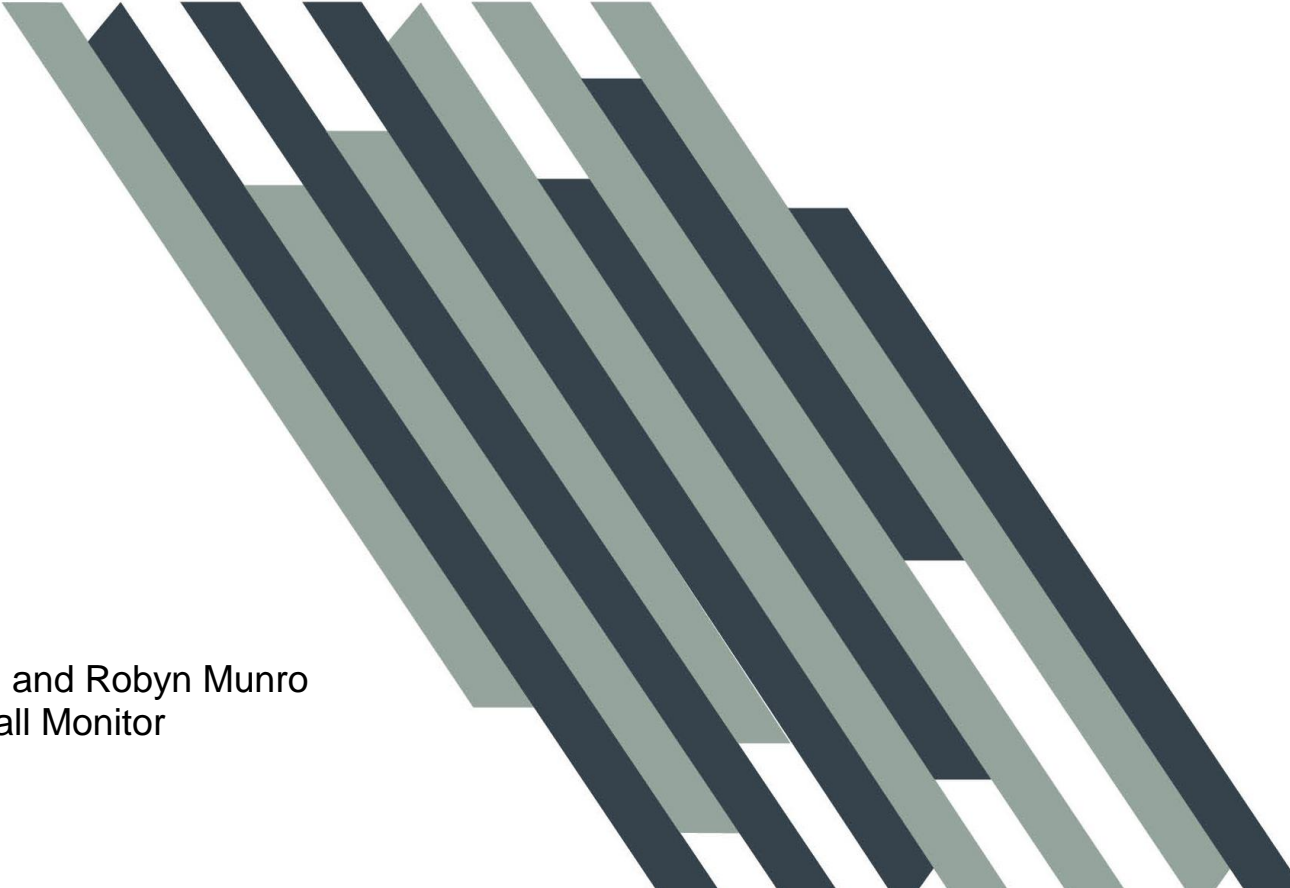


The Civil Service in Territorial Perspective

A data-driven analysis of Whitehall and the devolved administrations

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with Whitehall Monitor



About the authors

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All errors are the responsibility of the authors.

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Summary

A territorial perspective

This paper examines the civil service from a territorial perspective. Our objective is to increase understanding of the capacity and characteristics of civil service presence in each part of the UK.

As Scotland decides upon its constitutional future and as proposals for further devolution to each of the devolved nations are discussed, our analysis is designed to inform debate about and preparations for any future changes to the balance of power between Westminster and the administrations in Edinburgh, Cardiff and Belfast.

We further hope that the data we present will help to enhance mutual understanding between Westminster and the devolved governments, in turn contributing to strong relationships and cooperation between the four administrations of the UK.

Our paper is structured around four themes:

- What is the ‘territorial profile’ of each Whitehall department?
- What civil service capacity is present in each part of the UK?
- What is the balance between reserved and devolved functions in Scotland?
- What are the differences in composition and attitudes between the UK and devolved civil services?

Whitehall’s territorial profile

The UK government has a complex and differentiated relationship to the territories, reflecting the asymmetric nature of devolution and the fact that Whitehall serves as the government of both England and the UK.

There is a spectrum of departments in Whitehall, ranging from those who operate on behalf of the UK as a whole (such as the Foreign Office and the Treasury) to departments whose operations are effectively limited to England only. Analysis of spending data, however, reveals that only one department – education – has no policy programmes that apply to any of the devolved territories.

All other departments have a mixture of policy responsibilities for different parts of the UK, and must therefore maintain different levels of territorial sensitivity in their policymaking. Over three-quarters of Home Office programme spending, for instance, covers England and Wales only (and relates to police and justice functions), while the other quarter (mainly covering immigration and related functions) is UK-wide.

Many departments also have staff located in one or more of the devolved territories. Only DCMS and DfE have no civil servants (including agency staff) located outside England. The department with the greatest proportion of staff outside England is DfID, with over 30% of its staff based in Scotland.

The ‘big four’ UK departments in terms of staff numbers – DWP, HMRC, MoD and MoJ – are all well-represented outside England, though each has a distinct pattern of territorial employment reflecting the differing devolution settlements.

DWP, for instance, has 11% of its staff in Scotland and 6% in Wales, but has no presence in Northern Ireland, which controls its own welfare system. MoJ has 25% of its core departmental staff (not counting agencies) outside England – but the majority of these are in Wales, reflecting the existence of a single legal system for England and Wales. HMRC and

MoD have a presence in all three devolved territories, with a larger footprint in Scotland than the other two non-English territories. All these departments would face a significant task in restructuring their operations in the event of Scottish independence.

At the more senior tiers of the UK civil service there is much less presence outside England, reflecting the fact that the more administration-heavy civil service functions – such as processing benefits– have been decentralised. Consequently, 18% of the UK government’s administrative staff can be found in Scotland, Wales or Northern Ireland compared with just 3% of its senior civil service.

Civil service capacity by nation/region

There are over 475,000 civil servants across the UK (in terms of headcount – the FTE figure is lower), divided between the UK government and the three devolved administrations. Of this total, some 75% are located in England, with a significant number in each of the nine English regions, though some parts of England (including London, home to 16% of the UK’s civil servants, compared to 13% of the total UK population) are over-represented in per capita terms.

The three devolved territories also have a greater share of the UK’s civil servants than their population share, with Northern Ireland most over-represented in these terms.

The devolved territories differ in the balance between UK and devolved civil servants present. In Northern Ireland, with its distinct welfare system and low UK governmental presence, the separate NI Civil Service accounts for over 80% of all civil service jobs.

In Scotland, devolved civil servants are outnumbered by UK Government civil servants, who represent over 60% of the 45,000 civil service jobs in Scotland. The Welsh Government is even smaller, representing just 17.5% of the civil service population in the territory – fewer than DWP’s Welsh workforce alone.

The reserved/devolved balance in Scotland

The proportion of civil servants in Scotland working for the devolved administration has risen since devolution. According to Scottish Government data, the Scottish Government now accounts for 39% of civil service jobs north of the border, up from 31% in 1999.

Since devolution (and in particular since 2004, when Scotland’s civil service population peaked), the Whitehall presence in Scotland has declined, with DWP and MoD showing particularly significant falls. According to the Scottish Government, MoD now has fewer than 4,000 staff in Scotland, compared with 9,000 in 1999. HMRC and DfID, by contrast, have increased their presence in Scotland in this period.

A different perspective on the reserved/devolved balance in Scotland is provided by looking at the wider public sector, which is a much larger employer than the Civil Service. Just 8% of the Scottish public sector work for the Civil Service, compared with 45% for local government and 29% for the NHS. In total, 88% of Scotland’s public sector employees work in devolved policy areas.

UK and devolved administrations compared

The final section of this paper compares the UK and devolved administrations in terms of composition by grade, staff attitudes and demographic profile. The relevance of such comparison is that significant differences may imply a cultural distance between the four governments that could in turn make for more challenging intergovernmental relations (though more research would be required to test this hypothesis).

The UK and devolved administrations differ in terms of grade profile. Nearly three quarters of UK civil servants are at the Administrative Assistant (AA), Administrative Officer (AO) and Executive Officer (EO) levels (the three most junior grades), mostly working for large operational departments such as DWP and HMRC. Just 0.8% of the UK civil service are part of the Senior Civil Service (SCS), which comprises the four highest managerial grades.

The Scottish Government has a larger senior tier (since most of the policy functions it controls are delivered by non-civil-servants). Its SCS makes up 1.3% of staff, and it also has a larger middle-tier than the UK government. The Welsh Government is more senior still, with 2.5% at SCS grades. The separate Northern Ireland civil service has a smaller SCS tier than any of the other administrations.

In terms of staff engagement – that is, the extent to which staff are proud of, attached to and motivated by the organisation they work for – the Scottish and Welsh governments score well.¹ In 2013, the civil service engagement benchmark score was 58%, compared with 60% for the Scottish Government and 64% for the Welsh Government. Northern Ireland does not participate in the survey as its civil servants.

The Welsh Government has improved its performance steadily since 2010, and outperforms the civil service benchmark in all subcategories of the survey. The most notable difference is on 'Pay and Benefits', where satisfaction in the Welsh CS is far higher (61%) than the Scottish Government (33%) and all parts of Whitehall. The benchmark in this area is just 29%.

The Welsh Government has more female staff (58%) than the UK government (53%) or the Scottish government (47%). Both the Scottish and Welsh governments have a younger age profile than the UK government, with a larger share of staff in their twenties and thirties and fewer aged over 50.

Overall, our paper illustrates the complex nature of the relationship between Whitehall and the different parts of the UK. We have also compared the scale and composition of civil service capacity in each part of the UK, and highlighted some differences between the UK and devolved governments in terms of composition and attitudes. In the next phase of our research we will consider whether and how the data we have presented has implications how the different governments relate to and interact with each other.

¹ Staff engagement is calculated using five questions which measure pride, advocacy, attachment, motivation and inspiration. For a full technical guide to the CSPA, see http://resources.civilservice.gov.uk/wp-content/uploads/2014/02/cspa2013_technicalguide.pdf

Introduction

This paper looks at the civil service(s) of the UK through a territorial lens. As debate continues about the future constitutional status of Scotland and the United Kingdom, the data presented below is designed to enhance understanding about how the machinery of government functions in the context of devolution, and how it might need to adapt as further powers are transferred from Westminster to the devolved governments or in the event of Scottish independence.

We do not advocate any particular constitutional model, nor do we test any particular hypotheses about how or how well current arrangements for devolution work. Rather, we present a range of data, along with some discussion of its relevance and implications, with a view to shedding light on the following broad questions:

- First, how do Whitehall, and particular UK government departments, relate to the devolved territories at present? What is the ‘territorial profile’ of individual UK government departments in terms of their spread of policy responsibilities and location of staff?
- Second, what civil service capacity is present in the various devolved territories and English regions at present, and what does this tell us about what might be the challenges associated with a transition to a new constitutional settlement?
- Third, how has the balance shifted over time between reserved and devolved functions in the territories (and particularly in Scotland), and what does this imply about the changing relationship between national and subnational government in the UK?
- Fourth, how similar are the UK, Scottish, Welsh and Northern Ireland civil services in terms of demographic and professional characteristics and of staff attitudes?

We address these questions without offering comment on the potential costs and benefits of any particular constitutional settlement. We also avoid discussion of the range of potential future constitutional scenarios and how these might be made to work – though this specific issue is addressed in a parallel paper published by the Institute for Government.

About this paper

This paper, along with its companion piece on constitutional scenarios, are outputs of an Institute for Government research project on ‘Governing After the Referendum’, which is being carried out in partnership with the ESRC and the Future of the UK and Scotland research programme led from the University of Edinburgh. At the IfG, we have compiled and tested the data presented below in conjunction with our *Whitehall Monitor* team, who provide data-driven analysis of government.

In this paper we make reference to various government entities. The most important terms are explained here.

There are four different governments in the UK. There is the *UK Government*, which we refer to as such even when (as we discuss) it is acting only for a certain part of the UK. And there are the *Scottish Government*, *Welsh Government* and *Northern Ireland Executive*, which we refer to collectively as the *devolved administrations*. Another important point is that the *Home Civil Service* encompasses civil servants working for the UK, Scottish and Welsh

governments – but not for the Northern Ireland Executive, which has its own separate *Northern Ireland Civil Service* (or NICS).²

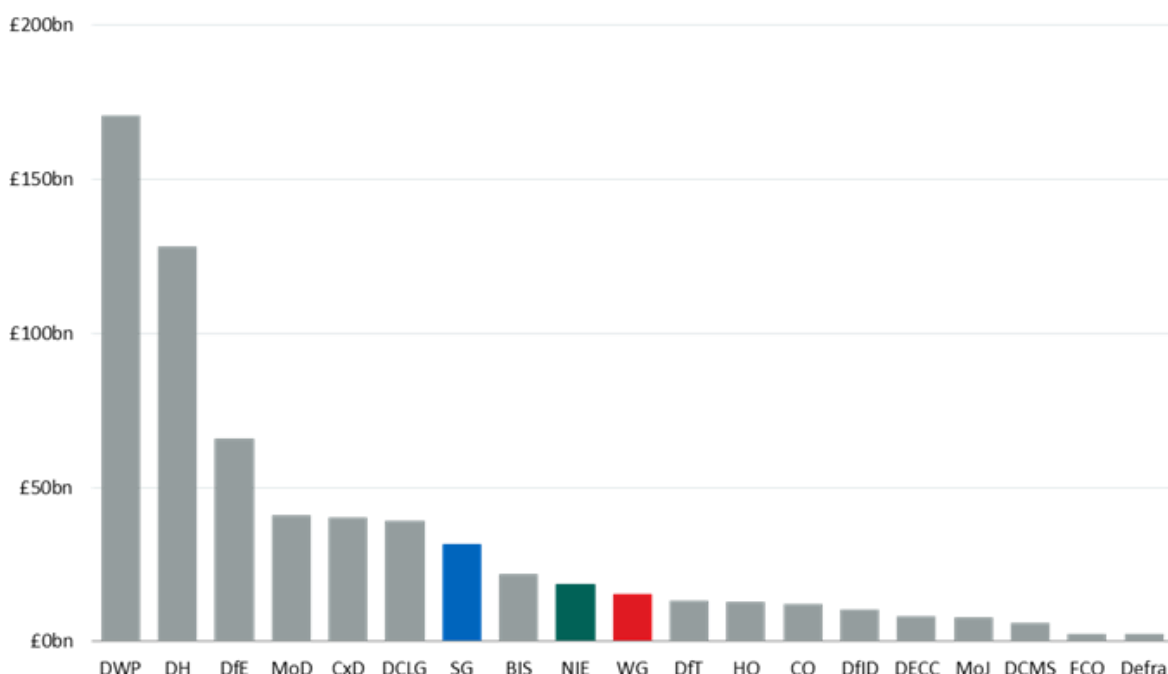
The term Whitehall refers to the London-based headquarters of UK government departments, as opposed to their agencies and operational arms that can be found in all corners of the UK. We also frequently refer to UK government departments by reference to their acronyms, a full list of which can be found in an annex.

Whitehall’s territorial profile

The UK government dwarfs the devolved administrations in terms of budget and numbers of staff. Its large operational departments operate across the country with significant numbers of UK government civil servants to be found in each of the devolved territories. This gives Whitehall a direct link to the territories that is often overlooked from the vantage point of SW1. It also reinforces the importance of Whitehall maintaining an understanding of and sensitivity towards the various devolution settlements.

When analysed at the departmental level, data on the territorial extent of programme expenditure and the location of staff also illustrates the complex, hybrid territorial profile of the UK government. There is in fact a spectrum of departments in Whitehall, ranging from those with a genuine UK-wide character (such as the Foreign Office) to departments that are effectively England-only, such as health or education, though even these often have to be sensitive to cross-border policy issues. This demonstrates the complex and asymmetric nature of the UK’s territorial constitution, and that each part of Whitehall has its own territorial profile and set of challenges in dealing with devolution.

Figure 1: Total Managed Expenditure by department/administration (£billion)



² We include FCO staff as part of the Home Civil Service, although formally speaking the diplomatic service is a separate entity.

Source: Institute for Government analysis of Public Expenditure Statistical Analyses 2014, Table 1.12 (Total Managed Expenditure by departmental group and other expenditure). Data is based on FY 2013/14 Outturn. Total departmental expenditure is given by Resource DEL excluding depreciation plus capital DEL plus resource and capital departmental AME. CxD stands for 'Chancellor's Departments', i.e. HMT and HMRC.

In terms of budget size, the three devolved administrations are small in comparison with the large UK departments (figure 1). In terms of Total Managed Expenditure the three devolved administrations have annual budgets of £31.4bn (Scotland), £18.6bn (Northern Ireland) and £15.3bn (Wales) respectively in financial year 2013/14. By contrast, the four largest-spending UK government departments (DWP, DH, DfE and MoD) each have budgets of over £40bn.

Due to the uneven nature of the devolution settlement in the UK, the Scottish Government is responsible for a larger share of public expenditure within its own territory (59%) than Wales (51%), which has no control of policing or justice functions. In Northern Ireland, an even higher share of public expenditure (81%) is controlled at the devolved level, due to the NIE's control of welfare as well as justice functions.³

None of the three devolved administrations has significant revenue raising capacity, leading to a large 'fiscal gap' that is filled by means of the Barnett Formula and block grant which the Treasury uses to fund the three devolved administrations. The Scottish Government– the most fiscally empowered of the three devolved administrations –has the ability to control just 7.5% of tax revenue (though this will rise to 16% when the Scotland Act 2012 is fully implemented in 2016).⁴

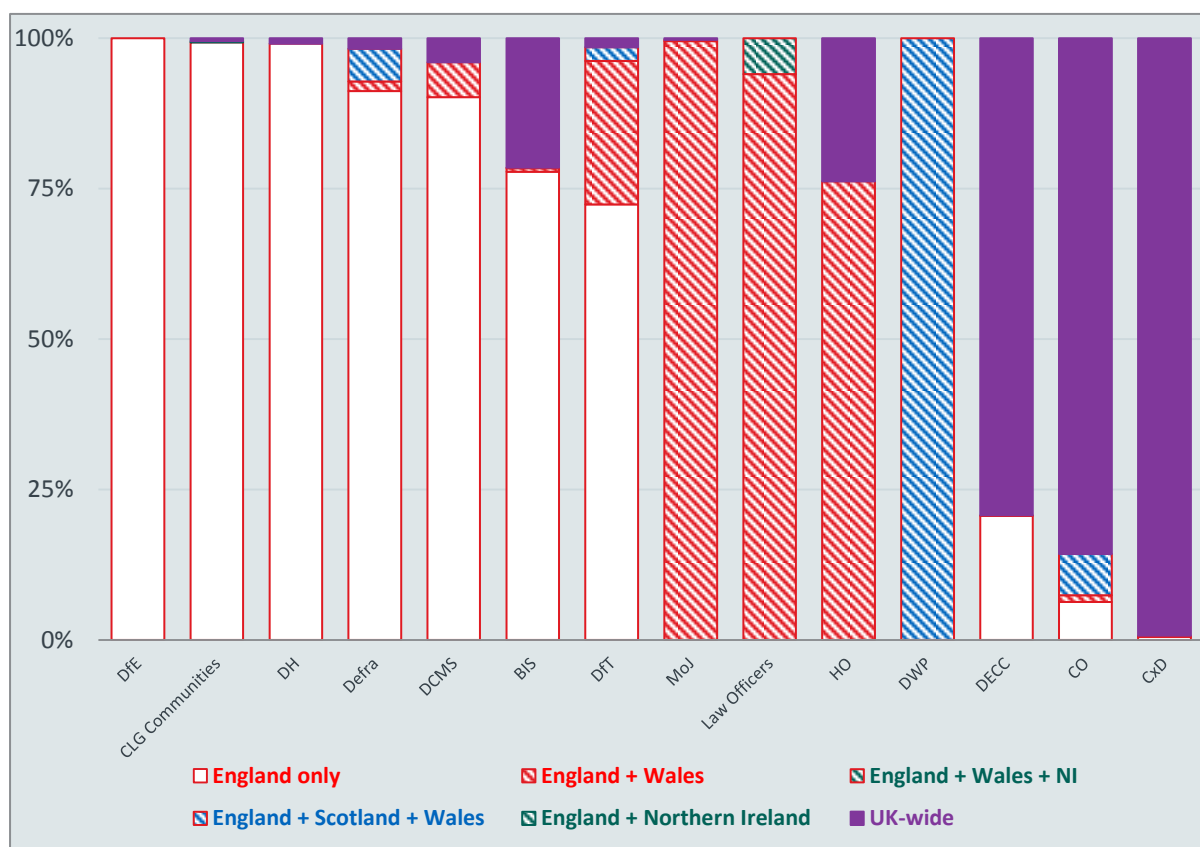
While the UK government as a whole remains responsible for a significant share of public spending in the three devolved territories, the picture is very different in different departments. Analysis of spending data shows that the so-called 'UK government' is not in fact a single administration with uniform responsibility for a fixed and defined territory. Rather it is a hybrid collection of departments with varying extents of territorial responsibility.

Figure 2 shows departmental expenditure (DEL) divided according to the territory or territories to which each programme relates. This is the data used to calculate the size of the three devolved administrations' block grants, based on decisions about which UK government policy programmes incur 'Barnett consequentials' on the grounds that the function in question has been devolved.

³ Institute for Government analysis of Scottish Government (March 2014) Government Expenditure & Revenue Scotland 2012-13; HM Treasury (November 2013) Country and regional analysis: 2013.

⁴ Institute for Government analysis of Scottish Government (March 2014) Government Expenditure & Revenue Scotland 2012-13.

Figure 2: Territorial allocation of UK departmental spending on policy programmes with defined territorial application



Source: Institute for Government analysis of UK Government Statement of Funding Policy (2010) Annex B, ‘Schedule of comparable Programme Objects’. CxD refers to Chancellor’s Departments (the Treasury and HMRC)⁵

As Figure 2 shows, there is a spectrum of departments in Whitehall with different territorial profiles. At one end there are the genuine UK departments – in particular the Treasury and HMRC (the Chancellor’s Departments), over 99% of whose programme spending is categorised as UK-wide. The three international departments – MoD, FCO and DfID can also be counted as on the far right of this spectrum, though they are not shown in the chart since their expenditure is ‘non-identifiable’ in territorial terms and does not carry Barnett consequentials. At the other end of the spectrum there are wholly or almost entirely English departments like DfE, DCLG and DH, and in between are departments with a range of other territorial profiles.

What the data in fact reveals is that the Department for Education is the only one to allocate all of its spending to England: all other departments spend part of their budget in the devolved territories. DfE aside, even departments that generally are seen as England-only have at least some policy programmes that apply in one or more of the devolved territories,

⁵ To compile this chart, we calculated the proportion of programme expenditure (‘comparable programme objects’) that relate to each part of the UK based on the ‘comparability percentages’ listed in Annex B of the 2010 Statement of Funding Policy, the basis for the calculation of the devolved administrations’ block grants. This data excludes territorially non-identifiable spending (which accounts for the absence of FCO, MoD and DfID) and also excludes AME spending, which accounts for the bulk of the DWP and HMRC budgets. Also note that where the spending provision for a programme is listed as a negative number (indicating that it is revenue-raising) we have removed the data from our calculations. As such this data is only indicative of the respective territorial profiles of the departments shown.

and even DfE takes decisions (for instance relating to the GCSE system that is shared with Wales and Northern Ireland) that have implications beyond England's borders.

Other predominantly-English departments include DH, the vast majority (99%) of whose budget focuses on England, since health policy is devolved in all three of the non-English territories. However, European Economic Area Medical Costs – which refund British citizens for selected overseas healthcare costs – are reserved, so this programme (representing nearly 1% of the departmental expenditure limit in 2010-11) is counted as UK-wide. Similarly, over 99% of the CLG Communities budget focuses on England, but a small sum of money is allocated to the UK-wide Ordnance Survey Trading Fund.

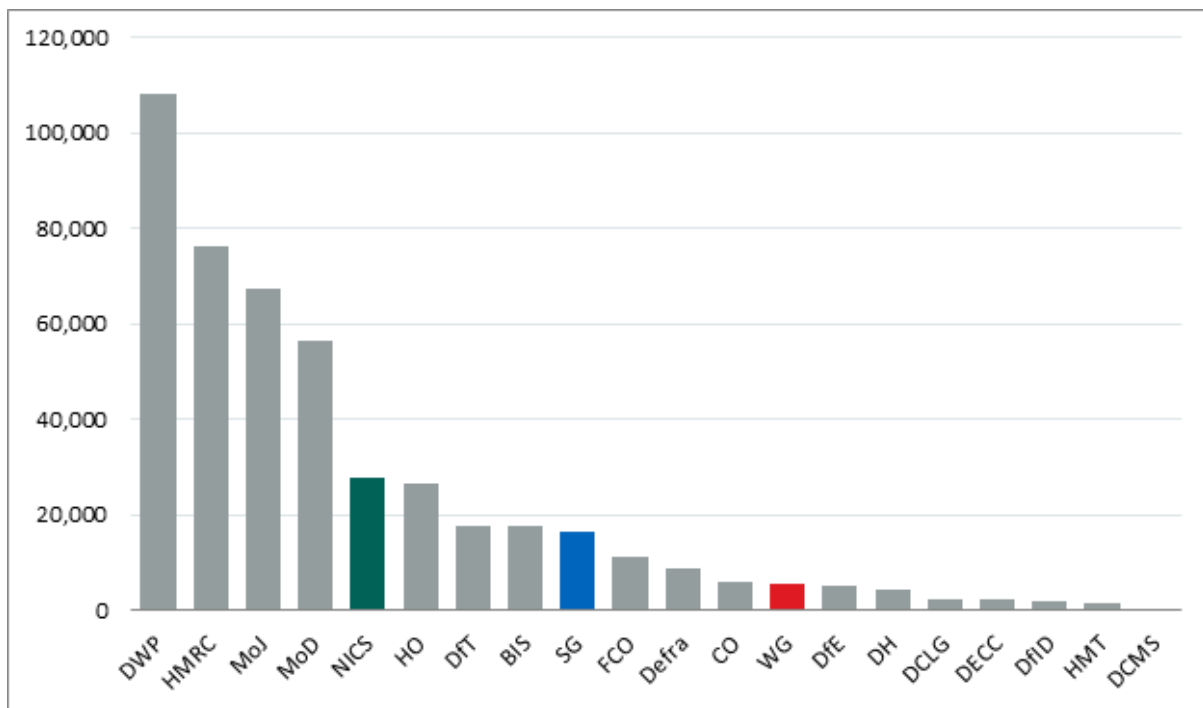
In other parts of Whitehall, departments have a much more visible relationship with one or more of the devolved territories. The bulk of Home Office and MoJ spending, for instance, covers England and Wales (reflecting the single unified Anglo-Welsh legal jurisdiction). The Home Office, however, also has significant UK-wide functions (such as immigration, borders control and counter-terrorism), which account for around a quarter of its spending. DWP is a GB department covering England, Wales and Scotland but not Northern Ireland, which controls its own welfare system. Other departments have a more complex mixture of responsibilities. DfT, for instance, is concerned mainly with England, but also has significant England and Wales spending (e.g. on railways), as well as some functions at the GB (e.g. Office of Rail Regulation) and UK (e.g. shipping and aviation) levels.

This mix of relationships and responsibilities shows that every UK government department must maintain some degree of devolution awareness and also that each department has its own distinct territorial profile, meaning that the nature of interaction with the devolved territories varies widely across Whitehall. Testimony from the devolved administrations also paints a picture of variable understanding of and sensitivity towards devolution issues across Whitehall.

Whitehall's territorial profile: headcount data

The devolved administrations are also small in comparison with the large UK departments in terms of number of officials employed. Figure 3 shows the respective sizes of all the main Whitehall departments as well as the three devolved administrations. The data used is from early 2013, which is the most recent dataset that provides the level of detail about the geographical dispersion of staff that we required for our analysis. The data is calculated in terms of total headcount, meaning that part-time staff are counted on an equal basis to full-time staff.

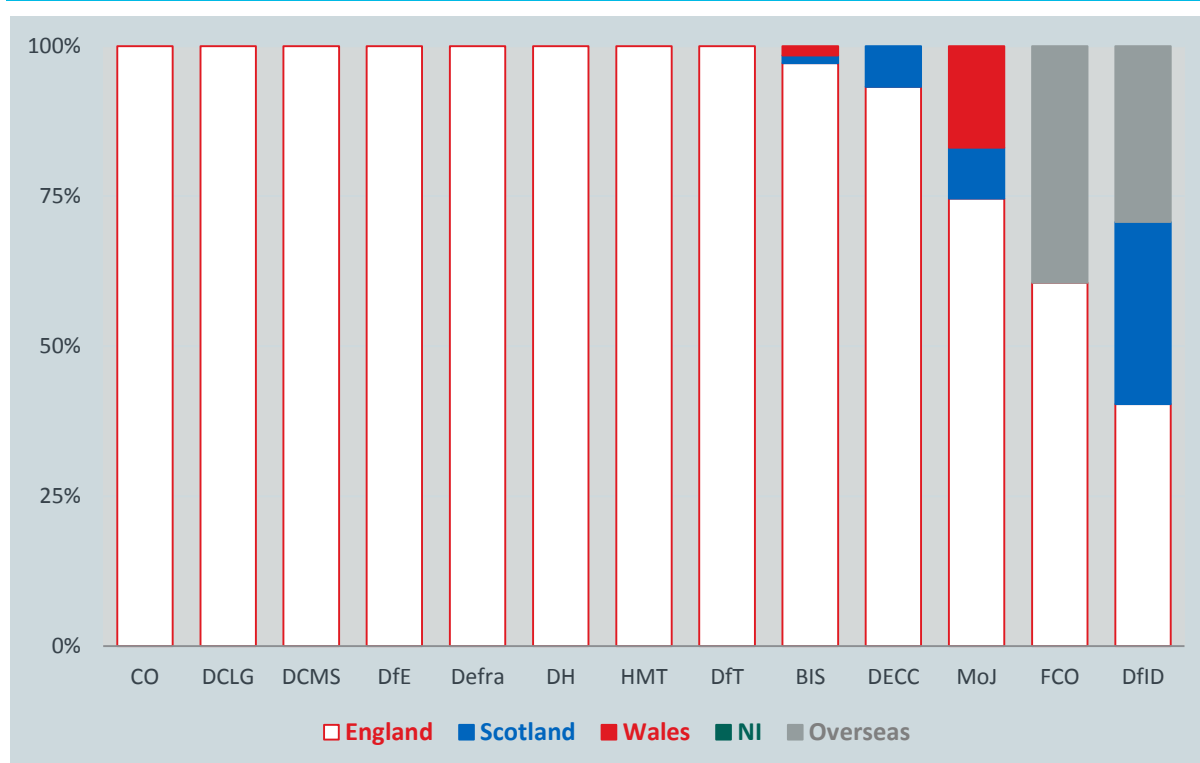
Figure 3: Staff numbers in departments (headcount) (Q1 2013)



Source: Institute for Government analysis of Civil Service Statistics 2013 Q1 2013 Northern Irish Civil Service data is from Northern Ireland Statistics and Research Agency (NISRA) 'Employment in the Northern Ireland Civil Service' to 1st January 2014, Table 1(a).

With just under 16,700 employees (including agencies), the Scottish Government is the 9th largest employer in the Home Civil Service and the Welsh Government (with 5,700 staff) the 13th largest. Due to its control of social security administration, the Northern Ireland Civil Service (which is not part of the Home Civil Service) is significantly larger than either of the other devolved administrations, with over 27,900 staff, larger than all except the four largest UK departments (DWP, HMRC, MOJ, and MOD).

Figure 4: Location of departmental workforce (Headcount) (Core Departments) (Q1 2013)



Source: Institute for Government analysis of Civil Service Statistics 2013 (data at 31 March 2013). Data excludes agencies and not reported, includes overseas. DWP, MoD, HO and HMRC do not appear here because the data does not distinguish between the core department and the departmental group.⁶

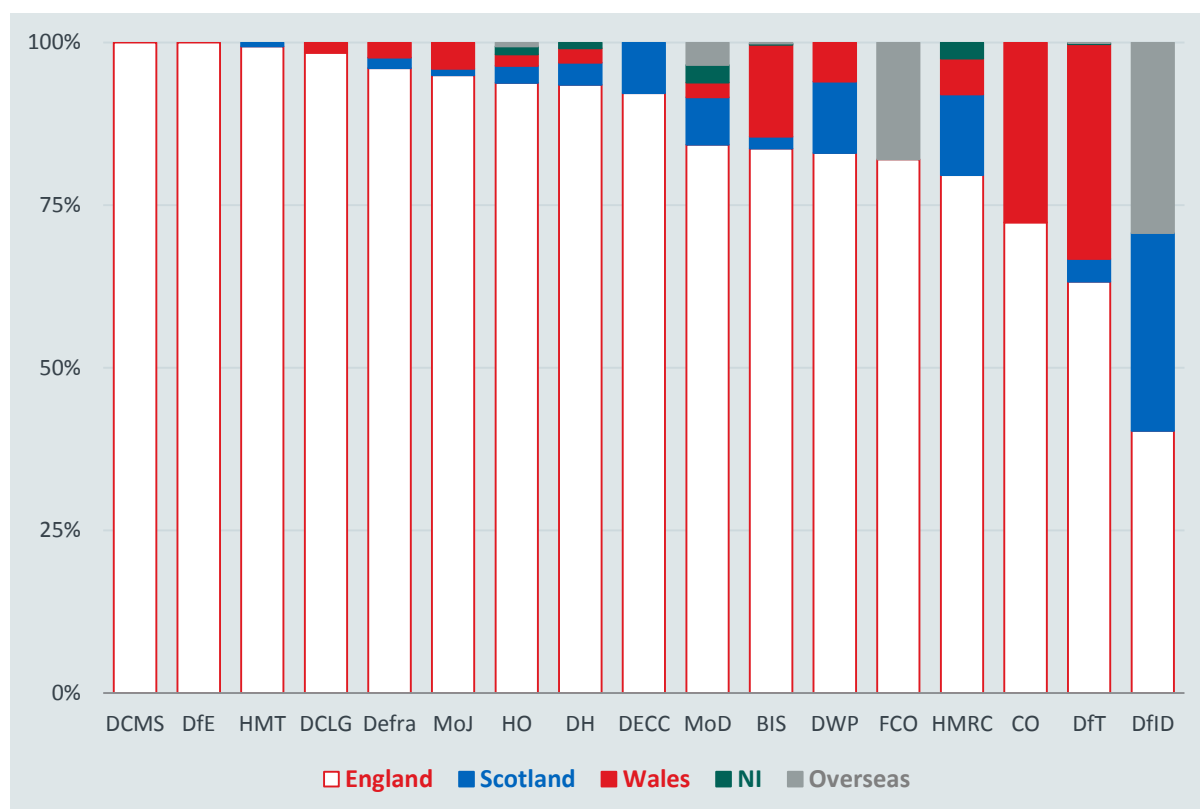
Eight UK government departments have no core departmental staff (meaning officials based in the department proper, rather than in any delivery agencies within the wider departmental group) based outside England. The ‘English Eight’ are DfT, DH, Defra, Cabinet Office, DCLG, DCMS, DfE and the Treasury – though the Treasury has now chosen to permanently locate a single official in Edinburgh, based within the Scotland Office, we were separately told.⁷

Proportionally, the Department for International Development has the greatest presence in the devolved territories, with just over 30% of its total workforce (550 staff) based in Scotland, in DfID’s East Kilbride office. In proportional terms, when overseas staff are excluded, the Ministry of Justice is the second most ‘devolved’ department, with 25% of its workforce based in the devolved territories, mostly in Wales.

⁶ For a full explanation of Departmental Groups see http://www.instituteforgovernment.org.uk/sites/default/files/whitehall-monitor/WM_StaffNumbers_June2014_methodology.pdf

⁷ The Treasury’s Edinburgh-based staff do not show up in the data here because staff numbers below 5 are rounded to zero

Figure 5: Location of departmental workforce (Headcount) (Departmental group – including agency staff) (Q1 2013)



Source: Institute for Government analysis of Civil Service Statistics 2013 (data at 31 March 2013). Data includes agencies, excludes Not Reported.

When departmental agencies are included, as shown in figure 5, the number of government departments with all staff based in England falls to just two: DCMS and DfE.

- With agencies taken into account, the Department for Transport is the most ‘devolved’ department, with 36% of its workforce based in the devolved territories, due principally to the location of DVLA staff: of its 6,460 employees, 5,360 are based in Wales.
- Defra has 340 staff in Scotland and Wales employed by the Animal Health and Veterinary Laboratories Agency
- DCLG has 40 staff based in Wales, working for the Planning Inspectorate
- The Food Standards Agency (which comes under DH) has 150 staff in Scotland
- The Cabinet Office has over 1,700 staff in Wales, working for the Charity Commission and the UK Statistics Authority
- The Treasury has 10 staff based in Scotland working for National Savings and Investments.

The largest four UK departments in terms of headcount – DWP, HMRC, MOJ and MOD – are all well-represented outside England, though each has a distinct pattern of territorial employment:

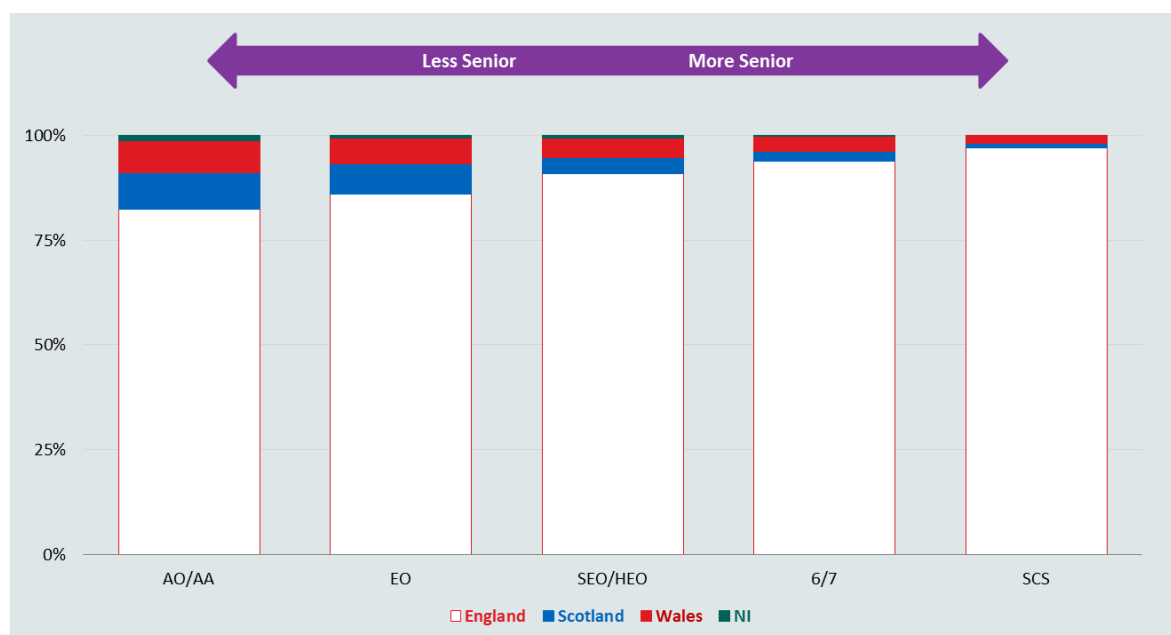
- DWP has a large presence in Scotland (11% of its staff are based there, or approximately 11,800 staff) and Wales (6%) but has no staff in Northern Ireland, as

welfare functions are devolved. DWP staff in Scotland and Wales carry out a combination of local and national functions. In Scotland, for instance, around a third of DWP staff are based in job centres. But in large DWP centres, such as those in Glasgow and Dundee, processing pensions and benefits for claimants in both Scotland and parts of England takes place.⁸ Scottish independence or even significant devolution of welfare functions might lead to change in this distribution of benefits administration.

- Overall, DWP is over-represented in both Scotland and Wales in comparison to population (Scotland has 8% and Wales 5% of the UK population).
- HMRC also has a sizeable presence (15,500 officials, representing 20% of its total headcount) outside England. Scotland has a particularly large HMRC footprint, with 12% of the department's staff located in that territory.
- The smaller MOD has 16% of its civilian staff located outside England, around half of whom (8% or just over 4,000 officials) are in Scotland, where there is also a large military presence. Nearly 3% (1,950) of MOD civil servants are located overseas.
- When staff of the wider departmental group are included, MoJ becomes one of the less dispersed departments, with just 5% of staff outside England. These are mainly in Wales, which shares its legal system with England, though 660 staff (around 1% of total headcount) are based in Scotland, despite the department's minimal policy responsibility for the Scottish justice system.

When the data on territorial distribution of civil servants is broken down by grade (figure 6), we find an uneven distribution, with more senior officials less likely to be based outside England.

Figure 6: Distribution of grades in UK Government (headcount) (Q1 2013)



⁸ [Scotland Analysis: Work and Pensions](#) (2014) pp77-78.

Source: Institute for Government analysis of Annual Civil Service Employment Survey, via NOMIS (data at 31 March 2013). 'UK Government' excludes Scottish and Welsh Government employees, overseas and unknown

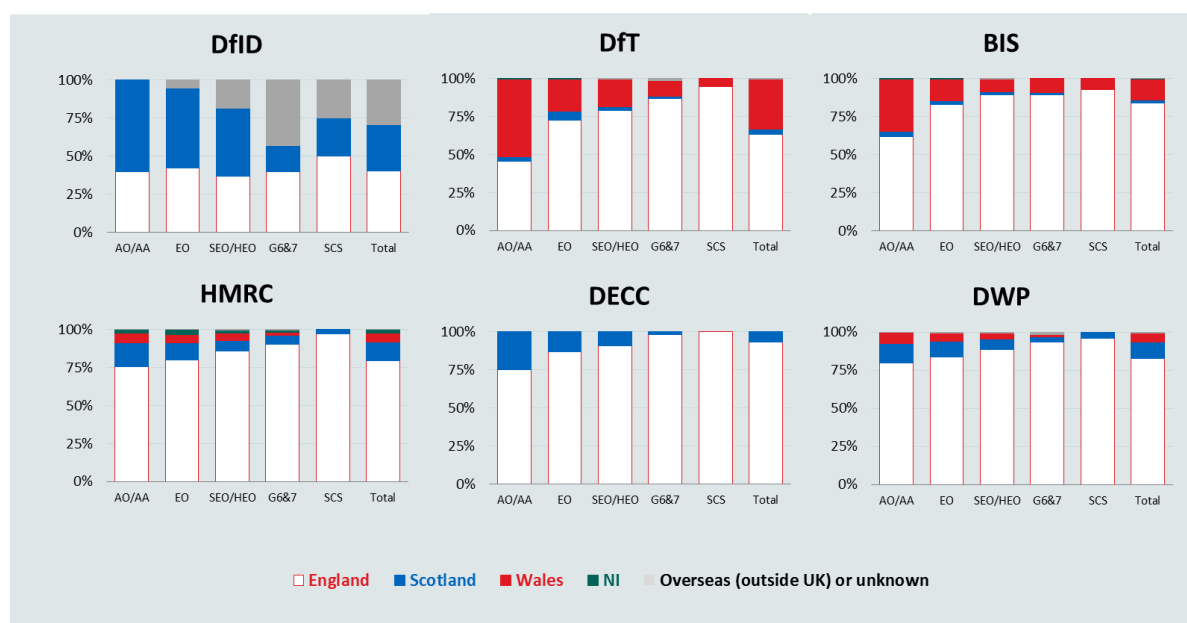
What the chart reveals is that the more senior echelons of the UK civil service have much less presence outside England. This reflects the location in Whitehall itself of all departments' headquarters, which are responsible for more senior functions such as policy making and ministerial support.

Just 3% of all senior civil servants working for the UK government are based in the devolved territories. By contrast, 18% of administrative staff can be found in Scotland, Wales or Northern Ireland, illustrating that it tends to be lower-level administrative and operational functions that have been moved away from London.

Interestingly, there are more UK government senior civil servants (the top four managerial grades) and the mid-ranking grades 6 and 7 that fall just below SCS level in Wales than Scotland. Wales is home to 70 senior civil servants from UK departments – BIS and its agencies (30), the UK Statistics Authority (30) and DfT (10). Wales also hosts just over 1,000 staff at grades 6 and 7 from UK departments (260 from BIS and 210 from the UK Statistics Authority). Scotland is home to around 40 SCS officials and 800 UK government civil servants at grades 6 and 7. Of course, as we discuss further below, the devolved administrations have their own SCS policy-making capacity. This is not captured in Figure 6, which looks only at civil servants employed by UK government departments in Scotland.

When broken down by department the variation in distribution of grades between the territories is more striking. Figure 7 shows a common pattern across all the departments with a significant presence outside England.

Figure 7: Distribution of grades by UK department (Headcount) (departmental group – including agencies) (Q1 2013)



Source: Institute for Government analysis of Annual Civil Service Employment Survey, via NOMIS (data at 31 March 2013).

The data clearly illustrates that staff from UK government departments based in Scotland are disproportionately at lower grades. This also of course means that Scotland has a smaller proportion of middle and senior level civil servants. The published data indicate that in the

MoD and DECC, for instance, there are no senior civil servants at all, while DWP has just 10 senior civil servants compared with over 10,000 operational and administrative staff. Consequently, in the event of independence or significant further devolution of powers, it is likely that the Scottish Government would need to recruit additional senior staff to cover the newly acquired policy responsibilities.⁹

Wales also has a smaller proportion of UK government civil servants drawn from middle and senior grades. However, DfT and BIS both have a notable senior and middle-grade civil service presence in Wales largely as a result of two departmental agencies – the DVLA and the UK Intellectual Property Office – being largely based in Wales.

Civil service capacity by region/devolved nation

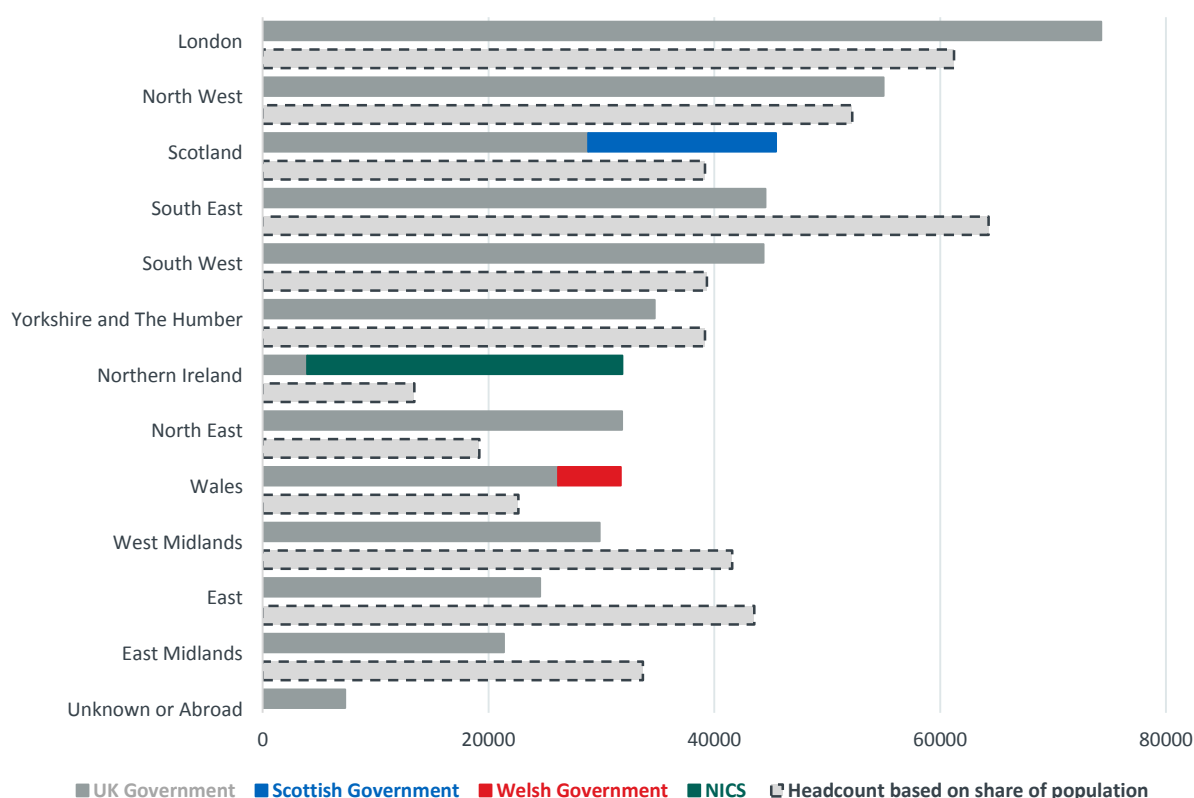
We have shown how each UK government department relates to the different territories, in terms of the destination of policy programme expenditure, and in terms of the location of departmental staff at different grades. Here we reverse the perspective and instead investigate the total civil service capacity, and its composition, in each part of the UK.

Based on figures from Q1 2013, the total civil service population of the UK numbered 476,800 in headcount terms (meaning part-time and full-time staff are counted on equal terms), though this number has decreased since then due to budget cuts. This figure includes civil servants working for the UK and all three devolved governments, including the constitutionally separate Northern Ireland Civil Service.

Three-quarters of the UK's civil service population are located in England. But while this paper often describes England as a whole as one of the four composite territories of the UK, it is important to note that there is also significant decentralisation of certain civil service functions within England, as figure 8 shows. We also show that the distribution of civil servants between the UK's territories and regions is not entirely in line with the distribution of the population as whole.

⁹ The implications for the civil service of Scottish independence is discussed more fully in our parallel paper on constitutional scenarios for the UK (published by the Institute for Government in September 2014).

Figure 8: Total civil service population by region (Headcount) (including agencies) (Q1 2013)



Source: Institute for Government analysis of Annual Civil Service Employment Survey, via NOMIS (data at 31 March 2013). Northern Irish Civil Service data is from NISRA ‘Employment in the Northern Ireland Civil Service’ to 1st January 2014, Table 1(a). Headcount based on share of population is calculated using the population of civil servants based in the UK (excluding Overseas and Unknown), and the percentage of the total UK population based in each region/territory. UK population based on ONS Region and Country Profiles: December 2013, Table 1.

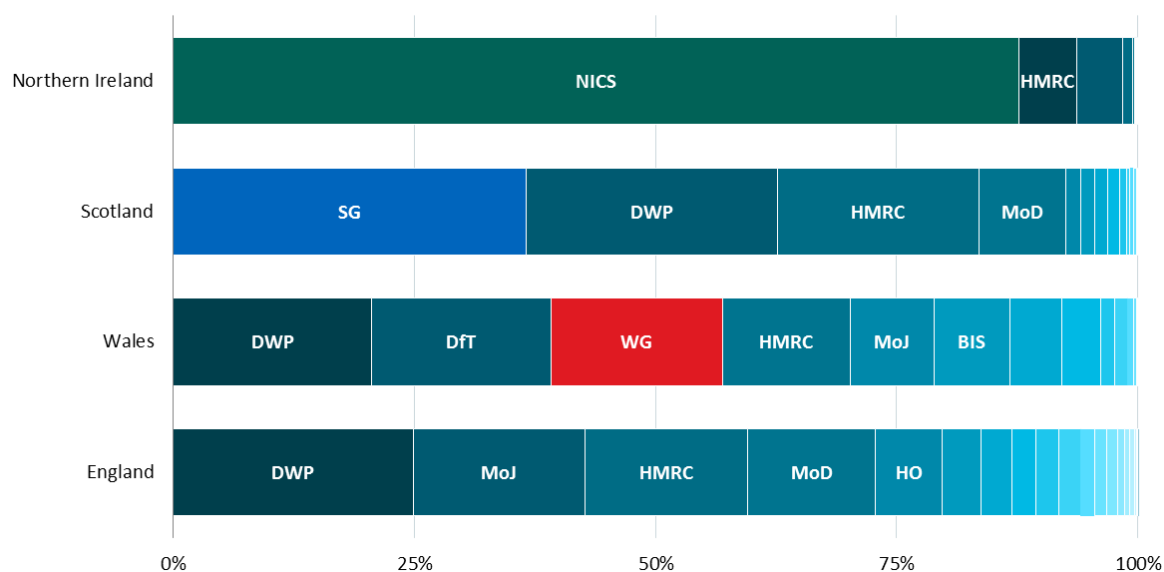
As is to be expected, London has the highest number of civil servants of all UK regions, with 16% of the total UK workforce (compared to 13% of the UK population), followed by the North-West with 11.5% (11% of population). Each of the devolved territories has a greater number of civil servants than their share of total UK population would suggest. Scotland is home to 9.5% of the total UK civil service (compared with 8% of the UK population) and Wales to 7% (compared with 5% of the population as a whole).

As we have already noted, there are few UK government civil servants in Northern Ireland, but the separate Northern Ireland Civil Service is a large employer in its own right. As a result, Northern Ireland is home to 31,900 (7%) of the UK’s total civil service population compared with just 3% of the UK population.

Other parts of the UK are at the opposite end of the scale, and are underrepresented in civil service terms compared to their share of total population. The East of England has 9% of total UK population but just 5% of the total civil service population. The South East is also under-represented with 13% of the population compared with 9% of the UK’s civil servants.

As figure 9 shows, there is also a notable contrast between the three non-English territories in terms of the balance between UK and devolved civil service presence.

Figure 9: Composition of civil service in each territory (Headcount) (Departmental groups - including agencies) (Q1 2013)



Source: Institute for Government analysis of Annual Civil Service Employment Survey (data at 31 March 2013), and NISRA ‘Employment in the Northern Ireland Civil Service’ to 1st January 2014, Table 1(a) Departments are highlighted when they comprise 5% or more of the total civil service population in that region.

The Scottish Government accounts for under 40% of the civil service presence in Scotland, though it is the largest single civil service employer. DWP, HMRC and MoD account for most of the rest of the civil service in Scotland, together representing 56%.

In Wales, the devolved administration controls no large delivery systems of its own (staff in the major devolved policy areas such as health, education and local government are all non-civil servants) and as a result the Welsh Government is heavily outnumbered by UK departmental staff in Wales. Just 17.5% of civil servants in Wales work for the Welsh government and DWP alone is a larger employer with 21% of Wales’ civil service population.

And in Northern Ireland, with its distinct welfare system and low UK governmental presence, the separate NI Civil Service accounts for over 80% of all civil service jobs.

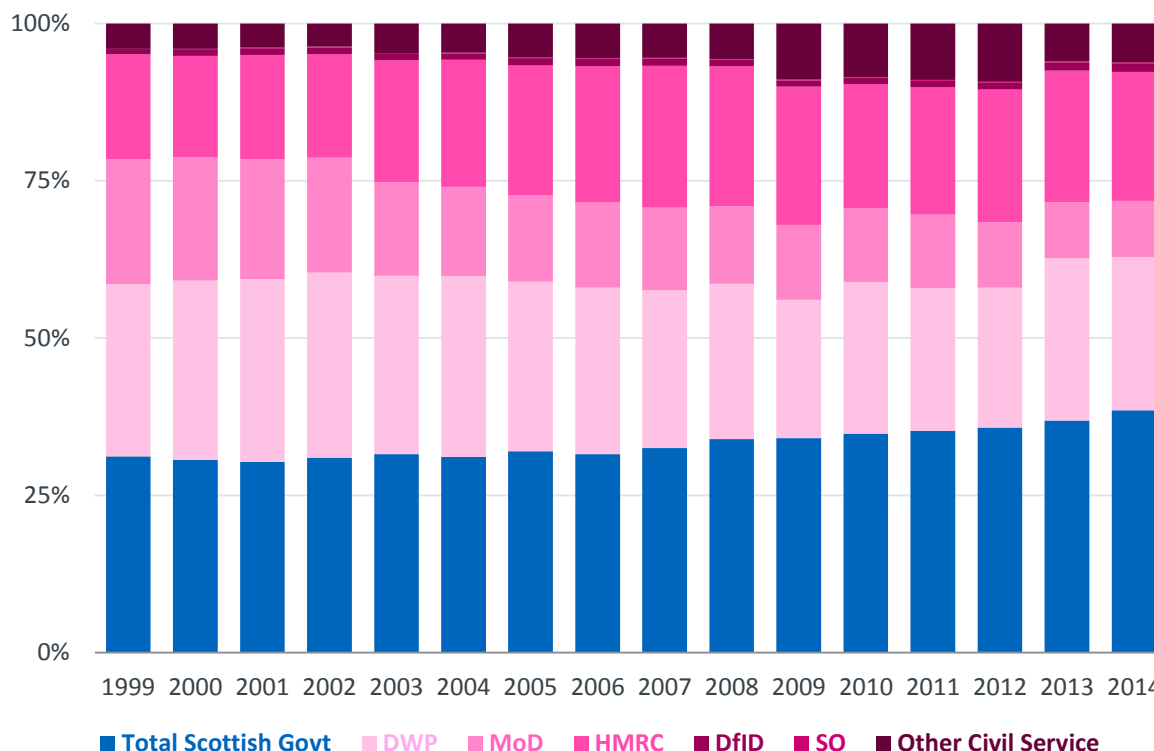
The UK government’s ‘territorial offices’ are small in comparison with the main policy departments: the Scotland Office employs just 70 staff in Edinburgh, the Northern Ireland Office 50 in Belfast, and the Wales Office just 10 in Cardiff. The Welsh Government has a small presence in London (10 staff), and the same number of staff based overseas. The Scottish Government has no staff based in London but 10 staff classified as based overseas, for instance in the Scottish Government EU Office in Brussels.

The balance between devolved and reserved functions in Scotland

We have presented data showing that in both Wales and Scotland (though not Northern Ireland), civil servants working for UK government departments outnumber those employed by the devolved administrations. Here we concentrate on Scotland alone, and examine how the ‘devolved-reserved’ balance has changed over time. In this section we use Scottish Government data published at the start of 2014 – a different dataset to that used in the

previous sections.¹⁰ We also highlight the large size of the wider public sector, and the fact that most of this is devolved, which casts a different light on the question of balance between devolved and reserved capacity.

Figure 10: Departmental breakdown of civil servants in Scotland (headcount) (Q1 2014)



Source: Institute for Government analysis of Scottish Government Public Sector Employment Data [Web Tables](#), Table 4, Total Devolved Public Sector Employment by Sector (1999-2014); Table 7, Reserved Civil Service Employment (2005-2014); PSE Scotland Q3 2009 Table 4(b) Employment (Permanent Staff Only): Other Civil Service in Scotland (for data 1999-2004).¹¹

Overall, the number of civil servants (headcount) in Scotland has fallen in the period since the start of devolution, from 46,800 in 1999 to 43,900 in 2014. As figure 10 illustrates, the balance of UK and Scottish government civil servants in Scotland has also changed over the period since devolution: at Q1 2014 the proportion of civil servants in Scotland who are employed by the Scottish Government had risen to 39%, in headcount terms, from 31% in 1999 (figure 10).¹² In 2010, before UK civil service cuts were implemented, the Scottish Government employed 35% of all civil servants in Scotland.

This shift has been driven both by a rise in the size of the Scottish Government (from 14,600 in 1999 to 16,900 at Q1 2014) and by a larger fall in the number of civil servants working for

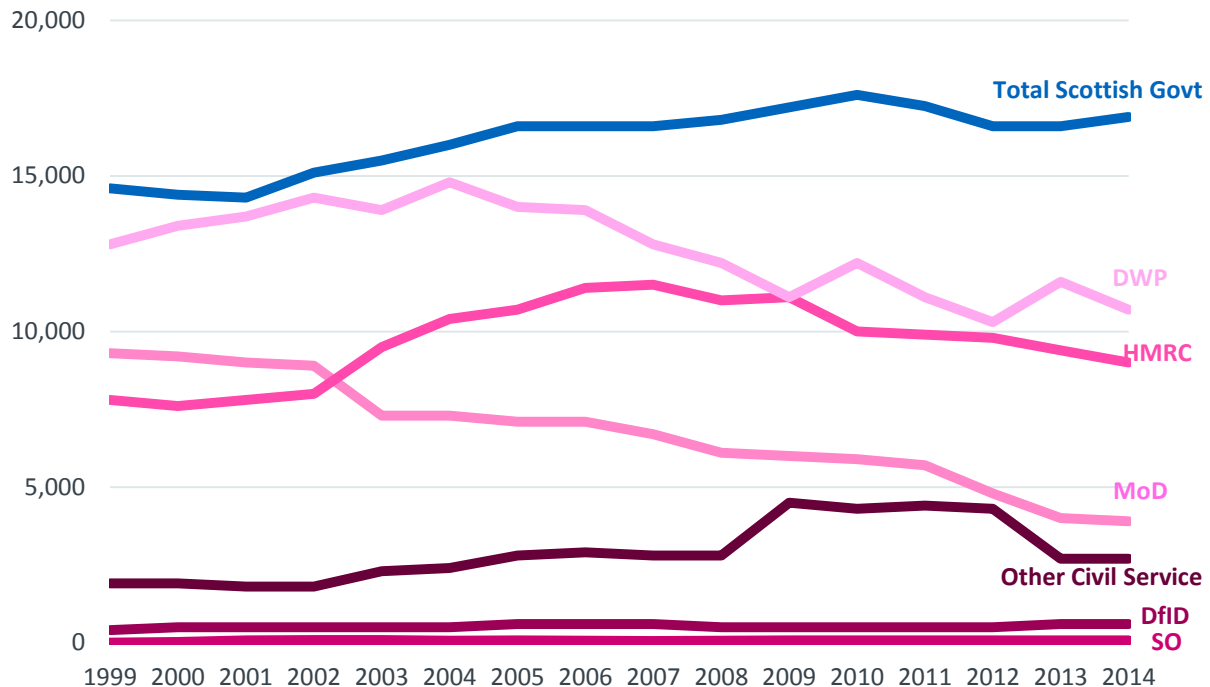
¹⁰ In Figures 10 and 11 we use the most recent available data on civil servants in Scotland, from Q1 2014. Elsewhere in this paper we have used an older dataset (from Q1 2013) which provides a more detailed regional breakdown of civil service numbers. For this reason headcount figures in Figures 10 and 11 may differ from figures given elsewhere in this paper.

¹¹ At Q1 2011 the Scottish headcount figure increased as 6,650 temporary staff were recruited to carry out the 2011 census. We have removed these temporary staff from our headcount figure in Figures 10 and 11 to allow better comparison between years.

¹² In Figures 10 and 11 we use the most recent available data on civil servants in Scotland, from Q1 2014. Elsewhere in this paper we have used an older dataset (from Q1 2013) which provides a more detailed regional breakdown of civil service numbers. For this reason headcount figures in Figures 10 and 11 may differ from figures given elsewhere in this paper.

the UK government (from 32,200 to 27,000). Scotland's civil service population in fact peaked in 2004 at 51,500, before the pressure of deficit reduction led to a sharp decline in the size of the Civil Service across the UK.

Figure 11: Civil servants in Scotland by department (headcount) (Q1 2014)



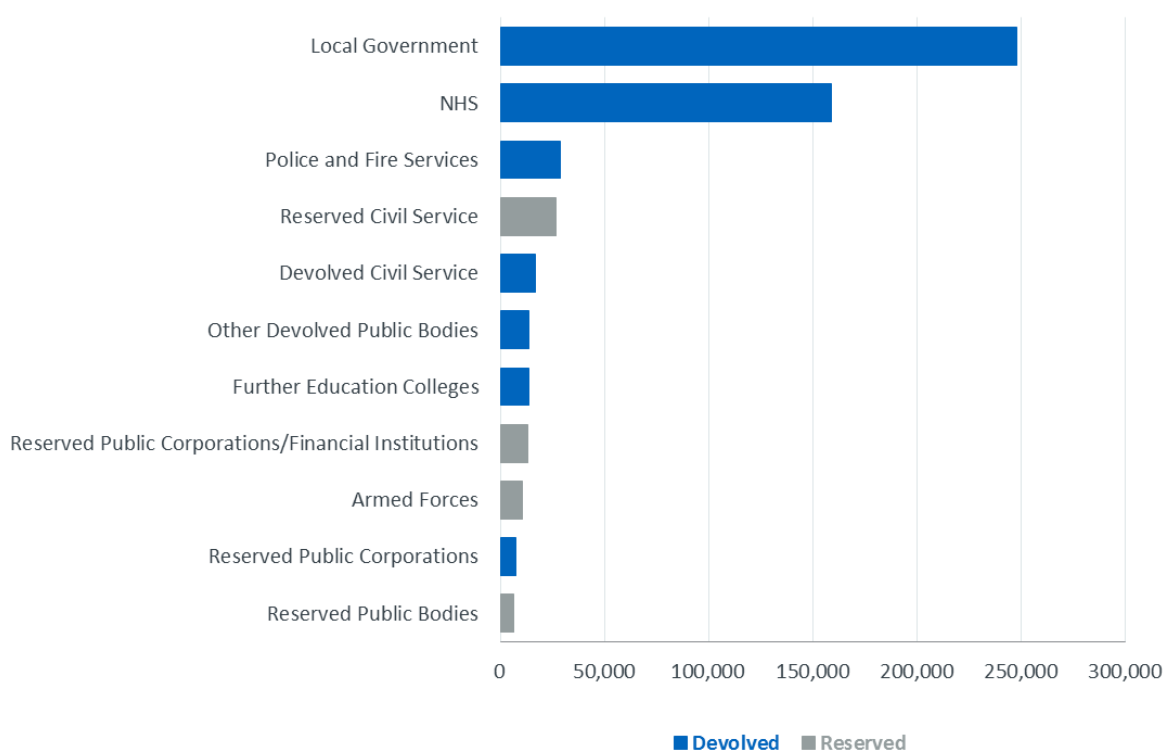
Source: Institute for Government analysis of Scottish Government Public Sector Employment Data [Web Tables](#), Table 4, Total Devolved Public Sector Employment by Sector (1999-2014); Table 7, Reserved Civil Service Employment (2005-2014); PSE Scotland Q3 2009 Table 4(b) Employment (Permanent Staff Only): Other Civil Service in Scotland (for data 1999-2004).

Figure 11 shows this pattern more clearly. The Scottish Government (including agencies) is now by some distance the largest single employer of civil servants in Scotland, though it has shrunk by nearly 1,000 from its 2010 peak of 17,600 staff. Absorption of arm's-length bodies into the civil service may account for some of the increased size of the Scottish Government.

Meanwhile, there has been a significant decline in the MoD and DWP presence in Scotland since devolution in 1999. MOD has lost over 5,000 jobs in Scotland, shrinking from 9,300 in 1999 to 3,900 in 2014, while DWP has shrunk from 12,800 to 10,700. By contrast, both HMRC and (the much smaller) DfID and Scotland Office both have slightly larger Scottish footprints than they did at the dawn of devolution. Other UK departments in Scotland now employ a total of 2,700 officials, compared with 1,900 in 1999, though notably less than the pre-austerity peak of 4,500 in 2009.

While a (shrinking) majority of civil servants in Scotland work for UK departments on reserved policy functions, this gives only a partial view of the devolved/reserved composition of the Scottish public sector, which employs a total of 545,000 people (according to early 2014 data).

Figure 12: The wider public sector in Scotland (Headcount) (Q1 2014)



Source: Institute for Government analysis of Public Sector Employment Scotland Data, Q1 2014, Tables 4 & 5. 'Local government' includes teachers.

Figure 12 shows that civil servants in general are significantly outnumbered by the wider public sector, and also that a large majority of wider public sector employment in Scotland relates to devolved functions and is therefore under the ultimate authority of the Scottish Government rather than Whitehall.

In total, 88% of public sector employees work in devolved policy areas. By far the largest employer is local government (including teachers), which accounts for a total of 45% of the Scottish public sector, followed by the NHS, with 29%. The Scottish Government is directly responsible for just 3% of public sector employment. In total, just 11% of public sector employees in Scotland work in reserved posts, of which the largest fraction are UK Government civil servants (5% of total public sector employment).

How similar are the UK and devolved civil services?

So far we have discussed the territorial profile of UK government departments, the civil service capacity in each territory and region, and the balance between reserved and devolved public sectors in Scotland. In this final section analyse the similarities between the UK and devolved civil services in terms of their grade composition, attitudes and certain demographic criteria.

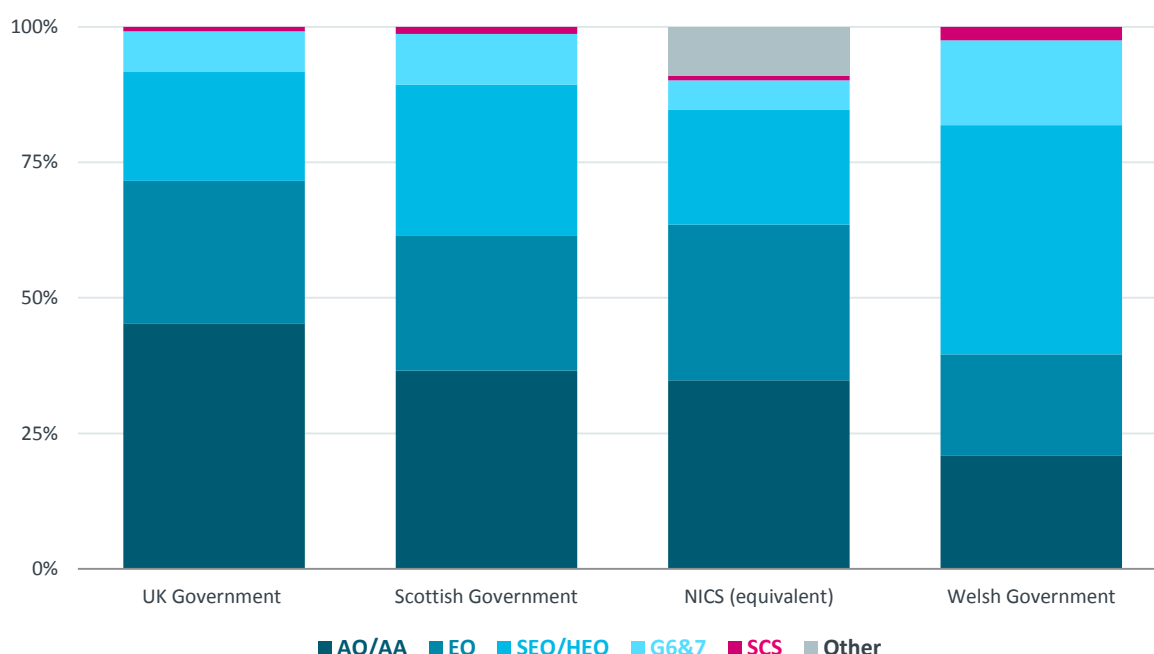
We look in particular at the UK, Scottish and Welsh Governments. These are all part of the unified Home Civil Service, which is seen by many as facilitating smoother and less 'transactional' relations between governments at the official level, even when there is political divergence. At the same time, devolution has created potential for cultural divergence between the different administrations, which could in principle lead to new challenges or transaction costs in intergovernmental relations. The data we present provides

some limited indicative evidence of cultural divergence, though these are very rough proxies for a complex phenomenon, so should not be over-interpreted.

The administrations by grade composition

Earlier in this paper, we showed how the profile of UK Government civil servants based in the devolved territories differed in terms of grade profile to those based in England, and that departments had tended to decentralise more junior-level administrative and operational staff. Figure 15 shows the other side of this picture. A comparison between the four administrations of the UK reveals notable differences in their respective grade profiles, which reflects the differing nature of the functions under the direct control of each government.

Figure 13: UK and devolved administrations by grade (Headcount) (Q1 2013)¹³



Source: Institute for Government analysis of Annual Civil Service Employment Survey, via NOMIS; and NISRA 'Employment in the Northern Ireland Civil Service' to 1st January 2014, Table 1(a). 'UK Government' excludes Scottish and Welsh Governments. All data includes agencies.

Nearly three quarters of UK Government civil servants are at the junior grades of Administrative Assistant (AA), Administrative Officer (AO) and Executive Officer (EO). The bulk of these officials work for the large operational departments such as DWP, HMRC, MoD and MoJ. Just 0.8% of the UK civil service are Senior Civil Service (SCS) level, with a further 7.5% at grades 6 and 7, which sit just below the SCS in Whitehall's hierarchy.

The Scottish Government is more senior in its overall profile (since most of the policy functions it controls are delivered by non-civil-servants). Its SCS makes up 1.3% of staff, and it also has a larger middle tier than the UK government, with 9% at grades 6 and 7 and a further 28% at the next tier of SEO and HEO (Senior and Higher Executive Officers).

¹³ To allow comparison, NICS grades have been reclassified as follows: G5+ becomes Senior Civil Service; G6/7 becomes Grade 6/7; DP and SO are combined as S/HEO; EOII/EOII becomes EO; AO and AA are combined as AA/AO, and Industrial and Prison Grades are listed here as 'Other'.

The Welsh Government is more senior still, with a larger proportion of its staff engaged in core policy functions. The Welsh SCS represents 2.5% of staff, with a further 16% at grades 6 and 7, and 42% at the SEO/HEO level.

NICS is separately organised but has a similar grade structure to that of the Home Civil Service. It has a smaller SCS and grade 6/7 tiers than any of the other administrations as a proportion of total staff.

The asymmetric nature of the UK's devolution arrangements thus results in four rather different administrations in terms of the balance between senior/junior and policy/operational staff. Whether and how this effects the way the four governments interact would require further research to answer.

Civil Service Engagement Scores

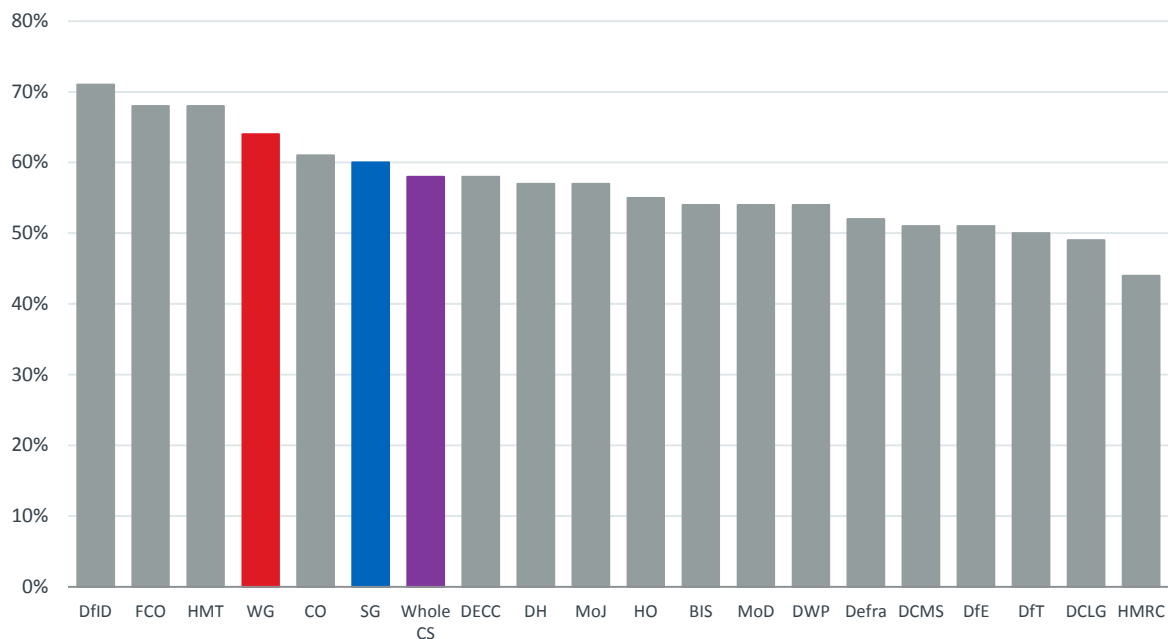
A different window into the culture of the different administrations is that of staff attitudes. Below we present data from the Civil Service People Survey, the UK's largest employee attitude survey. It provides an overall Engagement Index score for the Civil Service as a whole and for each department. The Engagement Index score is based on employee responses to five different questions:

- measuring attachment
- pride
- advocacy (how likely they are to recommend the organisation)
- motivation
- inspiration.

Other questions are grouped by themes or 'drivers' of engagement, such as 'Pay and Benefits'.¹⁴

¹⁴ Technical Guide to the CSPA here - http://resources.civilservice.gov.uk/wp-content/uploads/2014/02/csps2013_technicalguide.pdf

Figure 14: Employee Engagement Index by department/administration (2013)



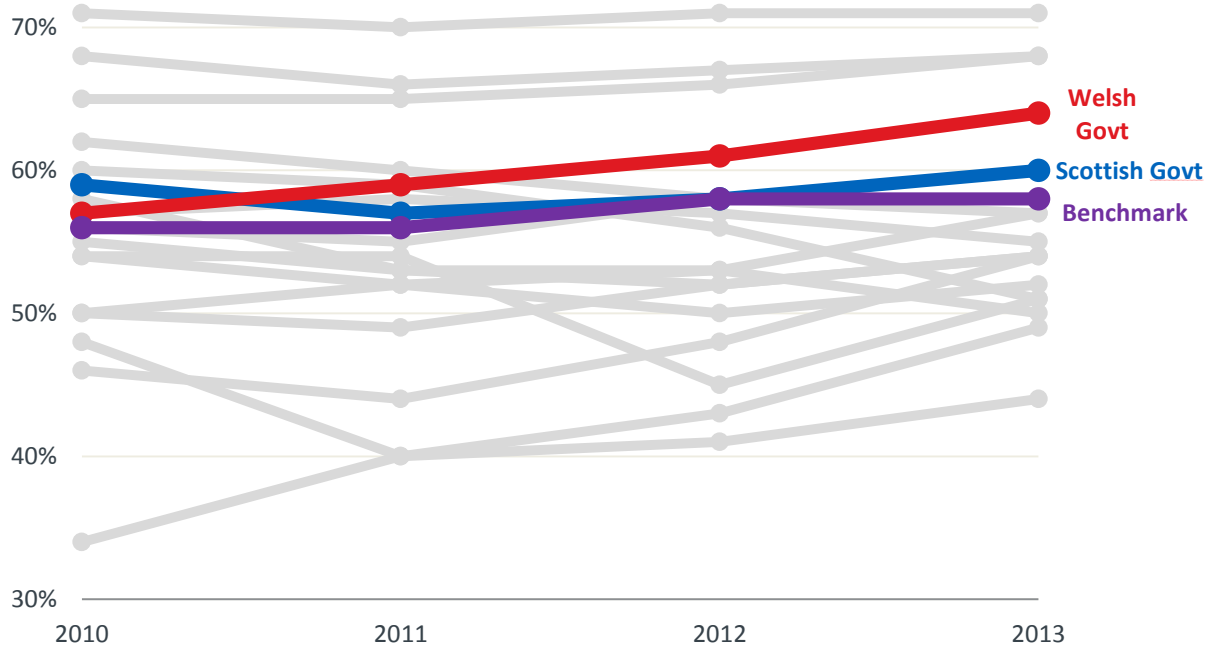
Source: Institute for Government analysis of Civil Service People Survey 2013

When compared to the major Whitehall departments, both the devolved administrations surveyed rank highly in the employee engagement index, though both the Scottish and Welsh Governments are behind the prestigious policy departments of the Treasury, FCO and DfID (see figure 16, which shows results of core departmental staff only – agency staff are excluded).

Both devolved administrations also scored higher than the overall civil service benchmark score (which takes into account the result from a much wider range of organisations than those shown here). In 2013, the benchmark was 58%, compared with 60% for the Scottish Government and 64% for the Welsh Government.

It is known that more senior staff tend to report higher engagement scores, so one reason for the comparatively good performance of the devolved administrations could be the aforementioned higher proportion of senior staff employed by the Scottish and Welsh Governments. However, trend data (presented in figure 17) shows that the devolved governments have improved their position over time, which may reflect other differences in how these governments operate compared with Whitehall.

Figure 15: Engagement index (2010-2013)



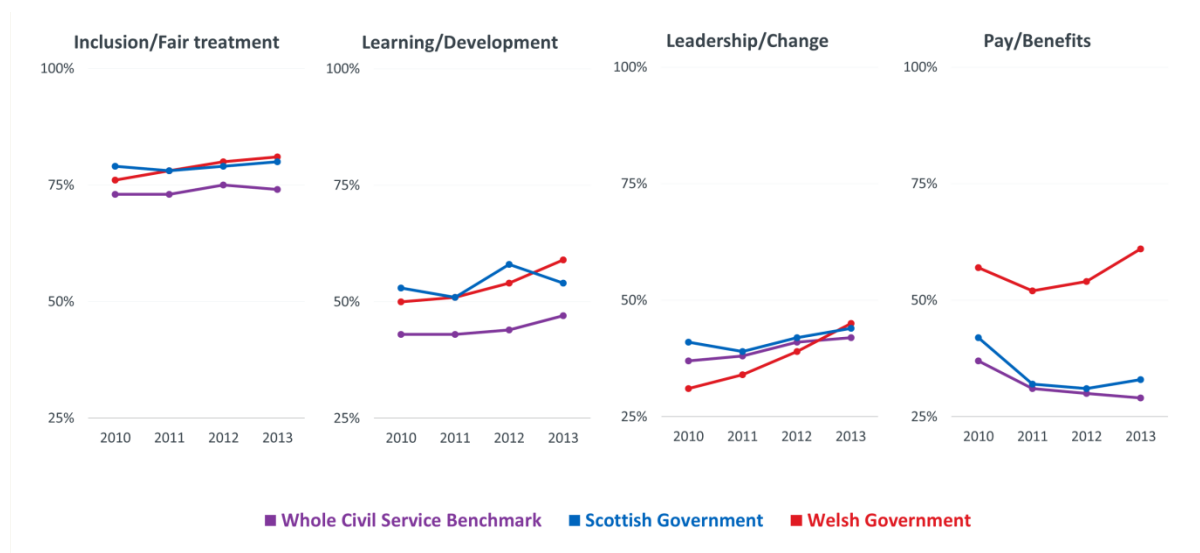
Source: IfG analysis of Civil Service People Survey 2010-2013. Scores for all UK departments are given, with the Benchmark scores and those for Scottish and Welsh Governments highlighted.

Over the four years that the standardised system-wide Civil Service People Survey has operated, the Welsh Government has improved its relative and absolute position each year.¹⁵ Since 2010 the Civil Service Benchmark figure for overall engagement has risen from 56% to 58%, but in that period the Welsh Government figure has risen from 57% to 64%, pulling clear of the Scottish Government, which has risen just 1 percentage point (from 59% to 60%) in this time.

Underlying the headline engagement scores are separate category scores on nine identified 'drivers' of staff engagement.

¹⁵ A version of the survey was first carried out in 2009, but this did not include the Welsh Government – to allow comparison we have not included 2009 data here.

Figure 16: Selected drivers of engagement (2010-2013)



Source: Institute for Government analysis of Civil Service People Survey 2013. Only the civil service benchmark and the scores for the Scottish and Welsh Governments are shown here.

Between 2011 and 2013 the Welsh Government has seen year-on-year increases in every category (figure 18) and in 2013 outperformed the civil service benchmark across the piece. The Scottish Government scores were on average below the Welsh, but above the civil service benchmark. In 2013, the Scottish Government exceeded or equalled the benchmark in all categories.

The most striking results are in the ‘Pay and Benefits’ category, where the Welsh Government reports far higher staff satisfaction (61%) than all UK departments as well as the Scottish Government, whose own scores in this category have declined from 42% in 2010 to 33% in 2013. The civil service benchmark has fallen to just 29%.

The ‘Leadership and managing change’ category is the second lowest scoring category overall in 2013 (though it has been improving year-on-year since 2010), with a benchmark score of just 42%. Over the 2010-2013 period, the Welsh Government has reported steadily improving scores and having been among the poorer performers, it now reports a score of 44%, equal with the Scottish Government (44%) and ahead of the civil service benchmark (42%) for the first time.

Also worthy of note is the ‘Inclusion and fair treatment’ score, where the two devolved administrations rank ahead of all the major Whitehall departments. In 2013, the Scottish and Welsh Governments reported scores of 80% and 81% respectively, compared with a benchmark of 74%.

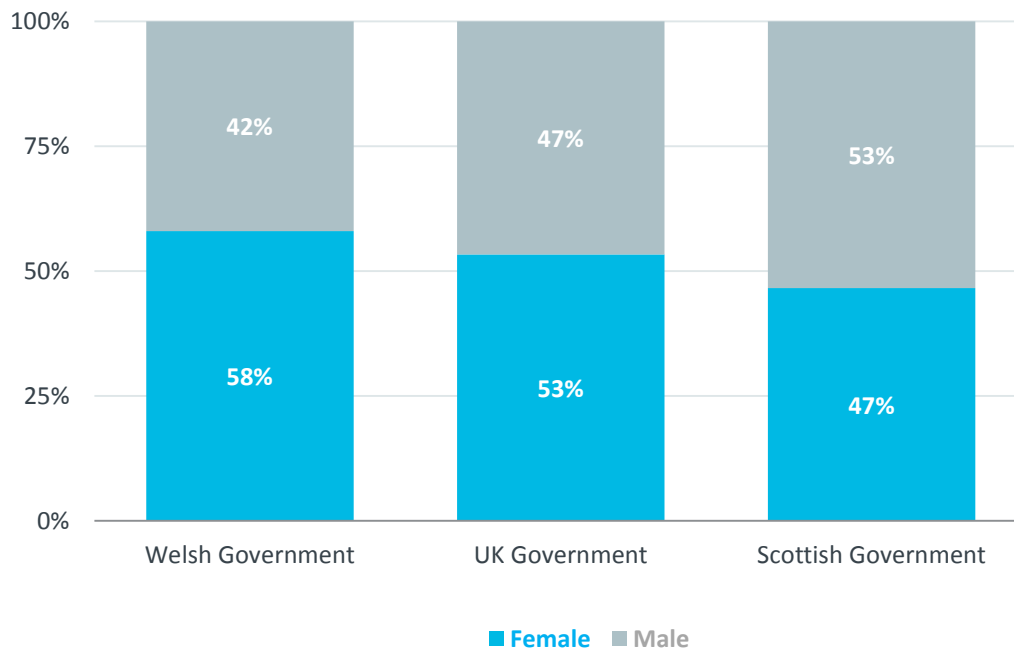
Finally, on ‘Learning and development’ the Welsh Government again does well, with an equal top score (with DfID) of 59%, compared with a benchmark of just 47%, while the Scottish Government remained among the higher performers with a score of 54% in 2013.

Overall, the data suggests some notable differences in staff attitudes and satisfaction between the UK and devolved governments, typically with the devolved administrations doing better than most of Whitehall, and with the Welsh Government showing improvement across the board. Discussion of the causes of these differences would take further research. So too would informed comment on whether these differences in staff attitudes signify any emergent divergence between the three administrations in terms of culture, management style or reform agendas.

Diversity

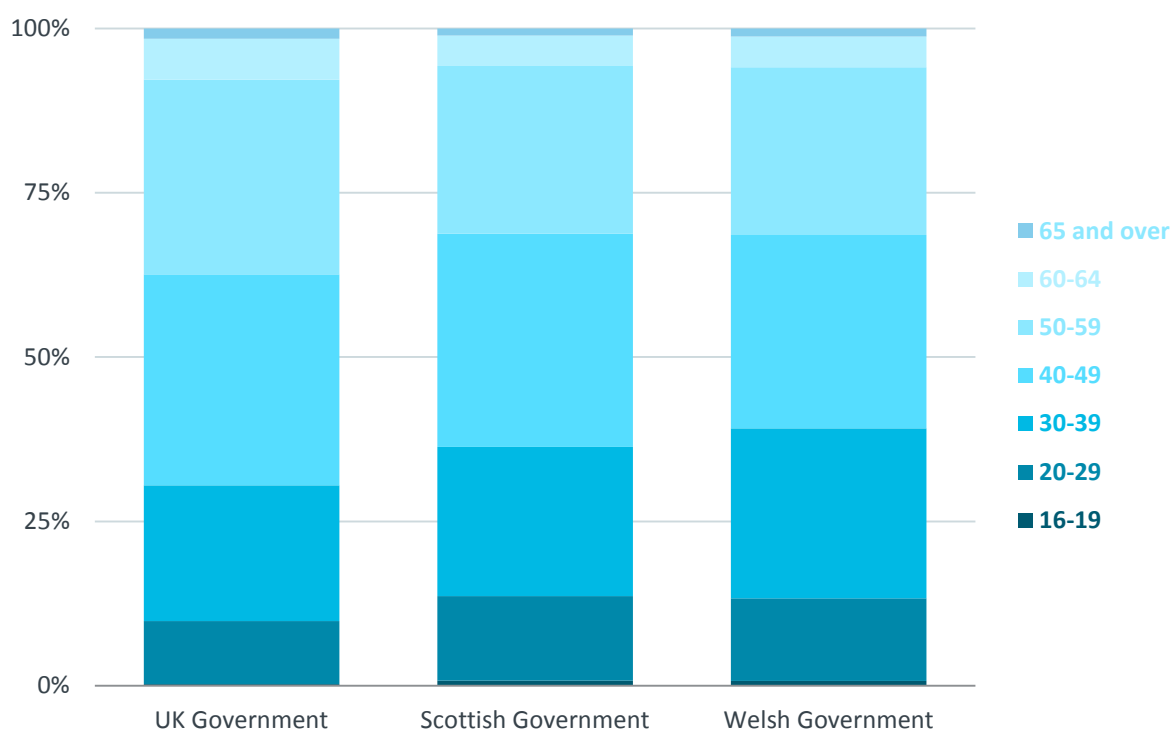
In this final section (in figures 19 and 20), we compare the three administrations in terms of two sets of demographic characteristics: those relating to age and gender. The data highlights some marked differences between the Welsh and Scottish Governments, and between the two devolved administrations and the UK Government.

Figure 17: Gender split by administration (Headcount) (Q1 2013)



Source: Institute for Government analysis of Civil Service Statistics 2013 using NOMIS. 'UK Government' includes all departments and departmental groups, and excludes the Scottish Government and Welsh Government.

Figure 18: Age split by administration (Headcount) (Q1 2013)



Source: Institute for Government analysis of Civil Service Statistics 2013, via NOMIS

The data show that the Welsh Government has the highest proportion of women (at 58%) of the three comparators, compared with 53% for the UK government and 47% for the Scottish Government (although the Scottish gender balance is somewhat skewed by the disproportionately male composition of the prison service, which makes up a quarter of the overall Scottish Government headcount). In terms of the three administrations' respective age profiles, both the devolved administrations are younger than the UK civil service, with a larger share of staff in their twenties and thirties and fewer staff aged over 50.

Conclusion

We have highlighted the complex nature of the relationship between Whitehall and the different parts of the UK. Each UK government department has its own distinct territorial profile in terms of where its spending programmes apply and where staff are located. This means that devolution-sensitivity is required across Whitehall but also that each department faces a different set of challenges and issues in dealing with the devolved nations.

From the perspective of the three devolved nations, we found that the level of civil service capacity located in each territory varies significantly. In both Scotland and Wales, civil servants working for the devolved governments are outnumbered by UK officials, while in Northern Ireland the bulk of the civil service population works for the devolved administration.

In Scotland at least, the balance between UK and devolved officials has changed over time, with the Scottish Government growing, while large UK departments such as DWP and the MoD have scaled back their presence. Officials working for the UK Government but based in Scotland, Wales or Northern Ireland are also disproportionately likely to come from more

junior grades (meaning that an independent Scotland might well inherit more administrators and fewer policy-makers than its new independent civil service would need).

Finally, we have highlighted some interesting differences between the UK and devolved governments in terms of their civil servants' composition and attitudes. However, further research would be needed to establish whether these differences have had any significant effects on the way the administrations interact. In the next phase of the Institute for Government's research in this area, we will be examining in more detail how the UK and devolved governments relate to each other, and will seek to identify whether cultural or structural differences between the administrations have any bearing on how and how effectively they interact and work together.

Annex. List of departmental acronyms

Acronym	Department Name
BIS	Business, Innovation and Skills
CO	Cabinet Office
CxD	Chancellor's Departments (HMT + HMRC)
DCLG	Department for Communities and Local Government
DCMS	Department for Culture, Media and Sport
DECC	Department for Energy and Climate Change
Defra	Department for Environment, Food and Rural Affairs
DfE	Department for Education
DFID	Department for International Development
DFT	Department for Transport
DH	Department of Health
DWP	Department for Work and Pensions
FCO	Foreign and Commonwealth Office
HMRC	Her Majesty's Revenue and Customs
HMT	Her Majesty's Treasury
HO	Home Office
MoD	Ministry of Defence
MoJ	Ministry of Justice
NICS	Northern Ireland Civil Service
NIE	Northern Ireland Executive
SG	Scottish Government
WG	Welsh Government