



The heart of the problem

A weak centre is undermining the UK government

Alex Thomas

Summary

The United Kingdom is a highly centralised state and policy decisions made in Westminster have consequences for citizens across the country. That is particularly true during a pandemic when extreme restrictions on everyday life are imposed with the stroke of a ministerial pen. But for such a centralised system the heart of government that directly supports the prime minister is weak. The prime minister's team is underpowered, especially compared with the Treasury, lacking the tools to set direction and to hold the rest of the government to account. This paper considers the effectiveness of Number 10 and the Cabinet Office and sets out ways to improve how they work.

Introduction

Prime ministers of the United Kingdom are powerful. For as long as they maintain the confidence of their cabinet, their party and a majority in the House of Commons, they can hire and fire ministers at will, make direct interventions in government departments and reorganise the system to work for them as they see fit. But the administrative support they receive is limited, meaning that the exercise of that power is not as effective as it should be.

This paper argues that the prime minister's job is made harder because the symbiotic institutions that give him or her direct support – No.10 and its departmental host, the Cabinet Office – are too weak. This frustrates prime ministers and their close advisers because it impedes the implementation of a government's programme. It makes for incoherent and conflicting policies, obscures clear lines of accountability among ministers and civil servants, hinders the delivery of the most important cross-cutting work and, perversely, inhibits devolution and decentralisation of authority.

By international standards the Cabinet Office and No.10 offer limited policy and implementation support to the prime minister,¹ meaning that the UK has the worst of all worlds: a highly centralised system of government without the capacity to organise it from the centre.

There is also a tension in commentary on British government between recognising the benefits of dispersing power but at the same time demanding "grip" from the prime minister, especially when things go wrong. When a programme is not being implemented as a prime minister demands, or during a crisis, there is an instinctive swing back towards centralisation.

A prime minister must recognise from the start that it is impossible to do everything from No.10. Most things cannot be run from the very centre of government. And a prime minister who does not hear opposing views and have his or her instincts tested with argument and criticism will make more mistakes and lose touch with the reality and complexity of government. A government's programme will be best served by setting clear objectives and then largely handing decisions to others. But at the same time a prime minister needs a support structure that allows him or her to set direction, identifies critical points for intervention and holds departments, their agencies and other tiers of government to account for running things effectively and making change happen.

It is hard for incoming prime ministers to appreciate how their plans are translated into action. They tend at first to assume that their political influence will naturally make changes happen.² However, raw political power is not enough to run a government.

The prime minister was right to ask Sir Michael Barber to review the effectiveness of the arrangements for making things happen in government.³ As a contribution to that effort this paper sets out four recommendations that would make the centre of government more effective. Most are not completely new, some are partially but not fully in place, and all reflect the fact that governments would benefit from learning more from the successes and failures of their predecessors:

- The prime minister should strengthen the Cabinet Office's role in agreeing the government's policy programme. Early in his or her term the prime minister should set out the government's objectives clearly, seek explicit cabinet agreement for the government's programme, then invest personal time in holding ministers to account for delivering it. The cabinet secretary in turn should hold permanent secretaries to account for how well their departments implement that programme through regular formalised stock takes.
- As part of its sign-off to the programme the cabinet should agree a small number of top cross-cutting priorities, the delivery of which is then led by teams based in the Cabinet Office working under the direct authority of the prime minister.
- The prime minister and the cabinet secretary should set up a new, strong central delivery unit to support the above.
- The cabinet secretary and government chief operating officer should have more responsibility for running the civil service, including authority over the functions that provide cross-cutting services within government departments, such as finance, digital and human resources.

These changes are a modest evolution of current practice. But if adopted they would reinforce the authority of the Cabinet Office as the place where the government's programme comes together and as the primary mechanism inside government for holding departments to account. They would align the lines of ministerial and civil service accountability and mean that the prime minister had more confidence in progress being made on the government's agenda.

Structural changes, though, can never be a substitute for sustained prime ministerial attention. The power of the Cabinet Office and No.10 ultimately depends on the willingness of the prime minister to personally invest time in building and maintaining its strength.

The departmental structure can work well

The government of the UK is organised around departments, each with a secretary of state or equivalent to publicly lead the organisation and set policy direction, and a permanent secretary who manages the civil service staff. While departments evolve and prime ministers are often tempted to make 'machinery of government' reforms (whether to satisfy the status demands of cabinet ministers or to try to improve the effectiveness of government) this core departmental structure has solid historical roots.

In the 17th and 18th centuries, British government was organised into a Southern Department, responsible for domestic policy, colonial policy and foreign affairs in southern Europe, and a Northern Department, which covered business in northern Europe. In 1782 the functions of these departments were transferred to a new Home Office and Foreign Office, and the departmental structure we know today began to form. The Cabinet Office took shape during the First World War with Lloyd George's reforms to the centre of government, and other modern departments evolved with the development of the welfare state and an expanded role for government through the 20th century.

In this structure, secretaries of state sit at the top of their departments and are accountable to parliament for their performance. They are also accountable to the prime minister who hires and fires them. Prime ministerial power in the British system has grown over time, as has the influence of political parties, but the fundamental legislative powers of the state have not changed and are held by secretaries of state. This means that significant formal powers remain vested in departments, rather than the prime minister.

In the parallel civil service structure, permanent secretaries are accountable to their secretary of state but also to the cabinet secretary and head of the civil service, who has a major role in their appointment and dismissal, as well as managing them day to day. Permanent secretaries in their 'accounting officer' role have specific duties to parliament to ensure the efficient and effective spending of public money.

There is no formal description of what the prime minister can require his or her cabinet to do, or what the cabinet secretary can direct permanent secretaries to do. In practice, the prime minister's relationship with a secretary of state is shaped by their respective political status and power. That determines how strong No.10 is in relation to departments.

The cabinet secretary's relationship to permanent secretaries is different. He will judge a permanent secretary's performance according to whether his or her minister is satisfied, by looking at feedback on how effectively the permanent secretary has run the department and by assessing the contribution he or she has made to the leadership of the civil service.

This minister–civil servant arrangement has been stable, existing in its essence since at least the end of the Second World War and arguably for much longer. There have been incremental reforms, including formalising the statutory basis for the civil service in the 2010 Constitutional Reform and Governance Act, but the structure has remained fundamentally the same.

This continuity shows the resilience of the existing structure and its longevity reflects, in part, its undoubted strengths. When important issues fall clearly within a departmental remit and ministers give them time and attention, problems tend to get solved. It is in departments that the vast majority of work in government gets done.

The way that departments are organised also allows for direct parliamentary accountability for ministers. Where an issue falls squarely into the remit of a single department, its secretary of state is on the hook for defending the government’s approach in parliament, whether under questioning in the chamber or in select committees. On the civil service side too: where a policy and its implementation fit neatly into one lead department, there is organisational clarity and – if the department organises itself effectively – properly defined responsibility for success and failure.

The Cabinet Office and Number 10 are under strain

But there are weaknesses in the system. Recent governments have found it difficult to set direction from No.10 and the Cabinet Office. Ministers in the Cabinet Office, up to and including the prime minister, are surprised by its weak delivery capacity and inability to address cross-cutting issues. Countries such as Australia, Canada and Germany all have a larger support team for their prime minister.

The Cabinet Office has been quite successful at co-ordinating activity. Its secretariats broker agreements across departments and help ministers find compromises on matters from energy policy to Brexit negotiations. Every significant government intervention will have been through the Cabinet Office in one form or another. This co-ordination can be more successful in the UK than in some other countries. For example, German departments have far more independence and less effective co-ordination mechanisms.

But No.10 and the Cabinet Office have a limited capacity at ministerial and senior civil service level to lift decisions above lowest common denominator compromise. Doing more than brokering is heavily reliant on the prime minister asserting personal political authority. Even with a strong minister for the Cabinet Office it is too easy for secretaries of state to depart from an agreed course of action, either deliberately or through drift and inactivity.

Where policy is internally contested it can be very difficult for a prime minister to corral his or her government to deliver it. Theresa May was unable to make progress on her plans to create more grammar schools because of private opposition from her education secretary, who had signed off on the policy in public;⁴ Tony Blair was frustrated at the pace of public service reform; and even Margaret Thatcher found

it hard to set economic policy when her chancellor was opposed. Successive prime ministers (and indeed chancellors) have failed to restrain the Ministry of Defence's procurement and spending. None of this is to say that strong cabinet ministers arguing their case within government is a problem, but No.10 and the Cabinet Office need the means to ensure that policy approaches, once agreed, are implemented.

Alongside the political and policy constraints of the current system, the cabinet secretary's powers to drive implementation are limited. It is not for him to tell departmental ministers what to do, but he does need to be able to hold permanent secretaries to account for making sure their departments are capable of implementing a policy programme that has been collectively agreed by the cabinet. The cabinet secretary has considerable influence over hiring and firing and performance management of permanent secretaries, but most of his power is reliant on his personal influencing and leadership skills.

The current cabinet secretary, Simon Case, shares the management of permanent secretaries with Sir Tom Scholar, permanent secretary at the Treasury, and Alex Chisholm, chief operating officer of the civil service and permanent secretary at the Cabinet Office. On issues where these three senior permanent secretaries are aligned this arrangement should strengthen the ability of the centre to hold the heads of departments to account for the success of their policy, finance and implementation programmes. But ultimately if a departmental head chooses to resist demands from the centre and has the support of their secretary of state, the authority of the Cabinet Office even on management and structural issues is limited. Permanent secretaries consider themselves semi-autonomous heads of their organisations – understandably so given that, as accounting officers, they are personally responsible to parliament for much of the operation of their department.⁵ That is in conflict with the cabinet secretary's responsibility, as head of the civil service, for ensuring that the civil service as a whole is best set up to support and enable a government's collective policy programme.

The centre is also constrained when it comes to addressing major long-term cross-cutting issues. In whatever way a government is organised, there will be weak points, difficult relationships and administrative complexity. But repeated efforts to break down departmental barriers to address the most important and most difficult problems have failed. Tackling climate change and reaching net zero carbon emissions, coming to a settled position on social care and implementing it, building more houses and reforming planning law are three examples of policies that reach across departments and where more powerful action is needed. It is increasingly clear that problems like these can be addressed only with clear central direction. That does not mean running everything from the centre, but does mean there needs to be an effective central team to channel the prime minister's political authority and to hold the system to account.

Finally, the running of the civil service is not managed authoritatively enough from the Cabinet Office. It is very difficult for prime ministers and cabinet secretaries to set consistent standards across government. The battles over Verify, the government's identity verification system, or the struggle to impose consistent data standards across departments show how hard it is to impose coherence even on relatively uncontentious political issues.⁶ There are inefficiencies, discrepancies and duplication in service provision across departments, and the cabinet secretary does not at present have sufficient authority to require departments to adopt consistent standards on human resources, training and recruitment, IT and technology, finance and accounting, and security.⁷

The power to implement these standards is currently fragmented across government. Some of it does rest with the cross-cutting functions in the Cabinet Office, but in practice the Cabinet Office can make things happen only with the consent of the Treasury, and even then large departments with their own specialist functions can block reforms. It is right that the Treasury and individual departments are consulted on how the functions operate, but the final decisions need to rest with a clear individual – and that should be the cabinet secretary, or head of the civil service (if the functions are split).

The weakness of the Cabinet Office and No.10 is brought into contrast by the power of the other part of government typically referred to as 'the centre': the Treasury. This institution, with its control of budgets and economic policy, shows that central departments do not have to be large to be important, and that in Whitehall institutional status makes a major difference to departmental power and effectiveness.

The prime minister can at times act as a counterweight, but No.10 and the Cabinet Office are regularly outgunned by officials at the Treasury on the essential task of resource allocation. That gives the Treasury power both in prioritisation and especially in blocking initiatives of which the chancellor or Treasury officials are sceptical. It means the Treasury's 'negative' power of stopping things happening can be stronger than the prime minister's to pursue a positive agenda. Where a prime minister and chancellor are closely aligned, this means the centre of government as a whole can set a direction and push things through. Where ministers at the top of government are at odds it is, more often than not, the chancellor who gets his way. That creates an unbalanced relationship where the orthodoxies of the Treasury are not sufficiently challenged.

This is not to claim that the Treasury is wrong in its policy or economic prescriptions, or that it should not win Whitehall debates. Rather, the problem is that the prime minister's support structure is not able to reflect his or her position strongly enough in those arguments. For example, Theresa May, particularly after cabinet secretary Sir Jeremy Heywood's medical retirement and untimely death, lacked the support to argue for higher spending with Philip Hammond's Treasury.

The coronavirus and Brexit response illustrate the Cabinet Office's weakness

Compounding the systemic weakness at the centre of British government, the Cabinet Office and No.10 have been put under pressure during the coronavirus response, and before that by the UK leaving the EU. Both were major challenges for the state, and both responses were characterised by too much firefighting and not enough direction setting. The centre of government needs to get better at working out what is really important and focusing its interventions, resources and accountability structures accordingly.

During Theresa May's time as prime minister, the centre was unable to provide strong enough support or long-term direction because of a split cabinet and political paralysis over Brexit policy. More recently the sheer scale of the coronavirus response has overwhelmed the ability of the Cabinet Office and No.10 to set meaningful priorities and to think with foresight about future challenges. The capacity of the centre to respond to an immediate crisis at the same time as keeping focus on medium and long-term strategic objectives has been shown to be lacking. At a time of crisis there is less need to incubate and catalyse change – because change is a constant – but building a stronger strategic function in the centre would mean that the government would be better placed to shape that change and bend it towards its core political priorities.

Resolving disputes and unblocking problems remain a core part of the Cabinet Office's job but, again, the scale of the coronavirus and Brexit work has tested what is a small co-ordinating secretariat function at the heart of government. The economic, domestic and foreign affairs teams are too small to keep on top of the scale of the decisions needed. Steps to centralise and merge secretariats are a distraction – this is one area where the high-quality people already in the Cabinet Office need to be supplemented with more skilled resource. Strains between No.10 and the Cabinet Office secretariats are also deeply unhelpful. No.10 needs to recognise that while the Cabinet Office has a responsibility to broker and service the whole cabinet, it works most effectively when lined up behind the prime minister's programme.

Holding departments to account for their performance has been the weakest part of the centre in recent years. Individuals in the Prime Minister's Implementation Unit have done their best to plug the gap but have been working in an unclear and under-powered structure. David Cameron's decision to abolish the delivery unit in the Cabinet Office has never fully been reversed, and the centre badly lacks a strong implementation function acting under the prime minister's direct authority.

The scale of the coronavirus and Brexit challenges has also been difficult for the Cabinet Office communication function to address. This government is building capacity and – until recently at least – had plans to centralise communication teams. But the main objective for the centre should be developing and disseminating the right cross-government messages rather than micro-managing departments. It remains to be seen whether the government’s mooted changes will do much to genuinely strengthen the effectiveness of government communications.

The ability of the Treasury to allocate financial resources has held up, largely because it has rapidly made vast amounts of money available. Its function will be tested more over the coming year. While the Cabinet Office is better placed to reallocate people as a result of its brokering role during EU exit preparation, the human resources function is not strong enough to assert itself when all departments are – understandably – demanding urgent additional resource. But again, the focus has until recently been on the short term – the government’s priorities of ‘levelling up’, getting on the path to net zero and investing in public services have had to take a back seat.

The prime minister should build a more effective centre of government

To make the centre of government more effective, the Cabinet Office, No.10 and the Treasury need to focus on building up their capacity on the core functions that are essential for government to work effectively, and which can be organised properly only from the centre. The Institute for Government’s 2014 report *Centre Forward*⁸ identified six areas where a prime minister needs support. The current set-up at the centre of government is better at providing some of these than others.

1. The Cabinet Office and No.10 must be able to provide policy advice and support to give the prime minister his or her own perspective on major decisions, and to challenge departmental views where necessary.
2. They need to be able to set longer term policy direction. Only the authority of the prime minister can set strategic direction, decide between competing priorities, and allocate responsibilities to departments and their satellite bodies.
3. The Cabinet Office needs to continue to use its authority to co-ordinate, resolve disputes and unblock government policy and implementation. Its dispute resolution function is important, as is the capability to take the highest priority cross-cutting issues away from departments where progress is not being made.
4. The Cabinet Office should hold departments accountable and provide progress assurance. This is achievable primarily through the prime minister having the authority and support structures to ensure that his or her secretaries of state are properly responsible for implementing government policies, but also using the office of the cabinet secretary to check that permanent secretaries are mobilising their resources.

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5. Incubating and catalysing change is important, where No.10 and the Cabinet Office challenge the traditional departmental ways of doing things and provoke shake-ups on methodology, process or policy approaches.
 6. Finally, No.10 must take the lead on communication, setting out and disseminating clear and consistent messages and allowing the prime minister to set a coherent narrative for government.

Centre Forward also noted the importance of contingency planning and crisis management, which remain – for obvious reasons – a function of immense importance, as does the intelligence co-ordination and synthesis performed by the National Security Secretariat and Joint Intelligence Committee.

There is one other area where the Cabinet Office has, along with the Treasury, taken on a bigger role since 2014. The centre allocates, reallocates and mobilises resource, both human and financial. This is primarily a function of the Treasury, but a strong centre in which No.10, the Cabinet Office and the Treasury are aligned should be able to match resources to the priorities directed by the prime minister and collectively agreed by cabinet. The cabinet secretary and chief operating officer (who is also the permanent secretary for the Cabinet Office) are responsible for making sure the Cabinet Office and No.10 are fit to carry out these functions.

There are four reforms for the prime minister to prioritise

The solutions to the problems identified do not require a dramatic revolution at the heart of government, or a wholly different conception of central–departmental management. But there are changes that would improve the effectiveness of the relationships between the prime minister and secretaries of state, and between the cabinet secretary and permanent secretaries in departments.

The centre has a key role in how the government makes policy, how that policy is implemented and how the civil service is run. None of those areas requires central control for the sake of it, but the prime minister can make some changes to the Cabinet Office to get the government’s programme implemented more effectively.

The solutions needed are in relative terms straightforward compared to the complexity of the rest of government. But successfully making changes depends on the willingness of the prime minister and the cabinet secretary to follow through. These two figures can make changes to the centre if they work together and both want reform to happen. The prime minister can drive the political and policy agenda while the cabinet secretary makes the civil service run smoothly. Both roles are essential to good government.

1. Strengthen the Cabinet Office's role in signing off the government's policy programme

Governments come into office with a manifesto to work through, and prime ministers and secretaries of state have particular projects they want to achieve. Some administrations – notably the 2010 Conservative–Liberal Democrat coalition, which recorded its agreement – set out a programme for government that refines their plans and sends a clear signal to ministers and civil servants about what they want to deliver. This worked well from 2010–15 and all new governments would benefit from it. Manifestos give departments a shopping list of policies to start to implement, but rarely do they give a sense of priority or significance, and may change or be constrained depending on an election result.

Recent prime ministers have taken to writing periodic private letters to members of their cabinet setting out their priorities. That has tended to happen at the beginning of their term and after a reshuffle, but also when leaders feel that their government needs an injection of focus and pace. The seriousness with which this is taken depends on where the government is in a political cycle, the prime minister's power and status with their cabinet and individual secretaries of state, and the normal internal government process of debate and negotiation. This ad hoc approach works tolerably well for a strong prime minister, but even when their political capital is high it has two failings: it is a closed process, adding nothing to public understanding of a government's priorities; and it does not adequately address policies that cross multiple departments.

Prime ministers should take things a step further. They should lead a process by which the cabinet explicitly endorses and then publishes a policy programme, binding secretaries of state into its delivery. The prime minister then holds secretaries of state responsible for delivering their part, including making the policy decisions to support the programme; the cabinet secretary holds permanent secretaries responsible for organising their departmental civil servants to implement it.

Versions of this have been tried before. Labour in 1998 introduced public service agreements with some success, and the coalition government tried single departmental plans, which were less effective – largely marginalised and ignored.* A clear, focused statement of what the government will deliver and by when would set the tone for an administration. It could be periodically refreshed perhaps in line – in calmer times – with planned spending reviews.

* The Institute for Government has argued that the Treasury should have an enhanced role in using these mechanisms to hold departments to account for their performance in Wheatley M, Kidney Bishop T and McGee T, *The Treasury's responsibility for the results of public spending*, Institute for Government, 2019, www.instituteforgovernment.org.uk/publications/treasury-responsibility-public-spending

2. Give the Cabinet Office responsibility for cross-cutting programmes

When the cabinet signs off on the government's programme it must also explicitly address major cross-cutting programmes, particularly identifying the most important priorities. With the current approach, one department often does not have enough clout to cut through objections from others or to impose its and the prime minister's will. Lead departments for cross-cutting programmes, often aligned with the centre, can be undermined at ministerial and civil service level with objections leading to death by a thousand cuts. This can be seen across almost every recently identified cross-cutting priority area, including plans for achieving net zero (see the Institute's report *Net Zero: How government can meet its climate change target*⁹) and levelling up, with the latter at present little more than a branding exercise. Social care is another desperately neglected cross-cutting policy area, despite having been identified by successive governments as a priority.

The UK government has not proved effective at tackling these long-standing cross-cutting problems. On these most important issues the departmental structure has produced less than the sum of its parts. Governments – as part of the collective cabinet agreement above – need to set out the most significant cross-cutting policy objectives at the start of their term, bring lead responsibility for them into the centre and invest prime ministerial power in making changes happen. Of course, not everything should be done in the Cabinet Office but on these few issues the prime minister should override departmental sensitivities and be clear that they will be his or her personal priority. The civil service should then create a specialised unit that has responsibility for the issue. Its two core roles would be to set direction on the policy and to bring departmental teams together. It would be headed by a senior official and include analysts and – particularly – implementation specialists as well as policy makers.

3. Build a powerful implementation unit

For policies to be effective, in development they must be informed and shaped by how they are to be implemented. The means of delivering a policy needs to be built into the conception of the policy itself. Separating the implementation from policy leads to failed policies and allows policy makers – ministers and civil servants – to evade responsibility for the effectiveness of a government's programme. The centre of government has an important role in holding departments accountable for the implementation of core parts of the government's agenda.

Before the cabinet signs off on any policy as part of a government's overall programme, the lead minister must take a realistic view about the extent to which the policy is deliverable. It is the role of the Cabinet Office, in advising the prime minister and the cabinet as a whole, to ensure that implementation has been properly considered and that everybody is clear about what is and is not possible, and over what timeframe. That conclusion should be challenged and tested by ministers, special advisers and delivery specialist civil servants but, once agreed, ministers and civil servants should be signed up to implementation.

In recent years, particularly since David Cameron abolished the Blair and Brown era delivery unit, and even more so since Brexit became the driving preoccupation of government, the Cabinet Office and No.10 have not been strong enough to hold departments accountable for implementation. The capacity to progress, chase and hold to account both ministers and civil servants for top priority projects has been eroded, even where projects sit cleanly in one department.

The answer is to explicitly strengthen the power of the centre to make implementation happen and to hold departments to account. At a minimum that will require a strong delivery unit sitting in the Cabinet Office to look at a suite of top priority policies from inception to final implementation. It should include a team explicitly evaluating the success of previous policy interventions. The prime minister will need to invest serious time and political capital in the unit's success, and the civil service should staff it with top performing officials who have a strong understanding of delivery and implementation. If the prime minister's focus drifts or becomes too diluted, departments will stop responding, secretaries of state will feel less accountable and the delivery unit will rapidly lose influence and effectiveness.

The centre must also use the leverage of the Treasury to require departments to account for their performance. The complex and over-burdensome experiment with single departmental plans has failed. They are too long, written in boilerplate to retrospectively describe departmental policy programmes, and ineffective as a tool to hold ministers, permanent secretaries and their teams to account. The Cabinet Office and Treasury should institute much shorter documents with more cleanly described objectives that properly reflect the priorities of the government. Performance should be assessed more frequently on these top priorities, with data flowing directly from the operational and policy teams in a department to the cabinet secretary and prime minister. The public value framework, developed from 2017 to 2019 and fleshed out in the 2020 Spending Review, is beginning to set three or four top priority outcomes for each department. This is the right way to hold departments to account, and the Cabinet Office needs to remain closely involved in its application. This process should remove the need for single departmental plans, freeing up departments to focus on what is most important.

The cabinet secretary and government chief operating officer should also enhance the role of the Infrastructure and Projects Authority to strengthen their ability to oversee and hold departments to account for their project delivery. What is currently a centre of expertise and an advisory and reporting function should be even more involved in the active management of the top priority policy initiatives as well as major operational projects. The criteria for being included in the Government Major Projects Portfolio should be broadened from being primarily based on cost and complexity, to include more high priority policy interventions.

4. Give more responsibility to the cabinet secretary and chief operating officer for running the civil service

The cross-government 'functions' – the parts of government that support departments in actually running the civil service – are lower profile than the classic central brokering and policy co-ordination teams, but they are a core part of the centre and have become more important over time. As the functions have developed, providing professional services and support to departments in areas like procurement, finance, human resources and technology, the Cabinet Office has been able to take an increasingly cross-government view on this essential service provision. There is still some way to go, and some functions are more established than others, but the creation of these teams was one of the more important and successful reforms championed by Francis Maude when he was minister for the Cabinet Office from 2010 to 2015. They have become central to the government's response to Brexit, coronavirus and a host of more minor crises, including the collapse of the outsourcing company Carillion.¹⁰ Their long-term value lies in professionalising and systematising the essential but often overlooked factors that make policy change and day-to-day government successful – project management, digital, commercial, legal and human resources capacity – and building these attributes into government policy making and implementation.

Although ministers from time to time take a keen interest in how well these functions are performing, this is the part of government that civil servants should be held to account for successfully managing. Ministers remain ultimately accountable to parliament for everything that happens in government, and if they take specific decisions about how to manage or reform the functions then it is ministers who need to stand by the consequences of those decisions. But it is entirely reasonable to hold the civil service as a whole, and the head of the civil service and chief operating officer in particular, responsible for the operation of these enabling services.

There are very different approaches to lines of control and accountability across the different functions. The Government Digital Service was built up to be a centrally managed team with its own centre of gravity and authority. The commercial function has a central hub, with experts dispersed across departments but a relatively strong chain of command back into the centre. Human resources is similar, but with less direct authority from the Cabinet Office.

The trend here is – rightly – to develop stronger functions based in the Cabinet Office, and experience has shown that in broad terms the more authority the centre has, the more effective and consistent the service provided. As on policy and implementation, that does not mean that the centre runs everything, but it does mean that it sets standards for quality and skills, plays a leadership and direction-setting role across the civil service, and takes on 'head office' or cross-cutting tasks. Centralisation in this regard also means that the heads of functions – currently with differing status and control – can be held accountable by the chief operating officer and the cabinet secretary for their function's performance.

This authority needs to be built up across all the functions. Functions in departments must have a direct line into the head of function based in the Cabinet Office, who reports to the cabinet secretary through the chief operating officer. That means that where the cabinet signs off on a change across any of the different functional areas, the cabinet secretary and chief operating officer are able to direct it to happen, and be held accountable for its delivery.

The head of the civil service should also continue the evolution of the Civil Service Board into an active and substantial forum that takes real decisions about the running of the civil service. It should include permanent secretaries as executive members and non-executives to provide advice and breadth of experience.

In this way the civil service would be more directly run by the cabinet secretary and head of the civil service, with his formal authority holding sway across the functional – but not the policy – aspects of government. There would be tensions to manage, as the functional capacity of the state is inevitably associated with the constraints and opportunities of a government’s policy programme, but responsibilities would be clearer and functions more effectively run.

Strengthening the prime minister’s tools for holding the rest of government to account will make it easier to give power away

Focusing on strengthening these core functions is not to argue for complete central control and should not even require a much larger No.10 or Cabinet Office. The centre should not be doing the work of departments or setting up shadow teams to second guess departments on agreed policy. As part of allocating responsibilities a confident centre should also be able to hand power to agencies and authorities at more distance from central government. Getting the structures right in the heart of government unlocks the dispersal of power within, and beyond, central government.

A stronger Cabinet Office should not mean more direct centralisation of power or responsibility or be used as cover to take decisions further away from the citizens the government represents. Making sure that No.10 and the Cabinet Office are focused on their core functions, and giving the prime minister confidence that departments are being held to account for delivering the government’s top priorities, should in fact be a spur for more decentralisation as well as the cue for a more mature relationship between central government and sub-national administrations.

Of course, that requires a genuine desire on the part of the prime minister and his or her government to decentralise. The prime minister should take the opportunity to develop a model in which a government comes into office, sets its priorities, agrees budgets to deliver them and then holds departments and delivery bodies accountable for refining the policy detail and then implementing its programme. And that requires a strong centre with enough capacity to look beyond the day-to-day political and media squalls to what is actually being done across government.

Conclusion

A core role of No.10 and the Cabinet Office is to set a coherent programme for the government, and then to hold departments to account for delivering it. Both functions are currently too weak. That does not mean sidelining departments from policy making, or running everything from the centre, but it does require sustained political and administrative focus from No.10 and the Cabinet Office. That should be enabling not disabling. This government has shown signs of creating the worst of all worlds where, with weak ministers and a cowed civil service, a dominant centre disempowers and clogs up activity.

Instead, the government should prioritise creating an effective Cabinet Office, supporting a small but powerful No.10. This need not be controversial. The Cabinet Office, No.10 and to some extent the Treasury must focus on setting priorities, (re)allocating resources and mobilising departments, giving consistent and coherent messaging, looking ahead to spot and troubleshoot problems, to quality-assure policies and delivery plans, to find gaps and inconsistencies in the government's programme, act as a broker and adjudicate disputes, and determine a common evidence base.

Much of that activity happens at the moment. But it is inconsistent and underpowered. As set out in this paper there are a relatively small number of specific changes the government could make that would improve management from the centre, reduce prime ministerial frustration and lead to more effective government.

References

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About the author

Alex Thomas

Alex is a programme director at the Institute for Government. He was a civil servant from 2003–2019 and has worked in the Department for Environment, Food and Rural Affairs, the Cabinet Office and the Department of Health.

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**Institute for Government, 2 Carlton Gardens
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