office of the Deputy Prime Minister)	
		Respect Task Force (in Home Office)	
		Social Exclusion Task Force	
Gordon Brown (2007-2010)	Strategy Unit Delivery Unit (moved to the Treasury)		
David Cameron (2010-present)	Behavioural Insights Team (now spun out)	Office for Civil Society	
	Implementation Unit	Troubled Families Unit (based in Communities and Local Government)	

⁵ We have excluded the Policy Unit from this table as it has been part of the organisation of Number10 since the 1970s. This list is indicative of the ways in which different prime ministers have used units and is not intended to be exhaustive.

In addition all governments since the 1980s have had their own variation on a better (or de-) regulation unit, sometimes based at the centre, sometimes in the business department.

In the table above, units are classified as methodology units if they work across a broad range of topics, and their added value is bringing a different way of working, often based on new or particular skills or approaches not normally found in government. For example, the focused reviews undertaken by the Efficiency Unit through the Rayner scrutinies brought a specific approach to efficiency, and the Strategy Unit applied consultancy approaches to longer-term problem solving for the first time in government. The Behavioural Insights Team (BIT) is a recent example established to pioneer the application of behavioural economics to specific policy or service design challenges.

The topic units are instead established to deal with issues where normal Whitehall coordination mechanisms fail. For example, the rationale for the initial establishment of the Central Drugs Coordination Unit was to resolve a turf war between the Home Office and the Department of Health over whether drugs were predominantly a criminal justice issue or should rather be seen through a public health lens. Or they may, as the first head of the Social Exclusion Unit Moira Wallace explained, be established to deal with 'a niche issue which left Whitehall perplexed'. We have included in the list some units which are based in departments, although imposing a unit on a department to pursue a prime ministerial priority can cause its own set of problems. A number of the units have an untraditional style, but that is not intrinsic to why they were established. For example, the SEU developed its own much more inclusive, user-centred approach to policy making.

The hybrid units both bring new approaches to government and work on a more defined range of issues than straightforward methodology units. For instance, the Citizen's Charter Unit was charged with putting more focus on customers into public services. Its responsibilities transferred after the change of government in 1997 into the Office for Public Service Reform whose role was to help departments give effect to the new government's four principles of public service reform. We have also put the Centre for Management and Policy Studies into this category since it had a dual remit both to increase capacity within the Civil Service but also to undertake specific policy studies.

Units also operate on a spectrum from collaboration and capacity building to challenge and confrontation. It is vital that unit heads understand the diagnosis of a problem that underpins their establishment so they can lead it in the appropriate mode.

There are also examples of units which could have been prime ministerial central units but weren't. For example, as our case study of the Office for Climate Change made clear, its proponent – David Miliband, then Secretary of State for Environment, Food and Rural Affairs – wanted a central unit based in the Cabinet Office.⁶ That was resisted by then Cabinet Secretary, Sir Gus O'Donnell (now Lord O'Donnell) who was sceptical about the proliferation of central units. Miliband did not have the backing of the Prime Minister to overrule O'Donnell, so was forced to base it in his own department, with cross-departmental governance. The Sure Start Unit⁷, which came out of a Treasury review of early years services, benefited from the support both of the Prime Minister and the Chancellor, but 'while the unit was based in the DfEE [the Department for Education and Employment], the lead minister for day-to-day purposes was to be Tessa Jowell, the Minister for Public Health. The cabinet-level minister would be David Blunkett, the Secretary of State for Education and Employment'.⁸

In *Centre Forward* we set out the considerations that prime ministers should have in mind when they decide whether to establish a unit or not.⁹ We said that to succeed a unit needed:

⁶ Jill Rutter, Sam Sims and Edward Marshall, *The S Factors*, Institute for Government, January 2012, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/s-factors>

⁷ See the Institute for Government's case study of Sure Start. Petr Bouchal and Emma Norris, *Implementing Sure Start Children's Centres*, Institute for Government, July 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/doing-them-justice>

⁸ Naomi Eisenstadt, *Providing a Sure Start: How Government Discovered Early Childhood*, The Policy Press 2011 p. 39

⁹ Josh Harris and Jill Rutter, *Centre Forward: Effective Support for the Prime Minister at the Centre of Government*, Institute for Government, 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/centre-forward>

- clear backing from the prime minister who is prepared to commit at least some time to supporting them
- clear focus – both on issues and on what they are trying to achieve
- a clear timetable – and a positive decision to renew at a point when effectiveness can be evaluated
- a head whom the prime minister is prepared to back personally in battles with recalcitrant departments/secretaries of state (and with a clear mandate to the Cabinet Secretary to use his networks to support the unit)
- sufficient resources to do the job, including the flexibility to bring in credible outsiders
- ability to bring in outside skills and expertise.

These are all important considerations for a prime minister who is thinking about whether to set up a unit. A unit is not always the best way to pursue a priority though. Prime ministers should also consider their other options for pursuing a particular priority.

- **Is this a one-off issue that would be better suited to a more external ‘review’ than being addressed through in-house capacity?** The Turner Commission¹⁰ proved a very effective way to address Tony Blair’s concerns about future pension provision and the Coalition has used reviews supported by civil servants, but outside government, to look at other difficult issues – social care (Dilnot), banking (Vickers) and now the vexed question of airport capacity in the South East (Davies). There have been more than 260 ‘tsars’ appointed since 1997, with highly variable resources, expertise, and success according to research published last year by King’s College London.¹¹ When they work well, they can provide not only a useful way of producing and analysing policy problems and options to address them but also a useful way of building the cross-party consensus that can prove invaluable in making progress on long-term issues. As we suggest, the Cabinet Office could still have a role retaining expertise on how to set up and service these reviews, which is still done in a very ad-hoc way with no process for transferring best practice.
- **Is this an issue that is better dealt with in a department with standing structures, networks and significant budgets?** One answer may be to base a prime ministerial unit in a department, but an even better solution maybe to ensure that the relevant secretary of state is willing to champion that priority without the need to impose a new structure on them. Naomi Eisenstadt – former head of the Sure Start Unit in the Department for Education and then head of the Cabinet office’s Social Exclusion Task Force – said, ‘If the issue is big, you need to be in a department and you need a [ministerial] big hitter.’ In the case of Sure Start, this was David Blunkett as Secretary of State. But there is a risk of being absorbed back into a departmental culture – rather than succeeding in challenging and changing it. As a former unit head put it, ‘it’s hard to deliver within the machinery of a spending department without going native.’
- **Is the issue so big that it requires a reorganisation of government departments?** David Miliband wanted an Office of Climate Change to help bridge the divide between Defra’s responsibility for climate change mitigation and adaption and the business department’s responsibility for energy policy. The Office for Climate Change (OCC) did some good work in promoting a more joined-up approach but was ultimately superseded and rendered nugatory when the Department of Energy and Climate Change was created in 2008. There is a limit to the capacity for what Gus O’Donnell called ‘little units’ to deal with big, enduring problems.

In order to understand and advise ministers better on the choices they have for tackling difficult issues and catalysing change, the Cabinet Office should also ensure it has objective assessments of the successes and failures of the different methods used by successive prime ministers, focusing on what they actually achieved.

¹⁰ Jill Rutter, Sam Sims and Edward Marshall, *The S Factors*, Institute for Government, January 2012, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/s-factors>

¹¹ Ken Young, Ruth Levitt and William Solesbury, *Policy Tsars: Here to Stay but More Transparency Needed*, 15 October 2013, retrieved 28 August 2014 from <http://www.kcl.ac.uk/sspp/departments/politiceconomy/research/tsars.aspx>

Some of the functions that have been located in dedicated units, should, we argue in *Centre Forward*, be permanent parts of the capacity available to support ministers in their decision-taking. For instance, it is clear now that successive prime ministers have found a need for capacity to assure progress on their priorities. But even if there were thoroughgoing reform of central capacities along the lines we proposed, it is likely that prime ministers would still seek to set up ad hoc units to drive innovation, challenge business as usual or address an issue underserved by existing arrangements. So once the decision has been taken to set up a unit, the question is how to make it succeed. That is the issue we turn to in the next section, which draws on the experience of those who have been asked to do just that.

How to make a unit work

We asked those who had been in central units what advice they would give to any successor who had been asked to take on such a role. This chapter distils those pieces of advice.

Tip 1: Have effective support from Number 10

The hardest task for a special unit is to establish its authority to act and to be taken seriously by departments. This is particularly hard for those units set up to take on departmental conventional wisdom and/or challenge a powerful secretary of state.

Clear prime ministerial patronage can help open doors and signal the political priority of an issue. Louise Casey viewed the fact that her appointment as head of the Troubled Families Unit was announced by David Cameron as ‘an important signal’ and made a ‘big difference’ to her authority to act.

But Whitehall is also quick to spot when a unit does not have, or has lost, prime ministerial patronage. The Performance and Innovation Unit (PIU) suffered from being a civil service not a ministerial creation: ‘Richard Wilson [the Cabinet Secretary set them up and] there was no real Number 10 buy-in’ despite the PIU having been established to provide support to Tony Blair and his Policy Unit which he felt he lacked. As one of our interviewees put it, ‘The point is all these units depend on whether or not they are perceived to have the prime minister’s ear and as soon as they have lost the prime minister’s ear, or prime minister’s interest, then they’re done for.’ Claire Tyler, who took over as head of the Social Exclusion Unit just weeks before its move to ODPM, felt the move lessened its effectiveness because the department saw it as serving departmental rather than cross-government purposes. Similarly, the succession of Better (or De-) Regulation Units depended on the degree of prime ministerial backing for their relative effectiveness or ineffectiveness. This reflected the experience as far back as Mrs Thatcher’s Enterprise Unit where Sir Ian Magee, a former member, described the ‘mainstreaming’ of deregulation back into the department as leading to ‘a loss of impetus. There were simply too many competing priorities; a lack of top Ministerial focus; and tedious bureaucracy for other departments’.

This does not mean constant tripping in and out of Number 10. There are limits to the amount of prime ministerial engagement you can realistically expect and so ‘you have to magic the power and now say you’ve got it.’ The Social Exclusion Unit used the prime minister and champion ministers to launch reports as visible moments signifying their support. This sort of symbolic support needs to be used relatively sparingly as prime ministers, however much interest they have in an issue, have relatively little time. But this support is powerful. For example, the Respect Task Force used the prime minister at events to signal the importance of the issue and to add a touch of ‘glamour’ that could energise those they needed to buy-in locally. The Behavioural Insights Team had support from the Cabinet Secretary but also benefited from ‘political alignment and confluence’. Rather than imposing unwelcome change it was, unlike many units, going with the political grain, and will still be called on to support departments even though it has subsequently spun out of the Cabinet Office.

There may be a tendency when the going gets rough to play the prime minister or cabinet secretary card, but units are not set up to create more problems. Louise Casey warns that there is a ‘low tolerance for moaning’ from unit heads and that when she needs to call on support to unlock an issue ‘I’d always present whoever could help us with a solution. I’d tell them what the problem was and what I wanted the solution to be.’

Of course prime ministerial support is not the only thing that matters. The attitude of the Treasury is also vital if money is involved. It can make life much harder if the Treasury is indifferent or plain hostile. The Social Exclusion Unit benefitted early on from the support of the Treasury. Moira Wallace told us, ‘the support and interest of the Treasury was crucial. HMT was very supportive of the SEU. John Gieve [DG Spending] and Andrew Turnbull [Permanent Secretary] thought this was a sensible preventative approach and Gordon Brown as Chancellor wanted to do something about social exclusion. The Treasury helped to find resources for implementation of our

reports and made its backing clear when they were launched.’ Similarly the Troubled Families Unit benefits from the support of Chief Secretary, Danny Alexander, which has proven crucially important to securing the necessary funding in the context of reducing budgets across government.

The Institute for Government’s study of civil service reform successes found that the Treasury can ‘electrify, undermine or suffocate any reform’ – and that the ‘time required to engage, persuade and reassure the Treasury should not be underestimated’.¹² Even if the prime minister supports a central unit, without Treasury support as well its progress is likely to be difficult.

Possibly the most successful unit to benefit from and then demonstrate clear political patronage was the Prime Minister’s Delivery Unit (PMDU) under Michael Barber from 2001-05, where the Prime Minister made time for regular stocktakes with the unit and departments.¹³ A senior official in one of the priority departments told us that ‘you automatically prioritised contact with it when you knew there was a PM stocktake every two months’, and this prime ministerial drive ‘gave Barber additional credibility, resources, and leverage.’¹⁴ The PMDU’s impact was ‘helped enormously by its behaviours: they didn’t throw their undoubted weight around gratuitously, and even more positively, played a facilitation role with Departments and Agencies to help them do their jobs better’ The PMDU had reduced traction once Michael Barber moved on, when it refocused on capability and then was moved to the Treasury. The Implementation Unit also benefits from being clearly identified with the pursuit of prime ministerial and deputy prime ministerial priorities and reporting into a Cabinet Committee chaired by the prime minister.

A third key central player is the cabinet secretary. The Behavioural Insights Team benefited in its early incarnation from ‘*the patronage of Gus O’Donnell*’ (the then Cabinet Secretary) and more recently from that of his successor. Support from the Cabinet Secretary can be important for removing the barriers units might face in Whitehall. In the case of the Centre for Management and Policy Studies (CMPS) though, even the support of the Cabinet Secretary was not enough to create the necessary relationships with the head’s permanent secretary peers for it to be effective.

Tip 2: Be clear upfront about your conditions for accepting the appointment

The temptation to accept a role leading a unit is high. Simply to be asked is flattering, and the opportunity to pursue a cause on behalf of the prime minister is attractive. But many of the units or tsar roles prove to be poisoned chalices and can be ‘powerless, horrific jobs’. Even when backed up by a clear manifesto commitment and prime ministerial interest, unit heads or tsars can rapidly find themselves marginalised, with tactics reminiscent of the banishment of *Yes Minister’s* Jim Hacker’s special adviser to a distant office. The fate of one tsar was that ‘they put him in the basement with no carpet... he hadn’t even got a desk or a printer’. Someone else was brought into a department and ‘only given an executive officer for support’. In another case, heading a unit was seen as a consolation prize for failing to get another job and Number 10 ‘wanted reform but they didn’t know what they wanted [the unit] to do’. That means the first condition for accepting an appointment should be not just that the issue is important to the prime minister but that you are clear why the unit is being created and, if it is based in the Cabinet Office, why it is being put in the centre. You need to be convinced that it all stacks up and the commitment from those creating the unit is genuine, which is not always the case. ‘They just weren’t honest, they weren’t upfront.’ So the challenge in some cases is to avoid ‘being asked to do the impossible with your hands tied behind your back’.

The position of unit head brings a degree of personal accountability and exposure that few mainstream civil service posts do. It can feel ‘immensely isolated’ especially when ‘you are not a politician and not a civil servant.’ There is a risk you can ‘get eaten by the system’ and that puts a premium on ensuring that your appointment and

¹² Peter Thomas and Nehal Panchamia, *Civil Service Reform in the Real World*, Institute for Government, 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/civil-service-reform-real-world> p.4

¹³ See Chapter 5, ‘Public Service Agreements and the Prime Minister’s Delivery Unit’ in Peter Thomas and Nehal Panchamia, *Civil Service Reform in the Real World*, Institute for Government, 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/civil-service-reform-real-world>

¹⁴ *Ibid.* p.50

the set-up of the unit makes it more likely you can succeed. The optics of the role also matter to others who will be making judgements on ‘how much power does the individual in the unit have, where do they sit . . . all the things it took me a long time to work out’.

The first issue is to make sure you have control over staffing. This is so crucial we discuss that more below.

But there are other basics. Accommodating a new unit is not easy, and there will often be a tendency to try to push a newly-created unit into some space that is spare for a reason. Getting the space that is right for your team is important, not least as where the unit is situated sends signals to the rest of Whitehall about how important it is. Proximity to the lead minister can help, and ensuring that a small unit is located together – helping ensure good internal communications – is important. For example, the seven members of the Efficiency Unit were located on the fourth floor of the Cabinet Office – all within easy reach of each other, and of Lord Young’s office. Having the basic infrastructure, including expandable office space, for creating units is a sensible idea. When the Australian Department of the Prime Minister and Cabinet moved into a new building in 2007, the then-department head ensured specifically that, in his own words, it was ‘designed with sufficient space to accommodate a number of temporary taskforces operating simultaneously’ to respond to prime ministerial requests for special units.¹⁵

The next important thing is to be clear about how you will manage the media. This can be difficult for ministers who find it threatening, particularly when an issue is clearly on their patch. It used to be that unit heads were as invisible as regular civil servants but expectations have changed. Modern units heads are expected ‘to take all the flak for stuff’ but also ‘have to give them [ministers] all the good news’. Heading a unit is a different role and topic unit heads will often need their own profile to succeed in championing their agenda. Unit heads are advised to make clear how they will manage the media, operate through the civil service press office so they know what is happening, and avoid being ‘seduced’ into ‘doing talking head stuff’. It is best not to ‘have a view on things that aren’t your issue’. But they may well want to cultivate their own journalist contacts – particularly those who are specialists on their topics. David Halpern, head of the Behavioural Insights Team, was frequently quoted in the press and appeared on radio programmes about his unit well before it span out of the Cabinet Office.

Personal accountability will also extend to parliamentary appearances. As the named unit head, select committees are likely to want to hear from them – and can be unclear both about the status of unit heads and their roles in relation to ministers. In a hearing with Moira Wallace and Louise Casey on Modernising Government in 2001, the Chairman of the Public Administration Select Committee, Tony Wright MP, told them, notwithstanding their assurances about ministerial accountability that ‘if social exclusion fails, if rough sleepers fail, things are so evolved that you two are in the firing line because you have become far more visibly associated with these projects than you would be if they were being delivered by normally invisible bits of the Civil Service’.¹⁶ Although that hearing was 13 years ago, unit heads still have a much higher public profile than that of even more senior civil servants heading major government departments.

But the important thing about running a unit is to get results. For methodology units, the big cost will be in staff. But topic units, particularly those charged with turning commitments into action, having a budget is often vital – and difficult. No unit comes with an automatic budget. So in the zero-sum competition for resources in government, a unit’s budget has to come off a department or programme which already has one. The Social Exclusion Task Force (SETF) had to battle hard to get departments to fund Family Nurse Partnerships and there was a tendency for departments only to cede ‘crumbs’ to fund cross-cutting work.¹⁷ In units whose prime focus is delivery, assurance that there will be a dedicated ring-fenced budget should often be a pre-condition for taking on the role – for other units whose business model is to develop proposals and change the direction of core departmental policy, hiving off a budget and giving it to a unit is not realistic and assured political support is more important.

¹⁵ Department of the Prime Minister and Cabinet, *Secretary’s Review 2006-07*, retrieved 19 August 2014 from https://dpmc.gov.au/annual_reports/2006-07/review/index.cfm

¹⁶ Minutes of evidence, PASC Inquiry into Modernising Government, 7 March 2001, accessed at <http://www.publications.parliament.uk/pa/cm200001/cmselect/cmpublicadm/94/1030709.htm>

¹⁷ For a longer account of the funding battles on Family-Nurse partnerships, read Patrick Diamond, *Governing Britain: Power, Politics and the Prime Minister*, November 2013, IB Tauris, pps 158-9

As well as budget, unit heads should think about the delivery model being proposed and whether they think it will work and they are happy to work in it. Louise Casey ensured the delivery model for the troubled families role included working through local government, but also accepted that local government would be paid by results on what they achieved.

The final piece of advice is to think twice about being the second head of a unit. Most units have a limited shelf-life and 'can only do something special for a short period of time'. Second heads can, like Claire Tyler taking over the SEU from Moira Wallace, find that the Prime Minister has lost interest. Many units will have already had their best chance of making an impact. Departments will also by then have worked out how to game the new system (in the case of topic units, usually). There is 'no one whose job it is to decide the necessary conditions [for a unit] have ceased to exist' so there is a real risk that, after an initial three-to-four-year period the impetus has gone. Several of our roundtable participants suggested that units should be created with a sunset clause from the start to avoid them overrunning their effective lifespan. For example, David Halpern agreed to a two-year sunset clause for the BIT that would see it disbanded unless a series of conditions were met. There is also the risk that departments will have learnt how to tame the unit after it has been working for the first few years and it may no longer be capable of generating the change needed. The departure of the first head should trigger a review and probable closure, or reinvention, of the unit rather than allow it to stagger on.

Tip 3: Manage your own recruitment

One of the most distinctive features of special units is their staff. Crucial to that is the ability to bring in the right people. That freedom to recruit their own people, rather than just accept the people the system is prepared to offer them, is one of the most important factors in the success of a unit.

Who those people are depends on the task in hand. But most unit heads we spoke to saw the benefit of mixed teams, including outsiders bringing expertise and credibility, different skills and experience, and at least some civil servants who can operate effectively within the Whitehall system. The benefit of such a mix is reflected in a comment about the different skills brought by the two heads of the PIU. 'Suma [Chakrabarti, first head of PIU and a senior civil servant with Overseas Development Administration and Treasury experience] was expert at Whitehall but looked for compromise'; whereas Geoff Mulgan, who had a background in think tanks, had lots of ideas but was 'not good at giving advice on how to manage the Whitehall process'. Having a mix of departments represented in the PIU was seen as a way of getting support from departments. 'Suma picked a bunch of people to be in it, not just Treasury hands, so line departments liked it'. Former senior official Jonathan Rees agreed that 'one of the advantages is that you can bring in people from different government departments', which is particularly essential if the unit is intended as a counterweight to Whitehall's silo tendencies.

Both PIU and then the Strategy Unit brought in people with consulting skills, which are not traditionally developed in the Civil Service. The Strategy Unit managed its own recruitment despite being formally part of the Cabinet Office. The Behavioural Insights Team drew on people initially inside and later outside government who had knowledge both of the insights of behavioural economics but also had the skills to apply them to policy problems and test them rigorously through randomised control trials. Other units have sought more specific expertise. For example the SEU and the Social Exclusion Task Force bought in people with voluntary sector and local government experience. This meant the units could tap into the knowledge, passion and credibility of people who had worked on the issues outside government for years. Naomi Eisenstadt described the excitement of someone from outside government getting the call to come and help solve a problem with the resources of government at their disposal. 'It is thrilling to get the call from Whitehall. It opens up government to real expertise but also makes experts face up to implementation issues.'

Where units are more delivery focused, a different set of skills are needed. The need to deal credibly with service providers in local government and other agencies means Louise Casey prefers to recruit people who can deal with service deliverers rather than classic policy analysts, and avoids the unit becoming somewhere for a fast-streamer to pick up some delivery credentials and move on. Instead she needs 'people that are really able to go out and do the job, interpersonal skills are the most important thing. We have to recruit people that people want to be in a room with'.

The right size of units also depends on the task but our research showed that there was a strong presumption against over-extended units. Kate Jenkins told us that the Efficiency Unit only had around 10 core staff because ‘if there were more, we would be doing someone else’s job’. That would be too small for units that do not use the departmental leveraging model of the EU, which relies on getting high-fliers from departments to do the work, but unit heads warned against overextension. The PIU started small, with only a dozen or so people, but expanded over its life because people ‘came on one-year secondments, but people stayed longer and [the unit] ran out of projects’. The Institute for Government’s study of successful civil service reform identified that teams driving forward reforms – such as PMDU and Next Steps – worked best when they were ‘deliberately kept small, focused, but well-resourced with high-calibre people’.¹⁸

Louise Casey has learned from her experience the importance of having a team who is committed to the success of the unit and now brings her own team with her to a new appointment. Civil service structures are not conducive to keeping teams together or rewarding commitment to a project, so making that work can require a creative approach to HR. Friction arises, as when one unit failed to get on the payroll of their host department. The unit head needs sufficient control of managing their own team to be successful.

Tip 4: Build credibility and establish your expertise – and have a strategy for dealing with departments

Prime ministerial backing and the right staff can take you so far – but most units need to prove they add value to a sceptical Whitehall (which may often be waiting for them to fail) and to a demanding external audience.

The SEU was an early exponent of what is now called ‘open policy making’, talking to teenagers about pregnancy rather than simply to policy makers or social workers and teachers. But it was also notable for the importance it attached to ‘analytical argument’ and Moira Wallace saw ‘data and evidence as vital’. The SEU was also able to draw on both its internal expertise and ‘a huge number of external connections’. Its stress on analysis was also helpful in getting departmental support – ‘senior officials understood the benefit of extra analysis’ – on issues which had suffered from ‘a failure of attention’ beforehand.

The methodology units pioneered approaches to problem solving which had not been tried before in Whitehall. This was particularly true of the Strategy Unit, which used management consultancy methods considered innovative in Whitehall at the time; the Delivery Unit, which did the same; and the Behavioural Insight Team, which used ‘randomised controlled trials’ (RCTs). In each case the methodologies were ones where Whitehall lacked the skills (or the depth of skills) to apply itself and the units could position themselves both as working at the centre while simultaneously adding capacity to departments.

The most explicit tasking to show value came in the initial commissioning of the Behavioural Insight Team (BIT) in 2010 on a proof of concept basis. They were required to generate 10 times their cost in savings and to transform two policy areas. Owain Service, BIT Managing Director, noted how that affected their choice of projects, for example, driving them to focus on tax compliance because the big sums involved would make that financial return more easily achieved.

The regulation units have brought in people from business but have always suffered from being seen as central compliance units, designed to enforce a central agenda onto reluctant departments. That role means departments have had incentives to try to game the system rather than comply.

These efforts can all help build relations with departments and earn the unit a hearing, but the relationship can be difficult. The establishment of a special unit implies that business as usual is not working. This represents different degrees of challenge, from the introduction of new ways of dealing with an issue to an outright challenge to the authority of existing structures and so making it clear the prime minister thinks they are inadequate. Any unit head needs to think about getting buy-in from the departments who own the agenda it is trying to influence. Other units are less challenging, or go with the grain of what departments want to do. So the first requirement is to understand

¹⁸ Peter Thomas and Nehal Panchamia, *Civil Service Reform in the Real World*, Institute for Government, 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/civil-service-reform-real-world> p.88

the landscape you are in and where you might operate on the spectrum between collaboration and confrontation. All units face this challenge to some extent along with the challenge of 'how to get buy-in without losing that edge'. Various strategies have been tried by different units.

- The Efficiency Unit got departments to identify the subject for scrutiny, got them to nominate an up-and-coming official to undertake the work, and used a departmental junior minister to oversee it – adopting an approach Kate Jenkins described as 'not quite, we're from the centre, we're here to help' but not far off.
- The PIU had 'sponsor ministers' associated with individual projects but that was less successful as they 'had no levers to get buy-in'.
- The Behavioural Insights Team acted more like an internal consultancy, adding expertise to departments and helping them solve some of their problems.

Particular problems can be faced by units based in departments – representing an attempt to launch a takeover of an area of departmental responsibility – in a way that is often resented by those who have been responsible in the past. In these cases, the unit head needs to assert their authority and create the space and capacity they need to succeed.

Tip 5: Plan well – have a clear timetable and plan implementation into your work

Analytical credibility is one thing but sceptics will be looking to special units to deliver results within their potentially short life-spans. That points to the need for focus and clear planning but also a clear line of sight from analysis into implementation.

Moira Wallace told us that she initially proposed that SEU would set off on eight projects, but Tony Blair cut that proposal back to three projects on which the unit should focus. The SEU set itself outcome-focused goals.

Other units set themselves clear routines, such as: the PMDU's monthly stocktakes; the Implementation Unit's six-to-eight-week deep dives, which ended up with a Cabinet Committee discussion; and the Efficiency Unit's clear timetable for Efficiency Unit. That meant the system knew when to expect to see something and engage with the unit.

The PIU produced public reports but published these as reports to government to underline their independence. However, that was not necessarily an effective mechanism for take-up. The Strategy Unit produced implementation plans to sit alongside their recommendations, but particularly when their work was done to challenge departments rather than work with them, there was no necessary link to adoption of those plans. The SEU published reports which both analysed a problem and also set out what the government had already agreed to do about it, helped by its direct link into a Cabinet Committee.

Even getting this degree of commitment was no guarantee of sustained action on the ground, as that usually had to pass to the responsible department(s) to lead. One of the SEU's most ambitious projects was a long-term strategy for 'neighbourhood renewal'. A dedicated unit was set up in the responsible department – then the Office of the Deputy (PDPM) Prime Minister, now the Department of Communities and Local Government (DCLG). A director-general was recruited from local government to lead this work and one of the SEU's members who had worked on the project was transferred into the Neighbourhood Renewal Unit.

In the early days floor targets for local authorities were set and delivery was monitored by the PMDU. In many ways, these were a significant success: several performance gaps between the poorest areas and national average narrowed. A Neighbourhood Renewal Fund was set up to support local delivery and was allowed to run its full 10-year course. But political interest started to wane after a few years. As Jon Bright recalled, 'it was supposed to be a 20-year national strategy but by 2007 many of the key officials and ministers had started to move on, people forgot why it had started, and government lost sight of the vision that had sustained its early development. In spite of encouraging impact evaluations, there was an almost total loss of ministerial interest.'

Loss of ministerial interest is often attributed to turnover, as new ministers often prove uninterested in implementing the ideas of their predecessor. This is one reason why relying on junior or even cabinet minister sponsorship for a unit carries more risk to its long-term viability than direct sponsorship from the prime minister.

Other SEU spin-out implementation units had shorter life spans and more success, for example, on tackling rough sleeping. But Louise Casey, who was brought in to head the Rough Sleepers Unit from Shelter, found a divergence between her desire to get to the roots of the problem and the prevailing delivery culture in Whitehall at the time, which focused on meeting targets. ‘Instead of just meeting the rough sleeping target, I wanted to stop care leavers ending up on the street ... we were clear we didn’t just want to meet the target and that was a source of tension between the delivery unit and ourselves.’

Tip 6: Ensure appropriate governance – but don’t get bogged down in it

Units need ‘Goldilocks governance’: not too little because it’s a way of isolating them from the wider system they need to operate within, but not so much that it will become a time-consuming end in itself. A small high-powered unit with a direct relationship with a minister may require little formal governance. Heavy-duty governance can interfere with the unit’s strengths, in particular its agility and ability to challenge. But governance can be a useful part of the solution to getting support from departments, ensuring alignment with priorities and securing commitment to take forward recommendations. It just needs to be fit for the unit’s purpose. This can take a variety of forms, such as:

- commissioning or tasking the unit
- oversight of the work programme
- helping secure agreement to outputs.

The type of governance will depend on the purpose of the unit but the two critical phases are the initial tasking/commissioning and then getting the system to take ownership and action on the unit’s recommendations or findings. This is much less important for a unit that is set up with a dedicated delivery task which it can deliver without the need to draw on the wider network of government departments. Those with experience of those units warn against excess governance, saying, ‘There is always demand from the Civil Service to fuss about governance.’ Being linked to, and thus being required to service, a Cabinet Committee could be a distraction from the day job and require significant extra resource. Although some units, like the SEU and Implementation Unit, have used committees effectively.

For the methodology units, project selection is crucial. The Forward Strategy Unit (the initial secret strategy unit set up by Tony Blair in Number 10) issue selection came straight from the Prime Minister, and he was also the originator of the priority issues for early PMDU activity. And although the SEU was clearly a topic unit, the broad field of social exclusion meant that prioritisation was also important. Here the unit benefited from strong links to the prime minister and to Geoff Mulgan, then in the Number 10 Policy Unit, who had been one of the prime movers behind setting it up.

Both PIU and then the PMSU had a more formal commissioning board, with a mix of both advisers and, in some cases nominally ministers and officials from Number 10, Cabinet Office and the Treasury. But even so they suffered from a lack of clear alignment with prime ministerial priorities. This sealed the fate of the PIU, where a former member commented ‘The steering board from Number 10 didn’t work. They were happy for us to do analysis for them but didn’t defend us.’ From 2005 there was a much closer ‘commissioning’ relation between the Number 10 Policy Unit and PMSU, and it later became the analytic arm of the policy unit. Departmental involvement was still ad hoc but the development of a model of joint project working increased the likelihood of success. An official-led commissioning board has worked well for the Behavioural Insights Team, partly because of its internal consultancy model which means that it is offering a service to departments rather than challenging their cherished programmes.

Oversight depends on the nature of the task. But units have used expert networks and advisory groups to help connect them into the wider external community and to ensure their credibility. BIT has an academic panel. The SEU brought in networks to help develop policy, for example, its flagship Neighbourhood Renewal programme was developed by 18 Policy Action teams with lead officials from eight different government departments¹⁹ and

¹⁹ National Strategy for Neighbourhood Renewal: A framework for consultation, Social Exclusion Unit, April 2000, retrieved 28 August 2014 from http://www.uk.coop/sites/storage/public/downloads/ns_consultation.pdf

described by the unit as introducing ‘a new way of solving problems. They brought Government officials together with residents of deprived areas, local professionals and academics. This meant that they could focus a powerful combination of practical expertise and research evidence on cracking difficult problems. PAT members also visited a large number of deprived neighbourhoods through England, to root reports in first-hand experience’.²⁰

The SEU and its eventual successor the Social Exclusion Task Force (SETF) was more linked into formal governance arrangements to ensure that its proposals were taken forward as government policy. The SEU reported to a Ministerial Network chaired by the Chief Secretary to the Treasury.²¹ The SETF was fully networked into standard governance arrangements – with its own public service agreements (PSAs). Similarly the Troubled Families programme has clear objectives set by the Prime Minister. But the Sure Start programme and Fuel Poverty Strategy we studied as case studies in implementation show the limits of cross-Whitehall governance. Even using the levers of cross-departmental working, Cabinet committees and shared PSAs, the problem was still seen as one very much for the lead department, with weak incentives for shared cross-government effort.²²

Many variations on governance have been tried for the succession of better regulation units. There is now an independent Regulatory Policy Committee (RPC) which assesses the quality of impact assessments and under the last government the Better Regulation Executive was supported by a dedicated Cabinet Committee on ‘regulatory accountability’. The RPC ‘is formed of eight independent experts from a range of backgrounds, including business, civil society and academia, supported by a secretariat of civil servants’ and describes its role as:

We assess the quality of evidence and analysis supporting many of the regulatory changes affecting businesses and civil society organisations. We check whether central government departments’ estimated costs or savings to business, as a result of regulatory reforms, are robust. We check that government departments explain why new regulation is more appropriate than the alternative, such as voluntary codes. The RPC currently helps ensure government departments consider any impacts of regulation on small businesses. Where new regulation is required, the RPC checks that the government explains how it is minimising the effects on small businesses in particular.²³

The current system also uses ‘star chamber style’ methods to scrutinise departmental proposals for regulatory simplification, obviously borrowing from the techniques deployed by Treasury, and is supported by the Implementation Group in the Cabinet Office which runs the ‘Red Tape Challenge’. This reflects the fact that it faces a much more uphill task trying to ward off overregulation across the broad sweep of government business, often against the political objectives of ministers and their officials, without anything like the powers the Treasury can call on.

The Institute for Government’s study of civil service reform found that success often seemed more likely if personal accountability, rather than over-formalised governance, was integral to the reform design.²⁴ For example, Michael Barber designed PMDU stocktakes ‘to provide a strong sense of theatre in the cabinet room to make ministers and officials feel accountable to the Prime Minister for performance’. Successful use of more formal governance reinforced this personal sense of accountability – such as capability review benchmarking of departments which led to permanent secretaries spending the morning that the results were announced ‘furiously converting the traffic-light ratings into cumulative scores to see where they stood in the pecking order’. The best units will have the right combination of formal governance and personal accountability.

²⁰ A New Commitment to Neighbourhood Renewal, National Strategy Action Plan. Social Exclusion Unit, January 2001, Annex B accessed at <http://www.bristol.ac.uk/poverty/downloads/keyofficialdocuments/Neighbourhood%20Renewal%20National%20Strategy%20Report.pdf>

²¹ A list of members of the Ministerial Network as well as a summary of the SEU’s work is available in

²² Emma Norris, Marc Kidson, Petr Bouchal and Jill Rutter, *Doing them Justice: Lessons from Four Case Studies of Policy Implementation*, Institute for Government, July 2014, retrieved 18 August 2014 from <http://www.instituteforgovernment.org.uk/publications/doing-them-justice>

²³ Communication from the Regulatory Policy Committee, July 2014.

²⁴ Peter Thomas and Nehal Panchamia, *Civil Service Reform in the Real World*, Institute for Government, 2014, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/civil-service-reform-real-world> p.90

Tip 7: Plan your legacy

Units have tended to be used to incubate and catalyse change, though some may progress to become permanent fixtures (as we have argued the capacity currently in the Implementation Unit should). There is a widespread view that most units need to be time limited and that the ultimate goal is to mainstream a new approach or a new policy solution back into departments, who then ensure that it flourishes. That is clearly the best approach, but there are other things a head can do to make sure their legacy lives on.

The important thing is to plan with legacy in mind. Too often units or reform processes are not wound down well, and units instead sometimes limp on for years after their useful lifespan has expired.²⁵ Planning the unit's legacy can mean various things.

- **Document and archive your material.** Whitehall's institutional memory is poor, and potentially even poorer for units who do not have a natural home. Many of the published reports from earlier units are now hard to find. So finding a repository, and making it easy for those who want to follow to pick up from where you ended rather than started, can help avoid wasting time reinventing the wheel. Former head of the SEU, Claire Tyler, observed 'We produced reports trying to capture what government had learned about social exclusion ... There should be public access to the learning that has been captured, but sadly very little of it has been.'
- **Publish and develop a profile for the units work.** This also points to putting as much as possible into the public domain to make it available to audiences beyond Whitehall. Indeed many of the old SEU reports are only now available through external academic websites. Profile raising – with the media and in Parliament can also help prolong the shelf-life of the units' work and increase its capacity for impact – as well as making it less likely that the issue is lost and neglected if it is 'mainstreamed' back.
- **Fund evaluation.** This is needed to demonstrate to those who take up issues later that the changes had an impact. Rigorous RCTs are a key element in the Behavioural Insights Team business model. The What Works centres may provide a new transmission route for evidence of successful interventions. But one of our panellists was sceptical about whether these could guarantee policy longevity. 'Ministers were not interested in the evaluation of the impact if not invented by them or their department.'
- **Build external networks.** The SEU built a network, for instance, of 'teenage pregnancy coordinators' who could carry on their work outside government. The Troubled Families Unit similarly works directly with local government, transferring approaches, which can be taken forward locally even after the unit disappears, without depending on central government interest.
- **Spawn diasporas and encourage copycatting.** Some of the most successful transfers of approach for methodology units have been through people spinning out across government. PMSU spawned a trend for departmental strategy units, often headed by their alumni, which in turn formed a network of like-minded people.²⁶ The PMDU was less successful in getting Whitehall to adopt delivery units but has been widely copied in other countries,²⁷ and was part of a transformation in how government departments are held to account for achieving defined outcomes. A number of departments, such as the Department for Education, have recently set up their own 'implementation units' for secretaries of state, mimicking the one at the centre.
- **Spin out.** This is the solution the Behavioural Insights Team has adopted to take advantage of the government's mutualisation policy and move out of government. It has become one-third owned each by government; the National Endowment for Science Technology and the Arts (NESTA); and its employees. But it has retained oversight from the Cabinet Office. Although there has been a degree of copycatting in

²⁵ *Ibid.* p.91

²⁶ Michael Hallsworth, Simon Parker and Jill Rutter, *Policy Making in the Real World: Evidence and Analysis*, Institute for Government, April 2011, Chapter 7: Structures, retrieved 28 August 2014 from <http://www.instituteforgovernment.org.uk/publications/policy-making-real-world>

²⁷ Jennifer Gold, *International Delivery*, Mowat Centre and Institute for Government, retrieved 14 October 2014 from <http://www.instituteforgovernment.org.uk/publications/international-delivery-centres-government-and-drive-better-policy-implementation>

departments, BIT itself regards mainstreaming as generally inefficient, arguing instead that it is more efficient to concentrate its expertise in one place and work with departments (and now other levels of government in the UK and abroad) than to replicate miniature BITs.²⁸ This may also help the unit to achieve something that has evaded most of the units we have looked at in this report – surviving a transition to remain an effective and influential force.

- **Know when to go.** The style that worked for a unit early on may not be right as its role changes, so a unit head needs to think about whether they need to move on to allow the unit to reinvent and reposition itself. This might mean engaging and developing a wider cadre of leaders to take forward the unit's work.

²⁸ The exception is HMRC where BIT supported HMRC in setting up their own behavioural insights team.

Conclusion

The question we have not answered in this paper is whether units deliver more progress than other options for inducing change. To do that, there would need to be much more formal evaluation of the processes in place. Some units appear to catalyse change in Whitehall and on the ground; others fail and sink without trace. People outside government who see a central unit as a solution to a problem, need to understand how difficult it is to make a unit challenge conventional structures so that it can work, and how important it is for units to have both continuing political support from Number 10 and, where possible, the Treasury. Orphaned units, who don't have that patronage, face an uphill struggle to make any headway at all against the forces supporting the status quo.

It is also clear that the need to create dedicated central units to drive change or to join up, could be exposing a deeper flaw in the way we organise government. In some respects, government remains too unwilling to embrace innovation, and too siloed and unable to utilise external talent effectively. This is a question outside our current scope, but one which a succession of central units alone cannot answer.

In our report, *Centre Forward*, we argued that, since successive prime ministers had been tempted to use such units to drive change in government methods or policies, the Cabinet Office should become the centre of expertise on how to set up successful units. It was also clear from our discussions and interviews that – as well as there being no institutionalised learning about what sort of unit succeeds for what task and under what conditions – there is no guidance to help incoming unit heads benefit from other's experience.

This brief paper is intended to start filling that gap, and begin a conversation among those in units, those who have set them up (or tried to close them down) and those who have been on the receiving end of them. Learning from the successes and failures of those who have gone before is essential for the effectiveness of future central units.

Appendix: International units

Elsewhere in the world, similar units have been used sometimes modelled on those considered successful in the UK. Here are three examples of using special units or central dedicated capacity to pursue prime ministerial priorities in New Zealand and Australia.

Prime Ministerial Priorities in New Zealand: Tackling Metamphetamine Action Plan

In 2009, New Zealand had one of the highest prevalence rates of metamphetamine use in the world, with more than 2.1% of the population using the drug. Prime Minister John Key asked the Department of the Prime Minister and Cabinet (DPMC) to come up with an action plan for combating the problem, tackling what is a classic cross-agency issue. The action plan – which, as usual for New Zealand government documents, has been published – was based on analysis by the PM's Policy Advisory Group (akin to the UK Policy Unit) together with ministry of health and law enforcement agencies. The plan included actions and indicators, as well as an overview of expected results.

Policies to tackle the problem remain in line agencies, but DPMC plays a coordinating role and runs the Methamphetamine Steering Group made up of senior officials. Driven by the Policy Advisory Group, it is very clear this is a PM priority area for the system. Both the justice and health systems have been a particular focus of change. For example, an Alcohol and Other Drug Treatment Court Pilot began in Auckland in 2012, and the Department of Corrections increased the number of treatment places available to prisoners.

The PM's Policy Advisory Group provides six-monthly reports on progress to the Prime Minister and relevant ministerial colleagues. The reports are approved by the Steering Group, ensuring a shared agency view. And they are published, which significantly increases the opportunity for public scrutiny of how departments are faring.

Social Exclusion in South Australia

When he became Premier of South Australia, Mike Rann identified tackling social exclusion as one of his priorities. Echoing Tony Blair's approach, he set up the Social Inclusion Board to act as an 'ideas think tank' on social policy. To run this, Rann invited Monsignor David Cappel, a noted social policy activist and Roman Catholic priest, to chair the Board as Social Inclusion Commissioner, and Cappel directed a specialist unit in the Department of the Premier and Cabinet which reported directly to Rann.

There were two notable ways in which Cappel was able to operate. First, David Cappel was given free rein under Rann's authority to roam across government departments. He was also made part of Rann's Excomm, the executive committee of cabinet. Excomm was chaired by the Premier, and included just his deputy, Treasurer, and three senior ministers as well as Cappel and another outsider, the chair of the Economic Development Board. Cappel was closer to the Premier – who stressed to us how important it was for him to back Cappel, who reported directly to him, against recalcitrant ministers – than most UK special unit heads have been to the prime minister.

Second, although Cappel was part of Excomm, he was independent in his role as Commissioner. Rann allowed him to be 'free to speak out publicly through the media when he thought the government was not acting quick enough or when he believed agencies were frustrating progress'. This made Cappel 'unpopular with ministers and CEOs' but, in Rann's view at least, was essential to agitating agencies to get things done.

Rann's government drew up the South Australian Strategic Plan, which set around 100 targets on issues ranging from mining exploration and renewable energy to reducing homelessness.²⁹ Drawing up the plan involved two major summits as public consultation exercises on where people wanted South Australia to be in 10 years. Excomm then focused on driving compliance with the plan.

²⁹ Mike Rann, *Social Inclusion: From Welfare to Social Innovation*, University of Auckland, 2012, retrieved 28 August 2014 from <http://www.mikerann.net/assets/Speeches-and-Lectures/May-2012-University-of-Auckland-LectureSocial-Inclusion-From-Welfare-to-Social-Innovation.pdf>

The previous government had also had a strategic plan, but progress on the targets was measured internally. Rann added a new element of external audit on progress, something he described as ‘the stretch that no one else would do’.³⁰ He asked a six-person independent group of experts, the plan’s Audit Committee, to monitor progress and report on the targets every two years. For example, one of the last assessments in 2010 found that 58 of the 98 targets was on track, but that only 10 had been achieved.³¹ This report was published on a dedicated website, and included a rating of 1-4 for each target depending on progress made.³² The reports attracted considerable media attention ‘naturally focusing on where we are failing’, but in Rann’s view this was helpful ‘as a spur to ministers and departments to do better’.³³

Prime Ministerial Priorities in Australia: Tony Abbot and Indigenous Affairs

Indigenous affairs has long been a personal priority for the current Australian prime minister, Tony Abbott. Prior to becoming Liberal Party leader he was Shadow Minister for Indigenous Affairs, volunteered as a teacher in remote Aboriginal communities, and has actively and publicly supported Indigenous issues. In opposition, he promised there would be ‘in effect, a prime minister for Aboriginal affairs’. It seemed obvious then that after his election, he would use central machinery to signal this priority. He’s done so in a number of ways familiar to the techniques used by UK prime ministers.

- The Department of Prime Minister and Cabinet (PM&C) has been made the responsible agency for most Indigenous policies and services, consolidating around 50 programmes run previously by seven different agencies.
- From summer 2014 these programmes are being replaced by a new ‘Indigenous Advancement Strategy’ also run by PM&C, which will create a staffed ‘Remote Community Advancement Network’ inside the department.
- Abbott has appointed a cabinet minister with responsibility for Indigenous Affairs, and has located him in the Department for Prime Minister and Cabinet.
- He has set up the Prime Minister’s Indigenous Advisory Council in September 2013, which consists of 12 leaders from Aboriginal and non-indigenous groups (including a former cabinet secretary). The Council meets triennially to advise on how to improve the lives of Indigenous people, supported by a PM&C secretariat.
- A review of Indigenous training and employment programmes was set up, chaired by businessman Andrew Forrest and with the Parliamentary Secretary to the Prime Minister – a similar role to a UK Parliamentary Private Secretary – actively involved.

The Australian example shows what can be done relatively quickly with a strong central department able to absorb a priority policy area and drive it forward. The UK Cabinet Office could potentially do this, but is too often treated as a dead-end for policies, like youth policy, which are not prime ministerial priorities.

³⁰ Interview

³¹ AAP, SA on track with strategic plan: Rann, The Sydney Morning Herald, July 2010, retrieved 28 August 2014 from <http://news.smh.com.au/breaking-news-national/sa-on-track-with-strategic-plan-rann-20100728-10vwb.html>

³² South Australia Strategic Plan, 2010 Progress Report, SASP Audit Committee, 2010, retrieved 28 August 2014 from <http://saplan.org.au/pages/our-progress>

³³ Mike Rann, *Social Inclusion: From Welfare to Social Innovation*, University of Auckland, 2012, p.3, retrieved 28 August 2014 from <http://www.mikerann.net/assets/Speeches-and-Lectures/May-2012-University-of-Auckland-LectureSocial-Inclusion-From-Welfare-to-Social-Innovation.pdf>